

LEGISLATIVE ALERT

April 30, 2019

Dear Representative:

As President Trump prepares to send the new North American Free Trade Agreement (NAFTA) to Congress, I write to share the concerns of America's unions. While the new NAFTA, also known as the United States-Mexico-Canada Agreement (USMCA), makes progress in some areas, the labor movement is united in our judgment that it does not yet meaningfully address what is wrong with the original agreement.

As a preliminary matter, any attempt to advance the deal before Mexico has implemented real labor law reform and demonstrated the capacity to eradicate hundreds of thousands of wage-suppressing protection contracts is premature. The AFL-CIO and our affiliates will oppose any effort to advance a deal before Mexico holds up its end of the bargain.

Assuming that Mexico quickly enacts and implements a robust labor law reform, the question turns to whether the deal before you will provide meaningful benefits for working families in the United States, Mexico and Canada. Without improvements to the text, the answer is no. The deal lacks tools to assure swift and certain enforcement of labor rules. In fact, it literally allows a party accused of violations to preclude enforcement by an independent dispute settlement panel. Without enforcement, any new trade rules simply add insult to injury. They provide a veneer of protections for working families and political cover to advance this deal while keeping in place a system of worker oppression as the prevailing North American economic model.

Importantly, the new NAFTA does little to stop the continued hemorrhaging of U.S. jobs to Mexico across all sectors, including aerospace, electronics and food processing. It also continues to impede country of origin labelling that would let families know where and how their food is produced.

The deal also takes steps backward on a number of issues important to working families, including limiting your ability to lower the cost of prescription drugs. Incredibly, with one in five Americans unable to afford their prescriptions, this agreement would lock in existing U.S. policies that have kept the price of medicines sky high.

In 2007, the Democratic House of Representatives and a Republican administration worked together to improve the texts of four completed trade agreements (two of which had already been signed and two of which had completed negotiations). With NAFTA, the stakes are that much higher. We are confident that with your help, our concerns can be meaningfully addressed through binding and permanent improvements to the text of the deal and a strong implementing bill, including substantial resources devoted to compliance.

Let me assure you: the labor movement wants to get to yes. But we are not there yet. Congress should not vote on a new NAFTA until the text of the agreement is fixed and Mexico has fully and effectively implemented its labor law reforms. We must get this right. I urge you to stand with working families and oppose any efforts to rush through a flawed deal.

Sincerely,

Richard L. Trumka