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Talking Points for the KORUS FTA (Labor Perspective)

- While the administration and Congress are touting the pending Free Trade Agreements, as job creators, we only need to look back at NAFTA to see that exports may not lead to jobs. The Korea FTA leaves several industries vulnerable to job loss. The Economic Policy Institute, determined that the US would lose approximately 159,000 jobs with the implementation of the Korea FTA.
- In Representative Rothman's district there are 8,553 people that are employed in vulnerable industries such as textiles, apparel, metal, and electronic goods. These jobs could be placed at risk if the Korea FTA was implemented.
- The 29 Korean owned corporations in Representative Rothman's district could also be given broader rights than US own based corporations giving these businesses the right to file suit against the US in foreign tribunals, if they find that our labor and environmental laws interfere with the trading of their product. The burden of the compensation in these suits falls back on the American taxpayer.
- There is also common misperception that labor relations in South Korea are free of the repression, violence and strife commonly found in less-developed countries around the world. The reality for Korean workers is quite the opposite. To date, the government not taken adequate steps to address many of the problems in the labor law identified by the International Labor Organization, and in some case has made matters worse.
- The South Korean government recently passed legislation to: 1) prohibit workers and employers to negotiate wage payments for full time union officers after 2010; 2) eliminate mandatory reinstatement for unjustly dismissed workers and giving employers the choice between reinstatement or monetary compensation; 3) and reducing the notice period from 60 to 50 days in the case of mass layoffs.
- Dozens of trade unionists are serving time behind bars - in some cases for years - for the exercise of trade union rights, including the organization of strikes and/or demonstrations. At the same time, unions and individuals are being sued by employers for tens to hundreds of thousands of dollars for "obstructing business" (i.e., strikes, demonstrations), such that they many individuals are driven into bankruptcy and in some cases to suicide due to the loss of all real property and assets.
- The use of irregular workers, now up to 55% of the workforce, in place of permanent, full time employees is reaching alarming levels. Irregular workers earn, on average, 50% less than regular workers and are unable to effectively exercise their fundamental labor rights.