



Trade Facts

Office of the United States Trade Representative
Bipartisan Agreement on Trade Policy: Labor
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Labor

Internationally-recognized labor principles incorporated into trade agreements

- Enforceable reciprocal obligation for the countries to adopt and maintain in their laws and practice the five basic internationally-recognized labor principles, as stated in the ILO Declaration on Fundamental Principles and Rights at Work.
 - Freedom of association;
 - The effective recognition of the right to collective bargaining;
 - The elimination of all forms of forced or compulsory labor;
 - The effective abolition of child labor and a prohibition on the worst forms of child labor; and
 - The elimination of discrimination in respect of employment and occupation.
- The obligation refers only to the ILO Declaration on Fundamental Principles and Rights at Work. A violation must occur in a manner affecting trade or investment between the parties.
- Enforceable obligation to effectively enforce labor laws; five basic internationally-recognized labor principles from the 1998 Declaration, plus acceptable conditions of work.
- Violation requires showing that non-enforcement of labor obligations occurred through a sustained or recurring course of action or inaction
- A violation must occur in a manner affecting trade or investment between the parties.
- The agreement does not change the current definition of labor laws in our FTAs and thus applies only to federal labor laws.
- Only a government can invoke dispute settlement against the other government for a labor violation under an FTA.
- Labor obligations subject to the same dispute settlement procedures and remedies as commercial obligations. Available remedies are fines and trade sanctions, based on amount of trade injury.
- As with commercial provisions, panel decisions are not self-executing. That is, they would not alter U.S. law.

United States Compliance with the ILO Declaration

- “The United States recognizes, and is committed to, the fundamental principle of freedom of association and the effective recognition of the right to collective bargaining. This principle is assured by the First, Fifth, and Fourteenth Amendments of the United States Constitution, supplemented by legislation . . .” – Annual Report for 1999 of the United States of America

- “The principle of the elimination of all forms of forced or compulsory labor is clearly recognized in the United States.” – Annual Report for 1999 of the United States of America
- “The United States recognizes the principle of the effective abolition of child labor.” – Annual Report for 1999 of the United States of America
- “The Government of The United States recognizes and is committed to the fundamental principle of the elimination of discrimination in respect of employment and occupation and as it relates to equal remuneration for men and women workers for equal work through existing United States constitutional law.” – Annual Report for 1999 of the United States of America