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Communications Workers of America (CWA)
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Good morning Chairman Blumenauer, Ranking Member Buchanan, and members of the Subcommittee. My name is Shane Larson and I am Director of Legislation, Politics, and International Affairs for the Communications Workers of America. CWA is a 700,000 member union with membership in telecommunications, information technology, aviation, media, education, health care, law enforcement, manufacturing and the public sector. Thank you for the opportunity to testify before you today.

Structured properly, international trade could be an engine for creating good jobs. Indeed, many of our members' jobs depend directly on exports. Unfortunately, the reality of the American trade system for the last quarter-century has been quite the opposite. Our trade policy has had the effect of destroying American jobs and driving down wages. That's because our trade policy has been designed to make it as easy as possible for large corporations to move money, production and jobs anywhere in the world at a moment's notice. Because of this dynamic, corporate executives and wealthy investors have benefited while the rest of us have paid the price.

These negative effects of our status quo trade system on American workers have long been evident in the manufacturing sector. Manufacturing employment in the U.S. was largely stable until the beginning of the 21st century. Since then, we have seen a net loss of millions of manufacturing jobs, a net loss of tens of thousands of factories, and a sharp decline in the U.S. share of global manufacturing output.[1]

While the offshoring of jobs under our current trade system was initially limited to a subset of mostly manufacturing jobs, improvements in technology mean that a wide range of service sector jobs, including call center customer service representative jobs, can now easily be done outside of the U.S. As a result, CWA members have increasingly seen their jobs offshored, generally to countries where workers are denied their fundamental human rights and are not paid a decent day's pay for a decent day's work.

I will give you a couple of examples of how this works in practice in the customer service sector. Many think of offshoring to Mexico as being concentrated in the auto and aerospace sectors, but the reality is that there is a booming new business process outsourcing (BPO) industry in Mexico that serves a growing share of the U.S. market. Just a decade ago, there were only a few call

[1] Atkinson, Robert D. "Why Foreign Competition, Not Productivity, Is More to Blame for Job Losses in U.S. Manufacturing: A Primer for Policymakers." *Information Technology & Innovation Foundation*, 26 February 2018, https://itif.org/publications/2018/02/26/why-foreign-competition-not-productivity-more-blame-job-losses-us.

centers in Tijuana, but there are now over 50, employing over 10,000 workers.[2] Overall, there are now 689,000 BPO workers in Mexico, largely concentrated in call centers.[3]

Much of this work serves the U.S. market. For example, one TeleTech call center in Mexico City handles customer service and technical-assistance calls exclusively for U.S. companies including Time Warner, Dish TV, and Best Buy.[4] Meanwhile, two company-owned AT&T call centers in Mexico City and Guadalajara employ 2,475 employees today and continue to grow. These customer service representatives are being trained to do the same support for small businesses and bilingual customers that AT&T workers in the U.S. do—even as AT&T has eliminated 12,000 jobs in the U.S. since the start of 2018.[5]

It's not a mystery why much of this work has moved—workers in these Mexican call centers often earn only around $100 per week, despite being part of a skilled and oftentimes bilingual workforce. As mass deportations continue, the number of high-skilled workers who are fluent in English and yet are being subjected to the same weak system of employment protections that characterizes the Mexican labor market and are therefore badly underpaid is growing by the day.[6]

Because of the routine exploitation of call center workers overseas and the lack of adequate data privacy and security standards in a number of countries, the offshoring of call center jobs also raises risks for consumer data and puts downward pressure on standards in the U.S. For example, although the Philippines passed its first data protection law in 2012, it was not until 2016 that the National Privacy Commission created by the bill was officially formed, and further delays have hindered the implementation of rules since then. In a situation where companies barely pay workers enough to make ends meet and rules governing data handling are weak or not enforced, it's no surprise that data mishandling is a recurring problem in overseas call centers. And, just as is true of the downward pressure on wages and workplace standards, the ability to duck rules on data privacy and security by moving work makes it harder for us to secure better legal protections for handling consumer data here in the U.S., as companies can simply move work to locations with less stringent rules.

Returning to the fundamental problem of worker abuse, some of you will recall that 40,000 Verizon workers—members of CWA and the International Brotherhood of Electrical Workers—

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[2] Carroll, Rory. "Mexico call centers await 'huge pool of talent' if Trump keeps deportation pledge." *The Guardian*, 17 February 2017. Available at https://www.theguardian.com/world/2017/feb/17/mexico-call-centers-trumpdeportations.

[3] Kendall, Matt. "Infographic: How Competitive is the BPO Sector in Mexico?" *Nearshore Americas*, 10 September 2018. Available at https://www.nearshoreamericas.com/infographic-bpo-sector-in-mexico/.

[4] Freed Wessler, Seth. "Call centers: Returning to Mexico but sounding 'American'." *Al Jazeera*, 16 March 2014. Available at http://america.aljazeera.com/features/2014/3/mexico-s-call-centers.html.

[5] "AT&T 2018 Jobs Report: Telecom Giant Hollows Out Middle Class Workforce and Outsources to Global Contractors, Even as it Reaps Tax Windfall." *Communications Workers of America*, 25 April 2018. Available at https://www.cwa-union.org/sites/default/files/att-jobs-report-2018.pdf; "As AT&T Releases Q4 Earnings, CWA Denounces Ongoing Layoffs, Slashing of 11,000+ Jobs Since Tax Cut." *Communications Workers of America*, 30 January 2019. Available at https://cwa-union.org/news/releases/att-releases-q4-earnings-cwa-denounces-ongoing-layoffs-slashing-of-11000-jobs-tax-cut.

[6] Caroll 2017.

went on strike for 45 days in 2016 over issues related to job security, including the company's efforts to offshore more jobs. During that strike, Verizon moved much of the struck work to the Philippines—where call center workers were paid less than $2 per hour and armed guards were used to interfere with union solidarity efforts—in an effort to break our union and intimidate the Filipino workers from wanting to join a union.[7]

Fortunately, workers in the Philippines stood by us in that effort and helped us fight back by bringing attention to Verizon's extensive offshoring. Meanwhile, we have stood in solidarity with those same workers as they have tried to form an independent, democratic union that represents their interests, so that they can secure decent pay and working conditions for the work that they're doing for U.S. companies like Verizon, Comcast and AT&T.[8] However, CWA and the Filipino BPO Industry Employees Network with whom we work have no legal protections for our efforts working together jointly—a point to which I will return later.

Because of this lack of legal protections for cross-border solidarity, the impacts of our trade model are not limited solely to offshoring jobs, but also include undermining negotiating power for workers seeking to form unions or to secure better pay, benefits and working conditions. Research by Cornell University Professor Kate Bronfenbrenner examined the responses of companies to union organizing drives in the U.S. and found that companies were three times as likely to shut down their American plants following a successful organizing drive after NAFTA took effect compared to pre-NAFTA years, while companies explicitly threatened to move facilities to Mexico in more than 10 percent of the organizing drives that faced threats.[9]

CWA members across the country face this dynamic day in and day out, and it is a major factor in ongoing wage stagnation and increasing income inequality. In the call center industry specifically, wages have dropped by 2.7 percent over the last decade for customer service representatives, according to the Bureau of Labor Statistics. Wages have even declined for customer service representatives in the comparatively highly organized telecom sector by 1.6 percent over the last decade. That downward pressure is very likely due to threats of offshoring, as growth of call center jobs is higher overseas than in the U.S. and corporations continue to move customer service jobs to low-wage countries when they want to cut costs.[10]

Meanwhile, a forthcoming study by industrial relations scholars at Cornell University that surveyed 2,100 call center workers across 7 employers represented by CWA shows that fear of layoffs from outsourcing and offshoring is highly correlated with worker stress. Among call center workers in the telecom sector, 79% report fear that offshoring could lead to layoffs in the next two years. These fears, along with other factors, are reflected in the overall level of stress

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[7] Pressman, Aaron. "Verizon Strike Escalates With Armed Confrontation in the Philippines." *Fortune*, 13 May 2016. Available at http://fortune.com/2016/05/12/verizon-strike-armed-confrontation-philippines/.

[8] Thomhave, Kalena. "Building Worker Solidarity Across Borders." *The American Prospect*, 30 January 2019. Available at https://prospect.org/article/building-worker-solidarity-across-borders.

[9] Bronfenbrenner, Kate. "The Effects of Plant Closing or Threat of Plant Closing on the Right of Workers to Organize." *North American Commission for Labor Cooperation*, 30 September 1996.

[10] Site Selection Group, Call Center Location Trend Reports, 2014 to 2018. Available at: https://www.siteselectiongroup.com/knowledge-center

reported by individuals—77 percent say their personal stress level is high or very high, which is correlated with negative outcomes like poor sleep patterns and anxiety.

Why is it that our trade policy undermines American jobs and the negotiating power of American workers?

The simple fact of the matter is that the basic structure of our trade deals like NAFTA and CAFTA is set up to make it as easy as possible for companies to move jobs wherever they want, whenever they want. The policies embedded in our various trade agreements that grease the skids for companies to offshore jobs include:

- **Investor-State Dispute Settlement (ISDS)**: ISDS has routinely been criticized because it enables challenges of laws protecting workers, our environment and our public health.[11] Even when ISDS cases are not successfully used to overturn public interest laws, they have been shown to have a chilling effect on the prospective enactment of public interest rules.[12] But, importantly, ISDS also facilitates the offshoring of jobs by ensuring that companies that move jobs out of the U.S. are guaranteed strong legal protections, which is why even the anti-worker Cato Institute says that ISDS "subsidiz[es] outsourcing."[13]
- **Undermining Buy American Laws:** Many of our trade agreements include provisions granting companies access to broad swaths of the government procurement market for goods and services produced outside of the U.S. According to a 2017 Government Accountability Office report, the U.S. provides far more opportunities for companies that produce abroad to bid on government procurement than companies producing in the U.S. receive in return.[14]
- **Intellectual Property Protections:** Our trade deals include increasingly strong, specific protections for intellectual property rights. As a result, companies can offshore jobs, confident that their intellectual property will be respected at their overseas facilities.
- **"Regulatory Harmonization":** Recent deals include provisions on such issues as transparency and regulatory harmonization. Conceptually, there is nothing wrong with these ideas, but, in practice, the way that the provisions are structured is designed to provide more transparency primarily to multinational companies and to allow those companies a stronger say earlier in the regulatory process.

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[11] "Selected Statements and Actions Against Investor-State Dispute Settlement (ISDS)." *Public Citizen*. Available at https://www.citizen.org/sites/default/files/selected_statements_and_actions_against_isds_1.pdf.

[12] See e.g., Van Harten, Gus and Dayna Nadine Scott. "Investment Treaties and the Internal Vetting of Regulatory Proposals: A Case Study from Canada." *Osgoode Legal Studies Research Paper Series*, 151, 2016; Kelsey, Jane. "Regulatory Chill: Learnings from New Zealand's Plain Packaging Tobacco Law." QUT Law Review, Vol. 17, Issue 2.

[13] Ikenson, Dan. "To Save NAFTA, Kill Its Controversial Dispute Settlement Provisions." *Forbes*, 24 October 2017. Available at https://www.forbes.com/sites/danikenson/2017/10/24/to-save-nafta-kill-its-controversial-dispute-settlement-provisions/#8b017f3168de.

[14] "Government Procurement: United States Reported Opening More Opportunities to Foreign Firms Than Other Countries, but Better Data Are Needed." *Government Accountability Office*, February 2017. Available at https://www.gao.gov/assets/690/682663.pdf.

When all of these provisions are put into the same agreement, the result is that U.S. companies know that they can move jobs out of the country while still having strong legal, investment and intellectual property protections, access to the U.S. government procurement market, and a strong say in the regulatory process. It is no wonder that the result of these deals has been a rush of offshoring to low-wage countries with weak rules protecting workers, public health, and our environment.

In contrast, much has been made of the Labor and Environment Chapters in recent trade agreements, but the reality is that those provisions have achieved nothing to ensure a level playing field with fair treatment of workers and strong protection of the environment.

There have been supposedly "enforceable" labor and environmental protections in every U.S. FTA for the last 15 years, including agreements with countries with troubling records on worker rights, such as Bahrain, Colombia, Guatemala and Honduras. Despite that, the U.S. has literally **never won a single case under any of those agreements regarding violations of labor or environmental standards**.

Let me repeat that—the U.S. has never won a single case under any of our trade agreements regarding violations of labor or environmental standards. Not one.

The first reason why we have never won a case over these violations is due to the obligations themselves. The labor and environmental standards in these agreements are routinely vague, making it impossible to win a legal dispute. In many cases, the provisions in these chapters are not even actual enforceable obligations at all—they simply direct parties to "strive to" achieve goals "as appropriate," or they express a "Statement of Shared Commitment."[15]

Even the supposedly enforceable goals often contain limitations that constrain enforcement to the narrowest possible set of circumstances. Broadly speaking, violations of worker and environmental protections can only be brought to dispute settlement if they are "sustained or recurring" and "in a manner affecting trade or investment." There is simply no good reason for these limitations, if the goal is to provide protections for workers and the environment. Egregious one-time violations of worker rights can set back the cause of workers trying to organize for years, while violations of the rights of public sector and other workers who might be excluded from these obligations if violations of their rights were not "in a manner affecting trade" could still have significant impacts on the labor market as a whole. Notably, the "sustained or recurring" and "in a manner affecting trade" limitations have rarely been applied to intellectual property and other pro-corporate protections in the same trade deals.

Moreover, many definitions in the labor chapters of our trade deals are too general to provide for effective enforcement. For example, parties are routinely required to adopt and maintain statutes that allow for "freedom of association." The International Labor Organization has a lengthy record of jurisprudence on issues such as this, but, since our trade deals do not include provisions establishing the ILO's Core Conventions as obligations (or even as legal points of reference),

[15] See e.g., Chapter 16 of the U.S.-Panama Free Trade Agreement: https://ustr.gov/sites/default/files/uploads/agreements/fta/panama/asset_upload_file403_10354.pdf.

directing a dispute settlement panel to determine whether a country indeed allows for "freedom of association," broadly defined, creates significant amounts of legal ambiguity.

Yet, even if the obligations were improved, the reality is that the enforcement process is so broken as to prove worthless. While multinational corporations are provided with their own special legal system by way of ISDS, enforcement of worker and environmental protections must go through a state-to-state dispute settlement system that is, again, designed to fail.

Theoretically, the Department of Labor, upon investigating a case and identifying a violation of the provisions of an FTA, could refer the case to the U.S. Trade Representative for consultations. In practice, the U.S. government has never self-initiated a case to be brought to consultation, much less to dispute resolution. What that means is that worker or environmental advocates must expend significant resources identifying a problem, compiling evidence and bringing a legal case—only to see the decision on how to proceed with that information left completely in the hands of government officials.

Unfortunately, it has become clear over the last fifteen years that enforcement of worker and environmental protections is simply not a priority for these officials, under administrations of either party. It seems that there has been a bipartisan consensus in an era of heightened partisanship to not make worker, environmental or consumer protections a priority for trade enforcement. Internal processes currently provide timelines for electing whether or not to accept a petition; for filing a report after conducting a review of the facts alleged in the petition; and for deciding whether to proceed to consultations with the party alleged to have violated an agreement, yet these timelines have routinely been ignored without consequence.[16]

Despite egregious violations of worker rights in a number of countries, only one of the numerous petitions that have been filed under these agreements has advanced to dispute settlement. That was in regard to Guatemala's violations of CAFTA's labor obligations. The U.S., of course, lost that case, and it is worth noting both why the case was lost and why a win in that case would still have been inadequate.

The dispute settlement panel in the Guatemala case created completely unreasonable definitions of "sustained or recurring" and "in a manner affecting trade or investment" in that case—a standard that would make it functionally impossible for a complaining party to ever to win a case. Former U.S. Deputy Undersecretary of Labor Sandra Polaski remarked about the decision that:

> "Given the breadth and detail of the allegations in the complaint, coupled with the widespread documentation of a culture of non-compliance with labour laws and labour rights in Guatemala, the decision came as a shock to most observers…The arbitral panel in the Guatemala case adopted an extremely demanding interpretation of what a country would be required to prove to establish that violations had affected trade between the parties…Such a threshold would not be required under domestic labour laws. It could not

[16] "U.S. Labor Enforcement Process." *AFL-CIO*, October 2018. Available at https://aflcio.org/sites/default/files/2019-02/History%20of%20Labor%20Enforcement%20Chart%20Oct2018.pdf.

be met without subpoena power (at a minimum), which does not exist under the trade agreements."[17]

Yet, even if the panel had adopted a more reasonable standard and found Guatemala to have violated its CAFTA labor obligations—which any reasonable person can see that it did—the case would not have been a success if the goal was to ensure that workers' rights are actually guaranteed.

Guatemalan and U.S. workers submitted the original petition in this case on April 23, 2008. The dispute settlement panel issued its finding on June 14, 2017—more than nine years later. To put that in context, the complaint was brought while George W. Bush was President and didn't reach its conclusion until Donald Trump was in office.

During that time, 83 trade unionists were murdered in Guatemala, with the overwhelming majority of those cases going uninvestigated and unsolved. Human rights violations remained so outrageous in Guatemala that the U.N. Office of the High Commissioner for Human Rights was forced to open a special office in Guatemala to ensure that human rights were respected.

Waiting nine years, seeing dozens of workers literally killed, with a policy of impunity to follow, does no justice for workers whose rights are abused and does not help them secure their rights in a meaningful way.

And, to be frank, it's plainly evident that the Guatemala case never would have even been brought to dispute settlement if USTR weren't at the same time trying to secure political support for another terrible trade deal—the Trans-Pacific Partnership—and trying—and failing—to prove that these dispute settlement mechanisms had some value.

I should note that, while I have focused on the inadequacies and complete unenforceability of the labor chapters of past trade deals, the exact same problems plague the environmental chapters of these deals. As a result, we have also never won a single environmental dispute under any of our trade deals, despite fifteen years of claims from supporters of this trade model that worker and environmental guarantees would be protected.

It's no surprise, then, that a trade model that provides significant protections in a wide variety of ways for companies that move jobs out of the country and allows for a complete race to the bottom in labor and environmental standards has resulted in massive, sustained trade deficits, fewer jobs, and lower wages and standards.

Now, I want to turn to specific trade deals that may soon come before this committee for consideration.

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[17] Polaski, Sandra. "NAFTA Renegotiations Must Protect 20 Years of Progress on Labour and Environmental Protections in Trade Agreements and Address New Risks." *IISD*, September 2017. Available at https://www.iisd.org/library/nafta-renegotiations-must-protect-20-years-progress-labour-and-environmental-protections.

First, NAFTA 2.0, or the "U.S.-Mexico-Canada Agreement," was signed last fall. The simple fact is that the current draft of NAFTA 2.0 doesn't fix NAFTA's problems, and makes some even worse. **Congress must send negotiators back to the table to resolve some of the most egregious problems with this agreement.**

The fundamental problem in NAFTA has long been that Mexican workers are denied their basic human rights. The overwhelming majority of Mexican workers have contracts negotiated by "protection unions," which are set up by companies to protect the interests of the company, not the workers. Workers rarely are permitted to vote on contracts negotiated by protection unions, they sometimes don't even know that they have a contract, and, in many cases, companies will have contracts with protection unions before a single worker is hired. But you don't have to take my word for it—the State Department earlier this month said that, "Protection unions" and "protection contracts"—collective bargaining agreements signed by employers and these unions to circumvent meaningful negotiations and preclude labor disputes—were common in all sectors [in Mexico]…Penalties for violations of freedom of association and collective bargaining laws were rarely applied and were insufficient to deter violations."[18]

The current draft of NAFTA 2.0 will not ensure that worker rights are protected. The obligations in the Labor Chapter are admittedly better than those in past agreements, including a partial—but not complete—fix to the egregious finding in the Guatemala labor rights dispute. Most importantly, the agreement includes an annex enumerating a number of specific policies that Mexico must adopt to ensure that workers can form real democratic unions and vote on their contracts.

The annex says that, "It is the expectation of the Parties that Mexico shall adopt legislation described above before January 1, 2019." Today is March 26, 2019 and no such legislation has been adopted. It's not even clear if the labor law legislation that the Mexican Congress is currently considering would actually provide guarantees for worker rights, if the bill is adopted. The fact that this obligation is already three months behind schedule does not seem to bode well for labor law compliance going forward.

At the same time, the current draft of the agreement does not fix the broken enforcement mechanism included in past agreements. It actually makes the framework even worse by making it easier for a party to the agreement to block a dispute settlement panel from forming.

Simply put, we need an enforcement mechanism that works, moves in a timely way, contains real penalties for violators, and is not left to the sole discretion of parties who have demonstrated at length that labor rights enforcement is not a priority for them.

While the most important problem included in the original NAFTA—enforcement of labor rights—is not solved by the current iteration of NAFTA 2.0, another problem is made significantly worse—prescription drugs. Because this agreement contains provisions locking in a minimum of ten years of data exclusivity for biologic drugs and guaranteeing strong protections

[18] "Country Reports on Human Rights Practices for 2018: Mexico." *U.S. Department of State Bureau of Democracy, Human Rights and Labor*, February 2019. Available at https://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm?year=2018&dlid=289310.

for evergreening of existing drugs, it will lock in high drug prices going forward, and Congress would need to renegotiate the agreement to fix that. CWA members and retirees face steep increases in health insurance premiums and out-of-pocket expenses related to escalating drug costs and we are deeply opposed to provisions that would block Congress from addressing those costs.

I also note that, from the beginning of this renegotiation process, CWA asked for language to be included to make it easier to both raise standards across North America for consumer data and to keep good call center jobs in the United States. We should certainly not have a race to the bottom in consumer data privacy and security in the same way that we have seen a race to the bottom in labor and environmental standards. This new deal doesn't address these issues at all, instead providing for easier transfer of data with complete disregard for consumer protection.

CWA is also closely monitoring the status of renewed negotiations with the European Union on a new U.S.-E.U. trade deal. It remains unclear what the goal of negotiations would be, but I want to be clear that CWA had deep concerns about the Transatlantic Trade and Investment Partnership (TTIP) negotiations, which, rather than solving real problems, were focused on an agenda of deregulation and new extralegal protections for multinational corporations.

I want to call to the committee's attention to the fact that American workers face a somewhat different problem in our trade relationship with the E.U. than is true of many of our other trading partners. Numerous European companies that have strong, productive relationships with their workers in their home countries treat their U.S. workers like an underclass. By following very weak American labor laws instead of their home labor laws, these companies are able to prevent workers from having a voice on the job.

Let me give you a couple of examples. The largest shareholder in T-Mobile is the German company Deutsche Telekom. In Germany, Deutsche Telekom maintains a productive relationship with ver.di, the German service sector union. In contrast, in the United States, T-Mobile has engaged in extraordinarily aggressive anti-union behavior, including captive audience meetings, intimidation of workers, and more. Because Germany has ratified International Labor Organization Conventions 87 and 98 regarding the right to organize, similar attacks on workers' rights to organize like those that happen here by T-Mobile would not be permitted under German law.

Meanwhile, Santander Bank, which is headquartered in Spain, has strong relationships with workers and adopted a policy of non-interference in union organizing throughout the world—except in the United States. Santander Holdings USA, like T-Mobile, engages regularly in aggressive anti-union behavior, including hiring anti-union consultants, forcing workers to attend captive audience meetings, and more. Again, like Germany, Spain has ratified ILO Conventions 87 and 98, so this sort of outrageous behavior would not be permitted under Santander's home country laws.

The fact that these companies exploit weaknesses in our labor laws to abuse American workers is unacceptable. Not only does it hurt American workers at those companies, it also drags down

standards for U.S. companies with better labor practices who are forced to compete with these companies' low-road practices.

Therefore, if we want to make the U.S.-E.U. deal a new high-road model, the agreement should require companies domiciled in any country that is party to the agreement to comply with, at a minimum, their home country's labor standards, regardless of the locations of their operations within the boundaries of the agreement.

If we want to fix our trade policy, it makes sense to adopt policies in other areas that complement those fixes in order to ensure decent lives and livelihoods for American workers. For example, the 2017 tax law added to the incentives for companies to move money and jobs overseas. To help bring jobs back, the Ways and Means Committee should quickly advance H.R. 1711, the No Tax Breaks for Outsourcing Act.

In addition, as I have noted previously during this testimony, U.S. labor and employment laws are extremely weak. This keeps wages down and limits workers' voice on the job—including having a say in employment and sourcing decisions. As such, it is important that we greatly strengthen the National Labor Relations Act and other employment laws, including raising the federal minimum wage to $15 per hour.

Meanwhile, because the 21st century economy depends so strongly on access to technology, Congress should also work on new structures to encourage broadband buildout in a way that ensures that funding supports high-quality jobs and that broadband access is extended to both rural and urban low-income areas.

But, make no mistake—if we do not drastically reform our broken trade model, it will be impossible for workers to secure the power that they need in the workplace to have a sustainable model of good jobs.

Finally, I want to conclude by urging the committee to think carefully about how to construct an ambitious trade agenda that will truly benefit American workers. Certainly, in the near future, the egregious flaws in NAFTA 2.0 as it currently stands must be corrected. But, over the long term, tweaks to the existing trade model that has failed workers for so long will not be enough to build an economy that works for all of us.

Instead of a trade system that is designed to enable multinational corporations to pit workers in different countries against one another, we should have a system that guarantees workers the right to bargain collectively across borders, so that if a corporation tries to break a strike or cut its compensation by shifting work overseas, workers will have the ability to combat those attacks. As I mentioned earlier, CWA works closely with our brothers and sisters in the Philippines, as well as groups of workers in Mexico, the Dominican Republic, and elsewhere, as part of a solidarity effort to prevent companies from pitting us against one another. However, we currently have no legal protections for these efforts, despite the fact that this dynamic has created downward pressure on wages and standards, while causing substantial movement of jobs overseas. While trade agreements are structured to give corporations power to work across

borders, workers have no similar ability to come together to try to lift up their conditions against a common employer.

As the looming threat of climate change approaches, our trade system should be set up to drive countries to work together to combat the problem. And, of course, it should work in concert with our efforts to bring down prescription drug prices and ensure affordable, quality health care for all.

Trade policy is not some abstract idea that can be divorced from the important work that policymakers conduct in all sorts of policy areas. Instead, it plays a key role in shaping the policy landscape for solving those other problems. I urge the committee to work with us to think ambitiously on developing a long-term agenda that works for workers, consumers, communities and the planet.

Thank you again for the opportunity to testify before you today. I look forward to any questions that you may have.