

103^D CONGRESS
2^D SESSION

H. R. 4271

To provide for the establishment in the General Agreement on Tariffs and Trade of a working party on trade and worker rights and labor standards, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 1994

Mr. VISCLOSKY (for himself, Mr. BROWN of California, Mr. ABERCROMBIE, Mr. ANDREWS of Maine, Mr. APPLGATE, Mrs. BENTLEY, Mr. BERMAN, Mr. BONIOR, Mr. BORSKI, Ms. BROWN of Florida, Mr. BROWN of Ohio, Miss COLLINS of Michigan, Mr. CONYERS, Mr. DEFazio, Mr. ENGEL, Mr. EVANS, Mr. FARR of California, Mr. FINGERHUT, Mr. FROST, Mr. HOCHBRUECKNER, Mr. HOLDEN, Mr. JACOBS, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. KAPTUR, Mr. KLECZKA, Mr. KLINK, Mr. LAFALCE, Mr. LARocco, Mr. LIPINSKI, Mrs. LOWEY, Mr. MARTINEZ, Mr. McCLOSKEY, Mr. MCHUGH, Mr. MILLER of California, Mrs. MINK, Mr. MOLLOHAN, Mr. MURTHA, Mr. NADLER, Mr. OLVER, Mr. OWENS, Mr. PALLONE, Mr. RAHALL, Mr. REGULA, Mr. REYNOLDS, Mr. SABO, Mr. SANDERS, Mr. SAWYER, Ms. SHEPHERD, Mr. STOKES, Mr. TORRES, Ms. VELÁZQUEZ, Mr. VENTO, Mr. WILLIAMS, and Mr. YATES) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide for the establishment in the General Agreement on Tariffs and Trade of a working party on trade and worker rights and labor standards, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Worker Rights and
3 Labor Standards Trade Act of 1994”.

4 **SEC. 2. FINDINGS.**

5 The Congress makes the following findings:

6 (1) International trade, when fair and open, can
7 serve as an important factor in the economic well-
8 being of nations; but the maintenance of a fair and
9 open world trading system requires the enhancement
10 and active enforcement of national and international
11 trade agreements and laws by all trading nations.

12 (2) As the productivity of our trading partners
13 that are developing countries has risen, the ability of
14 many of these countries to export goods cheaply to
15 the United States has been based, in part, upon the
16 violation of internationally recognized worker rights.

17 (3) The exploitation of workers is an unaccept-
18 able means for any country, whether developed or
19 developing, or industry to gain competitive advan-
20 tage in international trade.

21 (4) Exports to the United States from countries
22 which fail to respect internationally recognized work-
23 er rights undermine living and working standards in
24 both those countries as well as the United States,
25 because international corporations can play workers
26 in one country off against those in another with re-

1 spect to wages and work standards in order to mini-
2 mize costs.

3 (5) At various times in the 20th century, inter-
4 national agreements and United States policy have
5 explicitly stated that fundamental worker rights and
6 fair labor standards are necessary to the workings of
7 a fair international trading system.

8 (6) The United States and over 160 other
9 member nations of the International Labor Organi-
10 zation are legally obligated to “endeavor to secure
11 and maintain fair and humane conditions of labor
12 for men, women, and children, both in their own
13 countries and in all countries to which their commer-
14 cial and industrial nations extend”.

15 (7) For decades, United States trade nego-
16 tiators, whether serving in Democratic or Republican
17 administrations, have initiated discussions to no
18 avail with ranking officials of the GATT and the
19 International Labor Organization concerning the de-
20 monstrable relationship of fundamental worker
21 rights and fair labor standards to prior rounds of
22 multilateral trade negotiations.

23 (8) The right of all workers to certain fun-
24 damental rights is affirmed in the following inter-

1 national agreements to which the United States is a
2 party:

3 (A) The United Nations Charter, which
4 states in Article 55 that “the United Nations
5 shall promote higher standards of living, full
6 employment, and conditions of economic and so-
7 cial progress and development.”.

8 (B) The United Nations Universal Dec-
9 laration of Human Rights, which states in Arti-
10 cle 23 that “Everyone has the right to work, to
11 free choice of employment, to just and favorable
12 conditions of work and to protection against
13 unemployment . . . ‘and that’ Everyone who
14 works has the right to just and favorable remu-
15 neration ensuring for himself and his family an
16 existence worthy of human dignity.”.

17 (C) The United Nations International Cov-
18 enant on Civil and Political Rights, which states
19 in Article 8 that “No one shall be required to
20 perform forced or compulsory labor.”.

21 (D) The Revised Charter of the Organiza-
22 tion of American States, which states in Article
23 31 that “Member States agree to dedicate every
24 effort to achieve the following basic goals . . .

1 Fair wages, employment opportunities, and ac-
2 ceptable working conditions for all.”.

3 (E) The General Agreement on Tariffs and
4 Trade which—

5 (i) provides in the preamble that rela-
6 tions among countries “in the field of
7 trade and economic endeavor should be
8 conducted with a view to raising standards
9 of living and ensuring full employment,”;

10 (ii) allows, under Article XX, any
11 country to take action against products of
12 prison labor; and

13 (iii) incorporates by reference Article
14 7 of Chapter II of the Havana Charter
15 which states that “the members recognize
16 that measures relating to employment
17 must take fully into account the rights of
18 workers under intergovernmental declara-
19 tions, conventions, and agreements. The
20 members recognize that all countries have
21 a common interest in the achievement and
22 maintenance of fair labor standards related
23 to productivity, and thus in the improve-
24 ment of wages and working conditions as
25 productivity may permit. The members

1 recognize that unfair labor conditions, par-
2 ticularly in production for export, create
3 difficulties in international trade, and ac-
4 cordingly, each member shall take what-
5 ever action may be appropriate and fea-
6 sible to eliminate such conditions within its
7 territory.”.

8 (9) The adherence of the United States to the
9 principles referred to in paragraph (5) is reflected
10 in—

11 (A) the provisions of the Tariff Act of
12 1930 that prohibit the importation of goods
13 produced by forced labor,

14 (B) the provisions of title V of the Trade
15 Act of 1974 (relating to the Generalized System
16 of Preferences) that—

17 (i) define internationally recognized
18 worker rights as the right to association,
19 the right to organize and bargain collec-
20 tively, the prohibition of the use of any
21 form of forced or compulsory labor, a mini-
22 mum age for the employment of children,
23 and acceptable conditions of work with re-
24 spect to minimum wages, hours of work,
25 and occupational safety and health; and

1 (ii) prohibit the extension of trade
2 preferences to any developing country that
3 “has not or is not taking steps to afford
4 internationally recognized worker rights to
5 its workers”; and

6 (C) the provisions of section 231A of the
7 Foreign Assistance Act of 1961, which allow
8 the Overseas Private Investment Corporation to
9 insure, reinsure, guarantee, or finance a project
10 only if the country in which the project is to be
11 undertaken “is taking steps to adopt and imple-
12 ment laws that extend internationally recog-
13 nized worker rights . . . to workers in that
14 country.”.

15 (10) Little, if any, progress has been made “to
16 adopt, as a principle of the GATT, that the denial
17 of worker rights should not be a means for a coun-
18 try or its industries to gain competitive advantage in
19 international trade”, pursuant to section
20 1101(b)(14) of the Omnibus Trade and Competitive-
21 ness Act of 1988.

22 **SEC. 3. ESTABLISHMENT OF WORKING PARTY ON WORKER**
23 **RIGHTS.**

24 (a) ACTION BY THE PRESIDENT.—The President
25 shall seek the establishment in the GATT of a working

1 party to examine the relationship of fundamental inter-
2 nationally recognized worker rights to the articles, objec-
3 tives, and related instruments of the GATT, particularly
4 the preamble, Article XXIX, and Article XX.

5 (b) OBJECTIVES OF WORKING GROUP.—The objec-
6 tives of the working group described in subsection (a)
7 would be to—

8 (1) explore ways in which to link the conduct of
9 international trade to respect for fundamental inter-
10 nationally recognized worker rights;

11 (2) examine the economic impact of competition
12 that is based upon trade distortions that are attrib-
13 utable to the systematic denial of fundamental inter-
14 nationally recognized worker rights;

15 (3) consider and develop information on the in-
16 cidence and effects of systematic, trade-distorting
17 worker rights practices and ways to address such
18 practices; and

19 (4) establish that it is unjustifiable for any
20 country or any of its industries to seek to gain com-
21 petitive advantage in international trade through the
22 systematic denial of fundamental internationally rec-
23 ognized worker rights.

1 **SEC. 4. ESTABLISHMENT OF STANDING COMMITTEE ON**
2 **WORKER RIGHTS WITHIN THE WORLD TRADE**
3 **ORGANIZATION.**

4 The President shall seek the establishment in the
5 World Trade Organization, when such organization be-
6 comes effective, a standing committee to carry out the
7 functions of the working group described in section 3.

8 **SEC. 5. DEFINITIONS.**

9 As used in this Act:

10 (1) The term “fundamental internationally rec-
11 ognized worker rights” means “internationally rec-
12 ognized worker rights” as defined in section
13 502(a)(4) of the Trade Act of 1974.

14 (2) GATT.—The term “GATT” means the
15 General Agreement on Tariffs and Trade.

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