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August 15, 1991

Ambassador Carla Hills U.S. Trade Representative Winder Building 600 17th Street, NW Washington, DC 20036

Dear Ambassador Hills:

In line with our continuing concern about international trade and labor rights, which led to our May 9 discussion about the North American Free Trade Agreement, I would like to express our interest in a related matter, namely labor rights in Guatemala.

We have received a copy of a petition which has been filed with USTR requesting a hearing on suspension of Guatemala's trade benefits under GSP because of that country's violations of workers' rights.

Although we are not in a position to make a definitive judgment about the merits of the petition, we believe that it makes very serious allegations that need to be looked into about forced labor, child labor, discrimination, substandard safety and health conditions, and even intimidation and murder of labor leaders, including women. Regrettably, our own church sources in Guatemala tend to confirm this pattern of violence.

We note also that the petitioners include a significant range of US trade unions, that the petition reflects on-site research, that the allegations cover a broad spectrum of economic sectors in Guatemala -- including textiles, sugar, banking, education, and municipal workers -- and that much of the information cited in the petition comes from the US Department of State.

While some of the defenders of Guatemala point to changes proposed in the Guatemalan labor code, most of the proposals seem not to be relevant to the GSP statute. The present Guatemala labor code, as you are aware, contains at least a dozen clauses which violate ILO conventions on the rights of workers. Ambassador Hills August 15, 1991 Page two

We strongly support the rights of workers to humane working conditions. The United States should do all it can to ensure that the trading system treats workers of developing countries fairly and does not lead to human and labor rights violations.

We greatly appreciated your willingness to meet with us on NAFTA, and we hope that you will accord the petitioners on Guatemala a hearing, so that these serious accusations can be considered.

Sincerely,

John L. Carr, Secretary Department of Social Development & World Peace