



# United Steelworkers of America

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**Leo W. Gerard**  
*International President*

July 18, 2003

United States Senate  
U.S. House of Representatives  
Washington, DC

Dear Democratic Senator/Representative:

The United Steelworkers of America has outlined its substantive objections to the Chile and Singapore Free Trade Agreements in previous letters sent July 9 and May 22 of this year. However, despite the woefully inadequate labor rights provisions, the disturbing incursion by the USTR into Congressional prerogative on immigration laws and the open-ended Integrated Sourcing Initiative (ISI) - among other deficiencies - we continue to hear that these agreements will pass by a wide margin.

This is deeply disturbing. At a time when our trade deficit is ballooning, our manufacturing sector is hemorrhaging jobs, our economy is struggling and the Administration and Republican Leadership are systematically attacking U.S. workers' rights at every turn - **it is incomprehensible to me that many of our Democratic friends will hand the Administration and Republican Leadership another victory by helping to pass these agreements.**

We are appreciative of the efforts made during the "mock" mark-ups in the House Ways and Means and Senate Finance Committees to send recommendations to the USTR on the draft implementing legislation that address a few of the areas of concern we have with the Integrated Sourcing Initiative and the immigration provisions. We are also aware and appreciate that many have made clear that these agreements should not serve as a model for future bilateral and multilateral agreements. **But that is not enough to justify support for seriously flawed trade deals at this or any other time.**

By granting fast-tracked Trade Promotion Authority, the Congress entered into an agreement that certain congressional objectives would be followed by the Administration during the negotiation of future trade deals. **The Administration clearly ignored those objectives when it negotiated two provisions never authorized by Congress in TPA;** the Integrated Sourcing Initiative and the temporary entry provisions requested by the business community.

Briefly, the ISI allows certain goods made outside of Singapore to be treated as Singaporean in origin. There can be no other reason for this provision than to facilitate transshipment of products. While the implementing legislation only allows Congress to approve additions to the product list, we believe there is no justification for inclusion of this provision and think this alone should be reason to reject the Agreement.

The far-reaching provisions in both Agreements allowing the "temporary entry" of professional workers has potentially significant negative repercussions for the US. Entirely new visa categories are created that will compound the pressure on our workforce and our economy that faces continuing high unemployment and a stagnating standard-of-living. Again, on their own, these provisions are troubling as they will create substandard employment arrangements with little oversight by the Department of Labor and, as the USTR has indicated, will be the model for future trade agreements.

Unfortunately, the draft implementing legislation and the recommendations sent to USTR do not address the Agreements' inadequate labor provisions. Unlike the US-Jordan FTA, which the USWA supported, both Agreements would roll back the advances in the treatment of labor and environmental provisions that was achieved in the US-Jordan Free Trade Agreement. On labor issues, the Agreements do not require compliance with internationally recognized core workers' rights under the International Labor Organization. And, the Agreements – on both labor and the environment – do not abide by the requirements of Trade Promotion Authority requiring that all issues be treated under similar dispute resolution procedures. Labor and environmental issues are treated as second-class citizens and are covered under standards that are less stringent than current law.

Some have argued that we should ignore these deficiencies since trade with these countries doesn't amount to much and their negative impact on the U.S. will be minimal. That argument is as flawed as the Agreements themselves. At a time of rising unemployment, a declining manufacturing base, escalating trade deficits and other economic threats on the horizon, now is not the time to continue down the wrong path. **The United Steelworkers of America urges you to oppose legislation to implement the Chile and Singapore FTAs.**

Sincerely,

A handwritten signature in black ink that reads "Leo W. Gerard". The signature is written in a cursive, flowing style.

Leo W. Gerard  
International President