

# The Trans-Pacific Partnership

## Women Beware: Your Jobs, Wages, and Health Are at Risk

**T**he Trans-Pacific Partnership (TPP) is poised to become the largest free trade agreement ever. Current negotiating countries account for 38% of the global economy and include the U.S., Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. Negotiators have kept the TPP text secret from the public but allowed access to members of special Advisory Committees which are dominated by hundreds of corporate advisors. However, based on leaked text, public statements, news reports and previous trade agreements, we can safely conclude that the TPP poses a special threat to women.

**Off-Shoring Women's Jobs.** Globalization and trade deals have impacted service sector jobs held by women. It has been projected that more than 3.4 million service sector jobs will have been offshored from 2003-2015.<sup>1</sup> Many of these jobs are traditionally held by women. Call center jobs provide a good example.<sup>2</sup>

- 200,000 U.S. call center jobs were lost from 2006-2012 (BLS)
- 2/3 of customer service workers are women
- African Americans are 11 percent of the overall workforce, but 23% of the call center workforce
- Hispanics are 15 percent of the overall workforce, but 16 percent of the call center workforce.

Many call center jobs have been offshored. There are more than 600,000 call center agents in the Philippines primarily serving the U.S. market.<sup>3</sup> The Philippines has formally announced a “road map” to enter the TPP.<sup>4</sup>

The TPP will speed up this process since it includes a number of incentives for corporations to offshore service sector jobs and investment. Specifically, the “trade in cross border services” section of the TPP would explicitly forbid the U.S. – or any country – from requiring that a foreign firm set up a domestic operation to provide services. This would allow corporations in other countries to supply services to the U.S. without employing any U.S. workers

**Loss of High Paid Women's Jobs.** Forrester Research and the Hackett Group have identified the following sectors as being especially sensitive to off-shoring: information technology, human relations, finance, purchasing, and call centers. These sectors include 5 of the Top 20 Highest Paying occupations for women which are at risk of being offshored:

- 145,000 women are employed as Computers and Information System Managers
- 197,000 women are employed as Software Developers including applications and systems software

- 202,000 women are employed as computer systems analysts
- 100,000 women are employed as computer programmers

**Medicare and Medicaid Cuts.** In a 2012 YWCA poll, Medicare and Medicaid ranked highest among women's chief economic concerns.<sup>5</sup> AARP, Consumers Union and thirteen other groups have warned that the TPP could undermine public programs like Medicare and Medicaid. For example, the TPP would prevent \$3.8 billion in savings because it would prohibit a reduction of the period during which big drug companies have exclusive rights to biologic test data.<sup>6</sup> The TPP would also allow medical device corporations to actually patent surgical methods leading to increasing costs for Medicare and Medicaid. Consumers Union and nine other groups stated that the TPP places the following policies at risk:<sup>7</sup>

- Medicare Part D discounts for those who fall in the donut hole
- Use of preferred drug lists by state Medicaid programs
- Medicaid prescription drug rebates
- Mechanisms that discourage the use of costlier treatments that are no more effective than existing treatments.

**Higher Prescription Drug Prices.** AARP warns that the TPP could lock in higher prices for popular drugs and undermine public programs like Medicare and Medicaid. For example, biologics (drugs developed through biological processes) are used to treat a variety of ailments including multiple sclerosis, rheumatoid arthritis, and different forms of cancer. Annual costs for such drugs can reach \$400,000. These high prices reflect the drug makers' 12-year exclusive right to the test data which makes it very difficult for generic versions to enter the market. Last year, the Obama administration's budget proposed a reduction of the exclusivity period to 7 years which would generate more competition, lower prices, and significant savings for Medicare and Medicaid.<sup>8</sup> Unfortunately, a leaked document shows that the TPP includes the 12-year period that would prevent any shortening of the period because a trade agreement takes precedence over domestic laws.

**Loss of Retirement Security.** Globalization and previous trade deals have eliminated 6.8 million U.S. manufacturing and service sector jobs, which have removed \$284 billion in wages from our economy. This has resulted in an annual loss of \$35 billion in Social Security revenue per year.<sup>9</sup> The TPP will speed up this race to the bottom. Social Security is especially important to people of color.<sup>10</sup>

*(Continued)*

## Health

The TPP would enable corporations to challenge many public health standards and laws that currently protect millions of people. For example, the U.S. is proposing language that would allow tobacco companies to challenge tobacco product labeling and other public health policies that save millions of lives. The American Cancer Society, the American Heart Association, the American Lung Association and the Campaign for Tobacco Free Kids have all denounced this development. Phillip Morris is using similar terms in other trade agreements to challenge anti-smoking laws in Australia and Uruguay after failing to undermine the health laws in domestic courts. The corporation is asking a private UN tribunal to impose billions of dollars in compensation and to actually suspend the democratically passed health laws. Philip Morris has stated that it supports using similar language in the TPP.

## Tainted Food

The TPP would erode our food safety standards including – but not limited to the – following examples:

■ **Dairy.** Dairy standards that protect consumers could be challenged. New Zealand-based Fonterra, the world's largest dairy exporter, has been banned from a number of countries due to products tainted by botulism.

■ **Seafood.** Seafood standards could also be challenged. The FDA has detained hundreds of seafood exports from TPP countries because they were contaminated. For example, in Fiscal Year 2012, the FDA detained 206 imported seafood products from Vietnam alone because of concerns including salmonella, e-coli, methyl mercury, filth and drug residues.

■ **Country of Origin Labeling for Meat, Seafood, and Vegetables.** Our country of origin labeling law was passed in 2002 and expanded in 2008. It requires labels to inform consumers where various products were raised or grown including beef, pork, fresh vegetables, seafood and peanuts. In 2012, based on a suit filed by Canada, the WTO issued a final ruling against this law. The TPP would expand the number and scope of these challenges by allowing corporations – and not just countries – to challenge such laws.



## What You Can Do to Protect Women's Jobs, Wages and Health

**CWA**

**www.stoptheTPP.org**

**Communications Workers of America**



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9 Communications Workers of America, Department of Research calculations based on loss of jobs to globalization and trade deficits, average U.S. wage and social security tax.  
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