



AFL-CIO RECOMMENDATIONS CONCERNING INTERNATIONAL LABOR AFFAIRS

The AFL-CIO believes that international labor rights and international labor diplomacy are critical to U.S. foreign policy. They should be valued and incorporated in nearly every agency of the U.S. Government (USG). Historically, they have been recognized and promoted by the State and Labor Departments, with more defined and circumscribed roles in Treasury (i.e., reporting on the U.S. Executive Directors' upholding of core labor rights in the international financial institutions pursuant to Frank-Sanders) and the USTR (i.e., the review of labor rights complaints pursuant to unilateral trade preference programs, such as GSP, as well as enforcement of bilateral commitments).

The Department of State has maintained the chief and central labor diplomacy role of the U.S. Government, appointing and supervising Labor Attaches and Labor Reporting Officers (LRO's), as well as promoting international labor rights through the Office of the Assistant Secretary for Democracy, Human Rights and Labor (DRL), the Office to Monitor and Combat Trafficking in Persons, and the Office of the Special Representative for International Labor Affairs (left vacant throughout the George W. Bush years).

The Labor Department maintains the USG's foremost in-house corps of international labor experts (ILAB). Unlike any other governmental bureau dealing with labor rights, ILAB has the expertise of the *entire* Department at its disposal. The Labor Department also has the mandate for the monitoring and review of worker rights violations pursuant to bilateral and regional trade agreements (ie, the NAALC submissions), as well as providing technical labor assistance internationally -- primarily government-to-government and child labor programs. The Labor Department is also the lead U.S. agency for relations with the International Labor Organization.

The U.S. Agency for International Development (USAID) has historically been a lead programming agency for trade union strengthening and other labor programs worldwide. These programs are currently managed by the Agency's Democracy and Governance Office, which is under the Democracy, Conflict, and Humanitarian Assistance (DCHA) Bureau.

In 1999, Secretary of State Madeleine Albright established an Advisory Committee on Labor Diplomacy to advise the President and the Secretary of State on the resources and policies necessary to implement labor diplomacy programs effectively.

The Advisory Committee articulated why international labor standards and labor diplomacy must constitute an essential aspect of U.S. foreign policy. "Promoting core worker rights is central to the basic purpose of U.S. foreign policy, which is to create a more secure, prosperous and democratic world for the benefit of the American people." (*A World of Decent Work*, 2000).



The Advisory Committee issued two documents: *A World of Decent Work – Labor Diplomacy for the New Century*, September, 2000, and *Labor Diplomacy – In the Service of Democracy and Security*, December 2001. A third report prepared by the Committee: *A Labor Diplomacy Strategy for the Muslim World, December 2004* proposed special labor programs that might be conducted in Muslim countries in light of 9/11, but the Committee’s authority expired at the end of 2004 and the report was not issued. The Committee’s recommendations in these three reports remain pertinent today.

State Department and International Labor

In order to give greater centrality to international labor rights and labor diplomacy in U.S. foreign policy, the AFL-CIO recommends that the position of Special Representative for International Labor Affairs with Ambassador-at-Large status be filled and the International Labor Affairs Office (ILA) be transferred as a stand-alone office within the Secretary’s office or the Global Bureau. The Special Representative’s authority over assignment, grade levels, functions and placement of LROs should be enhanced. The position will not only increase the prestige of international labor rights in U.S. diplomacy and global negotiations, but will also help shift State priorities in a more balanced and inclusive direction worthy of its mandate.

“Corporate Social Responsibility” should not be conflated with labor rights promotion as is now the case within the labor function in DRL. If this function continues in the new administration it should be transferred out of the labor function and there should be a new and official ILA Office mandate on trade union strengthening.

The National Contact Point (NCP) for the OECD’s Guidelines on Multinational Enterprises is currently a position filled by the Director of the Office of Investment Affairs. Each OECD member has significant leeway as to where the NCP is housed, and what degree of tripartite consultation is involved. We recommend elevating the position of NCP, extending it to ILAB as well as State, and building in formal tripartite consultation in OECD Guideline cases referred to the NCP.

Advisory Committee on Labor Diplomacy

The Advisory Committee on Labor Diplomacy should be reestablished and should be chaired by the Vice-President. Those recommendations that were not implemented by the Bush Administration should be reviewed by the newly reestablished Committee and appropriate action taken to implement them. Going forward, the recommendations of the newly reestablished Advisory Committee’s reports should guide future actions by the administration in strengthening the USG’s labor diplomacy function and for the effective promotion of international labor standards.

The Committee’s three reports with their recommendations are attached.



Labor Department's role in International Labor

The leadership role, power and prestige of the next Labor Secretary are absolutely critical to the success of the international labor rights agenda in *both* U.S. foreign and domestic policy. The next Labor Secretary should be a member of the National Economic Council. It must be understood that the Labor Secretary and the Labor Department (and ILAB in particular) are critical to the success of the administration's goals regarding international labor rights.

We recommend that the head of ILAB be elevated to the level of Undersecretary.

DOL should be given a more robust role in the labor rights enforcement function pursuant to trade agreements.

ILAB's Office of Trade and Labor Affairs (OTLA) should expand and improve the administrative due process and access for labor rights petitioners pursuant to existing and future trade agreements. OTLA desperately needs the adequate personnel and resources to effectively review submissions under the NAALC and the labor chapters of other bilateral and regional trade pacts.

ILAB's Office of International Relations (OIR) needs to help reinforce the Labor Reporting Officer program. OIR would be the logical section of ILAB and DOL to participate in the proposed Inter-Agency Labor Diplomacy Committee, including on the specific objective of strengthening the LRO agenda. OIR also needs to be adequately staffed and resourced to carry out the critical role the Labor Department plays in technical assistance to Labor Ministry counterparts abroad under both bilateral and multilateral (ie, International Labor Organization) auspices.

OIR needs to concentrate on the future USG role in the ILO, including on the credibility problem created by the U.S. failure to ratify most of the core ILO conventions. The USG's ability to exercise global leadership on international labor standards is unquestionably undermined by this double standard. The President's Committee on the ILO and its Tripartite Panel on International Labor Standards (TAPILS) should reopen the issue of ratification of the core labor conventions and explore ways to make ratification possible.

Moving forward on the U.S. ratification of Convention 111 concerning non-discrimination in employment is essential, and it does not appear to be facing any significant employer resistance. In addition, ratification of technical Convention 81 on labor inspection should not face insurmountable pre-compliance and federalism issues, and would win the USG (and ILAB and the DOL in particular) good will and credibility in trying to get counterpart labor ministries to really strengthen their enforcement capabilities.

The third ILAB office (Office of Child Labor, Forced Labor, and Human Trafficking (OCFT)) excludes programs in support of three of the five core labor standards, including



freedom of association, collective bargaining and non-discrimination in employment. Its mandate must be expanded to include all of the rights mentioned in the ILO's 1998 Declaration.

USAID's Role in International Labor

USAID is the only government agency that currently supports technical assistance programs for all aspects of labor programs that address the USG's broad-based economic development, as well as its democracy, goals and objectives. A number of former USAID Administrators and other public and government officials note that USAID, as presently constituted, is not able to develop effective globally integrated economic and political programs. We find this to be especially true with regard to labor-related programs, which are constrained by stove-piping and the lack of policy coherence both within USAID as well as among other government agencies concerned with labor issues. In addition, large congressional earmarks and White House initiatives have crowded out labor programs in countries around the world. The net result is that, at present, the USG, through USAID, is not capable of effectively addressing international labor issues, including labor rights, at either the policy or program levels.

The AFL-CIO recommends that the Special Representative for International Labor Affairs be given the responsibility for policy coordination across all agencies of the USG, including USAID, that have labor-related portfolios and programs.

We also recommend that a senior labor advisory position be established at USAID in the Administrator's office, for effective coordination with the Special Representative and to ensure policy coherence and the integration of the Administration's labor policies within USAID programming across all bureaus and offices and U.S. missions abroad.

USAID officers in the field and in headquarters responsible for labor programming should be provided with training commensurate with their responsibilities similar to that afforded the LROs at State.

Department of the Treasury

Treasury oversees reporting functions related to the labor rights positions of U.S. Executive Directors in the international financial institutions. A DOL officer with economic and labor rights expertise should be seconded to the Treasury Department to provide technical assistance.

Office of the United States Trade Representative

The USTR presently contributes to technical assistance discussions related to labor rights issues in countries that have trade agreements with the United States. We recommend that a labor rights expert be seconded from either DOL or State to USTR to better inform this function. A much more extensive description of international labor issues is contained in a trade-related document, which is also being submitted.