

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. cable	re Bork Call (6 pages)	01/09/1997	P1/b(1)
002. cable	re Demarche on Apparel Industry Partnership-Costa Rica (2 pages)	04/23/1997	P1/b(1)
003. cable	re Labor issues (3 pages)	02/28/1997	P1/b(1)
004. cable	re Demarche on Apparel Industry Partnership-Nicaragua (2 pages)	04/28/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
 NSC Cables
 Jan 1997-Dec 1998 ([sweatshop ...])
 OA/Box Number: 520000

FOLDER TITLE:

[01/09/1997-05/30/1997]

2018-1072-F

kc2335

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

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001. cable	re Bork Call (6 pages)	01/09/1997	P1/b(1)

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Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
LINE1: PAAUZYUW RUEHCAA6992 0292213-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: P 292207Z JAN 97
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 292207Z JAN 97
ORIG: SECSTATE WASHDC
TO: CHILD LABOR COLLECTIVE PRIORITY
INFO: ////
SUBJ: FOREIGN SERVICE REPORTING ON CHILD LABOR IN 1997

TEXT:

UNCLAS STATE 016992

FOR LABATT/LRO AND PAO

E.O. 12958: N/A

TAGS: ELAB, SOCI, PHUM, AMGT, ILO

SUBJECT: FOREIGN SERVICE REPORTING ON CHILD LABOR IN 1997

REF: (A) STATE 05439; (B) STATE 248715 (NOTAL)

SUMMARY

1. CHILD LABOR IS ATTRACTING INCREASING INTERNATIONAL AND U.S. PUBLIC ATTENTION. THE DEPARTMENT HAS ESTABLISHED A "CHILD LABOR COLLECTIVE" TO FACILITATE THE EXCHANGE OF INFORMATION BETWEEN THE DEPARTMENT AND POSTS IN THE FIELD AND BETWEEN FIELD POSTS. DRL AND DOL/ILAB WILL DRAW ON INFORMATION ELICITED THROUGH THIS COLLECTIVE CHANNEL IN RESPONDING TO EXPECTED CONGRESSIONAL INQUIRIES AND PROPOSALS. USIA AND DRL WILL WORK IN CONJUNCTION TO ALERT POSTS TO SUPPLEMENTAL INFORMATION PROVIDED THROUGH THE "WASHINGTON FILE." THIS MESSAGE PROVIDES BACKGROUND ON CHILD LABOR-RELATED DEVELOPMENTS IN, OR INVOLVING, THE UNITED STATES. ADDRESSEES SHOULD USE THIS MESSAGE AS GUIDANCE IN DETERMINING WHEN AND WHAT INFORMATION TO REPORT ON CHILD LABOR DEVELOPMENTS. END SUMMARY.

CHILD LABOR COLLECTIVE

2. REF A ADVISED ADDRESSEES THAT THE DEPARTMENT HAS ESTABLISHED A CHILD LABOR COLLECTIVE. THIS COLLECTIVE, WHICH WAS WORKED OUT IN CONJUNCTION WITH DOL/ILAB, CONSISTS OF TWO GROUPS OF POSTS: IN COUNTRIES WHERE CHILD LABOR HAS BEEN A PROBLEM, AND IN PLACES WHERE GOVERNMENT OR CONSUMER CONCERN HAS PROMPTED COUNTERACTIVE RESPONSES. IN ESTABLISHING THIS COLLECTIVE, DRL AND DOL/ILAB HOPE TO

ELICIT APPROPRIATE AND TIMELY REPORTING FROM POSTS IN BOTH ADDRESSEE GROUPS. BECAUSE ILAB'S CHILD LABOR PROJECT CANNOT HANDLE CLASSIFIED MATERIAL, WE ENCOURAGE REPORTING POSTS TO DRAFT MESSAGES WITH DOL/ILAB'S NEEDS IN MIND -- SEGREGATING CONFIDENTIAL ITEMS INTO SEPARATE SUBMISSIONS AND KEEPING MOST REPORTS UNCLASSIFIED OR "SENSITIVE BUT UNCLASSIFIED."

AT POSTS' DISCRETION, INFORMATION COMMUNICATED THROUGH THE COLLECTIVE CHANNEL SHOULD BE SHARED WITH INTERESTED LOCAL PARTIES (E.G., APPROPRIATE HOST GOVERNMENT AND INTERNATIONAL AGENCY OFFICIALS AND NGO ACTIVISTS). DRL, DOL/ILAB, AND USAID/G/DG WILL WELCOME FEEDBACK FROM SUCH PERSONS AND ORGANIZATIONS.

COORDINATION WITH USIA

3. MOST ADDRESSEES RECEIVED REF B (12/4/96), WHICH DESCRIBED A PROCESS IN WHICH STATE, USIA, AND OTHER USG AGENCIES AGREED TO WORK TOGETHER TO PROVIDE FIELD POSTS WITH ITEMS THAT COULD HELP EXPLAIN OR HIGHLIGHT USG INTERNATIONAL LABOR POLICY VIEWS. BUILDING ON THAT COOPERATION, DRL, DOL/ILAB, AND USIA HAVE AGREED TO BE ON THE LOOKOUT FOR ITEMS IN U.S. PUBLICATIONS THAT CAN HELP ACQUAINT ADDRESSEES WITH U.S. PUBLIC AND CONGRESSIONAL CONCERN ON CHILD LABOR MATTERS. TWO SUCH ITEMS (FROM THE "WASHINGTON POST" AND "U.S. NEWS AND WORLD REPORT") APPEAR IN TODAY'S WASHINGTON FILE. ADDRESSEE ACTION OFFICES SHOULD CONSULT USIS STAFF ABOUT DISTRIBUTION RESTRICTIONS THAT APPLY IN SOME CASES.

ACTION ON THE HILL

4. ADDRESSEES MAY ALREADY BE FAMILIAR WITH THE GENERAL OUTLINE OF THE "CHILD LABOR DETERRENCE ACT," ORIGINALLY INTRODUCED BY SENATOR TOM HARKIN IN AUGUST 1992. SENATOR HARKIN REINTRODUCED HIS BILL, WITH SOME MODIFICATIONS, IN SUCCESSIVE SESSIONS OF CONGRESS. THE APRIL 1995 ITERATION

REQUIRED THE SECRETARY OF LABOR TO IDENTIFY FOREIGN INDUSTRIES THAT USE CHILD LABOR IN THE MANUFACTURE OF PRODUCTS EXPORTED TO THE UNITED STATES, TO PROHIBIT THE IMPORT INTO THE U.S. OF THESE PRODUCTS, AND TO EXEMPT OTHERWISE BANNED PRODUCTS IF THEY COULD BE CERTIFIED (BY AN "INDEPENDENT, INTERNATIONALLY CREDIBLE ORGANIZATION") AS HAVING BEEN MADE WITHOUT CHILD LABOR. CONG. BARNEY FRANK INTRODUCED THE COUNTERPART TO THIS MEASURE IN THE MOUSE OF REPRESENTATIVES IN JULY 1995.

5. IN SEPTEMBER 1996, SENATOR HARKIN AND CONG. GEORGE MILLER INTRODUCED FURTHER LEGISLATION. ENTITLED THE "CHILD LABOR FREE CONSUMER INFORMATION ACT," THE BILL WOULD ESTABLISH A COMMISSION OF GOVERNMENT, BUSINESS, UNION, AND NONPROFIT MEMBERS WORKING TOGETHER TO CREATE GUIDELINES FOR A LABEL READING, "CHILD LABOR FREE" OR "NOT MADE WITH CHILD LABOR." THE COMMISSION WOULD ALSO INVESTIGATE COMPLAINTS OF LABELING FRAUD.

6. IN ADDITION TO THE BILLS INTRODUCED BY SENATOR HARKIN AND DEMOCRATIC PARTY HOUSE OF REPRESENTATIVES COLLEAGUES, LEGISLATION INTRODUCED BY A PROMINENT REPUBLICAN ATTRACTED PUBLIC ATTENTION IN CONGRESS' LAST SESSION. AFTER HOLDING

PUBLIC HEARINGS IN JUNE 1996, CONG. CHRISTOPHER SMITH (CHAIRMAN OF THE HOUSE INTERNATIONAL RELATIONS COMMITTEE'S SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS AND HUMAN RIGHTS) INTRODUCED AN "INTERNATIONAL CHILD LABOR ELIMINATION ACT" IN SEPTEMBER. AS IN THE CASE OF THE HARKIN/FRANK AND HARKIN/MILLER BILLS, THE SMITH BILL TOO WAS CO-SPONSORED BY SEVERAL OTHER LEGISLATORS, INCLUDING JUDICIARY COMMITTEE CHAIRMAN HENRY HYDE. THE SMITH BILL PARALLELED THE HARKIN/FRANK MEASURE IN REQUIRING THE SECRETARY OF LABOR TO IDENTIFY FOREIGN INDUSTRIES THAT USE CHILD LABOR IN THE MANUFACTURE OF PRODUCTS EXPORTED TO THE UNITED STATES. IT ALSO DIRECTED THAT THE USG NOT PROVIDE BILATERAL ASSISTANCE, AND THAT IT OPPOSE MULTILATERAL ASSISTANCE, TO COUNTRIES THAT TOLERATE CHILD LABOR. WHILE THE HARKIN/FRANK, HARKIN/MILLER, AND SMITH BILLS TAKE VARYING APPROACHES TO THE ISSUE, THEY REFLECT THE GROWING, BIPARTISAN CONCERN IN CONGRESS -- AS IN THE PUBLIC AT LARGE -- THAT ACCESS TO U.S. MARKETS NOT LEAD FOREIGN PRODUCERS TO SEEK PROFIT BY EXPLOITING CHILDREN.

OTHER CHILD LABOR INITIATIVES

7. AS SUGGESTED IN PARA. 3, U.S. MEDIA HAVE FOCUSED ATTENTION THROUGHOUT 1996 ON REPORTS THAT DOCUMENT THE PENETRATION OF U.S. MARKETS BY PRODUCTS MADE WITH CHILD LABOR. THESE REPORTS, AND THE PUBLIC MOOD THAT THEY BOTH REFLECT AND ENGENDER, HAVE PROVOKED GOVERNMENT RESPONSES -- RANGING FROM THE LOCAL LEVEL TO THAT OF PRESIDENT OF THE UNITED STATES. IN ONE SUCH LOCAL INITIATIVE, THE LOS ANGELES CITY COUNCIL RESOLVED THAT THAT CITY "BOYCOTT THE PURCHASE OF ANY PRODUCT FROM ANY COMPANY THAT HAS BEEN PROVEN TO BE VIOLATING CHILD LABOR LAWS SET BY THE INTERNATIONAL LABOUR ORGANIZATION." THE RESOLUTION NAMED THE SOCCER BALL INDUSTRY IN PAKISTAN, GARMENTS FROM HONDURAS, ORANGE JUICE FROM BRAZIL, TOYS FROM CHINA AND THAILAND, AND BASKETBALL SHOES FROM INDONESIA. COLUMNISTS, EDITORIALS, TRADE UNIONS, AND NGO'S AROUND THE COUNTRY HAVE URGED CONSUMERS TO "ASK RETAILERS WHAT STEPS THEY'RE TAKING TO STOCK PRODUCTS THAT ARE NOT MADE BY CHILDREN AND URGE THEM TO CARRY PRODUCTS THAT ARE CERTIFIED 'CHILD LABOR FREE.'"

8. THE CLINTON ADMINISTRATION HAS URGED U.S. COMPANIES TO ADOPT VOLUNTARY CODES OF CONDUCT- THAT INCLUDE PROVISION FOR MONITORING THE PRACTICES OF SUBSIDIARIES AND CONTRACTORS PRODUCING GOODS ABROAD. IN AUGUST 1996, PRESIDENT CLINTON MET WITH REPRESENTATIVES OF LARGE U.S. APPAREL AND FOOTWEAR COMPANIES, AS WELL AS FROM LABOR, CONSUMER, HUMAN RIGHTS, AND RELIGIOUS GROUPS, TO DISCUSS THE ISSUE OF SWEATSHOP WORKING CONDITIONS IN THE U.S. AND ABROAD. THE GROUP EXPECTS TO DEVELOP OPTIONS FOR INFORMING CONSUMERS WHEN PRODUCTS THEY BUY HAVE NOT BEEN PRODUCED UNDER EXPLOITATIVE

CONDITIONS BY CHILDREN.

9. IN HIS DECEMBER 10, 1996 HUMAN RIGHTS DAY MESSAGE, PRESIDENT CLINTON PLEDGED THAT THE USG WILL DO WHAT IT CAN TO CRACK DOWN ON CHILD PROSTITUTION AND CHILD LABOR IN ASIA. USG AGENCIES ARE GEARING UP FOR ILO CONSIDERATION OF A NEW CONVENTION ON EXPLOITATIVE CHILD LABOR. IN FISCAL YEARS 1995-1997, CONGRESS APPROPRIATED FUNDS TOTALING DOLLARS 5.1 MILLION TO ILAB TO CONTRIBUTE TO THE ILO'S INTERNATIONAL PROGRAM ON THE ELIMINATION OF CHILD LABOR (IPEC). AS ADDRESSEES ARE AWARE, DOL/ILAB HAS DRAWN ON FOREIGN SERVICE REPORTING FROM POSTS AROUND THE WORLD IN PRODUCING THREE CONGRESSIONALLY-MANDATED CHILD LABOR STUDIES -- REFERENCE WORKS THAT HAVE BEEN AN INVALUABLE AID TO BOTH CONGRESS AND THE EXECUTIVE BRANCH IN DEVELOPING POLICIES TO DEAL WITH THIS ISSUE. IN APRIL 1996, FOR EXAMPLE, THE USTR ANNOUNCED ITS DECISION TO PARTIALLY SUSPEND PAKISTAN'S GSP

TRADE BENEFITS BECAUSE OF CONTINUING CONCERN ABOUT CHILD LABOR IN THAT COUNTRY. THE PRODUCTS SUSPENDED (SPORTING GOODS, SURGICAL INSTRUMENTS, AND HAND-KNOTTED CARPETS) INVOLVED INDUSTRIES THAT HAD BEEN IDENTIFIED IN ILAB'S FIRST TWO REPORTS AS USING CHILD LABOR.

WHAT MORE SHOULD THE DEPARTMENT AND ADDRESSEE POSTS DO?

10. DRL HAS RECEIVED AN UNSOLICITED SUGGESTION FROM THE FIELD THAT "IN COUNTRIES WHERE CHILD AND FORCED LABOR IS COMMON.. WE ROUTINELY INSERT IN OUR CONTRACTS WITH VENDERS A CLAUSE REQUIRING THAT THE VENDER NOT USE CHILD OR FORCED LABOR IN PRODUCING THE GOODS OR SUPPLYING THE SERVICES WE ARE PROCURING." DRL IS WORKING WITH OTHER DEPARTMENT UNITS TO LOOK INTO THIS PROPOSAL AND DETERMINE THE FEASIBILITY OF MAKING SUCH A CONTRACT INSERT STANDARD PRACTICE. ADDRESSEE COMMENT IN THIS REGARD IS WELCOME.

11. IN SIMILAR FASHION, POSTS IN COUNTRIES WHERE CHILD LABOR IS A PROBLEM SHOULD REVIEW THEIR PRACTICES TO DETERMINE WHAT LOCAL INITIATIVES ARE APPROPRIATE, EVEN WITHOUT SPECIFIC GUIDANCE FROM THE DEPARTMENT. FOR EXAMPLE, POST ADMINISTRATIVE OFFICES MAY WISH TO SHARE THIS MESSAGE WITH CLO'S AND NON-OFFICIAL BODIES ASSOCIATED WITH THE EMBASSY COMMUNITY (E.G., "AMERICAN" SCHOOLS, SPOUSE ASSOCIATIONS, ETC.) AND ENCOURAGE THEM TO END ARRANGEMENTS WITH VENDERS WHO CAN NOT OR WILL NOT GIVE ASSURANCES -- SUBJECT TO VERIFICATION -- THAT THEY DO NOT USE CHILD LABOR. IN THIS REGARD, DRL, DOL/ILAB, AND USAID/G/DG WOULD WELCOME ADDRESSEE ASSESSMENTS (FROM POSTS WHERE CHILD LABOR IS A PROBLEM) OF THE EXTENT TO WHICH CURRENT PRACTICES BY SUCH NON-OFFICIAL BODIES INVOLVE CONTACTS WITH VENDERS USING CHILD LABOR. WHILE WE HAVE NOT YET RECEIVED A CONGRESSIONAL REQUEST FOR SUCH INFORMATION, WE CAN NOT EXCLUDE THE POSSIBILITY THAT A QUESTION ALONG THESE LINES WILL BE DIRECTED TO US.
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 6992

TOR: 970129175206 M2593991

DIST:

SIT: NSC

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
LINE1: PAAUZYUW RUEHCAA6922 0441430-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: P 131426Z FEB 97
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 131426Z FEB 97
ORIG: SECSTATE WASHDC
TO: AMEMBASSY NEW DELHI PRIORITY 5259
INFO: ////
SUBJ: POINTS ON CHILD LABOR IN INDIA

TEXT:

UNCLAS STATE 026922

PLEASE PASS TO LABOFF E. PRICE

E.O. 12958: N/A

TAGS: ELAB, IN

SUBJECT: POINTS ON CHILD LABOR IN INDIA

1. REFTEL 00961. THANK YOU FOR SHARING THE INFORMATION PREPARED FOR THE ANBASSADOR'S PARTICIPATION IN THE CONS' CONFERENCE IN DHAKA ON JANUARY 25-27. WE APPRECIATE RECEIVING THIS TRANSMISSION AND HOPE THAT YOU WILL BE ABLE TO SEND US A COPY OF THE CONFERENCE REPORT, WHEN IT IS AVAILABLE.

2. WE NOTED THE REFERENCE MADE TO DOL'S SUPPORT OF THE LABELLING SYSTEMS TO RESPOND TO CHILD LABOR. WE WOULD LIKE TO SHARE WITH POST, THE FOLLOWING.

3. ON AUGUST 2, 1996, PRESIDENT CLINTON MET WITH REPRESENTATIVES OF LARGE U. S. APPAREL AND FOOTWEAR COMPANIES AS WELL AS REPRESENTATIVES OF LABOR, CONSUXER, HUMAN RIGHTS AND RELIGIOUS GROUPS, TO DISCUSS THE ISSUE OF SWEATSHOP WORKING CONDITIONS IN THE U.S. AND ABROAD. THE GROUP AGREED THEY WOULD SEEK TO DEVELOP, WITHIN SIX MONTHS, OPTIONS TO INFORM CONSUMERS THAT THE PRODUCTS THEY BUY ARE NOT PRODUCED UNDER EXPLOITATIVE CONDITIONS OR BY CHILDREN

4. AFTER THAT MEETING, THE PRESIDENT SAID, INTER ALIA, ABOUT THE FUTURE OUTPUT FROM THE GROUP: "I DO HOPE THEY'LL DEVELOP MEASURES THAT MIGHT INCLUDE LABELS, CLEAR SIGNS IN STORES OR OTHER MEANS OF GETTING THE INFORMATION DIRECTLY INVOLVED TO CONSUMERS SO THAT CONSUMERS AT THE POINT OF SALE HAVE AN OPPORTUNITY THEMSELVES TO BE RESPONSIBLE CITIZENS IN THEIR PURCHASES."

5. DOL THANKS POST FOR THE EXCELLENT CABLES WE HAVE BEEN
RECEIVING WITH INFORMATION ON LABOR ISSUES IN INDIA.
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 6922

TOR: 970213093439 M2616220

DIST:

SIT: NSC

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
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LINE3: P 141737Z FEB 97
LINE4: FM AMEMBASSY MEXICO
OSRI: RUEHME
DTG: 141737Z FEB 97
ORIG: AMEMBASSY MEXICO
TO: RUEHC/SECSTATE WASHDC PRIORITY 2254
RUEHC/DOL WASHDC PRIORITY
INFO: RUEHXC/ALL USCONS MEXICO
RUEHOT/AMEMBASSY OTTAWA 9496
SUBJ: CHILD LABOR CONFERENCE: MEXICAN
TEXT: UNCLAS SECTION 01 OF 02 MEXICO 001558

SENSITIVE

STATE FOR ARA/MEX, DRL/IL AND ARA/PPCP-ANDERSON
LABOR FOR ILAB FOR ADUS SAMET, WHOLEY,
PEREZ-LOPEZ, NAO-GARZA
OTTAWA FOR LAB COUNS
ANDERSON OR DRL/IL, PLEASE PASS TO AIFLD

E.O. 12958: N/A
TAGS: ELAB, ETRD, PINR, PHUM, SOCI, MX
SUBJECT: CHILD LABOR CONFERENCE: MEXICAN
PARTICIPATION

REF: STATE 16992

1. (SBU) SUMMARY: FIDEL VELAZQUEZ HANDPICKED A YOUNG CTM TEXTILE UNION LEADER TO BE THE LABOR REPRESENTATIVE ON THE MEXICAN DELEGATION TO THE CHILD LABOR CONFERENCE IN SAN DIEGO. THE YOUNG LEADER'S UNION REPRESENTS WORKERS AT A NEW TEXTILE COMPLEX NEAR CUERNAVACA WHICH EMPHASIZES "NO SWEAT(SHOP)" WORKING CONDITIONS. VELAZQUEZ' CHOICE REFLECTS A DESIRE TO PUT FORWARD A YOUNG, BUT TRUSTED UNION LEADER AND AN ATTEMPT TO IMPROVE THE IMAGE OF THE CONFEDERATION IN U.S. LABOR CIRCLES. END SUMMARY.

VELAZQUEZ' INTEREST IN CHILD LABOR CONFERENCE

2. (SBU) CTM SECRETARY GENERAL FIDEL VELAZQUEZ SANCHEZ HANDPICKED THE LABOR REPRESENTATIVE ON THE MEXICAN DELEGATION TO THE TRILATERAL, TRIPARTITE CONFERENCE ON "IMPROVING LIVING

CONDITIONS FOR CHILDREN: CHILD AND ADOLESCENT WORKERS OF NORTH AMERICA," SCHEDULED FOR FEBRUARY 24 AND 25 IN SAN DIEGO, CALIFORNIA.

VELAZQUEZ SELECTED HIS PROTEGE MARIO ALBERTO SANCHEZ MONDRAGON, THE YOUNG (LATE 30'S) AND DYNAMIC SECRETARY GENERAL OF THE "NATIONAL UNION 'FRANCISCO VILLA' OF THE TEXTILE AND RELATED AND CONNECTED APPAREL MANUFACTURING INDUSTRY OF THE MEXICAN REPUBLIC." SANCHEZ TOLD LABCOUNS FEBRUARY 11 THAT HE WAS LOOKING FORWARD TO PARTICIPATING IN THE CONFERENCE AND RECOGNIZED THE IMPORTANCE OF ITS THEME. THE SECRETARIAT OF LABOR (STPS) CONFIRMED TO LABCOUNS FEBRUARY 13 THAT JOAQUIN BLANES CASAS, DIRECTOR GENERAL OF LABOR INSPECTION, WILL BE THE GOM MEMBER OF THE DELEGATION, AND FERNANDO YLLANES MARTINEZ, LEGAL ADVISOR TO THE NATIONAL CONFEDERATION OF CHAMBERS OF INDUSTRY (CONCAMIN), WILL REPRESENT THE MEXICAN EMPLOYERS. OTHERS IN THE 12-MEMBER DELEGATION WILL REPRESENT THE STPS AND THE SOCIAL SECURITY INSTITUTE (IMSS).

"NO SWEAT" FOR CTM WORKERS AT NEW TEXTILE COMPLEX

3. (SBU) IT MAY BE NO ACCIDENT THAT VELAZQUEZ' NOMINEE FOR THE MEXICAN DELEGATION TO THE SAN DIEGO CONFERENCE REPRESENTS WORKERS (MOSTLY YOUNG WOMEN) AT THE "CITY OF APPAREL MANUFACTURING" (CIUDAD DE LA CONFECCION) IN EMILIANO ZAPATA, MORELOS (NEAR CUERNAVACA). THIS NEW INTEGRATED TEXTILE COMPLEX WILL HOST EIGHT OR NINE APPAREL FIRMS WHICH EXPECT TO EMPLOY UP TO 3,000 WORKERS. THE FIRST FIRM TO BEGIN OPERATING (IN APRIL) IS A FULLY UNIONIZED U.S. COMPANY WITH HEADQUARTERS IN NEW HAVEN, CONNECTICUT. THE FIRMS' TDY VICE PRESIDENT FOR MANUFACTURING TOLD ECON MINCOUNS AND LABCOUNS FEBRUARY 11 THAT SETTING UP SHOP IN MEXICO WOULD NOT RESULT IN ANY JOBS LOST AMONG THE FIRMS REGULAR EMPLOYEES AT ITS FOUR PLANTS IN THE UNITED STATES.

4. (SBU) THE FIVE INVESTORS BACKING THE PROJECT: DU PONT, BURLINGTON MILLS, GUILFORD MILLS, ALFA GROUP (MONTERREY), AND MAQUINAS DE COSER (SEWING MACHINES) MAY DEVELOP SIMILAR COMPLEXES IN AS MANY AS 20 CITIES (MOSTLY IN CENTRAL MEXICO) IF THE MORELOS COMPLEX PROVES TO BE SUCCESSFUL. ACCORDING TO REPRESENTATIVES OF THE DEVELOPERS (ECON MINCOUNS AND LABCOUNS VISITED THE COMPLEX FEBRUARY 11), THE BASIC

CONCEPT IS TO ESTABLISH AN EFFICIENT, WELL-LOCATED COMPLEX OF CLOSELY RELATED CLOTHING MANUFACTURING OPERATIONS IN MODERN "NO SWEAT(SHOP)" FACILITIES, AND STAFFED BY LARGELY

FIRST-TIME WORKERS PUT THROUGH A SERIES OF GOM AND COMPANY-FUNDED TRAINING COURSES. INITIAL TRAINING WILL FOCUS ON BASIC LANGUAGE, MATHEMATICAL, AND SOCIAL SKILLS, AND AN EFFORT WILL BE MADE TO IMPROVE THE STATUS OF WOMEN IN UNCLAS SECTION 02 OF 02 MEXICO 001558

SENSITIVE

STATE FOR ARA/MEX, DRL/IL AND ARA/PPCP-ANDERSON
LABOR FOR ILAB FOR ADUS SAMET, WHOLEY,
PEREZ-LOPEZ, NAO-GARZA
OTTAWA FOR LAB COUNS
ANDERSON OR DRL/IL, PLEASE PASS TO AIFLD

E.O. 12958: N/A
TAGS: ELAB, ETRD, PINR, PHUM, SOCI, MX
SUBJECT: CHILD LABOR CONFERENCE: MEXICAN
PARTICIPATION

THE WORKPLACE, HOME AND COMMUNITY.

5. (SBU) TEXTILE UNION CHIEF SANCHEZ WAS PRESENT DURING ECON MINCOUNS AND LABCOUNS' VISIT TO THE COMPLEX, PARTICIPATING FREELY IN CONVERSATIONS WITH MANAGEMENT REPRESENTATIVES. THE ONE GLITCH NOTED WAS THAT, ALTHOUGH THE DEVELOPERS ("NUSTART") AGREED THAT THE CTM WOULD FIND AND REPRESENT THE TRAINEES AND EVENTUAL WORKERS AT THE COMPLEX, THE DEVELOPERS HAD JUMPED THE GUN AND ADVERTISED IN NEWSPAPERS FOR APPLICANTS, PRODUCING HUNDREDS OF RESPONSES AND ANGERING THE UNION LEADERSHIP. RUFFLED FEATHERS, HOWEVER, WERE SMOOTHED QUICKLY, WITHOUT ANY APPARENT LASTING EFFECT ON LABOR-MANAGEMENT RELATIONS.

CTM EFFORT TO IMPROVE ITS IMAGE IN THE U.S.

6. (SBU) VELAZQUEZ' CHOICE OF SANCHEZ TO SERVE ON THE MEXICAN DELEGATION TO THE SAN DIEGO CONFERENCE REFLECTS HIS DESIRE TO IMPROVE THE CTM'S IMAGE IN THE UNITED STATES. PUTTING FORWARD THE YOUNG UNION LEADER IS AN ATTEMPT TO OVERCOME THE IMAGE OF THE CTM LEADERSHIP AS A GERONTOCRACY. CHOOSING SOMEONE WHO REPRESENTS WORKERS AT A MODERN MANUFACTURING COMPLEX WHICH EMPHASIZES PRIORITY ATTENTION TO WORKING MOTHERS AND THEIR CHILDREN IS AN ATTEMPT TO DEMONSTRATE THAT THE CTM IS SENSITIVE TO THE CONCERNS OF WORKERS. IT IS ESPECIALLY NOTEWORTHY THAT VELAZQUEZ DECIDED TO SEND SANCHEZ TO THE UNITED STATES, SINCE THE CTM SECRETARY GENERAL WOULD NOT AUTHORIZE THE YOUNG UNION LEADER TO TRAVEL TO THE UNITED STATES LAST YEAR ON AN IVP GRANT.

JONES

SECT: SECTION: 01 OF 02
<^SECT>SECTION: 02 OF 02

SSN: 1558
<^SSN>1558

TOR: 970214124216 M2618792
<^TOR>970214124238 M2618794

DIST:
SIT: NSC

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
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LINE2: ZNR UUUUU ZZH
LINE3: P R 261941Z FEB 97
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 261941Z FEB 97
ORIG: SECSTATE WASHDC
TO: AMEMBASSY NEW DELHI PRIORITY 0000
INFO: CHILD LABOR COLLECTIVE
SUBJ: CHILD LABOR: PROGRAMS FOR LABELING AND MONITORING

TEXT:

UNCLAS STATE 035547

FOR LABATT/LRO

E.O. 12958: N/A

TAGS: ELAB, SOCI, PHUM, IN

SUBJECT: CHILD LABOR: PROGRAMS FOR LABELING AND MONITORING

REF: A) NEW DELHI 00961 (NOTAL), B) STATE 16992, C) STATE 05439

SUMMARY AND ACTION REQUESTED

1. CONGRESSIONAL INTEREST IN PROGRAMS TO LABEL PRODUCTS THAT HAVE BEEN MADE WITHOUT CHILD LABOR (WITH PROVISION FOR CREDIBLE MONITORING) IS INCREASING. IN LINE WITH PRESIDENT CLINTON'S INTEREST AND ASSURANCES GIVEN CONGRESS, THE DEPARTMENT WILL PROVIDE INTERESTED PARTIES ON THE HILL WITH INFORMATION ON LABELING/MONITORING PROGRAMS ABROAD THAT COME TO OUR ATTENTION. INFO ADDRESSEES ARE INVITED TO PROVIDE INFORMATION ON SUCH PROGRAMS, INCLUDING ASSESSMENTS OF HOW THEY ARE OPERATING IN EXPORTING COUNTRIES AND, IN IMPORTING COUNTRIES, OF CONSUMER REACTION TO THEM. EMBASSY NEW DELHI IS REQUESTED TO ELABORATE ON A PREVIOUSLY REPORTED ASSESSMENT OF "RUGMARK" MONITORING PROBLEMS. END SUMMARY.

INTEREST ON THE HILL

2. CONGRESSIONAL INTEREST IN PROGRAMS TO LABEL PRODUCTS THAT HAVE BEEN MADE WITHOUT CHILD LABOR APPEARS TO BE INCREASING. ON JANUARY 31, IN THE COURSE OF TESTIMONY HE PROVIDED BEFORE THE HOUSE INTERNATIONAL RELATIONS COMMITTEE'S SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS AND HUMAN RIGHTS, DRL A/S JOHN SHATTUCK WAS ASKED SEVERAL QUESTIONS ABOUT CHILD LABOR. BOTH REP. DENNIS KUCINICH (D-OHIO) AND SUBCOMMITTEE CHAIRMAN CHRISTOPHER SMITH

(R-NEW JERSEY) SOLICITED DEPARTMENT VIEWS AND URGED SUPPORT FOR LEGISLATION. REP. KUCINICH ASKED "HOW DOES THE ADMINISTRATION FEEL WITH RESPECT TO ENSURING THAT AMERICAN CONSUMERS. . WOULD BE ABLE TO BE INFORMED THROUGH LABELS THAT A RUG OR A SOCCER BALL OR AN ARTICLE OF CLOTHING WAS MADE BY CHILD LABOR. . . . ARE YOU RESPONSIVE TO THAT TYPE OF APPROACH?" CHAIRMAN SMITH LAUDED KUCINICH'S INTEREST AND REFERRED A/S SHATTUCK TO CHILD LABOR LEGISLATION HE HAD HIMSELF INTRODUCED IN THE LAST SESSION OF CONGRESS. A/S SHATTUCK AFFIRMED THAT THE DEPARTMENT IS RESPONSIVE, EMPHASIZED OUR INTEREST IN WORKING WITH CONGRESS "ON THIS VERY IMPORTANT ISSUE OF CHILD LABOR," AND OBSERVED THAT "THE RUGMARK APPROACH IS ONE THAT MAKES SENSE."

3. ON FEBRUARY 21, DEPARTMENT OFFICIALS (FROM H AND DRL) PARTICIPATED IN AN INFORMAL MEETING ON CHILD LABOR HELD IN THE OFFICE OF SENATOR TOM HARKIN (D-IOWA). THE MEETING WAS ATTENDED BY STAFFERS REPRESENTING SEN, HARKIN AND SIX CONGRESSMEN, INCLUDING AN APPROPRIATOR. IN THE COURSE OF THE MEETING, A HARKIN STAFFER INFORMED THE GROUP THAT SEN. HARKIN HAD REINTRODUCED THE "CHILD LABOR DETERRENCE ACT" (S-332) TO PROHIBIT THE IMPORT OF GOODS PRODUCED ABROAD WITH CHILD LABOR. SHE SAID HE WOULD ALSO REINTRODUCE A MEASURE, PRESENTED IN THE LAST SESSION OF CONGRESS, TO PROMOTE "A VOLUNTARY LABELING SYSTEM FOR WEARING APPAREL AND SPORTING GOODS MADE WITHOUT ABUSIVE AND EXPLOITED CHILD LABOR." SEVERAL PARTICIPANTS COMMENTED ON THE INITIATIVE. HEARING THAT THE MEASURE WAS ALSO INTENDED TO COVER HAND-KNOTTED CARPETS, ONE MEETING PARTICIPANT EXPRESSED CONCERN THAT THE BILL NOT INADVERTENTLY UNDERCUT THE HIGH LABELING/MONITORING STANDARDS OF THE "RUGMARK" PROGRAM. STAFFERS REFERRED TO ANOTHER LEGISLATIVE PROPOSAL, WHICH WOULD REQUIRE AN ADMINISTRATION REPORT (THAT WOULD BE MADE PUBLIC) ON IMPORTERS AND SELLERS OF PRODUCTS PRODUCED BY CHILD LABOR. THE GROUP AGREED TO MEET REGULARLY AND TO COORDINATE LEGISLATIVE INITIATIVES.

THE ADMINISTRATION'S POSITION

4. IN HIS JANUARY 31 TESTIMONY, A/S SHATTUCK NOTED THAT "WE NEED TO LOOK AT A VARIETY OF DIFFERENT WAYS THAT THIS (ISSUE) CAN BE EXPRESSED." HE POINTED OUT THAT "WE NOT ONLY SHOULD BUT CAN WORK VERY CLOSELY WITH AMERICAN BUSINESS AND OTHER BUSINESSES." AS AN EXAMPLE OF HOW THE ADMINISTRATION IS WORKING WITH BUSINESS, ON AUGUST 2, 1996 PRESIDENT CLINTON MET WITH REPRESENTATIVES OF LARGE U.S. APPAREL AND FOOTWEAR COMPANIES (AS WELL AS OTHERS FROM LABOR, CONSUMER, HUMAN RIGHTS, AND RELIGIOUS GROUPS) TO DISCUSS THE ISSUE OF SWEATSHOP WORKING CONDITIONS IN THE U.S. AND ABROAD. THE GROUP AGREED TO TRY TO DEVELOP, INTER AL IA, OPTIONS TO INFORM CONSUMERS THAT THE PRODUCTS THEY BUY ARE NOT PRODUCED UNDER EXPLOITATIVE CONDITIONS OR BY CHILDREN. AFTER THE MEETING, THE PRESIDENT SAID THAT HE HOPED THE GROUP WOULD "DEVELOP MEASURES THAT MIGHT INCLUDE LABELS, CLEAR SIGNS IN STORES OR OTHER MEANS OF GETTING THE INFORMATION.. TO CONSUMERS SO THAT CONSUMERS AT THE POINT OF SALE HAVE AN OPPORTUNITY THEMSELVES TO BE

RESPONSIBLE CITIZENS IN THEIR PURCHASES."

"RUGMARK" AS A LABELING/MONITORING MODEL

5. MUCH OF THE CURRENT INTEREST IN LABELING STEMS FROM THE PIONEER EXPERIENCE OF "RUGMARK," AN INITIATIVE WHOSE PERFORMANCE HAS BEEN THE SUBJECT OF AT LEAST TWO MAJOR STUDIES. AFTER BEING COMMISSIONED BY CANADA'S DEPARTMENT OF FOREIGN AFFAIRS AND INTERNATIONAL TRADE, UNICEF CANADA SUBMITTED A REPORT IN JUNE 1996 THAT CONCLUDED:

"RUGMARK APPEARS TO BE DOING AS COMPREHENSIVE A JOB AS POSSIBLE TO ENSURE THAT LICENSEES ARE TRULY OPERATING WITHOUT CHILD LABOUR. THE FACT THAT INSPECTIONS HAVE RESULTED IN SOME LICENCES BEING REVOKED, AND THAT A SUBSTANTIAL WAITING LIST OF WOULD-BE LICENSEES EXISTS ARE BOTH TESTIMONY TO THE SERIOUSNESS WITH WHICH THE INSPECTION SERVICE TAKES ITS RESPONSIBILITIES

"EACH LABEL CARRIES A NUMERICAL CODE ISSUED AT THE POINT OF ORIGIN, SPECIFYING THE EXPORTER, MANUFACTURER AND THE LOOM OWNER. THESE NUMBERS ARE FORWARDED TO RUGMARK IN GERMANY, WHERE THEY ARE ENTERED ON A COMPUTER DATABASE. IN THEORY THIS MEANS THAT FALSE LABELS COULD BE IDENTIFIED AS SUCH BECAUSE OF THEIR SERIAL NUMBER....

"THE DISTINGUISHING ELEMENT OF RUGMARK IS ITS

INSISTENCE THAT LICENSEES SUBMIT TO RANDOM

INSPECTIONS. THIS IS CRITICAL IF THE CHALLENGE OF REGULATING LABOUR IN A DISPERSED COTTAGE INDUSTRY ENVIRONMENT IS TO BE MET.

6. IN A SEPARATE REPORT, THE INTERNATIONAL LABOR RIGHTS FUND (ILRF) PRESENTED FINDINGS BASED ON A STUDY OF RUGMARK CONDUCTED IN INDIA IN APRIL AND MAY 1996. THE ILRF REPORT NOTED THAT:

"IN INDIA AND NEPAL, RUGMARK HAS ADOPTED A TRI-FOLD PROCESS FOR DETERMINING WHETHER CARPETS WERE MADE WITHOUT ILLEGAL CHILD LABOR -- LICENCE APPROVAL, RANDOM FOLLOW-UP INSPECTIONS, AND CARPET TRACKING....

"AS OF THE END OF JUNE 1996, 164 LOOMS HAD BEEN DECERTIFIED, 703 CHILDREN, INCLUDING FAMILY MEMBERS, HAD BEEN FOUND AT 408 LOOMS, MOST OF WHICH SUBSEQUENTLY PASSED INSPECTION. MORE THAN HALF THESE CHILDREN WERE DISCOVERED IN THE EARLY MONTHS OF THE PROGRAM....

"IN MOST OF THE COMMUNITIES IN THE CARPET BELT, THERE ARE (NGO) ACTIVISTS WORKING WITH CHILDREN IN EDUCATION OR DEVELOPMENT PROJECTS. THEY PROVIDE ANOTHER INDEPENDENT EYE ON THE LOOMSHEDS AND REPORT THE PRESENCE OF CHILD LABOR....

"RUGMARK.. CREATES A HIGH PROBABILITY THAT VIOLATIONS WILL BE DISCOVERED AND PENALTIES WILL BE IMPOSED. IN

FACT, A SIGNIFICANT NUMBER OF VIOLATIONS HAVE BEEN FOUND AND VIOLATORS EXCLUDED FROM THE PROGRAM. ... IN THE COURSE OF 18 MONTHS OF OPERATION IN A CLIMATE IN WHICH THE NON-PARTICIPATING EXPORTERS HAVE DEMONSTRATED KEEN INTEREST IN SHOWING RUGMARK UP TO BE A FRAUD, NOT A SINGLE CASE OF FRAUDULENTLY OR FALSELY LABELED CARPETS HAS BEEN DISCOVERED. ... AFTER THE LABELING OF MORE THAN 260,000 CARPETS, NO CASE OF MIS-LABELING HAS BEEN DISCOVERED, OR EVEN CHARGED."

FOR NEW DELHI

7. WE NOTE THAT YOU HAVE PREVIOUSLY REPORTED (REF A) THAT THERE ARE "MONITORING PROBLEMS" WITH RUGMARK, A LABELING SCHEME YOU HAVE CHARACTERIZED AS "DOUBTFUL." GIVEN CONGRESSIONAL INTEREST AND THE ADMINISTRATION'S COMMITMENT TO LABELING INITIATIVES, AND IN VIEW OF THE CITED FAVORABLE EVALUATIONS OF RUGMARK'S LABELING/MONITORING PERFORMANCE, WE WOULD APPRECIATE RECEIVING FROM YOU A FULLER ASSESSMENT AS TO WHERE THESE MONITORING PROBLEMS

LIE AND WHY YOU CONSIDER RUGMARK TO BE DOUBTFUL. IN ORDER BOTH TO FULFIL OUR RESPONSIBILITIES TO CONGRESS AND TO ASSIST IN DEVELOPING A COHERENT ADMINISTRATION APPROACH ON LABELING, WE WILL NEED ASSESSMENTS OF ONGOING INITIATIVES THAT ARE AS PRECISE AND DETAILED AS POSSIBLE.

FOR INFO ADDRESSEES

8. INFO ADDRESSEES ARE INVITED TO PROVIDE SIMILAR INFORMATION. ADDRESSEES IN EXPORTING COUNTRIES SHOULD ASSESS HOW OTHER LABELING/MONITORING INITIATIVES THAT MAY BE UNDER WAY ARE OPERATING, WHILE ADDRESSEES IN IMPORTING COUNTRIES ARE REQUESTED TO ASSESS CONSUMER REACTION TO THEM.

FOR BOTH NEW DELHI AND INFO ADDRESSEES

9. PER REFS B AND C, PLEASE SEND ALL RESPONSES VIA THE CHILD LABOR COLLECTIVE.
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 5547

TOR: 970226145024 M2634667

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE

CLASS: UNCLASSIFIED

LINE1: OAAUZYUW RUEHCAA0345 1052239-UUUU--RHEHAAX.

LINE2: ZNR UUUUU ZZH

LINE3: O 152235Z APR 97

LINE4: FM SECSTATE WASHDC

OSRI: RUEHC

DTG: 152235Z APR 97

ORIG: SECSTATE WASHDC

TO: CENTRAL AMERICAN CARIBBEAN BASIN COLLECTIVE IMMEDIATE

RUEHAC/AMEMBASSY ASUNCION PRIORITY 1256

RUEHDK/AMEMBASSY DAKAR PRIORITY 3928

RUEHKA/AMEMBASSY DHAKA PRIORITY 4505

RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 0204

RUEHKT/AMEMBASSY KATHMANDU PRIORITY 4228

RUEHMU/AMEMBASSY MANAGUA PRIORITY 3539

RUEHSJ/AMEMBASSY SAN JOSE PRIORITY 8992

RUEHBJ/AMEMBASSY BEIJING PRIORITY 3242

RUEHCI/AMCONSUL CALCUTTA PRIORITY 0579

RUEHLM/AMEMBASSY COLOMBO PRIORITY 6238

RUEHGV/USMISSION GENEVA PRIORITY 3666

RUEHKP/AMCONSUL KARACHI PRIORITY 7804

RUEHLR/AMCONSUL LAHORE PRIORITY 4301

RUSBMA/AMCONSUL CHENNAI PRIORITY 1082

RUSBAY/AMCONSUL MUMBAI PRIORITY 2161

RUEHRB/AMEMBASSY RABAT PRIORITY 1376

RUEHDG/AMEMBASSY SANTO DOMINGO PRIORITY 2925

LABOR COLLECTIVE PRIORITY

RUEHAB/AMEMBASSY ABIDJAN PRIORITY 4580

RUEHDS/AMEMBASSY ADDIS ABABA PRIORITY 0142

INFO: ////

SUBJ: TRADE AND LABOR STANDARDS:WHITE HOUSE ANNOUNCEMENT
ON APPAREL INDUSTRY INITIATIVE

TEXT:

UNCLAS STATE 070345

PARIS ALSO FOR OECD, FOR LABATTS/LABOFFS

E.O. 12958: N/A

TAGS: ELAB, PHUM, ETRD, ETEX

SUBJECT: TRADE AND LABOR STANDARDS:WHITE HOUSE ANNOUNCEMENT
ON APPAREL INDUSTRY INITIATIVE

REF: 96 STATE 2487L5

1. THIS AN ACTION REQUEST. SEE PARA 4.

2. AS PER REFTEL NOTIFICATION, USIA'S WASHINGTON FILE OF
APRIL 14 AND 15 CARRIED THE TEXT OF FIVE ITEMS RELATING TO
PRESIDENT CLINTON'S REMARKS ON THE APPAREL INDUSTRY

INITIATIVE ANNOUNCED AT THE WHITE HOUSE APRIL 14. THESE TEXTS ARE ALSO AVAILABLE THROUGH THE INTERNET AT [HTTP://WWW.USIA.GOV/TOPIICAL/ECON/ECON.HTM](http://www.usia.gov/topical/econ/econ.htm) UNDER THE WASHINGTON FILE.

3. ACTION OFFICERS ARE ASKED TO USE THESE MATERIALS AS PART OF A CONTINUING PROCESS TO BUILD SUPPORT FOR THE U.S. GOAL OF STUDYING THE LINK BETWEEN TRADE AND LABOR STANDARDS. THE APPAREL INDUSTRY PARTNERSHIP DESCRIBED IN THESE TEXTS REFLECTS THE CONCERN OF THE U.S. PUBLIC THAT WORKING CONDITIONS IN THE U.S. AND IN OUR TRADING PARTNER COUNTRIES BE HUMANE AND RESPECT CORE LABOR STANDARDS. THE APPAREL INDUSTRY PARTNERSHIP - WHICH INCLUDES INDUSTRY,

NGOS AND U.S. TRADE UNIONS - IS AN IMPORTANT FIRST STEP IN A CONTINUING PROCESS, ONE THAT REQUIRES SUBSTANTIAL FOLLOW-UP WORK TO REALIZE THE GOALS OF THIS PRECEDENT SETTING AGREEMENT.

4. ACTION REQUESTED: LABATTS/LABOFFS, IN COOPERATION WITH USIS COLLEAGUES, ARE ASKED TO GIVE THE MATERIALS TRANSMITTED IN THE WASHINGTON FILE WIDE DISTRIBUTION TO THEIR GOVERNMENT, TRADE UNION, NGO AND BUSINESS COMMUNITY CONTACTS IN INFORMING THEM OF USG INTENTIONS TO PROMOTE VOLUNTARY CODES OF CONDUCT AND MEANINGFUL MONITORING OF THEM BY OUR INTERNATIONAL BUSINESSES.

ALBRIGHT

SECT: SECTION: 01 OF 01
SSN: 0345
TOR: 970415184620 M2715597
DIST:
SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
LINE1: OAAUZYUW RUEHCAA0343 1052239-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH ZEX
LINE3: O 152235Z APR 97
LINE4: FM SECSTATE WASHDC
OSRI: RUEHC
DTG: 152235Z APR 97
ORIG: SECSTATE WASHDC
TO: ARA CENTRAL AMERICAN COLLECTIVE IMMEDIATE
RUEHDG/AMEMBASSY SANTO DOMINGO IMMEDIATE 2924
INFO: ////
SUBJ: STATE /DOL TEAM WILL BRIEF CENTAM/DR LABMINS IN DR 4/17
ON APPAREL PARTNERSHIP PRESIDENT CLINTON ANNOUNCED HERE 4/14
TEXT:
UNCLAS STATE 070343

E.O. 12958: N/A

TAGS: ELAB PHUM XK DR

SUBJECT: STATE /DOL TEAM WILL BRIEF CENTAM/DR LABMINS IN DR 4/17
ON APPAREL PARTNERSHIP PRESIDENT CLINTON ANNOUNCED HERE 4/14

REF: (A) 97 STATE 00248715, (B) 97 SANTO DOMI 00001825,
(C) 97 STATE 00062834

1. SUMMARY: A STATE/DOL TEAM WILL TRAVEL TO THE DR TO BRIEF CENTAM/DR LABMINS 4/17 ON THE APPAREL PARTNERSHIP ANNOUNCED 4/14 BY PRESIDENT CLINTON AND ENCOURAGE A SUPPORTING CENTAM/DR INITIATIVE AT SAN JOSE. CENTAM AND DOMINICAN AMBASSADORS WILL ALERT THEIR MINISTERS, BUT EMBASSIES MAY WISH TO DO SO AS WELL. THE PARTNERSHIP ANNOUNCEMENT ENHANCES THE OPPORTUNITY FOR CENTAM/DR PRESIDENTS TO MAKE A POSITIVE IMPACT IN THE LABOR AREA AT SAN JOSE. TEXT OF PARTNERSHIP AND CLINTON REMARKS IN 4/14 USIA WASHINGTON FILE. WORLDWIDE SEPTTEL FOLLOWS ON THE PARTNERSHIP. END SUMMARY.

2. ARA/CEN DEP DIR PAUL TRIVELLI AND DOL/ILAB INTERNATIONAL ECON/TRADE OFFICE DIRECTOR JORGE PEREZ-LOPEZ WILL FLY TO PUERTO PLATA, DOMINICAN REPUBLIC TO JOIN SANTO DOMINGO LABOR OFFICER AND BRIEF CENTRAL AMERICAN AND DOMINICAN LABOR MINISTERS GATHERED THERE ON THURSDAY, APRIL 17, ON THE NEW APPAREL INDUSTRY PARTNERSHIP ANNOUNCED BY PRESIDENT CLINTON AT THE WHITE HOUSE APRIL 14. THEY WILL ENCOURAGE A PARALLEL OR SUPPORTING CENTAM/DR INITIATIVE OR STATEMENT AT THE SAN JOSE SUMMIT IN MAY.

3. ARA/DAS HAMILTON ALERTED CENTAM AND DOMINICAN AMBASSADORS TO THE OPPORTUNITY PRESENTED BY PRESIDENT CLINTON'S ANNOUNCEMENT OF THE PARTNERSHIP, AND TO THE TRIP AND BRIEFING BY PEREZ-LOPEZ AND TRIVELLI, AT A

MEETING APRIL 15 AT THE DEPARTMENT TO DISCUSS THE DRAFT SAN JOSE PRESIDENTIAL DECLARATION. THEY UNDERTOOK TO ALERT THEIR MINISTERS.

4. WE UNDERSTAND ILO DIRECTOR GENERAL HANSENNE WILL BE MEETING WITH SOME LATIN AMERICAN LABOR MINISTERS IN SAN JOSE AT THE TIME OF THE PRESIDENT'S VISIT.

5. SEPTTEL ON THE APPAREL INDUSTRY PARTNERSHIP SHOULD GO OUT SOON. AS IT AND REF A NOTE, USIA TRANSMITTED FIVE PIECES ON 4/14-15 IN ITS WASHINGTON FILE INCLUDING THE TEXT OF PRESIDENT CLINTON'S REMARKS AND ON THE APPAREL INDUSTRY PARTNERSHIP AGREEMENT.

6. COMMENT: ALL THESE FACTORS COULD COMBINE, OR BE COMBINED, TO GIVE MORE IMPACT TO A POSITIVE UNDERTAKING ON THE PART OF CENTAM AND DOMINICAN GOVERNMENTS TO ENHANCE AND STRENGTHEN WORKER RIGHTS AND LABOR STANDARDS IMPLEMENTATION IN THEIR COUNTRIES
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 0343

TOR: 970415184619 M2715596

DIST:

SIT: NSC

Cable

PREC: ROUTINE
CLASS: UNCLASSIFIED
LINE1: RAAUZYUW RUEHBSA2869 1111147-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: R 211147Z APR 97
LINE4: FM USEU BRUSSELS
OSRI: RUEHBS
DTG: 211147Z APR 97
ORIG: USEU BRUSSELS
TO: RUEHC/SECSTATE WASHDC
INFO: RUEHXQ/ALL EUROPEAN UNION POST COLLECTIVE
RUEHC/DOL WASHDC
RUEHXI/LABOR COLLECTIVE
SUBJ: ICFTU WELCOMES U.S. APPAREL INDUSTRY
PARTNERSHIP AGREEMENT

TEXT:

UNCLAS BRUSSELS 002869

STATE FOR EUR/ERA - WALCH AND DRL/IL - IRONS

LABOR FOR ILAB - BRUMFIELD

E.O. 12958: N/A

TAGS: PREL, ELAB, SOCI, PHUM, ICFTU, EUN
SUBJECT: ICFTU WELCOMES U.S. APPAREL INDUSTRY
PARTNERSHIP AGREEMENT

REF: STATE 70345

1. ON APRIL 15, THE INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS (ICFTU) ISSUED A STATEMENT (FAXED TO DRL/IL AND DOL/ILAB) WELCOMING THE U.S. APPAREL INDUSTRY PARTNERSHIP AGREEMENT. AT THE SAME TIME, THE ICFTU CAUTIONED THAT THE NEW CODE OF CONDUCT FOR THE APPAREL INDUSTRY WOULD WORK ONLY TO THE EXTENT THAT IT INCORPORATED CORE INTERNATIONAL LABOR ORGANIZATION (ILO) STANDARDS, FUNCTIONED INDEPENDENTLY OF INTERNATIONAL MANUFACTURERS AND FEATURED WORKER REPRESENTATIVES' PARTICIPATION.
2. THE STATEMENT QUOTED ICFTU GENERAL SECRETARY BILL JORDAN AS SAYING THAT "WE HAVE LEARNT OF SOME COMPANIES WHICH CARRY OUT THEIR OWN MONITORING USING 'INDEPENDENT' TEAMS TO VISIT FACTORIES. THEY QUIZ WORKERS ABOUT THEIR RIGHTS IN THE PRESENCE OF COMPANY MANAGEMENT, AND THEN GO BACK AND REPORT THAT STAFF HAVE NO COMPLAINTS. THIS CLEARLY ISN'T ADEQUATE."

3. KEY TO THE SUCCESS OF THE CODE, THE STATEMENT ADDED, WOULD BE HOW MONITORING WAS CONDUCTED AND WHO WOULD SUPERVISE THE MONITORS. TRADE UNIONS WOULD HAVE TO PLAY A SIGNIFICANT ROLE IN SETTING UP MONITORING SYSTEMS, AND THE ILO SHOULD PROVIDE TECHNICAL ASSISTANCE. "ONLY WITH MEASURES LIKE THESE IN PLACE WILL CONSUMERS AND THE PUBLIC BE GUARANTEED THAT THE GOODS THEY BUY AND THE CLOTHES THEY WEAR ARE BEING MADE UNDER DECENT WORKING CONDITIONS," JORDAN CONCLUDED.

4. PER REFTTEL, USEU HAS PASSED COPIES OF THE TEXTS OF THE FIVE ITEMS IN THE APRIL 14-15 WIRELESS FILES ON PRESIDENT CLINTON'S REMARKS ON THE APPAREL INDUSTRY TO THE ICFTU, THE EUROPEAN TRADE UNION CONFEDERATION (ETUC) AND THE INTERNATIONAL TRADE SECRETARIATS HEADQUARTERED IN BRUSSELS. USEU WILL FOLLOW UP WITH THEM ON THE POSSIBILITY OF THEIR UNDERTAKING SIMILAR INITIATIVES IN EU MEMBER STATES AND OTHER COUNTRIES AS PART OF THE EFFORT TO BUILD SUPPORT FOR THE U.S. GOAL OF ESTABLISHING LINKS BETWEEN TRADE AND LABOR STANDARDS.

(DRAFTED: POL:JHGLENN) KURSCH

SECT: SECTION: 01 OF 01

SSN: 2869

TOR: 970421075838 M2723629

DIST:

SIT: NSC

Cable

PREC: ROUTINE
CLASS: UNCLASSIFIED
LINE1: RAAUZYUW RUEHBSA2881 1111602-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: R 211602Z APR 97
LINE4: FM USEU BRUSSELS
OSRI: RUEHBS
DTG: 211602Z APR 97
ORIG: USEU BRUSSELS
TO: RUEAUSA/DEPT OF HHS WASHDC
RUEHC/SECSTATE WASHDC
INFO: RUEHC/DOL WASHDC
RUEHXQ/ALL EUROPEAN UNION POST COLLECTIVE
RUEHSR/AMCONSUL STRASBOURG
SUBJ: NTA: STATUS OF LABOR AND SOCIAL
TEXT:
UNCLAS SECTION 01 OF 03 BRUSSELS 002881

SENSITIVE BUT UNCLASSIFIED

STATE FOR EUR/ERA - WALCH, DRL/IL - IRONS, OES/S -
SOLOMON, LORTON, SHIPPY AND DAVIS

DOL FOR ILAB - BRUMFIELD AND OSHA - DEMESNE GRAY

HHS FOR KEN BART AND DAVID HOHMAN

DUBLIN FOR JOHN BEIGHLE

E.O. 12958: N/A
TAGS: PREL, ELAB, SOCI, EUN
SUBJECT: NTA: STATUS OF LABOR AND SOCIAL
ACTION ITEMS

REF: (A) DUBLIN 01452
(B) USEU BRUSSELS 01277
(C) USEU BRUSSELS 01208

1. (U) SUMMARY. THIS CABLE CONTAINS ACTION REQUESTS AND RECOMMENDATIONS IN PARA. 16. DEPUTY DIRECTOR-GENERAL HYWEL JONES SAYS THAT DG V IS MAKING FINAL PREPARATIONS FOR THE MAY WORKING GROUP MEETING AND WORKSHOP. DG V IS PREPARED TO COOPERATE WITH OSHA AND TO ENGAGE IN AN INITIATIVE ON THE DISABLED; JONES SUGGESTS AN EXCHANGE OF WRITTEN PROPOSALS IN THESE AREAS. HE BELIEVES THAT THE LABOR DIALOGUE HAS GOTTEN OFF TO A FINE START AND THAT THE U.S.-EU TASK FORCE ON COMMUNICABLE DISEASES HAS ACHIEVED A GOOD DEAL. JONES IS VERY INTERESTED IN THE U.S. APPAREL INDUSTRY PARTNERSHIP AGREEMENT. END SUMMARY.

MEETING WITH JONES

2. (U) ON APRIL 16, THE DCM AND THE LABOR COUNSELOR MET WITH HYWEL JONES, DEPUTY DIRECTOR-GENERAL OF DG V, TO DISCUSS IMPLEMENTATION OF NEW TRANSATLANTIC AGENDA (NTA) ACTION ITEMS IN THE LABOR AND SOCIAL ISSUES AREA.

WORKING GROUP/WORKSHOP

3. (SBU) JONES SAID THAT HE HAD SPOKEN WITH DOL DEPUTY UNDERSECRETARY ANDREW SAMET ON APRIL 15 ABOUT THE MAY 21-22 WORKSHOP ON "SECURITY OF EMPLOYABILITY" AND THE MAY 23 MEETING OF THE DOL-DG V WORKING GROUP ON LABOR AND SOCIAL ISSUES. HE EXPRESSED THE HOPE THAT THE WORKING GROUP MEETING WOULD FEATURE DISCUSSION OF THE NEXT STAGE OF COOPERATION BETWEEN DOL AND DG V, PARTICULARLY THEMES AND FOCUS FOR 1998. DG V, HE CONTINUED, WOULD PROBABLY HOST MEETINGS OCCURRING NEXT YEAR. JONES EXPRESSED GREAT INTEREST IN THE U.S. APPAREL INDUSTRY PARTNERSHIP AGREEMENT, ABOUT WHICH, HE SAID, SAMET HAD FAXED HIM SOME DOCUMENTS. JONES ASSERTED THAT DG V, ALMOST READY FOR THE WORKSHOP, WOULD HOLD A MEETING ON APRIL 18 TO MAKE FINAL PREPARATIONS.

4. (U) JONES NOTED THAT EUROPEAN TRADE UNION CONFEDERATION GENERAL SECRETARY EMILIO GABAGLIO WOULD BE UNABLE TO ATTEND WASHINGTON EVENTS OWING TO SCHEDULING CONFLICTS AND THAT EU COMMISSIONER PADRAIG FLYNN WOULD ARRIVE IN WASHINGTON ONLY ON THE SECOND DAY OF THE WORKSHOP.

5. (U) IN RESPONSE TO JONES' QUERY, THE DCM SAID IT WAS NOT YET CLEAR WHETHER SECRETARY-DESIGNATE HERMAN WOULD BE CONFIRMED IN TIME FOR THE MAY 21-22 WORKSHOP AND MAY 23 WORKING GROUP MEETING. JONES STRESSED THAT HE HAD BEEN URGING FLYNN TO ATTEND THE WORKING GROUP MEETING EVEN IF HERMAN HAD NOT YET BEEN CONFIRMED AND THOUGHT HE WOULD DO SO.

6. (U) JONES ADDED THAT REPRESENTATIVES OF THE "FUTURE" TROIKA (CURRENT AND TWO SUBSEQUENT PRESIDENCIES), THE NETHERLANDS, LUXEMBOURG AND THE U.K., WOULD ATTEND THE WORKING GROUP MEETING.

OSHA-DG V COOPERATION

7. (U) LAMENTING THAT OSHA AND DG V'S OCCUPATIONAL SAFETY AND HEALTH OFFICE IN LUXEMBOURG HAD FAILED TO ACCOMPLISH ANYTHING TOGETHER DURING THE PAST YEAR, JONES INSISTED THAT

THERE WERE GOOD POSSIBILITIES FOR COOPERATION
REDOUNDING TO THE BENEFIT OF BOTH SIDES. IF THE
TWO SIDES FAILED TO INITIATE COOPERATION SOON,
JONES OBSERVED, THEY MIGHT NEVER DO SO.

UNCLAS SECTION 02 OF 03 BRUSSELS 002881

SENSITIVE BUT UNCLASSIFIED

STATE FOR EUR/ERA - WALCH, DRL/IL - IRONS, OES/S -
SOLOMON, LORTON, SHIPPY AND DAVIS

DOL FOR ILAB - BRUMFIELD AND OSHA - DEMESNE GRAY

HHS FOR KEN BART AND DAVID HOHMAN

DUBLIN FOR JOHN BEIGHLE

E.O. 12958: N/A

TAGS: PREL, ELAB, SOCI, EUN

SUBJECT: NTA: STATUS OF LABOR AND SOCIAL
ACTION ITEMS

8. (SBU) ASSERTING THAT HE HAD "LAID DOWN THE
LAW" WITH DG V DIRECTOR FOR PUBLIC HEALTH AND
SAFETY AT WORK WILLIAM HUNTER ON THE NEED FOR DG V
TO WORK WITH OSHA, JONES SAID THAT HUNTER WOULD BE
PREPARED TO MEET WITH OSHA OFFICIALS ON MAY 22 IN
WASHINGTON TO COORDINATE A PRESENTATION AT THE
WORKING GROUP MEETING THE NEXT DAY. JONES ALSO
SUGGESTED THAT OSHA AND DG V EXCHANGE PAPERS
CONTAINING IDEAS ABOUT FUTURE COOPERATION.
SPECIFICALLY, HE CONTINUED, THE TWO SIDES COULD
COMPARE GAPS IN OCCUPATIONAL SAFETY AND HEALTH
LEGISLATION IN THE U.S. AND IN THE EU MEMBER
STATES, RESPECTIVELY.

THE DISABLED

9. (U) JONES INSISTED THAT FLYNN AND HE WERE
EAGER TO MOVE ON THIS ISSUE; THE QUESTION WAS WHAT
TO DO. SUGGESTING THAT THE TWO SIDES EXCHANGE
DRAFTS WITH RECOMMENDATIONS, JONES SAID THAT HE
WOULD DRAFT DG V'S HIMSELF. ONE POSSIBILITY WOULD
BE TO BEGIN BY FOCUSING ON THE DISABLED IN THE
WORKPLACE.

10. (U) JONES CONTINUED THAT HE WOULD TRY TO HIRE
TWO PART-TIME CONSULTANTS ON THE DISABLED. HE
EMPHASIZED THE UTILITY OF INVOLVING THE EUROPEAN
DISABILITY FORUM, AN ORGANIZATION OF NGOS
PARTIALLY FUNDED BY DG V, IN FUTURE COOPERATIVE
EFFORTS. NOTING THAT THEIR FINANCING WOULD
PROBABLY BE "TRICKY," JONES SAID THAT HE WOULD
APPROACH THE EUROPEAN FOUNDATION CENTER, A
"CLEARING-HOUSE" RUN BY A FORMER EMPLOYEE OF HIS,
ON FUNDING.

11. (U) JONES ASSURED THE DCM THAT THE HIGH-LEVEL GROUP ON THE DISABLED RECENTLY SET UP BY FLYNN WAS OFF AND RUNNING AND WOULD MEET AGAIN IN JUNE (REF. A). JONES ALSO NOTED THAT THE APRIL 11 EUROPEAN PARLIAMENT DEBATE ON THE DISABLED IN STRASBOURG HAD REVEALED "UNANIMOUS" MEP SUPPORT FOR DOING MORE FOR THEM. HENCEFORTH, JONES SAID, EU POLICY ON THE DISABLED WOULD BE BASED ON A "RIGHTS" APPROACH.

12. (U) THE DCM ASSURED JONES THAT THE U.S. WOULD PUSH THE NTA INITIATIVE ON THE DISABLED AND WELCOMED THE INVOLVEMENT OF FOUNDATIONS AND NGOS.

LABOR DIALOGUE

13. (SBU) JONES SAID THAT THE NTA LABOR DIALOGUE HAD GOTTEN OFF TO A FAST START, HAVING ALREADY SPONSORED ONE MEETING AND PLANNING TWO MORE. THE AFL-CIO AND THE EUROPEAN TRADE UNION CONFEDERATION (ETUC), JONES CONTINUED, WOULD PROBABLY APPROACH THEIR RESPECTIVE "GOVERNMENTS" IN THE NEAR FUTURE FOR SUPPORT. MENTIONING A RECENT MEETING WITH ETUC GENERAL SECRETARY GABAGLIO, JONES SAID THE LABOR LEADER HAD EXPLAINED THAT THE TWO PARTICIPANTS IN THE LABOR DIALOGUE HAD DECIDED TO HOLD MEETINGS EARLY ON AS TANGIBLE INSTANCES OF COOPERATION TO ENSURE THAT THEIR DIALOGUE QUICKLY TRANSCENDED THE RHETORICAL LEVEL. OVER TIME, JONES NOTED, GABAGLIO WANTED THE DIALOGUE TO "MIRROR" THE TRANSATLANTIC BUSINESS DIALOGUE (TABD). FOR THE MOMENT, JONES ADDED, THE AFL-CIO AND THE ETUC COULD USEFULLY EXAMINE THE U.S. APPAREL INDUSTRY PARTNERSHIP AGREEMENT IN THE CONTEXT OF THE LABOR DIALOGUE. JONES ALSO MENTIONED THAT GABAGLIO HAD ASKED IF DG V COULD SET UP A BRIEFING ON OTHER NTA ISSUES FOR THE ETUC.

PUBLIC HEALTH

14. (U) OBSERVING THAT IT APPEARED THAT THE U.S.-EU TASK FORCE ON COMMUNICABLE DISEASES HAD UNCLAS SECTION 03 OF 03 BRUSSELS 002881

SENSITIVE BUT UNCLASSIFIED

STATE FOR EUR/ERA - WALCH, DRL/IL - IRONS, OES/S - SOLOMON, LORTON, SHIPPY AND DAVIS

DOL FOR ILAB - BRUMFIELD AND OSHA - DEMESNE GRAY

HHS FOR KEN BART AND DAVID HOHMAN

DUBLIN FOR JOHN BEIGHLE

E.O. 12958: N/A
TAGS: PREL, ELAB, SOCI, EUN
SUBJECT: NTA: STATUS OF LABOR AND SOCIAL
ACTION ITEMS

ACHIEVED CONSIDERABLE PROGRESS AND THAT WORKING GROUPS WERE MEETING REGULARLY, JONES SAID THAT HE WOULD GET A BRIEFING FROM DG V'S PUBLIC HEALTH OFFICE IN LUXEMBOURG. THE QUESTION IN REGARD TO FLYNN'S MAY VISIT TO WASHINGTON WAS WHETHER A MEETING WITH HHS SECRETARY SHALALA WOULD IMPROVE NTA IMPLEMENTATION IN THE PUBLIC HEALTH AREA. THE DCM REPLIED THAT HE WOULD LOOK INTO THE POSSIBILITY AND GET BACK TO JONES. IN THIS AS IN OTHER NTA AREAS, DELIVERABLES WERE CRITICAL, THE DCM EMPHASIZED.

COMMENT

15. (U) JONES' COMMENTS AND TONE SUGGEST THAT DG V IS FINALLY READY TO MOVE ON THE ISSUES OF THE DISABLED AND OCCUPATIONAL HEALTH AND SAFETY. EARLY EXCHANGE OF SPECIFIC PROPOSALS FOR COOPERATION IN THESE AREAS WILL HELP MAKE THE MAY WORKING GROUP MEETING A SUCCESS.

(DRAFTED: POL: JHGLENN) WEAVER

SECT: SECTION: 01 OF 03
<^SECT>SECTION: 02 OF 03
<^SECT>SECTION: 03 OF 03

SSN: 2881
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TOR: 970421123435 M2724101
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SIT: NSC

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LINE3: R 211954Z APR 97
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OSRI: RUEHTM
DTG: 211954Z APR 97
ORIG: AMCONSUL TIJUANA
TO: RUEHC/SECSTATE WASHDC 0936
INFO: RUEHME/AMEMBASSY MEXICO 0843
RUEHEG/AMEMBASSY CAIRO 0009
SUBJ: NAFTA REPORT TO CONGRESS

TEXT:

UNCLAS TIJUANA 0455

DEPT FOR: ARA/MEX, INFO CA
CAIRO FOR: CG NHAHN

E.O. 12958: N/A
TAGS: ETRD, SENV, CASC, ELAB, PGOV, CA, MX
SUBJECT: NAFTA REPORT TO CONGRESS

REF: STATE 65724

LABOR CONDITIONS IN BAJA CALIFORNIA HAVE IMPROVED AS A RESULT OF NAFTA'S IMPACT. THEN-GOVERNOR ERNESTO RUFFO APPEL TOLD CONOFF IN SEPTEMBER 1994 THAT WHEN NAFTA WAS PASSED HE DID NOT HAVE TO GO LOOKING FOR INVESTORS FOR HIS STATE'S MAQUILADORA INDUSTRY, THEY CAME COURTING -- FROM JAPAN, KOREA AND TAIWAN. THE CHANGE IN WORKING CONDITIONS IS PARTLY REFLECTED IN THE STATISTICS: THOUGH THE TOTAL NUMBER OF MAQUILADORAS HAS DECREASED, THE MANUFACTURING SECTOR HAS EXPANDED BY 20 TO 25 PERCENT A YEAR, EMPLOYMENT HAS INCREASED OVER BY 20,000 JOBS ANNUALLY AND THERE HAS BEEN A PROPORTIONAL INCREASE IN MAQUILADORA SQUARE FOOTAGE. THESE STATS REFLECT THE DECLINE OF THE SMALL MAQUILADORA SWEATSHOPS, REPLACED BY CLEAN, MODERN CLIMATE-CONTROLLED FACTORIES GEARED TO HIGH TECH INDUSTRIES SUCH AS TELEVISIONS (ALMOST EIGHT MILLION A YEAR), TELECOMMUNICATIONS AND PLASTICS. SUCH INDUSTRIES ARE ALSO MUCH MORE RESPONSIBLE MEMBERS OF THE COMMUNITY, CONCERNED ABOUT THE PROPER DISPOSAL OF THEIR INDUSTRIAL WASTE AND ORIENTED TOWARD MEETING INTERNATIONAL STANDARDS OF QUALITY PRODUCTION.

BROWN

SECT: SECTION: 01 OF 01

SSN: 0455

TOR: 970421150827 M2724334

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SIT: NSC

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
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TO: RUEHIA/USIA WASHDC PRIORITY 1299
INFO: RUEHC/SECSTATE WASHDC PRIORITY 4889
SUBJ: MEDIA REACTION APPAREL INDUSTRY

TEXT:

UNCLAS KINGSTON 001673

USIA FOR AR, R/MR, D/P, I/RW, I/GAR, B/VOA/L, B/TVP
STATE FOR ARA/CAR
NSC FOR JDOBBINS

E.O. 12958: N/A
TAGS: ODIP, OPRC, JM, ETRD, EIND
SUBJECT: MEDIA REACTION APPAREL INDUSTRY

SUMMARY: REPORTER MICHAEL BECKER WRITES IN THE SUNDAY OBSERVER (04/20) THAT THE LOCAL GARMENT SECTOR WELCOMES THE NEW U.S. APPAREL CODE, AS IT WILL PROTECT THE LOCAL INDUSTRY FROM CHEAP IMPORTS AND MAKE LOCAL EXPORTS MORE COMPETITIVE. THE WEEKLY SUNDAY HERALD (04/2) REPORTS THAT TWO MAJOR U.S. APPAREL FIRMS ARE CONSIDERING ESTABLISHING FACTORIES IN JAMAICA. END SUMMARY.

1. "NEW APPAREL CODE WELCOMED BY LOCAL GARMENT SECTOR"

MICHAEL BECKER WRITES IN THE BUSINESS-ORIENTED, CENTRIST SUNDAY OBSERVER (04/20):

"A NEW U.S. APPAREL CODE, COVERING SO-CALLED 'SWEATSHOPS', HAS BEEN WELCOMED BY LOCAL GARMENT SECTOR OFFICIALS WHO SAY IT WILL HELP TO MAKE LOCAL EXPORTS MORE COMPETITIVE AND PROTECT THE LOCAL MARKET FROM CHEAPER IMPORTS.

U.S. PRESIDENT BILL CLINTON ENDORSED THE CODE OF CONDUCT...SAYING IT WOULD HELP IMPROVE THE LIVES OF MILLIONS OF GARMENT WORKERS WORLD-WIDE.

....'I THINK IT IS A POSITIVE DEVELOPMENT,' NOTED CHAIRMAN OF THE CARIBBEAN TEXTILE AND APPAREL INSTITUTE, AMBASSADOR PETER KING, 'IF ANYTHING IT DOESN'T GO FAR ENOUGH.'

LOCAL OFFICIALS SAY THE CODE IS AIMED MORE AT PRODUCERS IN

THE FAR EAST, AND THE 'MAQUILADORES', U.S.-OWNED FIRMS NEAR MEXICO'S BORDER...

'THESE FIRMS ARE COMPETITIVE BASED ON VERY LOW WAGES IN AN ENVIRONMENT WE WOULD CONSIDER ANATHEMA,' KING SAID. HE ADDED THAT UNDER THE CARIBBEAN BASIN INITIATIVE, STATES WERE OBLIGED TO HAVE PROPER WORKERS RIGHTS IN PLACE. BUT THIS HAS NOT PREVENTED CRITICISM OF THE SECTOR OVER THE YEARS, BOTH LOCALLY AND ELSEWHERE IN THE REGION.

SOME YEARS AGO, JAMPRO CAME UNDER FIRE FOR REPORTEDLY MARKETING THE LOW-WAGE BENEFITS OF JAMAICA'S FREE ZONES...

THE LABOR UNIONS OBJECTED...

MEANWHILE, HAITIAN LABOR ADVOCATES HAVE APPLAUDED THE AGREEMENT...

...WITHIN THE NEXT SIX MONTHS, A MONITORING SYSTEM WILL BE IN PLACE TO AWARD 'SEALS OF APPROVAL' TO FACTORIES THAT ABIDE BY THE CODE...

KING SAID THIS WOULD ASSIST PRODUCERS FOR THE LOCAL MARKET AS WELL, WHO HAVE BEEN 'DEVASTATED. BY LOW-PRICED IMPORTS FROM COUNTRIES 'WITHOUT PROPER WORKERS' CODES'.

HE ADDED JAMAICA SHOULD FOLLOW THE EXAMPLE OF THE U.S. FIRMS, AND REFUSE TO BUY FROM COUNTRIES WHERE SWEAT-SHOP PRACTICES PREVAIL...."

2. "BIG APPAREL FIRMS EYEING JAMAICA"

THE WEEKLY SUNDAY HERALD (04/20) REPORTED ON ITS BUSINESS PAGES:

"TWO MAJOR U.S. APPAREL FIRMS...ARE SET TO ESTABLISH OPERATIONS IN JAMAICA. THE PRINCIPALS OF THE TWO FIRMS WERE EXPECTED IN THE ISLAND LAST WEEK TO CONDUCT SITE VISITS...."

COMMENTING ON THE VISITS, DAVID CHIN OF DAVON CORPORATION SAID, 'THIS IS A TIMELY AND POSITIVE DEVELOPMENT FOR THE JAMAICAN APPAREL INDUSTRY. WE NEED MORE OF THESE TO SEND THE MESSAGE THAT JAMAICA REMAINS A VIABLE LOCATION...'

CHERLAE MORGAN, DIRECTOR OF JAMPRO'S TEXTILES AND SEWN PRODUCTS DIVISION SAID THAT UTILIZING TARGETED PROMOTIONAL EFFORTS SUCH AS THE BOBBIN APPAREL SHOW OF THE AMERICAS HELD IN MIAMI RECENTLY, JAMPRO SEEKS TO POSITION THE ISLAND'S LOCAL APPAREL SECTOR FOR THE NEXT MILLENNIUM...." FOSTER

SECT: SECTION: 01 OF 01

SSN: 1673

TOR: 970422075249 M2725401

DIST:

SIT: NSC

Cable

PREC: IMMEDIATE
CLASS: UNCLASSIFIED
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AMEMBASSY SANTO DOMINGO IMMEDIATE 0000
INFO: ////
SUBJ: DEMARCHE ON APPAREL INDUSTRY PARTNERSHIP
INITIATIVE

TEXT:

UNCLAS STATE 075228

SENSITIVE, FROM A/S DAVIDOW TO AMBASSADORS

E.O. 12958: N/A

TAGS: ELAB, PHUM, XK, DR

SUBJECT: DEMARCHE ON APPAREL INDUSTRY PARTNERSHIP
INITIATIVE

REF: (A) 97 STATE 62834, (B) 97 STATE 70343,
(C) 97 STATE 70345

1. (SBU) ON APRIL 17 IN PUERTO PLATA, DOMINICAN
REPUBLIC, ARA/CEN DEPUTY DIRECTOR PAUL TRIVELLI AND DOL
OFFICIAL JORGE PEREZ LOPEZ SPOKE AT LENGTH TO THE
FOLLOWING OFFICIALS CONCERNING A POSSIBLE LABOR PRACTICES
INITIATIVE AT THE SAN JOSE SUMMIT AND AN ENDORSEMENT OF
THE WORKPLACE CODE OF CONDUCT INITIATIVE RECENTLY
ANNOUNCED BY THE APPAREL INDUSTRY PARTNERSHIP:

-- COSTA RICAN MINISTER OF LABOR AYALES
-- GUATEMALAN MINISTER OF LABOR CIFUENTES
-- PANAMANIAN VICE MINISTER OF LABOR DUCREAU

-- DOMINICAN MINISTER OF LABOR ALBURQUERQUE
-- EL SALVADORAN VICE MINISTER OF LABOR ZEPEDA
-- NICARAGUAN MINISTER OF LABOR NAVARRO
-- BELIZEAN MINISTER OF LABOR URBINA
-- HONDURAN MINISTER OF LABOR ZAVALA

(NOTE: THE APPAREL INDUSTRY PARTNERSHIP OF LEADING U.S.
COMPANIES, UNIONS AND NGOS ANNOUNCED THE ESTABLISHMENT OF
A WORKPLACE CODE OF CONDUCT FOR PARTICIPATING U.S. FIRMS,
THEIR CONTRACTORS AND SUB-CONTRACTORS -- SEE REF C AND

THE APRIL 15 WIRELESS FILE.) THE MINISTERS WERE ALSO GIVEN THE LATEST DRAFT OF THE PRESIDENTIAL DECLARATION OF SAN JOSE WHICH DOES CONTAIN SEVERAL REFERENCES TO WORKER RIGHTS.

2. (SBU) DESPITE APPROACHES THAT ADDRESSEE EMBASSIES HAVE MADE TO HOST GOVERNMENTS ON THE LABOR INITIATIVE (REF A), MOST OF THE MINISTERS SEEMED UNAWARE OF OUR INTEREST IN SECURING THEIR PRESIDENTS' PLEDGE TO REDOUBLE THEIR EFFORTS ON THE ENFORCEMENT OF LABOR STANDARDS AND/OR TO ENCOURAGE THE ESTABLISHMENT OF CODES OF CONDUCT. SEPTEL WILL CONTAIN A FULLER REPORT OF THE SESSION, BUT IN SUMMARY, THE MINISTERS' INITIAL REACTION TO OUR SUGGESTIONS WAS GUARDED. SEVERAL MINISTERS EXPRESSED THE VIEW THAT THE WORKPLACE CODE ONLY REPRESENTED YET ANOTHER SET OF HOOPS FOR THEM TO JUMP THROUGH ON WORKER RIGHTS; OTHERS FELT THAT THE CODE AND ITS RELATED MONITORING SYSTEM REPRESENT AN ATTEMPT TO USURP THEIR MINISTRIES' RESPONSIBILITY TO ENFORCE LOCAL LABOR LAW.

3. (SBU) ACTION ADDRESSEE EMBASSIES ARE INSTRUCTED TO FOLLOW UP ON THIS ISSUE WITH THE MINISTERS OF LABOR AND FOREIGN AFFAIRS; WHERE THE EMBASSY DEEMS APPROPRIATE, THE ISSUE SHOULD ALSO BE RAISED WITH THE PRESIDENT. WE SEEK ACCEPTANCE OF TWO INITIATIVES. FIRST, WE WOULD LIKE TO SEE LANGUAGE INSERTED INTO THE SAN JOSE PRESIDENTIAL DECLARATION ENDORSING THE APPAREL INDUSTRY PARTNERSHIP. WE WOULD WELCOME COMMUNIQUE LANGUAGE RECOMMENDING THAT LABOR MINISTERS ARRANGE A TRIPARTITE (GOVERNMENT, INDUSTRY AND LABOR) MEETING WITH U.S. COUNTERPARTS TO FOSTER THE DEVELOPMENT OF PARALLEL CODES IN EACH COUNTRY. SECOND, WE URGE THE ASSEMBLED "CENTRAL AMERICAN" MINISTERS OF LABOR, WHO WILL BE IN SAN JOSE ON MAY 7 (TOGETHER WITH COLLEAGUES FROM ARGENTINA, CHILE, URUGUAY AND SPAIN) TO MEET WITH ILO DIRECTOR GENERAL HANSENNE, TO ISSUE A STATEMENT WELCOMING THE INITIATIVE OF THE APPAREL INDUSTRY PARTNERSHIP AND AGREEING TO STUDY WAYS THAT THEIR GOVERNMENTS COULD ENCOURAGE THE ADOPTION OF SIMILAR CODES

BY LOCAL INDUSTRY ASSOCIATIONS.

4. (SBU) IN MAKING THE APPROACH TO THE LABOR AND FOREIGN MINISTERS EMBASSIES MAY WISH TO STRESS THE FOLLOWING POINTS:

-- THE PARTNERSHIP INITIATIVE IS OF GREAT INTEREST TO THE WHITE HOUSE; PRESIDENT CLINTON PUBLICLY ANNOUNCED HIS SUPPORT ON APRIL 14.

-- THE INITIATIVE REFLECTS THE CONCERN OF THE U.S. PUBLIC OVER WORKING CONDITIONS IN THE U.S. AND IN FOREIGN COUNTRIES. THE APPAREL SECTOR IN THE U.S. AND ITS FOREIGN SUPPLIERS NEED TO BE CONCERNED ABOUT CONTINUING U.S. CONSUMER PATRONAGE; THOSE FIRMS WHO ARE NOT COULD SUFFER A LOSS OF COMPARATIVE ADVANTAGE IN THE U.S. MARKET.

-- THE PARTNERSHIP IS A PRIVATE SECTOR ORGANIZATION.

-- MEMBERSHIP IN THE PARTNERSHIP AND ADHERENCE TO THE WORKPLACE CODE OF CONDUCT ARE VOLUNTARY.

-- WHILE THIS INITIATIVE HAS BEEN UNDERTAKEN BY U.S. FIRMS, IT WILL BENEFIT WORKERS AND WORKPLACES IN CENTRAL AMERICA AND ELSEWHERE, AS THE CODES WILL BE APPLIED AND MONITORED IN THE FIRMS' FOREIGN PLANTS AND THOSE OF THE FIRMS' SUPPLIERS, CONTRACTORS AND SUB-CONTRACTORS. PARTICIPATING CORPORATIONS INCLUDE LIZ CLAIBORNE, NIKE, PHILLIPS-VAN HEUSEN, REEBOK, L.L. BEAN, PATAGONIA, TWEEDS, KAREN KANE AND NICOLE MILLER.

-- BUT THE CODE OF CONDUCT IN NO WAY SUPPLANTS LOCAL LAW; INDEED, IT WILL BENEFIT CENTRAL AMERICAN GOVERNMENTS BY HELPING THEM ENSURE THAT THEIR LAWS ARE RESPECTED, AS THE CODE'S PROVISIONS UNDOUBTEDLY CORRESPOND WITH THOSE IN DOMESTIC LEGISLATION AND ILO CONVENTIONS THEY HAVE RATIFIED.

-- NEITHER DOES THE INITIATIVE CONTEMPLATE SOME TYPE OF PUNISHMENT MECHANISM OR USURP IN ANY WAY THE GOVERNMENTS' AUTHORITY OR RESPONSIBILITY TO ENFORCE LOCAL LAW. WHILE THE DETAILS HAVE NOT BEEN WORKED OUT, THE IDEA IS THAT FIRMS FOUND IN COMPLIANCE BY THE MONITORING PROGRAM WOULD RECEIVE A "SEAL OF APPROVAL" FROM THE PARTNERSHIP, ENABLING THEM TO USE A GOOD CONDUCT LABEL IN THEIR MARKETING IN THE U.S.

-- THE PRESIDENTS COULD USE A DECLARATION BY THE MINISTERS OF LABOR AT THE TIME OF THE PRESIDENTIAL SUMMIT TO FOCUS ATTENTION ON THEIR RESPECT FOR WORKER RIGHTS AND TO RAISE THE PROFILE OF THEIR LABOR MINISTRIES.

NOTE: FOR PANAMA: GIVEN THAT PRESIDENT PEREZ BALLARDARES WILL NOT ATTEND THE SAN JOSE SUMMIT, IT MAY MAKE SENSE TO LIMIT YOUR DEMARCHE TO THE LABOR MINISTER.

5. (SBU IN PUERTO PLATA THE MINISTERS EXPRESSED A STRONG INTEREST IN HAVING THE U.S. LABOR SECRETARY ATTEND THEIR MAY 7 MEETING. IT NOW APPEARS THAT SECRETARY-DESIGNATE HERMAN'S CONFIRMATION PROCESS MAY NOT BE COMPLETE BY THAT DATE. IF ASKED, YOU CAN TELL THE MINISTER THAT THE LABOR SECRETARY (EITHER THE NEWLY CONFIRMED SECRETARY OR ACTING SECRETARY METZLER, AS THE CASE MAY BE) WOULD SERIOUSLY CONSIDER ACCEPTING ANY INVITATION THAT IS EXTENDED, PARTICULARLY IF A POSITIVE STATEMENT ON THE PARTNERSHIP WAS BEING CONSIDERED. (OUR UNDERSTANDING IS THAT COSTA RICAN MINISTER OF LABOR AYALES IS PLANNING TO EXTEND AN INVITATION.) THE SECRETARY WOULD BE PREPARED TO OFFER USG SUPPORT FOR THE TYPE OF TRIPARTITE MEETING DESCRIBED ABOVE.

6. (SBU) WE ASK THAT ACTION ADDRESSEES REPORT ON THE RESULTS OF THESE DEMARCHES ASAP.
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 5228

TOR: 970423092149 M2727561

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. cable	re Demarche on Apparel Industry Partnership-Costa Rica (2 pages)	04/23/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([sweatshop ...])
OA/Box Number: 520000

FOLDER TITLE:

[01/09/1997-05/30/1997]

2018-1072-F
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
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TO: RUEHC/SECSTATE WASHDC IMMEDIATE 4720
INFO: RUEHDG/AMEMBASSY SANTO DOMINGO 0054
RUEHZA/ALCA COLLECTIVE
SUBJ: DEMARCHE ON APPAREL INDUSTRY PARTNERSHIP
- INITIATIVE -- HONDURAS

TEXT:
UNCLAS TEGUCIGALPA 002039

SENSITIVE

E.O. 12958: N/A
TAGS: ELAB, PHUM, XK, DR, HO
SUBJECT: DEMARCHE ON APPAREL INDUSTRY PARTNERSHIP
- INITIATIVE -- HONDURAS

REF: STATE 75228

1. (SBU) AMBASSADOR MADE REFTEL DEMARCHE ON CECILIO DE JESUS ZAVALA, MINISTER OF LABOR, AND FOREIGN MINISTER DELMER URBIZO. AMBASSADOR STRESSED USEFULNESS OF LANGUAGE IN THE SAN JOSE PRESIDENTIAL AND/OR LABOR MINISTERS' DECLARATION WHICH WOULD ENDORSE THE APPAREL INDUSTRY PARTNERSHIP INITIATIVE AS WELL AS LANGUAGE ARRANGING A TRIPARTITE MEETING TO FOSTER DEVELOPING OF PARALLEL CODES IN RESPECTIVE COUNTRIES. USING REFTEL AND TEXT OF PRESIDENT CLINTON'S REMARKS ON THE U. S. APPAREL INDUSTRY PARTNERSHIP, THE AMBASSADOR STRESSED THE BENEFITS THAT WOULD COME FROM CODES OF CONDUCT AND THE USEFULNESS OF A SAN JOSE DECLARATION IN FOCUSING ATTENTION ON CENTRAL AMERICA AND RECOGNIZED RESPECT FOR WORKERS' RIGHTS.

2. (SBU) LABOR MINISTER ZAVALA TOLD AMBASSADOR HE HAD DISCUSSED THE ISSUE WITH HIS COUNTERPARTS IN SANTO DOMINGO AND THE LABOR MINISTERS ARE CERTAINLY NOT AGAINST A DECLARATION. THERE IS A NEED FOR BROAD CODES OF CONDUCT, SAID ZAVALA (REMARKING THAT HE HAD RECEIVED FROM THE EMBASSY INFORMATION ON THE APPAREL INDUSTRY CODE). ZAVALA SAID THAT THE LABOR MINISTERS HAVE AGREED TO ANALYZE THE CONTENT OF CODES OF CONDUCT NOW EXISTING AND ON WAYS TO APPLY THEM. THEY AGREED AS

WELL TO TALK ABOUT THE NEED FOR LABOR INSPECTORS TO ENFORCE LAWS THAT PARALLEL THE CODES. ZAVALA SAID THE MINISTERS WOULD DISCUSS THESE ISSUES AT THEIR NEXT MEETING, SCHEDULED FOR CARTEGENA ON MAY 8 AND 9 (THEREFORE, THEY WILL NOT BE IN SAN JOSE). ZAVALA SAID THAT HE AND OTHER MINISTERS LOOKED FORWARD TO A MEETING IN LATE SUMMER IN WASHINGTON, IF THAT WERE ARRANGED. FINALLY, ZAVALA SAID THAT IT WOULD BE VERY POSITIVE IF THE PRESIDENTS IN SAN JOSE WOULD MAKE A DECLARATION REFERRING TO CODES OF CONDUCT AND LABOR. HE SAID THE WORLD SHOULD KNOW OF THE IMPORTANCE GIVEN AT THE HIGHEST LEVELS TO THE PRINCIPLE OF FULL COMPLIANCE TO LABOR LAWS AND STANDARDS.

3. (SBU) IN DISCUSSION WITH FOREIGN MINISTER URBIZO, AMBASSADOR AGAIN EMPHASIZED THE IMPORTANCE OF CODES OF CONDUCT AND THE IMPORTANCE OF A CENTRAL AMERICAN PRESIDENTS' PLEDGE TO ENCOURAGE THESE CODES AS WELL AS ENFORCING RIGOROUSLY LABOR STANDARDS. URBIZO SAID HE AGREED WITH THE INCLUSION OF A LABOR COMPONENT IN THE SAN JOSE FINAL DOCUMENT AND SAID THAT A REFINED CENTRAL AMERICA DRAFT (REDUCED IN CONTENT) SHOULD BE IN THE HANDS OF THE STATE DEPARTMENT. URBIZO SAID THAT HE UNDERSTOOD THAT AFTER THE MEETING OF PRESIDENTS ON APRIL 16, FOREIGN MINISTER NARANJO HAD SENT THE DOCUMENTS TO WASHINGTON. URBIZO TOLD AMBASSADOR THAT HE WOULD TALK WITH NARANJO TO SEE IF THE LABOR DECLARATION IS IN THE REFINED DRAFT.
CREAGAN

SECT: SECTION: 01 OF 01

SSN: 2039

TOR: 970425080934 M2731753

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. cable	re Labor issues (3 pages)	02/28/1997	P1/b(1)

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NSC Cables
Jan 1997-Dec 1998 ([sweatshop ...])
OA/Box Number: 520000

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[01/09/1997-05/30/1997]

2018-1072-F
kc2335

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. cable	re Demarche on Apparel Industry Partnership-Nicaragua (2 pages)	04/28/1997	P1/b(1)

COLLECTION:

Clinton Presidential Records
NSC Cables
Jan 1997-Dec 1998 ([sweatshop ...])
OA/Box Number: 520000

FOLDER TITLE:

[01/09/1997-05/30/1997]

2018-1072-F
kc2335

RESTRICTION CODES

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Cable

PREC: ROUTINE

CLASS: UNCLASSIFIED

LINE1: RAAUZYUW RUEHCAA8035 1432332-UUUU--RHEHAAX.

LINE2: ZNR UUUUU ZZH

LINE3: R 232328Z MAY 97

LINE4: FM SECSTATE WASHDC

OSRI: RUEHC

DTG: 232328Z MAY 97

ORIG: SECSTATE WASHDC

TO: LABOR COLLECTIVE

RUEHAB/AMEMBASSY ABIDJAN 5103
RUEHDS/AMEMBASSY ADDIS ABABA 0486
RUEHAC/AMEMBASSY ASUNCION 1500
RUEHDK/AMEMBASSY DAKAR 4274
RUEHKA/AMEMBASSY DHAKA 4943
RUEHIL/AMEMBASSY ISLAMABAD 0936
RUEHKT/AMEMBASSY KATHMANDU 4393
RUEHMU/AMEMBASSY MANAGUA 3787
RUEHSJ/AMEMBASSY SAN JOSE 9307

INFO: ////

SUBJ: RICHARDSON SPEECH TO ILO MEETING: GROUND RULES FOR
A GLOBAL ECONOMY

TEXT:

UNCLAS STATE 098035

PARIS ALSO FOR USOECD

E.O. 12958: N/A

TAGS: ELAB, PHUM, ETRD, ILO

SUBJECT: RICHARDSON SPEECH TO ILO MEETING: GROUND RULES FOR
A GLOBAL ECONOMY

REF: (A) 96 STATE 248715, (B) STATE 70345, (C) STATE 81700

1. THIS IS AN ACTION CABLE (SEE PARA 4). IT IS INTENDED
MAINLY FOR LABATTS/LRO'S AND PAO'S, BUT ALSO IS RELEVANT
FOR POLOFFS, ECONOFS, AND FCS STAFF. THIS MESSAGE HAS BEEN
DRAFTED IN DRL AND CLEARED IN EB, I?, DOC/ITA, DOL/ILAB,
AND USIA.

2. REF A ADVISED POSTS THAT APPROPRIATE OFFICES AT STATE,
COMMERCE, LABOR, AND USTR HAD AGREED TO BE ON THE LOOKOUT
FOR USEFUL MATERIALS THAT, IN COORDINATION WITH USIA, WE
CAN SEND TO YOU IN THE FIELD. THESE MATERIALS MAY INVOLVE
OFFICIAL SPEECHES, GOVERNMENTAL OR NON-GOVERNMENTAL
POSITION PAPERS, OR ITEMS ORIGINATING OUTSIDE THE USG.
THEY ACCORDINGLY WILL NOT/NOT ALWAYS REPRESENT OFFICIAL USG
VIEWS. WHAT THEY WILL DO, HOWEVER, IS ILLUSTRATE THE
BACKDROP AGAINST WHICH OFFICIAL U.S. POLICY IS FORMED.

3. REF B ALERTED POSTS TO FIVE ITEMS CARRIED IN USIA'S WASHINGTON FILE RELATING TO PRESIDENT CLINTON'S REMARKS ON THE APPAREL INDUSTRY ("NO SWEAT") INITIATIVE ANNOUNCED AT THE WHITE HOUSE APRIL 14. REF C CONCERNED USIA'S MAY 1 TRANSMITTAL OF A BY-LINER BASED ON THE TEXT OF AN APRIL 16 SPEECH BY AFL-CIO PRESIDENT JOHN SWEENEY TO THE ECONOMIC STRATEGY INSTITUTE CONFERENCE IN WASHINGTON, D.C. WE ASKED POSTS TO DISTRIBUTE THESE DOCUMENTS TO GOVERNMENT, TRADE UNION, NGO AND BUSINESS COMMUNITY CONTACTS, TO INFORM THEM OF USG INTENTIONS TO ADDRESS THE LINK BETWEEN LABOR STANDARDS AND TRADE, THE ADOPTION OF CORE LABOR STANDARDS, AND THE SHARING OF ECONOMIC BENEFITS OF FREE TRADE BY WORKING PEOPLE AROUND THE WORLD. WITHOUT SUCH RESULTS, THE USG WOULD BE HARD PRESSED TO RETAIN PUBLIC SUPPORT FOR CONTINUED LIBERALIZATION OF TRADE.

4. ACTION REQUESTED: ON MAY 27, USIA'S WASHINGTON FILE WILL TRANSMIT THE TEXT OF A SPEECH DELIVERED BY UN AMBASSADOR BILL RICHARDSON AT A MAY 14 PROGRAM IN WASHINGTON ORGANIZED BY THE ILO, "GROUND RULES FOR A GLOBAL ECONOMY." AS PART OF OUR ONGOING EFFORT TO BUILD PUBLIC UNDERSTANDING AND SUPPORT ABROAD FOR OUR VIEWS, WE ASK POSTS TO DISTRIBUTE THE RICHARDSON SPEECH WIDELY. THE TEXT WILL ALSO BE AVAILABLE ON THE INTERNET AT [HTTP://WWW.USIA.GOV/TOPICAL/ECON/ECON.HTM](http://www.usia.gov/topical/econ/econ.htm) UNDER THE WASHINGTON FILE PICK.
ALBRIGHT

SECT: SECTION: 01 OF 01
SSN: 8035
TOR: 970523193652 M2773689
DIST:
SIT: NSC

Cable

PREC: PRIORITY

CLASS: UNCLASSIFIED

LINE1: PAAUZYUW RUEHCAA8094 1440120-UUUU--RHEHAAX.

LINE2: ZNR UUUUU ZZH

LINE3: P R 240113Z MAY 97

LINE4: FM SECSTATE WASHDC

OSRI: RUEHC

DTG: 240113Z MAY 97

ORIG: SECSTATE WASHDC

TO: RUEHME/AMEMBASSY MEXICO PRIORITY 0000
RUEHSJ/AMEMBASSY SAN JOSE PRIORITY 0000
RUEHBE/AMEMBASSY BELIZE PRIORITY 0000
RUEHGT/AMEMBASSY GUATEMALA PRIORITY 0000
RUEHSN/AMEMBASSY SAN SALVADOR PRIORITY 0000
RUEHTG/AMEMBASSY TEGUCIGALPA PRIORITY 0000
RUEHWN/AMEMBASSY BRIDGETOWN PRIORITY 0000
RUEHKG/AMEMBASSY KINGSTON PRIORITY 0000
RUEHGE/AMEMBASSY GEORGETOWN PRIORITY 0000
RUEHSP/AMEMBASSY PORT OF SPAIN PRIORITY 0000
RUEHBH/AMEMBASSY NASSAU PRIORITY 0000
RUEHPU/AMEMBASSY PORT AU PRINCE PRIORITY 0000
RUEHPO/AMEMBASSY PARAMARIBO PRIORITY 0000

INFO: RUEHZP/AMEMBASSY PANAMA 0000
RUEHCV/AMEMBASSY CARACAS 0000
RUEHBO/AMEMBASSY BOGOTA 0000
RUEHQT/AMEMBASSY QUITO 0000
RUEHLP/AMEMBASSY LA PAZ 0000
RUEHPE/AMEMBASSY LIMA 0000
RUEHSG/AMEMBASSY SANTIAGO 0000
RUEHBU/AMEMBASSY BUENOS AIRES 0000
RUEHBR/AMEMBASSY BRASILIA 0000

SUBJ: FOLLOW-UP ACTION ITEMS FROM THE PRESIDENT'S TRIP
TO MEXICO, COSTA RICA, AND BARBADOS

TEXT:

UNCLAS STATE 098094

E.O. 12958: N/A

TAGS: PARM, PGOV, PREL, ETRD, ELAB, SNAR, SMIG, OVIP
SUBJECT: FOLLOW-UP ACTION ITEMS FROM THE PRESIDENT'S TRIP
TO MEXICO, COSTA RICA, AND BARBADOS

1. SUMMARY. A/S DAVIDOW CHAIRED AN INTERAGENCY WORKING GROUP MEETING ON MAY 14 TO DISCUSS FOLLOW-UP TO THE PRESIDENT'S TRIP. MACK MCLARTY ADDRESSED THE GROUP, EMPHASIZING THAT THE PRESIDENT'S CREDIBILITY DEPENDS ON THE FULFILLMENT OF PROMISES AND COMMITMENTS MADE DURING THE TRIP. A LISTING OF SELECTED FOLLOW-UP ITEMS IS ATTACHED - THIS IS NOT AN EXHAUSTIVE LIST. A/S DAVIDOW ASKED PARTICIPANTS TO DRAFT CONCEPT/ISSUE PAPERS FOR THE NEXT FOLLOW-UP

INTERAGENCY WORKING GROUP WHICH WILL TAKE PLACE ON MAY 29. IF POST HAS ADDITIONAL ITEMS FOR FOLLOW-UP OR UPDATES, PLEASE SLUG THESE REPLIES FOR PPC AS WELL AS THE DESK. END SUMMARY.

MEXICO

2. DRUG CERTIFICATION: PRESIDENT CLINTON COMMENTED ON THE NEED TO MODIFY THE CERTIFICATION PROCESS TO ACHIEVE BETTER RESULTS. UNDER SECRETARY WIRTH HAS DISCUSSED THIS ISSUE WITHIN STATE AND WITH OTHER AGENCIES AND HAS PROMISED TO REPORT TO THE SECRETARY BY THE END OF MAY.

NARCOTICS ALLIANCE:

3. EXTRADITION PROTOCOL - WILL ALLOW FOR "TEMPORARY EXTRADITIONS", MEANING CONSECUTIVE TRIALS FOLLOWED BY CONSECUTIVE SENTENCE SERVING. STATE/L AND DOJ ARE DRAFTING THE PROTOCOL. L AND DOJ FORESEE RELATIVELY QUICK NEGOTIATIONS WITH THE MEXICANS. OBTAINING SENATE RATIFICATION OF SUCH A PROTOCOL WILL BE MUCH MORE PROBLEMATIC.

4. HEMISPHERIC ARMS TRAFFICKING CONVENTION - INL IS LEADING THIS EFFORT ALONG WITH USOAS, AND HA- ALREADY HELD A NUMBER OF INTERAGENCY MEETINGS. WHILE WORKING REGIONALLY WITH THE MEXICANS IN THE LEAD, WE WILL ALSO SEEK TO ADDRESS CARIBBEAN DESIRES FOR A U. S.-CARIBBEAN AGREEMENT.

5. MONEY LAUNDERING REGULATIONS - TREASURY HAS IDENTIFIED A NUMBER OF WEAKNESSES IN THE NEW MEXICAN REGULATIONS. TREASURY WILL SEEK LOWERED TRANSACTION REPORTING THRESHOLDS, AND OTHER CHANGES IN THE MEXICAN REGULATIONS. WE EXPECT A REPORT BY MAY 30 AT THE NEXT WORKING GROUP MEETING ON MEXICO.

5. INTERDICTION COOPERATION - MEXICAN SHIP REFUELING AND OVERFLIGHT REGIMES WERE LOOSENED DURING PRE-CERTIFICATION DISCUSSIONS BUT VARIOUS USG ISSUES REMAIN UNADDRESSED. WE WILL SEEK BETTER IMPLEMENTATION OF THE OVERFLIGHT REGIME.

6. JOINT STRATEGY - AS A COMPANION PIECE TO THE JOINT THREAT ASSESSMENT, ONDCP WILL LEAD USG DRAFTING EFFORTS FOR OUR JOINT COUNTERNARCOTICS STRATEGY, DUE

12/97. HIGH LEVEL CONTACT GROUP PRINCIPALS WILL BE REVIEWING THIS EFFORT WHEN THEY NEXT MEET IN AUGUST.

7. BORDER TASK FORCES/WEAPONS - WE NEED TO FIND A WAY TO GIVE LIFE TO THE TWO PRESIDENTS' COMMITMENT TO "ASSURE THE SAFETY OF LAW ENFORCEMENT OFFICERS".

DEA'S INSISTENCE ON FULL WEAPONS PERMITS CONTINUES TO STALL BORDER TASK FORCE WORK.

8. \$6 MILLION IN COUNTERNARCOTICS ASSISTANCE - INL WILL WORK TO GET CLOSURE ON THE OFFER OF \$6 MILLION THE SECRETARY TABLED AT THE HIGH LEVEL CONTACT GROUP OVERSIGHT COMMITTEE.

MIGRATION:

9. LEGISLATIVE RELIEF - THE PRESIDENT PROMISED ZEDILLO TO DO WHAT HE COULD TO PROTECT FAMILY UNITY. THIS IMPLIES, INTER ALIA, ACTION TO EXTEND SECTION 2451 IN THE IMMIGRATION LAW (ALLOWING FOR ADJUSTMENT OF STATUS IN THE U.S.) AND CHANGES IN LAW ON SUSPENSION OF DEPORTATIONS. INS IS DEVELOPING AN OPTIONS PAPER ON POSSIBLE LEGISLATIVE REMEDIES. THESE ARE ALSO ISSUES FOR THE CENTRAL AMERICANS AND CARIBBEANS (SEE BELOW).

10. CASES OF VIOLENCE AGAINST MIGRANTS - AG RENO PROMISED FOREIGN MINISTER GURRIA A REPORT ON THE RIVERSIDE, CA CASE AS SOON AS POSSIBLE. WE WILL CONTINUE TO TRACK HIGH PROFILE CASES AND SHARE AS MUCH INFORMATION AS POSSIBLE WITH THE GOM.

MIGRATION DECLARATION:

11. MIGRATION/CONSULAR WORKING GROUP MEETING - THIS IS IN RESPONSE TO THE PRESIDENTIAL DECLARATION ON MIGRATION'S CALL FOR ENHANCED COORDINATION. MEETING WILL BE HELD IN JUNE TO REVIEW BINATIONAL MIGRATION STUDY, AND TO LAUNCH A SUBGROUP ON CRIMINAL RETURNS.

12. WARNING CAMPAIGN FOR DANGEROUS CROSSINGS - "DON'T DIE IN THE DESERT". DESERT DEATHS ARE A

GROWING CONCERN AS SMUGGLERS REACT TO ENHANCED BORDER PATROL ENFORCEMENT AROUND PORTS OF ENTRY. INS TO WORK WITH USIA TO DEVELOP A PUBLIC RELATIONS CAMPAIGN WARNING ERSTWHILE MIGRANTS OF THE POTENTIAL DANGERS. INS HAS ALREADY MET WITH USIA ON THIS ISSUE AND IS WORKING TO FORMULATE A PUBLIC AFFAIRS CAMPAIGN.

13. TEMPORARY BORDER TRAVEL - DECLARATION CALLS FOR EXPLORATION OF MEASURES TO ALLOW THIS BUT THE TERMS ARE STILL UNCLEAR.

14. BETTER PORT OF ENTRY (POE) MANAGEMENT - THIS IS A POSSIBLE AGENDA ITEM FOR THE BINATIONAL COMMISSION BORDER AFFAIRS SUBGROUP, WHICH I PLAN TO CHAIR WITH MY MEXICAN COUNTERPART O/A JUNE 18. ACTION ON THIS ITEM RESTS WITH INSPECTION AGENCIES (INS, CUSTOMS).

15. LABOR AND ENVIRONMENT REPORT: SECRETARY ALBRIGHT AND SECRETARY GURRIA AGREED TO HIGHLIGHT THIS DURING THEIR BNC READ-OUT TO THE TWO PRESIDENTS. WE ARE WORKING WITH USTR, DOL AND EPA ON MEASURES ON WHICH WE CAN ELICIT MEXICAN COOPERATION. THE FINAL REPORT IS DUE IN AUGUST.

16. EDUCATION - FOLLOW-UP ON SUMMIT ISSUES: MEXICO HAS PROPOSED A SUMMIT OF THE AMERICAS EDUCATION ACTION PLAN WHICH THE GOM HAS SHARED WITH JOINT COORDINATORS AND DELIVERED TO OAS FOR FOLLOW-UP. DEPARTMENT OF EDUCATION PLANS TO CONVENE AN INTERAGENCY WORKING GROUP TO DISCUSS BOTH BILATERAL AND MULTILATERAL EDUCATION ISSUES AND HOW EDUCATION CAN BE A FOCUS OF THE SANTIAGO SUMMIT IN MARCH 1998.

CENTRAL AMERICA

17. JUSTICE MINISTERS MEETING: ATTORNEY GENERAL RENO WILL MEET WITH HER COUNTERPARTS, PROBABLY IN THE LATE SUMMER. WE HAVE TASKED OUR EMBASSIES TO SOUND OUT THE CENTRAL AMERICANS ON ATTENDANCE, TIMING, AGENDA ITEMS AND THE POSSIBILITY OF ESTABLISHING PRE-MEETING WORKING GROUPS. WE SEE THE AGENDA COVERING LEGAL INSTRUMENTS (E.G., EXTRADITION); COUNTERNARCOTICS; POLICE TRAINING; AND ADMINISTRATION OF JUSTICE. DOJ IS WORKING ON A CONCEPT PAPER FOR THE MEETING.

18. MIGRATION: THE PRESIDENT REASSURED THE REGION THAT WE PLAN NO MASS DEPORTATIONS AND THAT ALL IMMIGRATION CASES WILL BE PROCESSED ON AN INDIVIDUAL BASIS IN A HUMANE FASHION. THE PRESIDENT ALSO SAID THAT THERE WOULD BE NO AMNESTY. INS IS DEVELOPING AN OPTIONS PAPER ON POSSIBLE LEGISLATIVE REMEDIES. NSC INTENDS TO MOVE A DECISION MEMO ON THIS ISSUE TO THE PRESIDENT BY MAY 30.

19-. CRIMINAL DEPORTATIONS - ONE OF THE ISSUES FOR DISCUSSION WAS THE NOTIFICATION OF CENTRAL AMERICAN COUNTRIES BEFORE CRIMINAL NATIONALS OF THEIR COUNTRIES ARE DEPORTED. INS PROPOSAL TO IMPROVE NOTIFICATION PREDATES SAN JOSE SUMMIT.

20. ONGOING DIALOGUE ON IMMIGRATION - INS REPORTED THAT THERE IS ALREADY ONGOING DIALOGUE ON MIGRATION ISSUES WITH THE CENTRAL AMERICANS THROUGH THE REGIONAL CONFERENCE ON MIGRATION, AND CONSULTATIONS ON DEPORTATIONS.

LABOR AND TRADE:

21. LABOR MINISTERS' MEETINGS: WHEN CENTRAL AMERICAN LABOR MINISTERS MEET HERE IN JULY WITH SECRETARY HERMAN (OR OTHER DOL OFFICIALS), THEY CAN ESTABLISH THE AGENDA AND MODALITIES FOR A CONFERENCE IN THE FALL WITH BUSINESS AND LABOR GROUPS ON HOW TO WORK TOGETHER TO PROMOTE RESPECT FOR WORKER RIGHTS AND ENHANCE WORKING CONDITIONS AS CALLED FOR IN THE SAN JOSE DECLARATION. THEY CAN USE THE APPAREL INDUSTRY PARTNERSHIP AS AN EXAMPLE. (THEY WILL BE HERE AS PART OF AN IDB/AID-ASSISTED PROJECT TO MODERNIZE THEIR MINISTRIES). DOL AND ARA WILL FOLLOW UP AND PRESENT A CONCEPT PAPER ON POSSIBLE AGENDA ITEMS BY MAY 30.

22. ACCEPTANCE OF AN FTAA LABOR FORUM: THE MINISTERS IN JULY COULD ALSO DISCUSS HOW TO FULFILL THEIR PRESIDENTS' COMMITMENT TO WELCOME LABOR SECTOR INPUT IN THE HEMISPHERIC ECONOMIC INTEGRATION PROCESS. HOWEVER, NOT THEY BUT TRADE MINISTERS HAVE THE ACTION. MOST WERE STILL RESISTING WHEN OUR

AMBASSADORS DEMARCHED THEM BEFORE BELO HORIZONTE, ALMOST SIMULTANEOUSLY WITH THEIR PRESIDENTS' COMMITMENT IN THE DECLARATION. TO TURN THE CENTRAL AMERICAN TRADE MINISTERS AROUND TO SUPPORT US ON THIS ISSUE IN HEMISPHERIC TRADE TALKS, WE MAY HAVE TO APPEAL DIRECTLY TO THEIR PRESIDENTS.

23. REGIONAL TRADE AND INVESTMENT COUNCIL: THE PRESIDENT CONVEYED OUR WILLINGNESS TO HOLD AN ENHANCED TRADE DIALOGUE, ESTABLISHING A NEW REGIONAL TRADE AND INVESTMENT COUNCIL. USTR BARSHEFSKY WILL HOLD IN 1997, LIKELY LATE IN THE YEAR.

24. CBI ENHANCEMENT LEGISLATION: THE PRESIDENT PROMISED TO INTRODUCE LEGISLATION "AS SOON AS HE GOT BACK" ON CEL ENHANCEMENT. THE LEGISLATION AND TRANSMITTAL LETTER HAS BEEN CIRCULATED BY OMB FOR INTERAGENCY REVIEW.

25. REGULAR CONSULTATIONS: THE SECRETARY AGREED TO MEET ANNUALLY WITH THE CENTRAL AMERICAN FOREIGN MINISTERS WITH THE NEXT SESSION TO BE HELD ON THE MARGINS OF THE UNGA. THE SESSION COULD SERVE AS A USEFUL REVIEW OF PROGRESS ON ISSUES RAISED IN THE SAN JOSE DECLARATION.

26. CIVIL AVIATION ASSISTANCE: WE PROMISED THE CENTRAL AMERICANS THAT WE WOULD LOOK INTO A TECHNICAL COOPERATION IN AVIATION MATTERS - AND WORK TOWARD THE ESTABLISHMENT OF CENTAM SAFETY/SECURITY OVERSIGHT AUTHORITY. FAA HAS PROPOSED A WORKSHOP OF MINISTERS OF TRANSPORTATION TO RAISE AWARENESS.

27. OPEN SKIES: WE SEEK TO ADD SEVENTH FREEDOM ALL-CARGO RIGHTS TO THE PANAMANIAN AND COSTA RICAN AGREEMENTS. THESE RIGHTS WOULD ALLOW U.S. CARRIERS TO FLY BETWEEN CENTRAL AMERICAN COUNTRIES WITHOUT THE

FLIGHT HAVING TO ORIGINATE OR TERMINATE IN THE U.S. THE U.S. WAS ACCORDED THESE RIGHTS IN ITS OPEN SKIES AGREEMENTS WITH GUATEMALA, HONDURAS, EL SALVADOR AND NICARAGUA. WE WILL STUDY THE IMPLICATION[OF SEVENTH FREEDOM RIGHTS FOR PASSENGER SERVICE.

28. ENERGY ISSUES: THE ENERGY MINISTERS DISCUSSED ISSUES OF RENEWABLE ENERGY, SUMMIT OF THE AMERICAS ENERGY COMMITMENTS, JOINT IMPLEMENTATION PROJECTS, AND THE CENTRAL AMERICAN INTEGRATED POWER

TRANSMISSION GRID. TREASURY, THROUGH EXIM AND OPIC, IS LOOKING INTO THE POSSIBILITY OF WAYS TO ISSUE FINANCING/INVESTMENT GUARANTEES FOR U.S. COMPANIES TO BRING ENERGY TECHNOLOGIES TO CENTRAL AMERICA. DOE IS ALSO LOOKING TO THE GLOBAL ENVIRONMENT FUND AS A POSSIBLE SOURCE OF FUNDING FOR THE ELECTRIC VEHICLES PILOT PROJECT IN COSTA RICA.

29. EDUCATION: SEE MEXICO.

30. INCREASED PKO TRAINING AND EXERCISES: DOD REPORTED THAT THEY WILL INCREASE TRAINING ON PEACEKEEPING OPERATIONS FOR THE CENTRAL AMERICANS, BUT THEY DO NOT SUPPORT ENCOURAGING A CENTRAL AMERICAN PKO BATTALION (WHICH IN ANY CASE DOES NOT APPEAR TO BE PROSPERING AMONG THE CENTRAL AMERICANS). WE WILL CONTINUE ENCOURAGING INDIVIDUAL COUNTRY PARTICIPATION IN PKOS AS WELL AS POSSIBLE TWO OR THREE COUNTRY COLLABORATIONS.

CARIBBEAN

31. CONGRESSIONAL INTEREST: HIRC WH SUBCOMMITTEE CHAIRMAN GALLEGLY CONDUCTED A HEARING ON MAY 14 FOCUSED ALMOST EXCLUSIVELY ON THE CARIBBEAN AND THE MAY 10 SUMMIT. GALLEGLY SPOKE FAVORABLY OF CBI ENHANCEMENT AS A MEANS OF PROMOTING ECONOMIC AND SOCIAL STABILITY (THEREBY DISCOURAGING OUT-MIGRATION) AND IN GENERAL WELCOMED THE ADMINISTRATION'S INTEREST -- PARTICULARLY THE SECRETARY'S COMMITMENT TO FOLLOW-UP WITH THE FOREIGN MINISTERS. REPORT LANGUAGE BY REPRESENTATIVE GILMAN TO THE FOREIGN POLICY REFORM ACT (HR 1486), STRONGLY ENDORSES CBI ENHANCEMENT AND AN OPIC EQUITY FUND FOR THE CARIBBEAN.

32. JOINT COMMITTEES: WE HAVE AGREED WITH CARICOM TO FORM TWO JOINT COMMITTEES, ONE ON DEVELOPMENT, FINANCE AND ENVIRONMENTAL ISSUES, THE OTHER ON JUSTICE AND SECURITY. THESE COMMITTEES WILL OVERSEE AND REPORT ANNUALLY ON IMPLEMENTATION OF THE PLAN OF ACTION.

FINANCE, DEVELOPMENT AND ENVIRONMENT COMMITTEE:

ARA WILL TAKE THE LEAD AND WORK WITH EB, USTR, AID, TREASURY, OES, EPA, AND DOE.

33. U.S. ASSISTANCE IN ECONOMIC AREA: THERE ARE FOUR SEPARATE INITIATIVES IN THIS AREA. STATE/AID HAS REPROGRAMMED \$2 MILLION DOLLARS IN ESF FOR: TECHNICAL ASSISTANCE FOR TRADE LIBERALIZATION, BASIC NEEDS TRUST FUNDS OF THE CARIBBEAN DEVELOPMENT BANK, MICROENTERPRISE LOANS PROGRAM AND THE CARIBBEAN SCHOLARSHIP PROGRAM. AGREEMENTS FOR EACH PROJECT WILL HAVE TO BE NEGOTIATED WITH THE RELEVANT COUNTRIES. AID EXPECTS THAT THESE AGREEMENTS COULD BE COMPLETED AS EARLY AS JUNE 30 OR AS LATE AS JULY 30.

34. INTERNATIONAL FINANCIAL INSTITUTIONS: WE WILL BE WORKING WITH CARIBBEAN STATES WHICH ARE NOT MEMBERS OF THE IDB TO SECURE THEIR MEMBERSHIP.

35. ENERGY: IMPLEMENTATION OF THE CARIBBEAN CLEAN ENERGY INITIATIVE. DOE TO INAUGURATE RENEWABLE ENERGY CENTER IN ST. VINCENT IN COOPERATION WITH THE U.S. EXPORT COUNCIL FOR RENEWABLE ENERGY AND THE NATIONAL RENEWABLE ENERGY LABORATORY.

36. INTERNATIONAL CORAL REEF INITIATIVE: THE U.S. AND CARIBBEAN LEADERS PLEDGED IN THE BRIDGETOWN DECLARATION TO EXPLORE THE ESTABLISHMENT OF A NODE FOR THE GLOBAL CORAL REEF MONITORING NETWORK (GCRM) IN THE CARIBBEAN. THE U.S. AGENCIES INVOLVED WILL WORK WITH THEIR COUNTERPARTS IN THE REGION ON IMPLEMENTATION OF THE ICRI FRAMEWORK FOR ACTION AND THE TROPICAL AMERICAS REGIONAL ACTION PLAN.

JUSTICE AND SECURITY COMMITTEE:

INL WILL TAKE THE LEAD ON THESE ISSUES.

37. NARCOTICS INTERDICTION PROGRAM (C-COP): THIS WOULD ENTAIL AN ANNOUNCEMENT OF OUR INTENT TO SEEK LEGISLATION TO ESTABLISH IN SOUTHCOM A CARIBBEAN COMBINED OPERATIONS PROGRAM TO TRAIN, EQUIP, EXERCISE AND MAINTAIN SECURITY FORCES. FUNDING: LEGISLATION IS REQUIRED TO FUND SUCH A PROGRAM FOR FY-98, FY97. THE NSC, WORKING WITH DOD, WILL CONDUCT CONGRESSIONAL CONSULTATIONS ON EXPANDED SECTION 1031 DEFENSE AUTHORITY FOR FY98-02.

38. CARIBBEAN ANTI-MONEY-LAUNDERING PROGRAM: THIS IS A JOINT US-EU PROGRAM ORIGINALLY ESTIMATED AT \$6.1 MILLION, THOUGH THE COST MAY INCREASE AS THE PROJECT PROPOSAL IS REFINED. THE EU WILL CONTRIBUTE \$5 MILLION OVER 4-5 YEARS; THE U.S. INTENDS TO COVER THE REMAINDER, SUBJECT TO FUNDS AVAILABILITY.

39. COUNTER-DRUG AIRCRAFT: THE PRESIDENT ANNOUNCED

THE DELIVERY OF SIX C-26 AIRCRAFT TO THE REGION TO ASSIST IN COUNTER-NARCOTICS ACTIVITIES. TWO C-26 AIRCRAFT WOULD BE PROVIDED UNDER PRIOR 506 DRAWDOWN, AND WOULD REQUIRE 505 AND END USE MONITORING AGREEMENTS. TWO PLANES WILL BE SIGNED OVER TO BARBADOS FOR RSS-WIDE USE, BUT A MARITIME AGREEMENT IS PRECONDITION OF DELIVERY. THE OTHER FOUR C-26 AIRCRAFT ARE SLATED FOR BAHAMAS AND TRINIDAD AND TOBAGO. AS EXCESS DEFENSE ARTICLES, THE BAHAMAS AND TRINIDAD WILL HAVE TO REQUEST THAT THE PLANES BE GIVEN TO THEM. DSAA WILL THEN SUBMIT THE REQUEST TO CONGRESS FOR APPROVAL. TO DATE, NEITHER COUNTRY HAS MADE A FORMAL REQUEST.

40. TRADE/WTO BANANA CASE: PRESIDENT CLINTON PROMISED CARIBBEAN LEADERS HE WOULD DISCUSS THE BANANA ISSUE DURING HIS UPCOMING MEETING WITH THE EU AND REPORT BACK TO THE CARIBBEANS IN A SHORT PERIOD OF TIME. PETER TARNOFF AND STU EIZENSTAT HAVE ALREADY RAISED THIS ISSUE WITH THE EU AND ARA A/S DAVIDOW PASSED IT ON TO THE VISITING EU LATIN AMERICAN EXPERTS TROIKA ON MAY 16.

41. CBI ENHANCEMENT LEGISLATION: SEE CENTRAL AMERICA.

42. REGULAR CONSULTATIONS: THE SECRETARY HAS AGREED TO MEET ANNUALLY WITH CARIBBEAN FOREIGN MINISTERS. THE NEXT SESSION WILL TAKE PLACE ON THE MARGINS OF THE UNGA AND WOULD PROVIDE A GOOD OPPORTUNITY TO DISCUSS PROGRESS MADE ON ITEMS COMING OUT OF THE BRIDGETOWN SUMMIT.

43. QUICK CONSULT MECHANISM: WE HAVE AGREED TO CREATE A MECHANISM TO FACILITATE RAPID CONSULTATIONS ON TRADE ISSUES. USTR HAS A DRAFT PROPOSAL FOR THE MECHANISM WHICH THEY WILL SEND OUT FOR INTERAGENCY REVIEW WITHIN 30 DAYS. A MEETING WILL BE CONVENED THEREAFTER TO DISCUSS THE ISSUE.

44. TRADE AND INVESTMENT COUNCIL: THE SUMMIT DOCUMENT INCLUDES A PROVISION WHEREBY THE U.S. PLEDGES TO CONDUCT SUCH A MISSION TO THE ORGANIZATION OF EASTERN CARIBBEAN STATES (OECS) AND OTHER CARIBBEAN STATES.

45. AVIATION - REGIONAL TECHNICAL ASSISTANCE: CREATION OF A "CARIBBEAN FAA" AS OUTLINED IN THE BRIDGETOWN SUMMIT DOCUMENT.

46. OPEN SKIES: PURSUE OPEN SKIES AGREEMENTS WITH CARICOM COUNTRIES, THE DOMINICAN REPUBLIC AND HAITI.

47. ARMS TRAFFICKING REGIME: THE SUMMIT DOCUMENT INCLUDES A PROVISION WHEREBY WE PLEDGE TO ESTABLISH A REGIONAL MECHANISM FOR INFORMATION EXCHANGE AND TECHNICAL ASSISTANCE. THE DOCUMENT ALSO SETS FORTH OUR INTENTION TO WORK TOWARD EARLY ADOPTION OF AN

INTERNATIONAL AGREEMENT (SEE MEXICO).

48. CRIMINAL DEPORTATIONS: SEE CENTRAL AMERICA.

49. EDUCATION: SEE MEXICO AND ECONOMIC ASSISTANCE TO THE CARIBBEAN (CARIBBEAN SCHOLARSHIP PROGRAM).

HAITI:

50. NEGOTIATE U.S.-HAITI BILATERAL MARITIME AGREEMENT. ARA AND COAST GUARD WILL MEET NEXT WEEK TO DISCUSS NEGOTIATING STRATEGIES. EMBASSY PORT-AU-PRINCE IS CONTINUING ITS MEETINGS WITH THE GOH ON THE ISSUE.
ALBRIGHT

SECT: SECTION: 01 OF 01

SSN: 8094

TOR: 970523212812 M2773810

DIST:

SIT: ARMSTRONG BOYNTON CLARKER DESOUZA DOBBINS NATOLI ORFINI PICCONE PYATT
VERVILLE
SIT: NSC
PRT: MCLARTY

Cable

PREC: PRIORITY
CLASS: UNCLASSIFIED
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LINE2: ZNR UUUUU ZZH
LINE3: P 290801Z MAY 97
LINE4: FM AMEMBASSY MANILA
OSRI: RUEHML
DTG: 290801Z MAY 97
ORIG: AMEMBASSY MANILA
TO: RUEHC/SECSTATE WASHDC PRIORITY 7150
RUEHC/DEPT OF LABOR WASHINGTON DC
INFO: RUEHKO/AMEMBASSY TOKYO 3876
RUCNCLC/CHILD LABOR COLLECTIVE
RUEHGV/USMISSION GENEVA 2495
RUEHBJ/AMEMBASSY BEIJING 3566
SUBJ: LABOR STANDARDS IN THE PHILIPPINES: PRODUCT
LABELS AND COMPANY CODES

TEXT:
UNCLAS SECTION 01 OF 03 MANILA 006454

DEPARTMENT FOR DRL/IL (JEHRMAN)
LABOR FOR ILAB SONIA ROSEN

E.O. 12958: N/A

TAGS: ELAB, ETRD, PHUM, EINV, KWMN, RP

SUBJECT: LABOR STANDARDS IN THE PHILIPPINES: PRODUCT
LABELS AND COMPANY CODES

REF: STATE 076197

1. THIS IS THE THIRD IN A SERIES OF REPORTS ON CHILD
LABOR ISSUES IN THE PHILIPPINES TO ASSIST USDOL'S
CURRENT PREPARATION OF A REPORT TO CONGRESS (REFTEL).

2. SUMMARY: AS A DETERRENCE TO CHILD LABOR, PHILIPPINE
GOVERNMENT AND EXPORT INDUSTRY LEADERS BELIEVE A
LABELING SYSTEM BASED ON U.S. IMPORTERS' COMPANY CODES
COULD BE COST EFFECTIVE AND PRACTICAL TO MONITOR. A KEY
CONDITION FOR SUCCESS WOULD BE THE REAL COMMITMENT OF
THE U.S. IMPORTERS TO MAKE ACCEPTABLE LABOR PRACTICES A
CONDITION FOR EXTENDING ORDERS. THERE IS NO SYSTEM OF
EFFECTIVE CONSUMER LABELING IN THE PHILIPPINES EITHER
FOR EXPORTS OR FOR THE DOMESTIC MARKET. THE LEADING
EMPLOYERS CONFEDERATION HAS FORMED A WORKING GROUP ON
CHILD LABOR, WHICH IS STUDYING WHETHER THE CONFEDERATION
SHOULD RECOMMEND TO ITS MEMBERS A SPECIFIC MODEL COMPANY
CODE. BUSINESS LEADERS SEE COMPANY CODES FOR LABOR
STANDARDS AS A USEFUL "MARKETING TOOL" THAT COULD HELP
PROTECT MAJOR EXPORT MARKETS IN THE U.S. MANUFACTURERS
EXPRESS STRONG CONCERN OVER THE UNFAIR COMPETITION

POSED BY COUNTRIES USING "LOW END" LABOR PRACTICES AS THEY SEEK TO MAINTAIN THEIR U.S. MARKET SHARE OF OVER USD1 BILLION IN GARMENT EXPORTS LAST YEAR. AMERICAN FIRMS HERE IMPORTING GARMENTS AND SHOES ARE DIVIDED ABOUT THE EFFICACY OF A LABELING SYSTEM. END SUMMARY

LABELING COST: NO PROBLEM

3. FILIPINO MANAGERS BELIEVE THAT COMPANY CODES WOULD PROVIDE THE MOST EFFECTIVE MEANS OF INTRODUCING A LABELING SYSTEM. NEARLY ALL WITH WHOM WE SPOKE FORESAW ONLY NEGLIGIBLE ADDED COST IN INSERTING A "LABOR STANDARDS" LABEL AND BELIEVED THE POTENTIAL MERIT OF A LABEL PROGRAM WOULD JUSTIFY THE SMALL COST. (IN CONTRAST, THEY EXPRESS SKEPTICISM ABOUT THE USEFULNESS OF U.S. LEGISLATION IN THIS AREA, WORRYING ABOUT POSSIBLE LINKS TO AN EVENTUAL ECONOMIC SANCTIONS POLICY.) THEY BELIEVE A U.S. IMPORTER COULD EFFECTIVELY MONITOR A CONTRACTOR'S COMPLIANCE WITH ITS COMPANY LABOR CODE OF CONDUCT THROUGH THE FREQUENT PLANTS VISITS ALREADY PERFORMED FOR CONTROLLING THE QUALITY LEVEL OF THE PRODUCTS THEY ORDER. HOWEVER, FILIPINO EXPORTERS POINT OUT THAT THE SUCCESS OF A LABELING PROGRAM FOR LABOR PRACTICES RESTS ON A MAJOR UNKNOWN FACTOR -- THE WILLINGNESS OF THE U.S. IMPORTERS TO ADOPT COMPANY CODES AND MAKE LABOR PRACTICES A CONDITION FOR PLACING ORDERS.

4. GARMENT AND SHOE INDUSTRY LEADERS ARE CONFIDENT THEY CAN IN GOOD FAITH ATTEST WITH A LABEL THAT THERE ARE NO CHILD LABOR OR OTHER SWEAT SHOP CONDITIONS USED IN THE PRODUCTION OF THEIR EXPORT GOODS. EXPORT MANUFACTURERS REGARD BOTH GOP REGULATORY AND PRODUCT DELIVERY PRESSURES AS TOO GREAT TO RISK THE USE OF CHILD LABOR. THEY CLAIM THAT STRINGENT QUALITY CONTROL MEASURES ALSO MAKE CHILD LABOR IMPRACTICAL IN THE EXPORT SECTOR ALTHOUGH THEY ACKNOWLEDGE A WIDESPREAD PROBLEM IN THE USE OF CHILD LABOR IN THE GARMENT INDUSTRY'S INFORMAL SECTOR. (EMBASSY VISITS TO FACTORIES IN SPECIAL EXPORT ZONES INDICATE THAT THESE PLANTS PRODUCTS ARE MADE IN ACCORD WITH GOP LABOR CODES BANNING CHILD LABOR.)

CONSUMER LABELING PRACTICES

5. A SURVEY OF BOTH PHILIPPINE CONSUMER GROUPS AND MAJOR EXPORT INDUSTRY LEADERS DISCLOSES ALMOST NO EXAMPLES HERE OF WIDESPREAD, EFFECTIVE LABELING PROGRAMS USED TO INFORM FILIPINO CONSUMERS ABOUT HEALTH, SAFETY, ENVIRONMENTAL OR SOCIAL ISSUES. ALTHOUGH A CONSUMER PROTECTION LAW WAS PASSED IN 1992, ITS APPLICATION APPEARS TO BE LIMITED TO REQUIRING THE FOOD INDUSTRY TO IDENTIFY PRODUCT INGREDIENTS. ENFORCEMENT EFFORTS ARE REPORTEDLY SPOTTY. IT IS ONLY IN RECENT YEARS THAT CIGARETTE MANUFACTURERS HAVE BEEN REQUIRED TO PROVIDE A PACKAGE WARNING ABOUT SMOKING'S HAZARD TO HEALTH. GARMENT MANUFACTURERS NORMALLY PROVIDE MATERIAL CONTENT LABELS -- ESPECIALLY IF THEY ARE REQUIRED BY THE IMPORTING COUNTRY'S CUSTOMS PROCEDURES. SHOE

MANUFACTURERS SET THEIR OWN POLICIES ON WHAT DEGREE THEY LABEL MATERIALS IN SHOES PRODUCED FOR THE DOMESTIC MARKET.

LABOR STANDARDS: PHILIPPINES COMPARATIVE ADVANTAGE

6. AMONG THOSE POLLED IN PHILIPPINE INDUSTRY AND UNCLAS SECTION 02 OF 03 MANILA 006454

DEPARTMENT FOR DRL/IL (JEHRMAN)
LABOR FOR ILAB SONIA ROSEN

E.O. 12958: N/A

TAGS: ELAB, ETRD, PHUM, EINV, KWMN, RP

SUBJECT: LABOR STANDARDS IN THE PHILIPPINES: PRODUCT LABELS AND COMPANY CODES

GOVERNMENT, MANY ARE INTERESTED IN COMPANY CODES AND LABELING AS A WAY TO MAKE PHILIPPINE LABOR STANDARDS A COMPARATIVE ADVANTAGE IN TRADE. THEY BELIEVE THEIR LABOR CODE AND EFFORTS TO ADDRESS PROBLEMS, INCLUDING CHILD LABOR, ARE SEVERAL STEPS AHEAD OF OTHER COUNTRIES IN THE REGION THAT ARE MAJOR TRADE COMPETITORS. EXPORTERS IN LABOR INTENSIVE INDUSTRIES, INCLUDING GARMENTS AND SHOES, CURRENTLY FEAR THEIR COMPETITIVENESS WILL BE UNDERCUT BY COUNTRIES ABLE TO PARE LABOR COSTS BY TOLERATING "LOW END" PRACTICES, INCLUDING CHILD LABOR AND FORCED OVERTIME. IN LIGHT OF THIS, MANY SEE MERIT IN BOTH SUPPORTING RIGOROUS COMPANY CODES AND ADVERTISING THIS FACT THROUGH A LABELING SYSTEM THAT TOUTS PHILIPPINE EXPORT PRODUCTS AS MEETING HIGH LABOR STANDARDS. AMBASSADOR HUBBARD POINTED OUT THIS POTENTIAL ADVANTAGE IN A 4/23 SPEECH TO THE EMPLOYERS CONFEDERATION OF THE PHILIPPINES. IN LIGHT OF THIS, A GOP DEPARTMENT OF TRADE AND INDUSTRY OFFICIAL (DTI) HEADING THE GARMENT EXPORT BOARD TOLD US THAT HE SEES LABELING FOR LABOR STANDARDS AS A USEFUL MARKETING TOOL AND AGREES IN PRINCIPLE WITH DEVELOPING A LABELING SYSTEM FOR PHILIPPINE EXPORT GARMENT INDUSTRY. TO A SURPRISING DEGREE, FILIPINO MANAGERS VIEW A MOVE TOWARDS TIGHTENING THE COMPLIANCE WITH INTERNATIONALLY RECOGNIZED LABOR STANDARDS AS A WAY TO MAINTAIN THEIR SHARE IN U.S. MARKETS. THE EMPLOYERS CONFEDERATION OF THE PHILIPPINES, WORKING WITH THE ILO, HAS FORMED A CHILD LABOR "DESK" AND A COMMITTEE TO DEVELOP A MODEL ANTI-CHILD LABOR PROGRAM FOR ITS MEMBERS.

AMERICAN IMPORTERS

7. SOME AMERICAN FIRMS, INCLUDING REEBOK AND NIKE, ARE ALREADY IMPLEMENTING AMBITIOUS COMPANY CODES FOR THEIR PHILIPPINE SHOE AND GARMENT PLANTS. BOTH NIKE AND REEBOK HAVE HIRED LABOR RELATIONS SPECIALISTS BOTH TO PROVIDE WORKSHOP TRAINING TO PLANT SUPERVISORS AND STAFF ON NEW CODES AND TO PROVIDE FOLLOW UP CHECKS ON COMPLIANCE. THEY HAVE DEVELOPED EXTENSIVE CHECKLISTS ON MINIMUM COMPLIANCE STANDARDS, INCLUDING BANS ON CHILD LABOR, EXCESSIVE OVERTIME, AND UNION-BUSTING TACTICS. MANAGERS

FROM NIKE AND REEBOK ARE OPTIMISTIC ABOUT IMPLEMENTING THEIR CODES IN THE PHILIPPINES WHERE THE EXISTING LABOR CODE AND SOCIAL ATTITUDES PROVIDE A RECEPTIVE SETTING FOR THEIR MESSAGE.

8. HOWEVER, OTHER AMERICAN IMPORTERS OF GARMENTS WITH PLANTS HERE ARE APPARENTLY NOT READY TO ADOPT THE RECENTLY ANNOUNCED U.S. GARMENT INDUSTRY CODE WITH THE SAME ENTHUSIASM AS NIKE AND REEBOK. ONE MAJOR BRAND NAME IMPORTER EXPRESSED RESERVATIONS ABOUT ADOPTING A CODE AND RELATED LABEL SYSTEM THAT SIMPLY REQUIRED STEPS THE COMPANY HAD LONG SINCE TAKEN. THE MANAGER HERE FELT HER COMPANY NEED NOT DILUTE ITS POSITIVE IMAGE FOR OVERSEAS LABOR CONDITIONS BY JOINING WITH FIRMS THAT ADDRESS THE ISSUE AS SIMPLY A GROUP OF "LATECOMERS." ANOTHER BRAND NAME MAKER HAS NOT ADOPTED ANY COMPANY CODE DESPITE A USDOL STUDY TEAM'S HAVING DIRECTLY APPEALED TO THE AMERICAN OWNER LAST SEPTEMBER TO CONSIDER IT. (THE OWNER WAS COINCIDENTALLY AT THE PLANT DURING THE STUDY TEAM'S VISIT.)

9. OTHER AMERICAN IMPORTERS WHOSE PRODUCTS ENJOY LESS IMMEDIATE BRAND NAME RECOGNITION EXPRESS CONCERN OVER THE LONG-TERM FEASIBILITY OF A LABELING SCHEME. THEY FEEL THAT THE SYSTEM WILL LEND ITSELF TOO EASILY TO CHEATING BY UNSCRUPULOUS FIRMS. IN THEIR VIEW, THE COMPANY CODE SYSTEM WILL BE CREDIBLE FOR CONSUMERS ONLY AMONG THE TOP 10 PERCENT OF FIRMS WITH MAJOR BRAND NAMES AND IMAGES TO PROTECT. THE FIRMS WITH A LESSER PROFILE MAY EITHER LACK THE INFLUENCE TO REALLY ENFORCE COMPLIANCE AMONG THEIR LOW-WAGE PRODUCERS OR SIMPLY LACK THE CONCERN TO ENSURE THAT THE LABEL IS REALLY A GUARANTEE OF ACCEPTABLE LABOR PRACTICES.

SWEAT SHOP FATALITY

10. A SAMPLE OF THE POTENTIAL COMPLIANCE DIFFICULTIES FOR SOME U.S. FIRMS WAS PROVIDED IN A RECENT EMBASSY DISCUSSION WITH A PARISH PRIEST WHO HAS OPENED A "WORKERS ASSISTANCE CENTER" TO ADDRESS THE NUMEROUS "SWEATSHOP" PROBLEMS RAISED BY PARISHIONERS WORKING IN THE CAVITE "SPECIAL ECONOMIC ZONE" SOUTH OF MANILA. HE REPORTED THAT ONE PARISHIONER DIED IN MARCH BECAUSE OF AILMENTS RESULTING FROM EXCESSIVE OVERTIME DEMANDED AT HER GARMENT EXPORTING FACTORY. ACCORDING TO THE PRIEST, SHE WAS OBLIGED TO WORK 12 TO 14 HOUR DAYS WITH EVEN UNCLAS SECTION 03 OF 03 MANILA 006454

DEPARTMENT FOR DRL/IL (JEHRMAN)
LABOR FOR ILAB SONIA ROSEN

E.O. 12958: N/A

TAGS: ELAB, ETRD, PHUM, EINV, KWMN, RP

SUBJECT: LABOR STANDARDS IN THE PHILIPPINES: PRODUCT LABELS AND COMPANY CODES

MORE WORK PRESSURES AT PERIODS NEAR SHIPMENT DATES. HE SAID THAT SUCH PRACTICES ARE EVIDENT AT SEVERAL OTHER

GARMENT AND OTHER LABOR INTENSIVE FACTORIES IN THE CAVITE AREA. THE PARISH PRIEST SAID THAT AMERICAN BRANDS WERE MADE AT THE FACTORY AND THAT ONE AMERICAN IMPORTING FIRM'S MANAGER HAD SHOWN CONCERN OVER THE CASE BY INTERVIEWING HIM ABOUT CONDITIONS IN THE TAIWANESE OWNED FACTORY. HOWEVER, THE PRIEST WAS SKEPTICAL THAT THE U.S. FIRM WILL BE ABLE TO TAKE ACTION TO CORRECT THE ABUSES SINCE THAT FIRM'S PRODUCTION SHARE AT THE FACTORY WAS ONLY ABOUT 10 PERCENT OF THE FACTORY'S TOTAL ORDERS.

11. COMMENT: IN LIGHT OF ITS MAJOR GARMENT EXPORT MARKET IN THE U.S. (OVER USD 1 BILLION IN 1996), PHILIPPINE INDUSTRY HAS FOCUSED CAREFUL ATTENTION ON THE VOLUNTARY CODE ANNOUNCED BY THE GARMENT INDUSTRY TASK FORCE IN APRIL. TO SURVIVE TRADE COMPETITION, THE INDUSTRY HAS ADOPTED A STRATEGY OF MOVING INTO THE EXPORT OF UPSCALE GARMENTS THAT APPEAL TO BRAND NAME AND FASHION CONSCIOUS CONSUMERS. THE GOAL IS TO PUT MORE "VALUE ADDED" COMPONENTS INTO THE EXPORT PRODUCT. ADDING A LABOR STANDARDS LABEL THAT APPEALED TO SOCIALLY CONSCIOUS AMERICAN CONSUMERS WOULD NEATLY DOVETAIL WITH THE PHILIPPINE INDUSTRY STRATEGY. IN LIGHT OF THIS, WE WILL SEEK CONTINUED CONTACTS WITH INDUSTRY LEADERS TO MONITOR AND, WHERE POSSIBLE, ENCOURAGE BOTH COMPLIANCE WITH THE U.S. GARMENT INDUSTRY'S CODE AND FORMULATION OF THEIR OWN PHILIPPINE INDUSTRY CODE.

HUBBARD

SECT: SECTION: 01 OF 03

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TOR: 970529040539 M2778897

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DIST:

SIT: KRISTOFF PRITCHARD SUETTINGER

SIT: NSC

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PREC: ROUTINE
CLASS: UNCLASSIFIED
LINE1: RAAUZYUW RUEHBUA2756 1501241-UUUU--RHEHAAX.
LINE2: ZNR UUUUU ZZH
LINE3: R 301241Z MAY 97
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DTG: 301241Z MAY 97
ORIG: AMEMBASSY BUENOS AIRES
TO: RUEHC/SECSTATE WASHDC 6454
INFO: RUEHC/USDOL WASHDC
RUEHBR/AMEMBASSY BRASILIA 4288
RUEHLP/AMEMBASSY LA PAZ 3295
RUEHAC/AMEMBASSY ASUNCION 8673
RUEHMN/AMEMBASSY MONTEVIDEO 3899
RUEHSG/AMEMBASSY SANTIAGO 2589
SUBJ: FY97 DOL CHILD LABOR STUDY
TEXT:

UNCLAS BUENOS AIRES 002756

DOL FOR ILAB - SONIA ROSEN
SECSTATE FOR DRL/IL - JAMES EHRMAN

E.O. 12958: N/A
TAGS: ELAB, EIND, ETRD, PHUM, SOCI, AR
SUBJECT: FY97 DOL CHILD LABOR STUDY

REF: STATE 76197

1. SUMMARY: WE KNOW OF NO PRIVATE SECTOR INITIATIVES TO ELIMINATE EXPLOITATIVE CHILD LABOR, WHICH, WHILE IT EXISTS, IS NOT A MAJOR PROBLEM IN ARGENTINA. LATEST GOVERNMENT DATA INDICATE THAT 149,000 CHILDREN UNDER THE AGE OF 15 ARE EMPLOYED, TWO-THIRDS OF THEM IN RURAL AREAS (PERFORMING AGRICULTURAL WORK, USUALLY WITH THEIR PARENTS) AND A THIRD IN URBAN AREAS (MOST WORKING AS DOMESTIC SERVANTS). END SUMMARY.

2. ON MAY 21 LABATT CALLED ON DR. JOSE ATILIO ALVAREZ, PRESIDENT OF THE NATIONAL COUNCIL ON THE CHILD AND THE FAMILY AND A RESPECTED AUTHORITY ON CHILD WELFARE IN ARGENTINA. REFERRING SPECIFICALLY TO THE PROBLEM OF CHILD LABOR, ALVAREZ SAID THE LATEST HOUSEHOLD SURVEY BY THE GOVERNMENT'S STATISTICAL INSTITUTE, CONDUCTED IN OCTOBER LAST YEAR, REVEALED THAT 149,000 CHILDREN UNDER AGE 15 ARE EMPLOYED IN ARGENTINA, 100,000 OF THEM IN RURAL AREAS, CHIEFLY PERFORMING AGRICULTURAL WORK WITH THEIR PARENTS, MANY OF WHOM ARE IMMIGRANTS FROM NEIGHBORING COUNTRIES; AND 49,000 WORKING IN URBAN AREAS, CHIEFLY AS DOMESTIC SERVANTS (ALTHOUGH IN ONE CASE, SAID ALVAREZ, AUTHORITIES UNCOVERED A

GARMENT SWEATSHOP OWNED BY KOREANS AND EMPLOYING PERUVIAN CHILDREN).

3. ALVAREZ SAID THAT ALTHOUGH THE NUMBERS ARE RELATIVELY SMALL, THE PROBLEM OF CHILD LABOR IN ARGENTINA IS OF CONCERN TO THE GOVERNMENT. HE SAID ARGENTINA RATIFIED THE INTERNATIONAL LABOR ORGANIZATION'S CHILD LABOR CONVENTION (NUMBER 138) IN MAY 1996 AND IN DECEMBER THE MINISTRY OF LABOR SIGNED A MEMORANDUM OF UNDERSTANDING WITH THE ILO TO INCLUDE ARGENTINA IN THE INTERNATIONAL PROGRAM FOR THE ELIMINATION OF CHILD LABOR (IPEC). AS PART OF THIS PROGRAM, HE EXPLAINED, THE LABOR MINISTRY RECENTLY FORMED A TRIPARTITE BODY COMPOSED OF REPRESENTATIVES OF BUSINESS, LABOR, AND GOVERNMENT (THE EDUCATION AND LABOR MINISTRIES, AND THE NATIONAL COUNCIL ON THE CHILD AND THE FAMILY) TO COMBAT CHILD LABOR. ALVAREZ HIMSELF SERVES AS THE COUNCIL'S REPRESENTATIVE ON THE NEW BODY.

4. THE NATIONAL COUNCIL ON THE CHILD AND THE FAMILY IS THE FEDERAL GOVERNMENT'S PRINCIPAL CHILD WELFARE AGENCY. ALTHOUGH FUNDED BY THE FEDERAL BUDGET, ALVAREZ SAID THAT SOME 250 NGO'S WORKING ON CHILDREN'S ISSUES APPOINT TWO REPRESENTATIVES TO THE COUNCIL EACH YEAR. AMONG OTHER ACTIVITIES, THE COUNCIL IS HELPING DRAFT A BILL TO STRENGTHEN ARGENTINA'S 1921 LAWS AGAINST CHILD PROSTITUTION, AND TRYING TO GET ABANDONED AND EXPLOITED CHILDREN OFF THE STREETS OF BUENOS AIRES AND INTO THE COUNCIL'S CHILD WELFARE PROGRAMS.

5. WE KNOW OF NO INSTANCES OF THE USE OF CHILD LABOR IN THE SPECIFIC INDUSTRIES MENTIONED IN REFTTEL, NOR OF ANY LABELING PROGRAMS OR CODES OF CONDUCT IN THESE OR OTHER ARGENTINE INDUSTRIES.

GODARD

SECT: SECTION: 01 OF 01

SSN: 2756

TOR: 970530084419 M2781217

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SIT: NSC