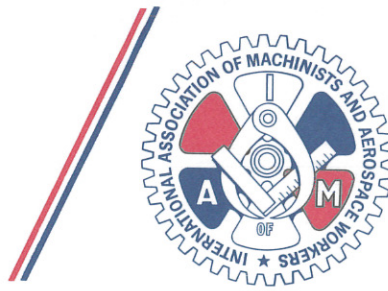


**International  
Association of  
Machinists and  
Aerospace Workers**



9000 Machinists Place  
Upper Marlboro, Maryland 20772-2687

Area Code 301  
967-4500



OFFICE OF THE GENERAL SECRETARY-TREASURER

June 11, 2015

Dear Representative,

**I write to reiterate the IAM's strong opposition to the Trade Act of 2015, HR 1314, which would allow a Fast Track approval process for free trade agreements for the next six years and implement an inadequate and poorly funded Trade Adjustment Assistance (TAA) program.** Recent legislative gimmickry by the House leadership has only served to diminish an already bad piece of legislation.

The IAM strongly opposes the fast track approval process, euphemistically called Trade Promotion Authority (TPA), which is being sought to force the nearly complete, yet still secret Trans-Pacific Partnership (TPP) through Congress. Fast Track and the TPP represent the same old corporate driven approach to trade that has cost America hundreds of thousands of good paying jobs. If approved, the Fast Track bill will undermine Congressional authority to review trade agreements and could lead to passage of the TPP. This will threaten hundreds of thousands of U.S. jobs and communities still struggling to recover from the Great Recession.

The Fast Track legislation is an insult to all U.S. workers. It merely rehashes prior Fast Track bills that have stripped Congress of its Constitutional responsibility to oversee U.S. trade policy. Under the proposed Fast Track legislation, the President can still unilaterally select trading partners and determine when to enter into negotiations. Congressionally defined negotiating objectives are wholly inadequate, especially the objective on human rights which only pays lip service to what the real objectives of negotiations should reflect. Further, the negotiating objectives remain unenforceable. The President, not Congress, determines whether those objectives have been met, and, historically, both Democratic and Republican administrations have simply ignored Congressional negotiating objectives.

**For the nearly completed TPP, the negotiating objectives, even if enforceable, come too late to have any meaningful impact on the negotiations.** Given the status of the TPP, the provision that would require the USTR "to develop within 120 days of enactment written guidance on enhanced coordination with Congress" is particularly galling. Finally, after an agreement has been finalized and signed by the President, Congress is merely left with an up or down vote.

Negotiated behind closed doors and without a full and open debate by the American people on the content of the agreement, the TPP goes far beyond traditional trade issues like tariff reduction. While the text has still not been made public, leaked texts indicate that the TPP seeks to undue the financial reform measures of Dodd-Frank, end Buy American requirements and other governmental procurement practices, and will undermine current U.S. regulations covering such areas as food safety, the environment, and patent and copyright law.

The TPP covers a broad swath of nontariff issues, and, if based on the failed May 10th template, would not require countries that lack fundamental labor rights, like Vietnam, Malaysia, and Brunei, to end their authoritarian human rights abuses. The agreement would also fail to effectively correct notorious defects in the labor chapters of free trade agreements with Mexico and the infamous situation of Columbia where over one hundred trade unionists have been brutally murdered since the enactment of

the so-called Labor Action Plan. While the Investor State Dispute Settlement (ISDS) scheme gives multinational corporations the extraordinary right to directly sue governments before secret tribunals for monetary damages over the perceived effects of domestic regulations, workers and labor unions would not be afforded a similar ability to redress labor rights violations. Instead, unions are left with a tedious, slow and ineffectual process as demonstrated by multiyear complaint and investigation in Guatemala.

Disturbingly, the administration has also indicated that one of the most serious issue affecting Pacific Rim trade, currency manipulation by our competitors, will not be addressed in the TPP.

Historically, Congress has relinquished its Constitutional authority over trade for the most egregious free trade agreements, like NAFTA, which have had a devastating impact on U.S. workers, the manufacturing sector, and our communities. Since NAFTA was implemented, hundreds of thousands of high wage U.S. jobs have been lost to Mexico. **The NAFTA job loss continues even now as Caterpillar begins the transfer of production from its Joliet, Illinois facility to a factory in Mexico.** This will add to the thousands of jobs that have already been lost to Mexico. Most recently Fast Track was used to pass the Korea-U.S. free trade agreement. That agreement was sold on the promise of expanded exports to Korea. Unfortunately, our worst fears have been realized. Not only have imports from Korea increased, but our exports to Korea have fallen in every month since the passage of the free trade agreement. According to data from the U.S. International Trade Commission (USITC), in just three years our goods trade deficit with Korea has grown 104 percent, which is estimated to have caused the loss of 90,000 American jobs.

**Knowing that the TAA provisions of HR 1314 would apply to the TPP, the largest free trade agreement ever negotiated, as well as the Trans-Atlantic Trade and Investment Partnership (TTIP) and the Trade in Services Agreement (TISA), the \$450 million funding level is wholly inadequate to deal with the devastating impact of future job losses from these agreements.** As recently as 2009 and 2010 TAA expenditures exceeded \$575 million and, if the future trade agreements are enacted, TAA spending will certainly reach new levels. An additional problem with the TAA legislation is the proposed pay-for that would cut Medicare by \$700 million. Hurting seniors is not the way to help American workers who will be unemployed because of our failed corporate trade policies. While another pay-for may be proposed, Members will still be required to first vote on TAA legislation that includes the Medicare pay-for. Further, it is unconscionable to exclude public sector workers, who will also be negatively impacted by trade related job loss, from TAA benefits as this legislation does.

**The Trade Facilitation and Trade Enforcement Act, or Customs bill, also presents significant shortcomings.** The House version weakens the Senate Fast Track language related to human trafficking, prohibits climate change obligations in trade agreements, and prevents the use of countervailing duties to remedy currency manipulation by foreign nations.

For the last six years, the IAM has worked with Members of Congress and other interested parties to craft an alternative ratification process to the antiquated fast track authorization first designed by President Nixon. An authentic ratification process for a trade agreement would provide for real Congressional oversight of the entire negotiating process, including the selection of countries with which we would enter into a negotiations with, as well as the development of enforceable negotiating

objectives. Additionally, the process would be transparent and open including real input from all sectors of the American public and not just from corporate interests as happens now.

**As the leading aerospace union in North America, IAM members proudly manufacture products that are exported to countries around the globe.** We know that global trade can be good for the U.S., but we also strongly believe that our trade negotiations and agreements must be open and transparent and reflect the interests of all Americans. This means meaningful, enforceable labor and environmental standards, access to safe and affordable medicines, high quality food and product safety standards, as well as a rejection of the secret trade tribunals that give multinational corporations the ability to sue sovereign governments over domestic regulations. Reauthorizing the Export Import Bank, the African Growth and Opportunity Act (AGOA), the Generalized System of Preference, and the Preferential Duty Treatment for Haiti are examples of how Congress can act in a beneficial way on trade.

For working Americans, our corporate driven trade policies have meant the continual threat of outsourcing, stagnant wages, and declining living standards. This will not change until deeply flawed free trade agreements like the TPP are negotiated not in the back room, but in the light of day. Additionally, we must not allow secret trade agreements like the TPP to be railroaded through Congress. I urge you to put America on the right track to renewed prosperity by rejecting the failed fast track process proposed, once again, in HR 1314.

If you have any questions, please contact Legislative Director Hasan Solomon at (301) 967-4575.

Sincerely,

A handwritten signature in cursive script that reads "R. Thomas Buffenbarger".

R. Thomas Buffenbarger  
International President