

The Trans-Pacific Partnership

Rewarding Vietnam's Government for the Systematic Violation of Human Rights

The Trans-Pacific Partnership (TPP) also known as “NAFTA on Steroids” is poised to become the largest free trade agreement ever. Current negotiating countries include the U.S., Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. This grouping accounts for 38% of global economic activity. And the U.S. trade representative wants many other countries to join including China and South Korea. Negotiators have refused to release the text of the TPP to the public but have given access to members of special advisory committees which are dominated by hundreds of corporate officials, lawyers and lobbyists. However, based on leaked text, previous trade agreements, news reports and public statements, we can safely conclude that the TPP will reward Vietnam's government for the systematic violation of human rights.

WHY VIETNAM IS IMPORTANT

■ Vietnam has a population of 90 million – behind only the U.S., Japan and Mexico in the TPP.

■ Vietnam is the 2nd largest exporter of garments to the U.S. in the world behind only China.¹

— The garment and textile industry is Vietnam's largest single source of formal private sector employment, with a direct labor force of more than two million workers.²

— The TPP would vastly expand Vietnam's apparel exports. In 2011, Vietnam exported \$8.6 billion worth of clothing items to the U.S.³ According to the Vietnamese Textile and Apparel Association this figure is projected to increase to \$13 billion by 2020. But, if the TPP is completed and signed, Vietnam has the potential to increase such exports to the U.S. to \$22 billion.⁴ This would represent a 70% increase due solely to the TPP.

VIETNAM'S INCLUSION IN THE TPP COULD COST HUNDREDS OF THOUSANDS OF U.S. JOBS AND ERODE OUR WAGES

■ According to industry projections, the U.S. could lose more than 600,000 jobs just in the

auto and textile industries.⁵

■ Vietnam's 2014 minimum wage averages just 52 cents an hour.⁶ This is less than ½ of China's minimum wage and just 8% of the U.S. minimum wage.⁷ Increasingly relying on products produced in Vietnam will put downward pressure on our wages.

VIETNAM'S INCLUSION IN THE TPP WILL REWARD A REGIME THAT SYSTEMATICALLY VIOLATES HUMAN AND WORKERS' RIGHTS

Many organizations have documented Vietnam's violation of human and workers' rights including Amnesty International, Human Rights Watch and the U.S. Departments of State and Labor. In addition, the Workers' Rights Consortium issued a report entitled “Made in Vietnam: Labor Rights Violations in Vietnam's Export Manufacturing Sector” that reached the following conclusions:⁸

■ “Advocating for labor rights is more difficult in Vietnam than in China.”

■ **Trafficking of Child Labor.** “Trafficking of children from rural communities to urban areas

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remains a significant problem... According to media accounts, garment factory owners...paid parents \$50-\$100 to send [their children] to the city to work." The U.S. Government corroborated this finding when it issued a final determination that Vietnam utilizes "forced child labor in garment production" Fed Register 7/23/13

■ **Unsafe Working Conditions.** "80% of factories surveyed from 2009-2011 violated safety requirements by locking fire exits and failing to provide protective equipment. For example, in July 2011 a footwear manufacturing facility in Hai Phong burned, killing 17 workers and severely injuring 23 more."

■ **Violent Suppression of Internationally Recognized Workers Rights.** "Vietnam's government enforces its prohibition of independent unions, in part, through the targeted prosecution and imprisonment of citizens who attempt to establish such organizations"

■ **Female workers in Vietnam face pervasive pregnancy-based discrimination** "ranging from termination of employment to denial of statutory maternity benefits."

■ **Excessive Working Hours.** "Sixty percent of factories...failed to provide workers with the legal minimum of four rest days per month. In other words, during some portion of the period surveyed, a majority of factories were having their employees work seven days per week – without a single day of rest... in many cases, working hours reflect employer coercion rather than worker choice."

■ **Inadequate Wages.** "Oxfam estimated that the monthly living expenses of a worker with a single dependent child were actually...three times greater than the minimum wage.... The Worker Rights Consortium...estimated that prevailing straight time wages for Vietnamese garment workers...provided less than a third (29%) of an actual "living wage."

VIETNAM'S SUPPRESSION OF HUMAN RIGHTS AND LABOR STANDARDS HAS DETERIORATED SINCE IT JOINED THE TPP NEGOTIATIONS

The United States Trade Representative contends that including Vietnam in the TPP will "improve adherence to labor rights and working conditions in Vietnam."⁹ However, this carrot approach has already failed because the situation in Vietnam has worsened since it entered the TPP negotiations.

■ **Human Rights Watch.** The conviction and jailing of human rights advocates has worsened each year from 2010 through the first five months of 2013 when "more people have been convicted in political trials than the whole of last year [2012]. The trend-lines show a worsening situation."¹⁰

■ **Amnesty International.** "Vietnam is fast turning into one of South East Asia's largest prisons for human rights defenders and other activists... Authorities have arrested, charged, detained or imprisoned hundreds of dissenting voices [including] bloggers, labor and land rights activists, human rights defenders and those calling for peaceful democratic reform. Members of religious groups have also been targeted."¹¹

■ **U.S. Department of Labor.** In July 2013, the Department of Labor issued a final determination that Vietnam utilizes "forced child labor in garment production."¹² Vietnam is one of only three countries in the world to be placed on the Department of Labor's list of countries that produce garments using child labor and forced labor.¹³

■ **Vietnamese Government.** On September 1, 2013 – just five weeks after Vietnam's President met with President Obama – the government implemented a new decree severely restricting internet use, with harsh penalties for sharing news reports on blogs and social media, or online activity deemed a threat to national security.¹⁴

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WHAT TO DO: SUSPEND TRADE DISCUSSIONS WITH VIETNAM UNTIL IT MEETS BASIC INTERNATIONAL STANDARDS

■ Last year, the U.S. suspended trade preferences for Bangladesh due to the suppression of workers' rights and the proliferation of unsafe and lethal work places¹⁵ – conditions that are similar to those in Vietnam.

■ The U.S. ambassador stated that the U.S. will continue an arms embargo on Vietnam until there is “progress on human rights.”¹⁶

■ The U.S. State Department in its 2013 report on human rights concluded that Vietnam increasingly limited freedoms of association, press, speech, religion, and internet as well as suppressing workers' rights and violence and discrimination against women.¹⁷

■ The *Washington Post* – a staunch supporter of free trade agreements – issued a statement by the editorial board entitled “Vietnam’s suppression should not be rewarded.” After noting that Vietnam’s policy of suppression placed it at odds with international covenants, the *Post* asked: “Should it not also place Vietnam outside the boundaries of a free-trade alliance that will depend on respect for the rule of law?”¹⁸

■ The recommendation that Vietnam be suspended from the TPP until it meets basic international standards for human rights and workers' rights has been endorsed by a broad range of groups including Human Rights Watch, United Students Against Sweatshops, the Citizens Trade Campaign and a number of unions.



WHAT YOU CAN DO TO STOP THE GLOBAL RACE TO THE BOTTOM

www.stopthetpp.org

CWA

Communications Workers of America



1 Congressional Research Service, U.S. Textile Manufacturing and the Trans-Pacific Partnership Negotiations, October 5, 2102, p. 12

2 Better Work Vietnam, *Garment Industry 6th Compliance Synthesis Report 3* (Apr. 26, 2013), <http://better-work.org/vietnam/wp-content/uploads/BWV-6th-synthesis-report.pdf>.

3 Office of the U.S. Trade Representative, Trans-Pacific Partnership: Vietnam, <http://www.ustr.gov/countries-regions/southeast-asia-pacific/vietnam>

4 [www.fibre2fashion.com](http://www.fibre2fashion.com/news/apparel-news/newsdetails.aspx?news_id=119052), “TPP will boost Vietnamese exports to US: Expert” December 17, 2012, http://www.fibre2fashion.com/news/apparel-news/newsdetails.aspx?news_id=119052

5 Sean McAlinden and Yen Chin, The Effects a U.S. Free Trade Agreement with Japan would have on the U.S. Automotive Industry, Center for Automotive Research, August 21, 2012. Inside US Trade, NCTO-Sponsored Study Predicts Huge U.S. Textile Job Losses from TPP, June 6, 2013

6 Socialist Republic of Vietnam, Decree Stipulating Region Based Minimum Wage Levels, November 14, 2013 http://36mfjx1a0yft01ki78v3bb46n15gp.wpengine.netdna-cdn.com/wp-content/uploads/2013/11/2014-Minimum-Wage_Decree-182-EN.pdf Vietnam has different minimum wages for four separate regions. The average minimum wage was calculated as a simple average of the minimum wage in the four regions. The Vietnamese dong was converted to U.S. dollars using the average exchange rate of 21,138 dong to the U.S. dollar as calculated over the six-month period extending from January 15, 2014 to July 13, 2014.

7 WageIndicator.org, China Minimum Wage Levels, <http://www.wageindicator.org/main/salary/minimum-wage/china-custom>

8 Workers' Rights Consortium, Made in Vietnam: Labor Rights Violations in Vietnam's Export Manufacturing Sector, May 2013. http://www.workersrights.org/linkedddocs/WRC_Vietnam_Briefing_Paper.pdf

9 Letter from USTR Ambassador Froman to Congressman George Miller, August 14, 2013

10 Testimony of John Sifton, Asia Advocacy Director, Human Rights Watch, Committee on Foreign Affairs, June 4, 2013: Continuing Repression by the Vietnamese Government.

11 Amnesty International, Report documents how scores remain imprisoned for speaking out, November 7, 2013 <http://www.amnesty.org/en/news/viet-nam-report-documents-how-scores-remain-imprisoned-speaking-out-2013-11-07>

12 Federal Register/Vol. 78, No. 141/Tuesday July 23, 2013/Notices, Department of Labor, Notice of Final Determination

13 The other two countries placed on the list for forced labor and child labor in apparel production were India and Thailand. U.S. Department of Labor, List of Goods Produced by Child Labor or Forced Labor, 2012, p. 29.

14 Committee to Protect Journalists, Decree targets on line freedoms in Vietnam, July 22, 2013 <http://cpj.org/2013/07/decree-targets-online-freedoms-in-vietnam.php>

15 Washington Post, U.S. suspends Bangladesh's trade privileges due to labor concerns, June 27, 2013 http://www.washingtonpost.com/business/economy/us-to-suspend-trade-privileges-with-bangladesh/2013/06/27/16171f08-df3d-11e2-963a-72d740e88c12_story.html

16 Wall Street Journal, Vietnam Rights Record Cools U.S. Ties: U.S. Resists Lifting Arms Embargo Till It Sees 'Progress in Human Rights' August 8, 2013

17 U.S. Department of State, Country Reports on Human Rights Practices for 2013: Vietnam, <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/#wrapper>

18 Washington Post Editorial Board, Vietnam's suppression should not be rewarded," October 5, 2013, http://www.washingtonpost.com/opinions/if-vietnam-continues-to-suppress-dissent-it-should-not-be-rewarded-with-a-trade-pact/2013/10/05/ed6a070c-2d19-11e3-b139-029811dbb571_story.html