



# THE TRANS-PACIFIC PARTNERSHIP (TPP)

**WHAT IS TPP?** The Trans-Pacific Partnership (TPP) refers to an Asia-Pacific trade agreement that is presently being negotiated between twelve countries: Australia, Brunei Darussalam, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, Japan, and the United States. The TPP is meant to be a “living agreement” meaning new countries can join after the agreement is in force. Negotiations for the TPP are closed to the public and the majority of the TPP text is classified.

## **WHY DOES THE TPP MATTER?**

- *The TPP text is relatively unknown, but all indications point to it being similar to NAFTA.* Because of lack of information and the secrecy surrounding the TPP text, it is hard to know exactly what the final agreement will be like. However, it is probable that the United States will be impacted as it has been with other trade agreements. It is estimated that nearly 700,000 American jobs have been lost due to the growing trade deficits between the United States and its NAFTA trading partners. Because the TPP is being designed as a living agreement, it has the potential to govern most of the United States’ international trade for years to come. Workers in the United States cannot afford a long-term agreement that results in job losses.
- *If Congress gives President Obama trade promotion authority, Congress will not be able to amend the text of the TPP.* As President, Barack Obama has the executive authority to negotiate international trade agreements. After an international trade agreement is negotiated, Congress then must vote on the agreement. Absent trade promotion authority, Congress may amend trade agreements before it. However, if Congress passes trade promotion authority, Congress would be required to vote on the agreement without amendments within 90 days of it being submitted to congress by the Executive Branch. Despite the fact that passage of Trade Promotion Authority limits Congress’ authority, Trade Promotion Authority is common. The most recent Trade Promotion Authority expired in 2007.



**WHAT WOULD MAKE THE TPP NEGOTIATION PROCESS BETTER?** It is critical that the TPP creates high-wage jobs, encourages collective bargaining, implements a strategic manufacturing policy, and invests in American workers. The IBEW maintains that the following must be part of the TPP negotiation process:

- Greater transparency before the TPP is approved or entered into by utilizing federal rulemaking notice/comment/hearing procedures
- A Congressional role in determining what countries the United States will negotiate with
- A requirement that Congress must give a form of formal approval to a free trade agreement before it can go into effect

**WHAT POLICIES COULD MAKE THE TPP BETTER THAN OTHER TRADE AGREEMENTS IN RECENT HISTORY?**

Most of the United States' trade is currently covered by free trade agreements. Unfortunately, the United States has a trade deficit that has increased each year since 2001.<sup>1</sup> It is very important that the TPP advances domestic economic development, increases employment for American workers, and improves our prospects for future sustainable growth. These goals can only be met through strong TPP text that:

- Supports collective bargaining
- Has strong rules of origin so that trade and sourcing is encouraged between member countries
- Prevents countries from joining until they've met certain human and labor rights standards

**CONCLUSION:** It is the IBEW's hope that the quality of trade agreements between the United States and other countries will increase. With an opportunity to weigh-in during the negotiation process through notice and comment procedures, constituent groups – like the IBEW will have a chance to shape the potential agreements and protect American workers. If entered into, the TPP will have lasting affects on the United States, therefore we need to be sure appropriate protections are in place to protect jobs here at home.

<sup>1</sup> United States Government, *Trade with Goods in World, Seasonally Adjusted*, www.census.gov, 2013.

THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS  
POLITICAL/LEGISLATIVE AFFAIRS DEPARTMENT  
900 7TH STREET N.W.  
WASHINGTON, D.C. 20001  
(202) 728-6046

