



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

RESOLUTION NO. 160850

Introduced September 29, 2016

Councilmember Johnson

RESOLUTION

Urging the United States Congress to reject the proposed Trans-Pacific Partnership (TPP) due to the agreement's negative impact on workers' rights in the United States and across the world; and calling on the Pennsylvania Congressional delegation to unite in opposition to the agreement's ratification.

WHEREAS, The Trans-Pacific Partnership (TPP) is a proposed treaty between the United States and 11 other Pacific Rim nations, intended to create a framework for liberalized trade and more robust economic cooperation among the signatory nations. However, the trade deal as negotiated will create great displacement within the American manufacturing sector and result in hardship for families who rely on those jobs to make a decent living. Furthermore, certain provisions within the treaty raise concerns about the potential for legal challenges to important national environmental regulations; and

WHEREAS, A study published in February, 2016 by Tufts University's Global Development and Environment Institute found that an estimated that 448,000 jobs will be lost in the United States as a result of TPP; and

WHEREAS, Even optimistic forecasts, such as that published in February by the Peterson Institute for International Economics, have concluded that many workers, especially those in the manufacturing sector, will be displaced to other jobs or industries in a process that has been called "labor 'churning.'" The economic impact of this 'churn' on working-class families is often overlooked by the treaty's proponents and is likely to create long-term unemployment for a large percentage of displaced workers; and

WHEREAS, Previous international trade agreements, such as the North American Free Trade Agreement (NAFTA), have tended to create downward pressure on American wages, and the previously-cited Tufts University study estimates that the 'Labor Share of GDP' will decrease by 1.31% as a result of TPP. While providing a windfall for large

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multinational corporations, this proposed agreement will further exacerbate income inequality in the United States; and

WHEREAS, The terms of the proposed agreement were released to the public only after they had been negotiated and the treaty had been drafted. This lack of transparency raises serious concerns about the “fast-track” drafting process and prevented the American people from exercising any influence on the terms of the resulting agreement; and

WHEREAS, TPP creates an arbitration process, called Investor-State Dispute Settlement (ISDS), which will allow corporations to file claims against a nation for damages and lost income that result from its laws and policies. This provision will create new difficulties for those nations who attempt to create more robust local environmental protections or enact measures to reduce the impact of global warming; and

WHEREAS, While TPP includes broad provisions for workers’ rights, the treaty does not have any mechanism in place by which workers themselves would be able to appeal to these protections. Under the terms of the agreement, corporations would be granted a streamlined arbitration process to ensure that their profits are protected while millions of individuals in developing nations will continue to work in unsafe conditions, for poverty wages, and without any recourse to the law; and

WHEREAS, Trade agreements entered into by the United States must result in greater prosperity and economic opportunity for all Americans, not just those at the top. While the vitality of American corporations is important for the strength of our nation’s economy, we cannot in a just society put those corporations’ profits ahead of their workers’ lives and livelihoods; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That we hereby urge the United States Congress to reject the proposed Trans-Pacific Partnership (TPP) due to the agreement’s negative impact on American workers, and call on the Pennsylvania Congressional delegation to unite in opposition to the treaty’s ratification.