

Congress of the United States

Washington, DC 20515

April 28, 2004

The President
The White House
Washington, D.C.

Dear Mr. President:

We write to request that you direct USTR to act expeditiously to accept the recently-filed petition challenging China's abuse of basic labor standards under Section 301 of the Trade Act of 1974. Moreover, because the evidence of China's violations of worker rights is clear and well-established, we request that you direct USTR to conclude its investigation as expeditiously as possible and certainly within the statutory time frame set forth under the "special 301" process for priority foreign countries (*i.e.*, within six months from the date the petition is accepted).

For almost 30 years, the "Section 301" process has been an important tool in addressing unjustifiable and unreasonable practices by U.S. trade partners that have hurt U.S. businesses, farmers and workers. The provisions relied upon in the AFL-CIO petition have been in force since 1988, when Congress first passed them and President Reagan signed them into U.S. law. The provisions make clear that a persistent pattern of conduct that denies basic, internationally recognized worker rights is an unreasonable practice that may harm U.S. workers and businesses.

When Congress approved permanent normal trade relations with China, a major purpose was to bring China into the global rules-based trading regime, leading to political and economic reforms. But China has stalled in complying with its WTO obligations. Unless we hold China accountable for violations of basic worker rights, its leaders will conclude that they can get all the benefits of access to markets in the United States and other developed countries without adopting reforms. This would allow firms in China an unfair and ill-gotten competitive advantage over companies in the United States, and set back critical reform efforts.

There is no doubt that China has a persistent pattern of conduct violating basic, internationally-recognized labor standards. In fact, the 2002 and 2003 (released February 2004) State Department Human Rights Reports both state unequivocally that the Chinese Government has "continued to deny internationally recognized worker rights," and these reports contain vivid examples of violations, including the use of forced labor, a ban on independent trade unions, and arrests of labor leaders.

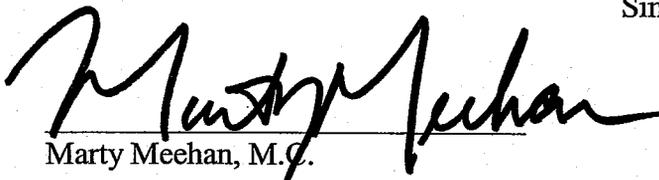
China's abusive labor practices provide China a competitive advantage in trade and investment. Those who argue that China needs to violate basic international labor standards in order to maintain its rate of growth effectively concede as much – however misguided. According to the economic models used in the petition, the United States has lost as many as 727,000 factory

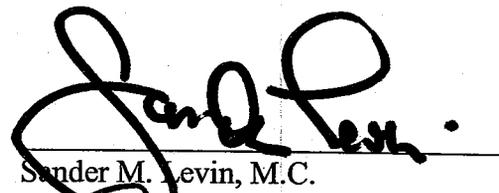
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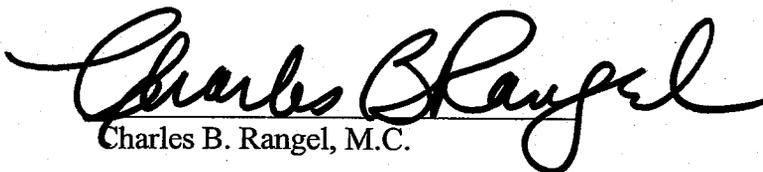
jobs to China as a result of artificially lowered production costs derived from abusive labor policies, and China's repression of worker rights gives it as much as a 43 percent cost advantage.

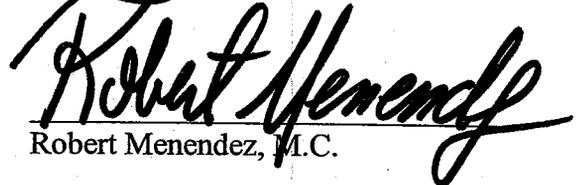
The Section 301 process offers an opportunity for meaningful steps to be taken by the Administration to address China's abusive labor practices and help it come into compliance with basic international norms. We noted with disappointment that you did not raise labor issues in your recent meetings with China's Vice Premier, Wu Yi, sending a signal to China that even if the Administration accepts the petition, it will not take it seriously. In order to overcome the signal sent last week, and given that the U.S. Government already has established a key factual issue for the 301 investigation – that China does indeed have a persistent pattern of conduct violating basic internationally-recognized worker rights – we urge you to direct USTR to accept the petition and to conclude the investigation as expeditiously as possible, certainly no later than the six-month statutory time frame provided for under the "special 301" process for priority foreign countries.

Sincerely,


Marty Meehan, M.C.

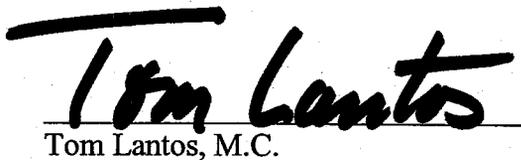

Sander M. Levin, M.C.


Charles B. Rangel, M.C.


Robert Menendez, M.C.


Robert Matsui, M.C.


Benjamin L. Cardin, M.C.


Tom Lantos, M.C.

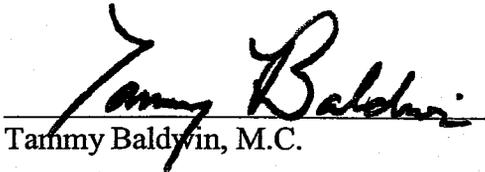

Xavier Becerra, M.C.


Ellen O. Tauscher, M.C.

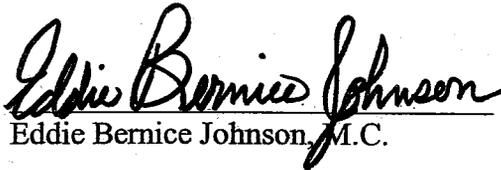

Max Sandlin, M.C.

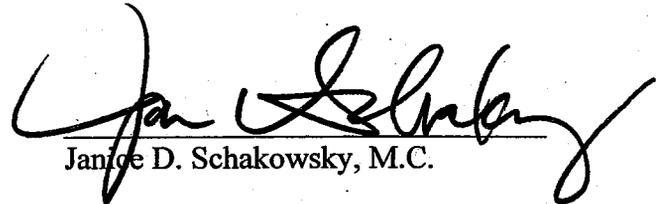

Lois Capps, M.C.

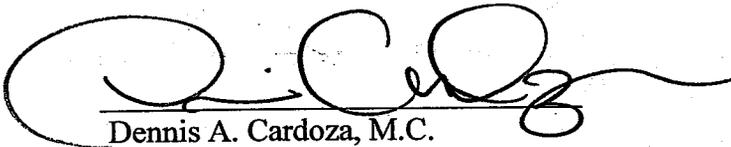

Barbara Lee, M.C.


Tammy Baldwin, M.C.

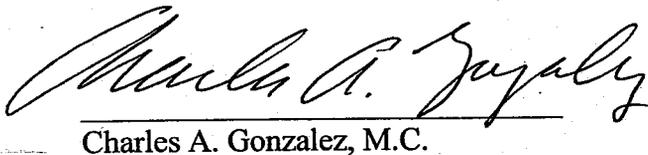

Thomas H. Allen, M.C.

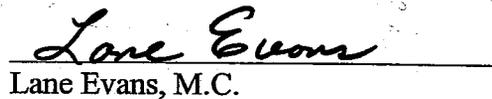

Eddie Bernice Johnson, M.C.

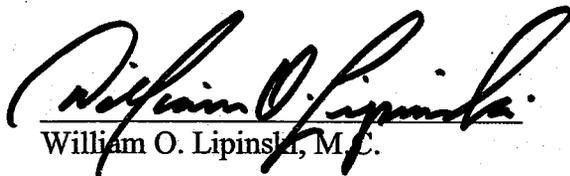

Janice D. Schakowsky, M.C.

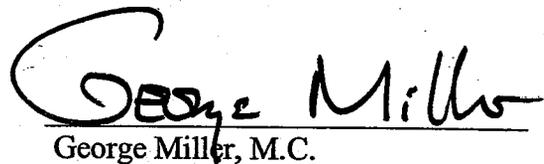

Dennis A. Cardoza, M.C.

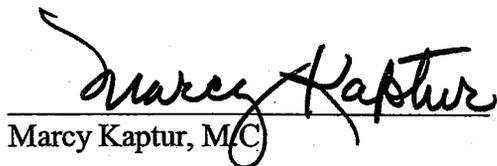

Ted Strickland, M.C.

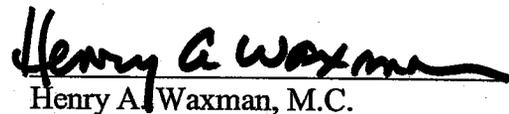

Charles A. Gonzalez, M.C.


Lane Evans, M.C.


William O. Lipinski, M.C.


George Miller, M.C.

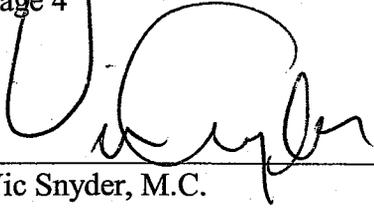

Marcy Kaptur, M.C.


Henry A. Waxman, M.C.


Gary L. Ackerman, M.C.


Sherrod Brown, M.C.

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A handwritten signature in black ink, appearing to read "Vic Snyder", written over a horizontal line.

Vic Snyder, M.C.