

NATIONAL ADVISORY COMMITTEE  
FOR LABOR PROVISIONS OF FREE TRADE AGREEMENTS

U.S. Department of Labor  
200 Constitution Ave. N.W.  
Washington D.C.

Friday, March 23, 2012  
MINUTES OF MEETING

**Committee Members Present:**

Public Representatives

Kimberly Ann Elliott, Center for Global Development  
Kevin Kolben, Rutgers University, Business School  
Raymond Robertson, Macalester College, Department of Economics

Labor Representatives

Benjamin N. Davis, United Steel Workers (USW)  
Cathy Feingold, American Federation of Labor & Congress of International  
Organizations (AFL-CIO)

Business Representatives

Adam B. Greene, United States Council for International Business (USCIB)  
Darryl Knudsen, Gap Inc.  
Ed Potter, Coca-Cola  
Anna Walker, Levi Strauss & Co

Present Via Teleconference

Lance Compa, Cornell University, School of Industrial and Labor Relations  
Cindy Estrada, United Auto Workers (UAW)  
Ramon Ramirez, Pineros y Campesinos Unidos del Noroeste (PCUN)

**Welcome and Introductions**

Kimberly Elliott convened the meeting at 10:05 am.

DUS Polaski welcomed the committee, noting her pleasure at benefiting from their leadership and wealth of experience.

Ms. Polaski introduced two new additions to ILAB leadership: Mark Mittelhauser as the new Associate DUS, and Eric Biel as the new Senior Policy Advisor.

DUS Polaski then confirmed that Secretary Solís had nominated her as the Executive Director of Social Dialogue at ILO. She thanked the Business and Labor sectors for their endorsement of her for that position and expressed her belief that their confidence in her

reflected the partnerships and trust that were built over decades where they taken on problems in a collaborative manner to make real progress. In the new position, she expects to work on similar issues and looks forward to continuing to work with the members of the NAC and the groups they represent.

Ms. Elliott, speaking on behalf of the NAC, wished DUS Polaski the best at the ILO.

Ms. Elliott then asked everyone to introduce themselves (including ILAB employees from the Offices of Trade and Labor Affairs (OTLA) and the Office of International Relations (OIR), two representatives from Embassy of the Dominican Republic, a representative from the Embassy of Mexico, one representative from the European Union delegation, one representative of the Office of Public Affairs from DOL, one representative of the US International Trade Commission, and one representative from the Labor Office of USTR).

Ms. Elliott then asked if there were any comments or revisions to the minutes from the NAC meeting convened in October of 2011. There were none, and Mr. Robertson proposed passing the minutes, Mr. Compa seconded, and the NAC voted unanimously to approve the minutes. Ms. Elliott introduced ADUS Mittelhauser for his presentation on technical assistance.

### **Technical Assistance (ADUS Mark Mittelhauser)**

Mr. Mittelhauser noted that his presentation would show how ILAB looks at technical assistance and uses it as a tool to promote ILAB objectives of supporting labor rights, improving livelihoods, and promoting healthy industrial relations.

Mr. Mittelhauser explained that ILAB has \$6.5 million in direct appropriations for projects promoting worker rights (overseen by OTLA) and \$60 million for the elimination of child labor (overseen by OCFT). ILAB also received funds indirectly from the State Department under the CAFTA-DR (\$4.5 million in FY2010 and \$1.8 million expected for FY2011), from the Office of the Global AIDS Coordinator to raise awareness and combat HIV/AIDS; and from the State Department for Mine Safety projects in Ukraine. Mr. Mittelhauser also noted that ILAB had received funding from USAID for various labor administration projects.

Mr. Mittelhauser noted that funding for child labor projects is consistently about \$60 million annually. He also showed worker rights funding rose in the early 2000s, dropped to zero in 2007, and returned with \$5 million in 2008 and \$6.5 million in the following years. He reviewed the Congressional Appropriations language for Fiscal Year 2008, noting that the language was very specific in the way we should program the funds. Much of the language was retained in subsequent years, but funding increased from \$5 to \$6.5 million. The new Office of Child Labor, Forced Labor and Trafficking (OCFT) language specifically directs us to work on livelihoods and mentions microfinance and

Congress allows ILAB to program this money through the end of the calendar rather than fiscal year in 2012.

In the ensuing discussion, Ms. Elliott asked if this was the last year of CAFTA funding and Mr. Mittelhauser noted that the funding for labor capacity building associated with passage of the CAFTA-DR had ended in FY2010. Current funding labor-related technical assistance in that region is under the broader Pathways to Prosperity initiative.

Mr. Davis asked if the 2012 appropriations language was the same as 2008 language for worker rights or if the language had been cut. Mr. Mittelhauser noted that 2012 language is a bit less specific. Mr. Davis then asked what could be expected in FY2013, but Mr. Mittelhauser could not speculate.

Mr. Mittelhauser then explained how ILAB allocates funding among projects. ILAB looks at factors like the Congressional language and Administration priorities such as the Partnership for Growth (PFG) and Pathways to Prosperity initiative. He noted that trade agreements are a key factor in priority-setting, and that significant ILAB funding has gone to Morocco, Oman, the CAFTA-DR countries, and Colombia. He views this trade-related technical assistance as a way for ILAB to work with the countries in a constructive way that compliments the enforcement-related review processes under preference programs and FTAs.

He underscored that ILAB consults with the State Department and Embassies, the ILO, worker and business organizations, and other US Government offices to identify the major problems and needs in a country. ILAB also considers political will in the partner country, prospects for sustainability and replicability, and the ability to leverage other resources to determine effective partners for technical assistance.

Mr. Mittelhauser noted that ILAB can also leverage in-house expertise, highlighting a group going to Haiti to train on sexual harassment and forced labor and to Vietnam and Colombia on improving inspectorate capacity. ILAB promotes South-South Cooperation—demonstrated by a recent Memorandum of Understanding signed with Brazil that leverages Brazilian expertise and resources to co-fund programs. ILAB also coordinates with other governments to fund programs, and Mr. Mittelhauser cited ILAB cooperation with Canada.

Mr. Potter asked if there was a hierarchy of these criteria and if that policy had evolved over time. He also inquired if DOL has special departmental priorities. Mr. Mittelhauser replied that ILAB considers a country's capacity, the most important gaps, and where funding already exists. Current Administration priorities include labor administration and enforcement and implementing the Better Work (BW) Program.

Mr. Davis wondered how ILAB defines political will. Mr. Mittelhauser noted that ILAB consults with the host government and considers evidence of practices in the partner country. If there are instances in which a government has taken tangible steps to improve labor standards, ILAB would likely consider that a demonstration of political will. Many

governments ratify conventions and then do nothing, which is an example of a lack of political will.

Mr. Davis also noted a long history of US, ILO, Inter-American Development Bank, and other programs that sometimes have similar objectives. He wondered if the results or lack thereof from earlier work enters ILAB's consideration of what programs to implement. Mr. Mittelhauser noted that this was a very important consideration. As an example, he noted that if we fund something to improve a labor inspectorate and do not see progress, that factors heavily into future decisions.

Mr. Robertson asked if priorities would shift with Deputy Undersecretary Polaski leaving. Mr. Mittelhauser noted that this was not entirely clear, but that he did not foresee the administration deviating too far from ILAB's priorities around workers' rights and child labor, forced labor, and human trafficking. Mr. Robertson clarified that he was wondering if the program selection criteria or their weighting would change, but Mr. Mittelhauser felt any answer to that question would be speculation at this point.

Ms. Feingold wanted to know if the NAC had access to impact reports, for example to see what the final analysis of the impact of the CAFTA-DR projects had been. Ms. Albertson noted the forthcoming Second Biennial CAFTA-DR Report to Congress would include such an analysis, and Ms. Rowles, of DOL, also mentioned the technical evaluation of the CAFTA-DR projects published in August 2011.

Ms. Feingold asked if the CAFTA-DR funding now shifted to the State Department, and Mr. Mittelhauser reminded her that the funding had previously been appropriated to the State Department and then divided interagency for implementation. Ms. Elliott confirmed that the funding just expanded beyond the CAFTA-DR countries.

Mr. Greene wondered how ILAB deals with workers that are in the informal sector and who lack a formal work contract and if there was data available on these workers. Mr. Mittelhauser noted that DRL has several informal sector projects that work to identify how governments can extend rights to the informal sector and that our child labor programs work heavily with governments to better measure, enforce and extend rights to the informal sector. Mr. Robertson mentioned that there was a large body of academic research on sizes of informal sector.

Moving into a discussion of current ILAB projects, Mr. Mittelhauser reviewed the active CAFTA-DR projects. He also noted that Better Work (BW) programs were a clear priority given the Congressional appropriations language. It is a unique model program that can go into specific workplaces and bring together all stakeholders.

Ms. Elliott inquired if the programs in Bangladesh and Indonesia had launched. Mr. Mittelhauser noted that the current Bangladesh program is not a formal BW program, but rather a project to build support for a potential BW program, working to build capacity of worker organizations, do assessments, and identify possible labor law reforms. He commented that some progress had been made but that a number of other things would

need to happen before a program could be launched in Bangladesh. A pilot project has been launched in Indonesia, however, that includes about 30 factories. Ms. Helm, from DOL noted that AusAid established BW Indonesia, with ILAB providing bridge funding between the program's 1<sup>st</sup> and 2<sup>nd</sup> phases.

Mr. Knudsen asked for elaboration as to where ILAB had seen positive reforms in labor law in Bangladesh. Mr. Mittelhauser clarified that, while problems remained in the EPZs, a draft law on freedom of association was moving forward, including the right to organize, and would hopefully pass. Mr. Davis added that he had heard that the office of union registration had put a hold on registration in a number of sectors including the ports, so this draft law was of interest. Mr. Mittelhauser again emphasized that it was limited progress in such a challenging environment, but would be an improvement in labor law if approved.

Mr. Mittelhauser noted that ILAB also funds worker rights, labor administration, and labor law reform projects, especially through projects in support of the ILO Declaration on Fundamental Principles and Rights at Work. Mr. Potter asked how much ILAB annual funding supported ILO Declaration projects. Mr. Mittelhauser noted it was small compared to Child Labor funding, and Stephen Marler, from DOL specified that around \$2 million went to ILO Declaration projects last year. Mr. Knudsen asked what activities occur in Declaration projects. Mr. Mittelhauser noted that in Egypt, they build social dialogue and Ministry of Labor capacity; in the Maldives, they build labor administration. Ms. Rowles noted that in Sri Lanka, the project focuses on workplace cooperation and labor inspector training. She had noted that the midterm project review found that beneficiaries were quite satisfied with the project, which Mr. Davis felt was not a robust indicator of project success. Ms. Rowles clarified that the Labor Ministry is very interested in continuing the project's work, that the project has been very successful with limited funding, and that an atmosphere filled with mistrust has given way to improved tripartite dialogue. Ms. Elliott asked that ILAB circulate the Midterm assessment. Mr. Mittelhauser also noted that the Tanzania project builds Ministry and worker organization capacity, and Ms. Canty, from DOL, noted specific activities including developing implementing regulations for the labor laws written under the previous phase and working with the Ministry in appointing new inspectors to advocate for cases in court system (she noted that they won their first two cases in court which the government feels would not have happened without the project).

Mr. Knudsen wondered if there are mechanisms that might lead ILAB to stop funding given the conflict in Sri Lanka. Ms. Rowles noted that they had not yet, and Mr. Mittelhauser noted that if broad human rights violations or fraudulent elections could trigger an inter-agency process that could cut off funding.

Ms. Feingold noted that while the labor inspection focus is good, Mexico and Haiti need union capacity building. [A fire alarm caused a ten minute break.] Ms. Feingold continued that having most funds go through the ILO could be problematic because in certain countries cooperation with ILO projects in certain areas is used as cover for egregious labor rights violations in others. She emphasized that labor inspections and

child labor are important, but that ILO presence does not mean that workers can organize or that the labor situation has changed fundamentally. Mr. Mittelhauser said that the US government recognized this.

Ms. Feingold added that once programs end, people are needed on the ground who are capable of enforcing standards, including worker groups able to organize and represent workers. Current funding is particularly lopsided, favoring inspections and not sufficiently addressing the need to strengthen worker organizations. Mr. Mittelhauser agreed, and noted how in Haiti, where the weakness of trade unions can hold back other sectors, the interagency team is working hard to correct this weakness. Ms. Feingold noted that even on child labor, worker organizations can play an active role.

### *Child Labor*

Mr. Mittelhauser then segued into child labor programs, noting that ILAB has funded \$800M in programs to remove or prevent 1.5 million children from child labor. These projects have evolved now into fewer, larger and more comprehensive programs. The new appropriations language on livelihoods has been incorporated into the Office of Child Labor, Forced Labor and Trafficking (OCFT) projects, and ILAB can look at root causes by providing skills training to families, addressing family poverty, looking at labor inspection, and going beyond narrow educational and alternative activities for kids to keep them in school. He highlighted four such programs, in El Salvador, Mexico, Peru and Guatemala. Mr. Knudsen asked if ILAB was following through on the microfinance mandate, to which Mr. Mittelhauser noted that ILAB is looking at methods for ways to best address families' livelihoods.

### *Monitoring and Evaluation*

Mr. Mittelhauser noted that ILAB uses cooperative agreements that allow greater involvement from design through project implementation than other agencies that use grants or contracts. He noted that each project begins with a strategic framework that defines the outputs and outcomes that ILAB expects. ILAB then monitors projects quarterly against these strategic frameworks with a performance monitoring plan. He also noted that ILAB funds independent midterm and final evaluations on most projects. Ms. Helm added that project managers are often very involved in the midterm evaluations so that any changes to the projects can be made based on findings.

Mr. Mittelhauser noted that ILAB also conducts audits, and that OCFT is now setting up impact assessments to test focus groups and follow sample groups to determine what is leading to the changes in livelihoods measures or child labor, and to identify best practices, to see where more investment is needed, and to identify what is not working. Mr. Robertson asked if these assessments were only on individual programs, and Mr. Mittelhauser clarified that ILAB funded two contracts that assess a variety of interventions to see what works. Mr. Robertson also noted that ILAB has a large body of information from its many programs that would make an interesting in-house meta-analysis. He asked if ILAB is doing this, and Mr. Mittelhauser noted that this was an

internal process, but not done through formal contracts. Katie Cook recalled that OCFT is conducting a meta-analysis on vocational education, and Mr. Robertson requested to see the results when available.

Mr. Mittlehauser returned to the earlier question from Mr. Davis regarding DOL's FY13 budget request, and reported it was roughly \$2M more than this year for a total ILAB budget of \$92M. That includes salaries for more labor rights monitoring (Bangladesh, Vietnam and Egypt are also priority countries, though they are not necessarily future projects). Moving into Bangladesh is important as it sets the wage floor and has a large impact on the apparel sector.

Mr. Davis noted that USAID has done a lot of work on baseline studies for labor rights in certain countries and asked about the process for sharing interagency information and harmonizing assessment tools. He noted it might create more confusion about what works if agencies do not communicate on M&E and results. Mr. Kolben noted he was the author of one the baseline reports. He also clarified that the reports were not for monitoring and evaluation but rather to provide a panorama of labor issues in a country. Mr. Davis suggested that it could provide a baseline for projects and priorities.

Mr. Mittelhauser noted that DOL and the State Department's DRL office provided input on the USAID studies for Mexico, Bangladesh, Indonesia, and South Africa. Ms. Albertson noted that inter-agency coordination on monitoring and evaluation did occur for the CAFTA-DR evaluation, but was unique in that it reviewed all agencies together. Kathy Schlach, from DOL, noted that the Obama Administration is working hard to map projects, avoid duplication, find synergies, and support what works in a spirit of greater cooperation. Examples like the PFG show how this works.

Ms. Feingold also noted frustration with reporting requirements that are agency rather than project-based and suggested changing reporting requirements so that implementers no longer report to three different agencies with three different priorities. That would reduce the burden on implementers and provide a fuller picture of the situation overall. Ms. Elliott asked for comments from those members who had phoned in and there were no comments. Ms. Elliott commented that this would be a good suggestion from the project implementation perspective. Mr. Mittelhauser noted that DOL has the advantage of having great personal relationships with DRL and other agencies that promote sharing.

Mr. Greene asked about funding and if DOL expected any big changes likely for next or coming years. Mr. Mittelhauser anticipated a similar budget in level and focus in the near future along the trajectory established over last few years.

Ms Elliott noted that continuing massive OCFT money and peanuts for other worker rights is obviously a problem, asking if there was any chance of this changing. Mr. Mittelhauser responded that it is a concern for ILAB, as getting only \$6.5 million for everything beyond child labor makes meeting needs difficult. Because OCFT has more funds, it can fund larger projects that can deal with things more comprehensively.

Ms. Elliott asked how much flexibility ILAB has within child labor funding to fund union capacity building as a way to also address child labor livelihoods issues. Mr. Mittelhauser thought there might be room for creativity.

Ms. Feingold noted that the AFL has been talking to OCFT about its narrow focus. Using the example of Liberia, she explained that if parents have no mechanisms to improve their labor situation, then there is no room for improvement for their kids. Using the case of Firestone in Liberia, she noted that by focusing on both in tandem, you have a positive impact that is missed when child labor not linked to a broader decent work agenda, and the parents' ability to improve their livelihoods and working conditions. She indicated interest in hearing about the cocoa initiative in West Africa and seeing an impact evaluation on that.

Mr. Mittelhauser noted that the Iqbal Massi award went to a union last year, so it is getting recognized, but we can do more.

Ms. Walker asked about funding of local organizations, noting that the Levi Foundation has had more success with local partners over people parachuting in from outside. Mr. Mittelhauser responded by noting that local partners are usually engaged in the projects, and although they may not always be on the list of projects, they are included in the project summaries.

Ms. Elliott closed this section, reminding the group to think about topics for the next meeting agenda.

## **Web Presentation**

Ryan Carrington of OTLA thanked the members for their previous feedback on the website and outreach, noting that ILAB had made several strides since the first NAC meeting. He mentioned the creation of an ILAB-wide web team that has worked to update content, improve changes, and keep the web current. He showed some improvements to the website including the revised Free Trade Agreement Page, improved country pages, the in focus section of the main ILAB page, and the new NAC page.

Mr. Carrington specifically mentioned that the changes were designed to increase the amount of content from all three ILAB offices, to include more useful documents right on ILAB pages (e.g. Free Trade Agreement labor chapters on the FTA page, project evaluations on country pages), to make the language on pages less legalistic, and to improve the appearance of pages and reduce clutter. He also noted the increased use of blogs and facebook of late to tell the story of what ILAB is doing and what those activities mean for individuals.

Ms. Schalch also noted that all these changes led the web team to realize that broader architectural changes were needed. For this reason, ILAB leadership has authorized a contract that will redesign the ILAB webpage and a new position that will serve as a web

site administrator to help make the web—including social media—a stronger part of ILAB’s ongoing outreach to stakeholders.

The NAC members expressed satisfaction at the changes being made. Ms. Feingold underscored the importance of human interest stories to make labor rights work more understandable. Mr. Robertson asked that ILAB add datasets to the website.

The NAC adjourned for lunch at 12:00 pm.

### **North American Agreement on Labor Cooperation (NAALC)**

Ms. Elliott launched the afternoon session at 1:38 pm. She introduced an initial draft document on the NAALC by Mr. Compa, and noted that comments received from Mr. Greene who had consulted with other colleagues from the private sector could not be incorporated in time for the meeting. Therefore, the draft is not a subcommittee report, but would serve as the basis for the NAC discussion. She then asked ILAB to provide a bit of background to help frame the discussion and to discuss the connections between the NAALC and the ongoing Trans-Pacific Partnership (TPP) negotiations.

Greg Schoepfle provided some background on the NAALC first, noting that Secretary Solis has referred to the joint public statement issued at the August 2009 North American Leaders’ Summit in which the Leaders called for a continuing dialogue to improve the functioning of the NAALC and the Environmental side agreement. He noted that DOL has engaged the National Administrative Offices (NAOs) on how to improve the NAALC without changing the language in the current agreement, but that it was difficult to engage Mexico, while Canada had been eager to do so.

Concurrently, TPP negotiations are in their 11<sup>th</sup> round in Dallas, but US negotiators did not expect to have further discussions on the full labor text tabled the previous December until the April 2012 meeting in Los Angeles. At that time, we should have an idea of what the other agencies’ positions are on taking on an embellished Peru FTA Labor Chapter. The Administration wants the agreement to conclude by the end of 2012.

In the APEC meetings last year, Mexico, Canada and Japan expressed interest in joining, but no decision had been made by TPP partners at the time of the meeting. Given that acceptance of new negotiating partners requires consensus from the other TPP Parties, as well as a 90 day notice to Congress, it is difficult to when a decision on Mexico and Canada joining the TPP negotiations might be made.

Mr. Schoepfle then returned to the NAALC, noting that it would be helpful to get the NAC’s suggestions on how to use that agreement and make it work better, what should be done with the Secretariat, and what issues the NAC views as achievable in the short-term.

With that background, Ms. Elliott asked Mr. Compa to present his draft paper and key recommendations. Mr. Compa began by arguing that Mexico and Canada are not just trading partners and that this is a special relationship, commercially and otherwise, and that the NAALC represents the first FTA-related labor agreement, even if a flawed one. It reflects a commitment among the three countries, though some were reluctant on some parts, as is natural in a negotiation with a true compromise.

Mr. Compa noted the important features of the NAALC worth preserving or revitalizing. One of those is that NAALC goes beyond other FTAs, which focus on the internationally recognized core labor standards, by including a longer list of areas for cooperation: explicitly mentioning the right to strike that is only implicit in the other FTA labor chapters, covering workers compensation, and most importantly by highlighting the rights of migrant workers (not in other agreements). It would be terrible, in his view, to replace the NAALC with a TPP agreement that does not include the NAALC's unique features. In addition to the longer list of rights addressed, the NAALC's threshold for submissions and communications did not require that they be trade-related, which allows Parties to examine a wider array of problems and is important to advancing worker rights. It also envisions a committee of experts—though it has not been used—that could provide an independent, non-governmental body that evaluates issues and makes recommendations. Other agreements lack such an independent body, as they are mostly government to government.

He feels that the Secretariat is legally required and that abandoning it entirely would likely violate the agreement and be a de facto renegotiation. In response to a comment from Mr. Greene during informal deliberations of the subcommittee, Mr. Compa noted that the Secretariat had prepared 15 reports in the first 8 years that added a lot to the bank of knowledge of labor laws and labor markets in the three NAFTA countries. Mr. Compa feels that it is time for a new set of research on these issues. He also noted that the Secretariat should be separate—not housed in the Ministries of Labor—and should have some degree of independence in forming a research program and carrying it out in a scholarly way. This, he concluded, requires a professional secretariat, not a “political play thing,” as it has become.

Mr. Greene thanked Mr. Compa and noted that his disagreement has more to do with whether there is the political will to reform: how do you move past using the NAC as a political tool to using it for the good objectives Mr. Compa outlined? What is the best way to get Mexico and the US to reengage on these issues with strong political will? Mr. Greene commented that the paper sets out a process-heavy argument, but does not address this core issue of political consensus to act on the recommendations, which he views as the key road block. He wants to find the most effective way to collectively improve working conditions and capacity and effective enforcement of labor laws, but feels that just trying to revive the NAALC as it was will not address the political roadblock. He wonders if there is a way to use hemispheric initiatives to diffuse what he sees as a US-Mexico clash and engender more engagement on all sides.

Mr. Davis noted that he agrees with Mr. Compa that the Secretariat and NAO must exist and be funded, as they are part of a legally-binding agreement. It does not, however, specify how they have to exist or are funded. They could be offices that administer just one FTA or multiple, but it is important that they exist and draw on the strengths of the NAALC, especially Mr. Compa's point on coverage of migrant workers' issues, as no other agreement covers the issue. Because migrant workers are such a big issue in Mexico with respect to Mexicans in the US, and DOL has done a lot to promote their rights, he feels this could be an area where political will can be generated. He also praised the unique complaints process with open-ended access and no requirement that local legal mechanisms be exhausted, and with the possibility of public hearings (we haven't seen public hearings outside of the GSP and NAALC process). Public hearings, he noted, are the most important part of the process, because they help you get at the issue of political will. He feels that the US should think about how to get Mexico to see these things in their interest, by talking about migration and TPP and perhaps considering the future Administration as a window of opportunity.

Mr. Davis also noted the importance of cooperative activities and research: other than OCFT projects, there is no labor rights project in Mexico. He emphasized that whatever is done with the Secretariat, the lack of technical assistance in Mexico must be addressed because there is a real and immediate impact on the US manufacturing economy from the deteriorating labor rights situation in Mexico.

Ms. Elliott asked Mr. Schoepfle or Mr. Biel if a secretariat must legally exist. Mr. Schoepfle responded that, legally, if you take a narrow view of the NAALC, you need a secretariat with an executive director. That could be finessed with an Executive Director to coordinate something, perhaps a virtual secretariat, if all NAOs agree. The official US position has been to not change the NAALC's language at this time. Although the Canadians are willing to renegotiate, the US did not want to reopen all of NAFTA, and opening the side-agreement may do just that.

DOL has worked with its technical advisors to improve the functioning of the NAO, the Secretariat and the NAALC, but from a legal perspective, the virtual secretariat does not resolve the independence issue. In response to Mr. Davis's inquiry regarding technical cooperation, Mr. Schoepfle noted that only in the last two years has Mexico expressed openness to such programs. In our consultations in Puebla, Canada wanted to bring in some Technical Assistance programs. This is an avenue that we may want to pursue further: it is useful to have a carrot along with a stick to move a country toward seeing adopting change as in their interest.

Mr. Potter noted that to have an effective subcommittee paper, some of the NAC members may need to understand what worked and what did not. From his perspective, we need the context and answers to these questions to better understand how to move forward.

Ms. Walker noted that Mexico is among top three source countries for Levi's and that she sees a need for the Secretariat. She asked how we create the carrot, suggesting that key

issues for Mexico such as migration are possible salient points, but still do not seem to get Mexico over the hurdle.

Mr. Robertson noted the elections coming in Mexico and that, while we can guess that an Administration will change, he noted that we do not know what priorities will be until the election is resolved. Mr. Greene then asked what the realistic boundaries are of what the NAC is looking at given this uncertainty and if there are red lines that Mexico has set to help us understand what is and is not achievable.

Ms. Feingold noted that the NAALC is important to ensure space for labor given the intense focus on security issues in US dealings with Mexico. In addition, she considered ILAB engagement through the G20 labor ministers meeting in Guadalajara as piecemeal, focusing on single events and lacking continuity. Political will needs to exist, but she felt the US needed to more strategically use current engagement opportunities and put issues on the table without letting security issues trump other concerns that exist regarding Mexico. She sees a need to link labor to human security and rule of law.

Mr. Davis noted the relationship between economic and political insecurity, as a generation of young people with limited educational and labor market opportunities fosters insecurity. In other contexts, the US has done a lot of work on these issues. While he agreed that US leaders talking to Mexico about labor issues will not generate political will, he felt the silence of the Obama Administration may signal to Mexico that they can get away with what they have been doing. He noted that Vice President Biden was just there and could have said in a private conversation that it would be important to have labor issues addressed. All three presidents will be here in two weeks, so he felt we need to see if Labor is on the agenda.

Mr. Greene asked if opportunities for other hemispheric efforts exist, noting that even the right message might not be heard if it comes from the US. Mr. Davis noted that he had spent a lot of time on the Inter-American Labor Ministers process and agreed it would be helpful if others like Brazil (on autos) and Canada (on mining) chimed in, but given the size of the US Mexico economic relationship, the US must speak up. Ms. Feingold noted that the Brazilian Labor Ministry and Brazilian labor movement tell them that ultimately, Mexico is US's neighbor.

Ms. Elliott noted the time, and suggested three ways to move the NAALC discussion forward:

- (1) Mr. Compa could incorporate what was discussed into a new draft;
- (2) Narrow the approach of the report to the current submission, technical cooperation, migration as a potential first step perhaps in a regional context to reopen dialogue with Mexico and reinvigorate the NAALC; or,
- (3) Table the issues because there is not agreement.

Mr. Compa declared he did not want to declare failure and preferred to come up with a consensus set of recommendations rather than a lowest common denominator with competing sectoral statements. He volunteered to attempt a revised draft incorporating what he heard.

Mr. Greene seconded a revised draft, but wanted some input from ILAB on what is actually happening in the current political discourse. Mr. Potter wanted to know more about the background that led to the current situation.

Mr. Schoepfle noted that during our intermittent NAO discussions, we have raised technical cooperation on areas including vulnerable workers (where there is interest), identified federal-state legal issues that arose in the Puebla (Mexico) submission that might merit more exploration, suggested reviving the research function, and had tried to get Mexico to engage in discussions on reforms of labor laws that had been stalemated for years. He felt these were starting points for exploring cooperative activities and moving the NAALC forward.

Mr. Robertson also suggested that it would be useful to have a realistic time frame for implementing any recommendations, given that elections might change everything.

Mr. Davis said that it made sense to continue to work on the draft and try to come up with a consensus proposal and urged Lance to look at (1) the political mandate and requirements of the agreement and what is flexible without being duplicative, (2) how to best preserve the unique and positive features of the NAALC, and (3) how to get political will. He noted that Mr. Compa may want to bifurcate the report to put the political will question separately. There is no company in USCIB that doesn't have a stake in Mexico, so we need to create an enabling environment for labor. On the labor side, we need to speak more solidly with specific recommendations on what the administration should be doing to engage the GOM.

Ms. Elliott noted that she would follow up with Mr. Schoepfle and Ms. Albertson to arrange a teleconference fairly quickly to get a briefing on the evolution of the NAALC while Lance continues redrafting.

### **Submissions**

Ms. Albertson began by listing the submissions that OTLA had received since the last or that are ongoing and also noted that DOL engages with these governments regularly. She also noted that Labor Affairs Council or Labor Subcommittee Meetings have been held in all FTA countries except Oman (which is planned for this year). She noted that the original accepted submissions are on the web and proceeded to outline each.

On December 22, 2011, OTLA received a submission from Father Christopher Hartley alleging that the Government of the Dominican Republic's actions or lack thereof denied workers in the sugar sector their rights under Dominican law relating to freedom of association, the right to organize, child labor, forced labor, the right to bargain collectively, and acceptable conditions of work, and that this was in violation of the labor chapter of the Dominican Republic — Central America — United States Free Trade Agreement (DR-CAFTA). On February 22, 2012, OTLA accepted the submission for review, and on March 15, 2012, it issued a *Federal Register* notice on its decision. OTLA

is now in the process of conducting its review of the submission to determine its findings on the allegations in the submission, which it will present in a public report to the Secretary of Labor within 180 days, unless OTLA determines that circumstances warrant an extension. She noted that OTLA hopes to send a team to the Dominican Republic before the sugar harvest ends in May.

Moving to the Mexico submission, Ms. Albertson noted that on November 14, 2011, OTLA received a submission from the Mexican Union of Electrical Workers (*Sindicato Mexicano de Electricistas*, SME) and over 90 other organizations (including the AFL-CIO, the ITUC, and many grassroots organizations) under the North American Agreement on Labor Cooperation (NAALC). The submission alleges that the Government of Mexico (GOM) has failed to uphold its commitments under Articles 2 through 6 of the NAALC stemming from the GOM's actions or failure to take action following the issuance of a Presidential decree on October 10, 2009, dissolving the state-owned electrical power company, Central Light and Power, and terminating the employment of over 44,000 SME members. On January 13, 2012, OTLA accepted the submission for review and issued a *Federal Register* notice on its decision.

OTLA has 180 days to review the submission and issue its public report, and Ms. Albertson mentioned that a team was in Mexico after reviewing extensive annexes on the submission and exchanging questions with the GOM. Mr. Biel added that there is a parallel filing in Canada, with their team also down there this week, and we have had a cooperative approach with them. Ms. Albertson noted that the Government of Mexico had also requested a joint process.

She continued by summarizing the status of previously received submissions. On April 21, 2011, OTLA received a submission from the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), with a statement from the General Federation of Bahrain Trade Unions alleging that the Government of Bahrain has violated the labor chapter of its free trade agreement with the United States by failing to fulfill its obligations and commitments with regard to the right of association, generally, and in particular with regard to non-discrimination against trade unionists. On June 10, 2011, OTLA accepted the submission for review and issued a *Federal Register* notice on its decision on June 16, 2011. OTLA has met with the submitters and the Government of Bahrain as part of its efforts to prepare a public report with findings and recommendations on the allegations contained in the submission. On December 9, OTLA notified the submitters and the Government of Bahrain it had extended its period of review.

Moving on to Peru, Ms. Albertson reminded the group that on December 30, 2010, OTLA received a submission from the Peruvian National Union of Tax Administration Workers (SINAUT), *Sindicato Nacional de Unidad de Trabajadores de SUNAT*. The submission alleges that SUNAT, an executive branch agency of the Government of Peru, has failed to comply with Peru's labor laws as they relate to collective bargaining, in violation of the labor chapter of the U.S. Peru Trade Promotion Agreement. On July 19, 2011, OTLA accepted the submission for review and issued a *Federal Register* notice on

its decision on July 26, 2011. OTLA has engaged with the submitters and the Government of Peru as part of its efforts to prepare a public report with findings and recommendations on the allegations contained in the submission. On January 10, 2012, OTLA notified the submitters and the Government of Peru it had extended its period of review.

Ms. Albertson noted that a team went down in September 2011 as part of the review. OTLA continued to receive information from the Government of Peru and submitters. She emphasized that the circumstances were evolving as we produce the report—the issue was about to go to arbitration with the tax authority. The MOL issued regulations that could be used to compel employers to negotiate. They have implemented these regulations, appointed a labor roster, and negotiated in the specific case of SINAUT. She concluded by mentioning that one member of the team was currently in Peru.

Finally, Ms. Albertson mentioned that ILAB has been working with the Government of Guatemala to constitute the panel to go to arbitration in that case. ILAB is working with their new administration to try to move the process forward.

Ms. Feingold asked how the submission review teams were assembled. Ms. Albertson noted that the teams are built to best utilize staff language skills and experience, ongoing monitoring of that country, but are limited by human resource constraints.

Ms. Feingold then asked if the host governments have welcomed the teams. Ms. Albertson noted that DOL works closely with the US Embassies and with our counterparts in the other countries, so OTLA have been able to go and meet with all the needed stakeholders. In Bahrain, OTLA received two postponement requests, but in Peru the team was able to meet with everyone needed and those stakeholders provided a lot of information.

Ms. Feingold asked about how the teams meet with the workers, wondering if it was outside the workplace. Ms. Albertson noted that in Bahrain, OTLA relied heavily on the submitters, so the GFBTU arranged a large number of interviews. She noted that would likely be the case in Mexico as well.

Ms. Walker asked when the Bahrain report would be published, and Ms. Albertson responded that she hoped it would be soon.

Mr. Davis noted that the presence of these delegations encourages groups that have not talked to each other to speak. Mr. Davis noted that on the Mexico submission, the coordination with the Canada NAO is positive, but that he was disturbed by comments such as “it might need to go to the Supreme Court before handled by NAO,” and noted the need to be clear that there is no exhaustion requirement under the NAALC. He acknowledged that it would devalue the process if every case that does not rule in favor of the workers came to the NAO, but emphasized that usually these proceedings play out over a long time.

Mr. Davis then noted that the Labor Affairs Council (LAC) in Peru had not met in a couple of years and wondered if there were plans for a LAC meeting. Ms. Albertson noted that the US government recently held a Digital Video Conference with our counterparts in Peru and had a positive exchange of information. In addition, the need for a LAC was recognized by both governments with an agreement to focus on developing a full and productive agenda. Mr. Schoepfle added that their new administration seems more willing to engage, including in the TPP context.

Ms. Pier, ILAB Associate Deputy Undersecretary (ADUS), noted that while LAC meetings are important as formal meetings, it is important to recognize that we remain engaged on a technical level. As you know, LACs can be ceremonial, but these technical engagements day-to-day are productive ways to engage with our counterparts. She underscored Ms. Albertson's comment that ILAB wants a robust agenda given its limited staff and resources to derive a real benefit from a LAC over our technical engagement.

Mr. Davis agreed, but noted that the reporting function on implementation of the LAC would make it worthwhile. He gave the examples of non-traditional exports and production and of agricultural laws that create loopholes vis-à-vis freedom of association, and wondered what conversations ILAB has had to bring those into line with international norms. Ms. Albertson noted that Josh Kagan was at that moment in Peru attending a meeting on temporary contracts. She noted that non-traditional exports are on the agenda, and ILAB has been trying to better understand the size of the problem and the Government of Peru's efforts to get as much info as possible.

Mr. Davis asked if we felt we were seeing progress on subcontracting, and Ms. Albertson responded that she could not say, but might have more information when Mr. Kagan returned. Mr. Davis then suggested add this issue and the right to strike to the agenda for the next meeting.

Ms. Feingold wanted to state for the record her thanks for the work that went into the Bahrain submission process, despite what she views as a weak labor chapter and going up against security concerns. She felt the Bahrain submission was able to raise labor issues in an incredibly difficult context, and noted that, because the team pushed, people are getting reinstated. People thought taking on the submission was crazy given the military interests at stake, but efforts proved key to preventing the one non-sectarian, non-political organization from disappearing. She also asked DOL to keep the pressure on, as there are attempts to weaken labor laws and freedom of association in Bahrain that continue. She feared losing momentum when OTLA releases the report. Ms. Albertson noted that ILAB leadership was in agreement and intended to remain engaged.

Mr. Greene noted that the USCIB had submitted a complaint that the Peru submission is not trade related and never got a response. Mr. Greene noted DOL was spending a lot of time looking at an issue that may not be receivable under the FTA. Ms. Pier reiterated that DOL needs to know the specific facts of the case to determine if that particular case affects trade. There is a low bar for accepting submissions, after which we apply the legal facts of the case to the situation and make the determination. Ms. Elliott expressed

her shared concern about accepting something with such a tenuous link to trade in terms of how it affects our relations with trading partners.

Ms. Walker noted that it would be great to receive the notifications of the federal register notices regarding these decisions. Ms. Albertson promised that OTLA would begin sending those to the NAC. Mr. Robertson asked if ILAB could tweet about it. Mr. Greene then noted his concern that publishing the acceptance would send the wrong signal and use up good will by making light of accepting. It makes it seem significant, when the policy side is saying it is not a determination on the merits. Mr. Robertson then revised his comment, suggesting tweeting and other communication be used for significant items. Ms. Albertson said ILAB would note the suggestion.

Ms. Pier also highlighted to the committee that DOL has had a very positive and productive relationship with Peru during the review process, and that the report is delayed because we have had such significant interaction. Regardless of views on the link to trade, the Peruvian government has worked hard to address the issues. It is not a case of a damaged relationship, but rather proved to be a vehicle for real engagement.

Mr. Knudsen asked if there was any sense of timing on Guatemala. Ms. Pier said things should move soon. Ms. Feingold noted that Guatemala was an important case to address. Mr. Greene noted that the US has refused to appoint members of a panel, so it happens and the US cannot be hypocritical. Ms. Pier reiterated that the best case scenario is that both parties can agree and appoint panelists.

Ms. Elliott suggested that we move to the next agenda item, Colombia.

Ms. Pier noted that on April 7, 2011, the US and Colombia signed the Labor Action Plan in the context of the FTA discussion. The plan contained a number of important milestones with concrete deadlines. To date, the Colombians have met every one of the milestones. The goal of the Action Plan was not to solve all of Colombia's labor problems, but to lay the foundation to bring about meaningful labor rights improvements (prevention of labor violence, investigation of perpetrators of violence, freedom of association, subcontracting, cooperatives, etc.). ILAB is now working on phase II to ensure implementation of the milestones. The political will of Minister Pardo and his team to turn the Ministry of Labor ship around, effectively enforce labor laws, and focus on critical issues like freedom of association and cooperatives is extraordinary. It is not perfect, but we do have a partner that is willing to work with us.

Many know ILAB has a member of its staff working out of the US Embassy in Bogota who is engaged directly with the high-level officials in the Ministry of Labor (MOL) and working together on critical issues related to labor inspections. The Colombian government created a new, stand-alone MOL in November. Previously, it had been part of a health and services agency. The Santos Administration created an independent MOL, so now this is an opportunity to examine the processes being used to afford workers their rights. We see progress and real efforts to change the culture of cooperatives and subcontracting to undermine rights. About a month ago, the MOL assessed a \$1,000,000

fine for a palm sector company using fake cooperatives to evade labor rights protections. A fine of this size is unheard of in Colombia, and this is a watershed moment, a first step down the road of enforcing the new legislation and regulations developed on cooperatives and other abusive contracting arrangements under the Labor Action Plan.

Mr. Greene asked if any key timeline benchmarks were coming up. Ms. Pier answered that there are ongoing reporting requirements, but the only specific pending milestone is the hiring of additional labor inspectors into 2014. It's a question of taking the framework under the Action Plan and building from that base.

Ms. Elliott asked if there was technical assistance as well. Ms. Pier responded that the DOL staff person that has been there since October is due to come back in April, though we may reassess that date. ILAB is also working with the ILO to try to create a robust ILO presence in Colombia that includes very concrete tasks to achieve tangible results as opposed to many meetings and general trainings with less tangible outcomes. ILAB is engaged in a very detailed fashion with the ILO to try to ensure that the ILO presence provides the kind of assistance that the Government of Colombia is open to, needs, and wants. That is the reason for the delay in finalizing the plans with the ILO presence, which we hope will launch soon.

Ms. Feingold asked if DOL could discuss the ILO's involvement on manuals that discuss cooperatives. Ms. Pier said she could not answer that because we are trying to finalize this task. That said, that is the kind of concrete nuts and bolts activity we want.

Carlos Romero of USTR added that while ILO hasn't launched this project officially, they did work with the Government of Colombia to launch the new independent Ministry of Labor and get it off the ground.

Ms. Feingold asked if Ms. Pier could speak more about preventative campaigns around the cooperative issue and about how the killings that continue are being addressed. Ms. Pier noted that DOL is actively engaged in efforts to attempt to ensure that there is a robust labor inspectorate and that the inspectors have the tools they need to effectively enforce Decree 2025. Looking forward, there is a long-term commitment to address this issue. In addition, once the ILO presence is launched, it can make a contribution on the campaigns for outreach on these issues. Ms. Pier is aware of the frustration over the slowness of the enforcement of Decree 2025, but notes that it needs to be done right. If you take an inspection system and hurry it without getting the right tools in place and right inspection methods in place, it undermines the effort to achieve sustainable reforms and improvements. To the credit of the Colombian government, they are doing this because they want to make the MOL effective, not because they need to fulfill the Labor Action Plan.

Mr. Davis noted that speed is not the issue, but that the scope of MOL's interpretation of labor mediation is unclear. Ms. Pier agreed that we want to be sure that they do go forward with the right definitions, and this is an issue we are focusing on with the MOL. In Latin America inspectors go in with model "actas," with questions they need to ask to

conduct an inspection. Those need to include the right definitions of laws for them to best enforce. Ms. Feingold added that this is where a uniform manual comes in and needs to happen. Ms. Pier agreed, noting there is a lot going on.

Ms. Feingold asked about impunity. Ms. Pier noted that the Attorney General and his deputy are now gone, but there was a good slate of three candidates appointed. Carlos Romero added that the new Chief Justice of the Supreme Court was appointed as Attorney General who will bring his full force to carry out the laws.

Ms. Pier noted that there seems to be a better relationship between the confederations and the Attorney General's Office. While not perfect and needing continued efforts by the leadership, it is a big step. Establishing internal directives for identifying if an act of violence affects unions and investigating differently occurred early on in the Labor Action Plan process.

## **Haiti**

HOPE II is unique as trade preference programs go, with extremely favorable benefits for the Haitian apparel sector if labor criteria at the national and producer level are met. The producer-level criteria are unique, though the national criteria are pretty standard in the context of GSP and other preference programs. Country certification occurred at the end of 2009, and under Hope II, DOL must assess if the producers eligible for HOPE II benefits are in compliance with the labor rights requirements (which are different from the country certification process).

Last fall ILAB sent a team down to assess whether firms were compliant. The team interviewed over 100 workers, met employers in factories, and worked with civil society to get interviews that would allow workers to speak freely. We came back and assessed and did follow-up interviews by telephone. We identified a number of firms that were non-compliant with freedom of association, sex discrimination (harassment in particular), and practices that were inconsistent with forced labor standards related to forced overtime.

Now we are engaged in the second part of the process in the legislation that requires us to provide technical assistance to producers who are non-compliant to bring them into compliance. Our goal is not to suspend benefits, but to help bring them into compliance. HOPE II is one of the best preference programs, and we hope that it will help Haiti develop. Nobody wants to withdraw benefits, though we also want the core standards to be respected in the context of development. We recently sent a team to Haiti to target issues of sexual harassment and forced labor. While only a few firms were non-compliant, there were problems sector wide. We wanted to apply a rigorous methodology and evidentiary standard for identifying a company as non-compliant. As some problems are sector-wide, we trained employers and workers sector-wide on what standards in these areas mean and how they work. Another team will go down next week with the same approach on freedom of association and provide sector-wide training. We have been working on how to make the ILO Digest into a short checklist of do's and

don'ts to operationalize the standard on freedom of association for producers and workers that can be really understood.

Mr. Davis asked how, with such weak protection of freedom of association, the team identified worker groups. Ms. Feingold noted that there were links to Better Work. Ms. Stern, of OTLA, noted that there are 2 enterprise-level trade unions that are officially registered in the export apparel sector (SOKOWA at the CODEVI industrial park, and SOTA a new, PAP-based one), both of which are affiliated with Batay Ouvriye, a national organization that advocates for workers' rights. Workers' representatives from these unions and other worker organizations received training from USDOL, ILO, AFL, and BW training. We have trained trade union representatives as well as other workers.

Mr. Davis asked if anyone from the Ministry of Labor was involved in this process. Ms. Feingold asked about this for Better Work too. Ms. Pier said that we hear that and recognize the need for MOL capacity building. We will continue to engage with them on a parallel track, but we are also required to enforce HOPE II.

Mr. Kolben noted that Jordan is different, has a more developed Better work program and Ministry of Labor, so it is not the same as Haiti.

Ms. Stern noted that we want to highlight that our work under HOPE II and BW are complementary but separate. Ms. Pier added that the MOL has been very willing to engage with us, and while we have to fulfill HOPE II, we have a long-term interest in trying to do long-term effective capacity building.

Ms. Walker asked if the DOL team is finding different things than Better Work assessments, noting Levi's suspended their own monitoring program in the context of BW. Ms. Pier noted that the DOL mandate is slightly different from the BW assessments. We have not found anything that directly contradicts their findings. We found some additional areas, but the timing was different and our scope is different because we do not cover acceptable conditions of work.

Ms. Walker asked if Better Work staff need capacity building. Ms. Feingold felt they did and that they admit it. Ms. Pier noted Better Work is functioning in exceptionally challenging circumstances, and they are doing a remarkable job, but we certainly see a need to build capacity. Mr. Greene noted that Better Work has training elements for their own staff. Ms. Feingold added that even if you send the best trained Haitians coming from a culture with no respect for freedom of association; that is still a problem. Mr. Greene noted that the Better Work advisory board is trying to work to ensure that the office is beefing up its capacity building so that they can focus on what they need to do.

Ms. Stern noted that Better Work had undergone a lot of changes this year, due to issues that arose in both Jordan and Haiti. They are learning how to recognize concepts like sexual harassment and freedom of association and how to overcome intimidation, so BW Global is acknowledging this and bringing in additional training for enterprise advisors to strengthen the program.

Mr. Kolben asked if DOL was planning on releasing best practices, methodology, and how we will make those decisions. Ms. Pier noted that we haven't had that discussion, and we will aim to have that discussion about what we can and should review.

Ms. Walker asked if the NAC could get a preview of what is coming up in June and what it will mean for those factories. Ms. Pier responded that a team is heading down next week and that DOL will then do its assessment of remediation efforts, and in June USTR will release an initial list of non-compliant firms. Ms. Walker then asked if this would end in December. Ms. Pier noted that the mandate was only to remediate those identified as non-compliant but that DOL will continue to engage with others.

Ms. Feingold recognized that this was a historic moment, but there are people in Better Work, workers, and the Ministry of Labor that profoundly do not understand freedom of association. She noted that Haiti brings together everything discussed today. She noted that ILAB is funding a lot in Haiti, but that the gap in trade union capacity building she mentioned earlier applies here. Ms. Pier agreed and noted that DOL was looking to funding those kinds of programs in the future.

Ms. Feingold reiterated that there is a need to link major child labor programs in a strategic way with other ILAB initiatives. For example, domestic child servants—restaviks—are horrific, but that many child labor programs are awareness raising and do not attack the underlying issues. Ms. Pier noted that since Sandra Polaski began as Deputy Undersecretary, ILAB has focused on avoiding one-off programs, trying to do bigger, better, programs that are much more comprehensive and reach the roots causes of child labor that go beyond the duration of the program. She noted DOL should be doing this globally, and that is what we are really focusing on doing.

Mr. Davis noted that Mexico is receiving \$5 million, which is really small given the size of the child labor problem. He wanted to hear more about the program. Mr. Potter added that the program only covers one part of Mexico, Veracruz.

Ms. Walker returned to HOPE II and asked if the factories know they are on this list before it goes public. Ms. Pier noted that they do know and they are getting remediation now. They will know our assessment, but we are still in the remediation process.

Ms. Walker asked if this will be done annually. Ms. Pier noted that the law is ambiguous, but it is an ongoing process. Ms. Stern added that DOL is required to identify non-compliant producers at least every 2 years until 2020. Ms. Pier concurred adding that we do not want to be in a position where December is upon us and we are hitting a deadline, so it will be ongoing.

### **Public Comments**

Ms. Elliott asked if there were any comments from the Public. There were no comments.

Ms. Elliott then listed pending items and next steps:

- DOL will get reports on M&E (CAFTA-DR, Sri Lanka Assessment, Child Labor Metanalysis)
- Noted possible topics for the next meeting: update on Peru, Subcommittee draft, possibly Haiti and Colombia updates, more on OCFT research and programs.
- NAALC subcommittee will redraft the report, and ILAB will facilitate a related informational conference call to all.

Mr. Biel closed the meeting noting that he has sat in on hundreds of hours of committee meetings and that it is great to see a collaborative and productive committee. He noted that ILAB heard the NAC clearly today regarding connecting the dots in Haiti, sharing information with them about best practices and notices, and working to use the TPP process to resolve some long standing bilateral concerns. He emphasized that the NAC could count on the remaining leadership in the Office of the Deputy Undersecretary to work with the teams to ensure that we benefit from the NAC structure and connect those dots.

Meeting adjourned at 4:15pm.