



April 2006
AK Position Paper

Green Paper on Trade Defence Instruments

About Us

The Federal Chamber of Labour is by law representing the interests of about 3 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is part of the Austrian social partnership.

The AK EUROPA office in Brussels was established in 1991 to bring forward the interests of all its members directly vis-à-vis the European Institutions.

Organisation and Tasks of the Austrian Federal Chamber of Labour

The Austrian Federal Chamber of Labour is the umbrella organisation of the nine regional Chambers of Labour in Austria, which have together the statutory mandate to represent the interests of their members.

The Chambers of Labour provide their members a broad range of services, including for instance advice on matters of labour law, consumer rights, social insurance and educational matters.

More than three quarters of the 2 million member-consultations carried out each year concern labour-, social insurance- and insolvency law. Furthermore the Austrian Federal Chamber of Labour makes use of its vested right to state its opinion in the legislation process of the European Union and in Austria in order to shape the interests of the employees and consumers towards the legislator.

All Austrian employees are subject to compulsory membership. The member fee is determined by law and is amounting to 0.5% of the members' gross wages or salaries (up to the social security payroll tax cap maximum). 560.000 - amongst others unemployed, persons on maternity (paternity) leave, community- and military service - of the 3 million members are exempt from subscription payment, but are entitled to all services provided by the Austrian Federal Chambers of Labor.

Herbert Tumpel
president

Werner Muhm
director

Executive Summary

The European Commission opened a consultation on the basis of the Green Paper on Trade Defence Instruments (TDI) and set a deadline for a reply to the questionnaire for 31 March. The Commission reasons their initiative with changed framework conditions in international trade which makes a review of current trade defence instruments (anti-dumping and safeguard measures) necessary.

The Austrian Federal Chamber of Labour argues for the active use and extension of the existing Trade Defence Instruments (TDI). In principle anti-dumping, anti-subsidy and safeguard measures should be always used, if unfair trade practices lead to a threat of jobs within the EU or if there is a serious threat to a certain industry.

The AK argues for the use of TDI to combat social dumping. In terms of fair trade TDI must equally take into account social and ecological targets as well as economic interests. The compliance with Core Labour Standards (CLS) by the International Labour Organization (ILO) must be ensured. Market access for products from countries in which the CLS are violated must be prevented by the EU.

The involvement of Trade Unions in the decisions making process of whether TDI should be used would be a clear improvement. They should have the same opportunity to act as a complainant as companies.

The AK demands the use of TDI or safeguard measures on products from export production zones. These virtually represent an unlegislated area with respect to a national labour law and aim at unfair trade advantages.

In the case of conflicting interests between production and commerce in the EU the Austrian Federal Chamber of Labour would clearly prioritise the interests of workers in the production field. In the long run it must be in our interest to keep and possibly extend production in the EU. Those European companies which take advantages from relocation of parts of their production in third countries because of poor labour- and ecological standards and importers of dumped goods must not be better off than those companies that stayed in the EU. A better treatment in decision finding of whether or not to introduce TDI is not in the interest of European workers.

Consumer interests are well placed in the process already; an enhancing of their interests would further distort community interest on the account of workers. Low consumer prices stand often against possible job losses.

On the question of the application of a safeguard instrument the viability of the economic sector affected by unfair trade practises is not relevant.

The application of safeguard measures should take into account the development status and be verified in each individual case. Antisubsidy measures against development countries should not be enforced because of development policy considerations.

For any further questions please contact

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