Congress of the United States

Washington, DC 20515

June 13, 2005

The Honorable Charles E. Grassley, Chair Senate Finance Committee United States Senate Washington, DC 20510

The Honorable Max Baucus, Ranking Member Senate Finance Committee United States Senate Washington, DC 20510

Dear Chairman Grassley and Ranking Member Baucus:

As you know, the Senate Finance Committee meets tomorrow to make recommendations on legislation to implement the United States-Dominican Republic-Central America Free Trade Agreement (CAFTA). We write to express our strong support for an Amendment to be offered by Senators Kerry and Schumer, which will address critical flaws in the workers' rights provisions of CAFTA.

On the ground in Central America, there is overwhelming evidence that weak labor laws and practices allow employers routinely to deny working people basic standards of decency and fairness in the workplace. CAFTA's single enforceable workers' rights provision requires only that countries enforce their own labor laws - laws that the U.S. State Department and the International Labor Organization have repeatedly documented as failing to meet even the most basic international standards: freedom of association, the right to organize and bargain collectively, and prohibitions on exploitative child labor, forced labor, and discrimination.

CAFTA fails to provide dispute settlement mechanisms to protect these basic standards. This failure represents a step backwards from the labor rights provisions of current U.S. law and the U.S.-Jordan Free Trade Agreement. The Jordan agreement allows each one of its labor rights obligations to be challenged under that agreement's dispute settlement and enforcement mechanism. In contrast, CAFTA excludes the vast majority of its labor rights obligations from dispute settlement and enforcement, covering only the requirement that countries enforce their own labor laws.

The result is that the CAFTA as drafted would not require the CAFTA countries to adhere to even the most basic international standards of fairness and decency to working people.

The Kerry/Schumer amendment would address this deficiency by subjecting all of the CAFTA's labor provisions to binding dispute settlement. In this way, the Kerry-Schumer amendment will make significant improvements in the workers' rights aspects of the agreement, and we urge every Committee member to support it.

Thank you for your consideration of our views.

Sincerely,

SANDER LEVIN

Member of Congress

XAVIER BECERRA

Men ber of Congress

SHERROD BROWN

Member of Congress

JOSEPH CROWLE Member of Congress COLLIN PETERSON

Member of Congress

ROBERT MENENDEZ

Member of Congress