Trade and Climate Change

The USW and AFL-CIO joined the International Trade Union Confederation (ITUC) at the 2015 United Nations Climate Change Conference earlier this month, then immediately afterward raised strenuous objections to the proposed TPP that would damage both the environment and American workers.

Both the USW and AFL-CIO are members of the ITUC, which is a federation of unions worldwide. The United Steelworkers union has worked to improve the climate since 1970 and was a founding member of the BlueGreen Alliance of unions and environmental groups.

- The goal of the USW at the Paris talks was to urge participating countries to retrain and provide transition assistance to workers in industries that will be affected by attempts to curb carbon pollution. In addition, because the USW represents workers in oil refining, it urged participants to find ways to make those fuels cleaner.
- As the negotiators met in Paris, China <u>raised the pollution alert in Beijing first to orange</u> then red, finally closing down much of the city as life-threatening smog settled in.

For American industrial workers, the situation in China highlights their frustration.

- A significant cause of the Beijing pollution is overcapacity and over production by major Chinese industries, including steel, aluminum, tires and paper.
- These factories continue to pollute at rates absolutely forbidden in the United States.
- They continue to produce even though the world market is saturated. This keeps Chinese workers employed. But it means American workers lose their jobs as their industries are unable to compete with unfairly subsidized state-owned enterprises in China and with goods unfairly priced because of Chinese currency manipulation.
- It also means the goods that end up on the world market are made by excessively-polluting Chinese industries.

The USW and major steel companies like U.S. Steel and ArcelorMittal have been deadlocked in negotiations for months as these firms try to squeeze concessions out of American workers. They contend this is necessary because of the Chinese steel dumped on the U.S. market.

• In addition to the pollution created by foreign industries that do not face the environmental restrictions that American manufacturers do, there is pollution created by shipping the materials to the United States instead of simply making them here.

In Paris, 170 developed and developing countries submitted targets, but there is nothing that obligates these countries to actually meet their goals.

• In addition, although China submitted goals, it said it would continue raising its rate of emissions and pollutions until 2030, after which it would try to reduce them.

Though China is building some renewable energy capacity, it is also continuing to construct polluting coal-fired power plants and running industries at overcapacity.

• The USW wants carbon pollution considered when products are shipped to the United Straes.

In 2008-2009, the USW supported a climate bill, the American Clean Energy and Security Act of 2009 (ACES), also known as the Waxman-Markey Bill. It would have allowed charging a fee for carbon emissions on imported products like steel. It would have raised the price of Chinese steel imported into the United States because of the high level of pollution involved in making it, particularly in comparison to the much lower level permitted in the United States. This would have leveled the playing field for American industry and American workers. The bill passed the U.S. House but not the Senate.

The EPA continues to require lower pollution levels in the United States. But foreign firms escape those mandates. That's why a border measure charging fees for foreign carbon emissions is important.

- The USW also wants Congress to reject the TPP because it would make matters worse.
- The TPP would exacerbate existing pollution problems. <u>It would encourage American manufacturers</u> to close their U.S. factories, move them overseas where they can pollute and pay workers less, then pollute more to ship the products back to the United States.

Though China is not among the 12 TPP countries, the content rules in TPP are so lax that they would enable participating countries to import 55 percent of a car or car part from highly-polluting China then manufacture the remainder and ship it to the United States with the TPP tariff free benefits.

- Because the TPP does <u>not set a floor for minimum wage</u> and has no enforceable provisions regarding pollution, it will encourage American firms to off-shore manufacturing, costing American workers their jobs and creating more pollution.
- Nothing in the Climate Change agreement or the TPP takes into account that the goods imported into the United States actually cost far more than the amount they're sold for. The additional cost is pollution and climate change.

This unseen cost is the kind of pollution that has shut down Beijing for a week.