

Korean Ambassador Highlights Trade Agreement at CalChamber Forum

Final approval of the California Chamber of Commerce-**supported** U.S.-Korea Free Trade Agreement (FTA) will create American jobs, His Excellency Duk-Soo Han, ambassador to the United States from the Republic of Korea, told a CalChamber gathering last week.

More than 50 guests greeted Ambassador Han at the international breakfast forum hosted by the CalChamber Council for International Trade on September 3. Attendees included California government officials and business people from California and South Korea, including representatives of agriculture, transportation, manufacturing and technology.

Ambassador Han's Remarks

For decades, the United States was Korea's biggest trading partner. Korea lost that distinction to China in 2003, however.

"Several years ago, our two governments decided that the best way to reverse this trend was to negotiate and ratify a bilateral free trade agreement that would knock down barriers on both sides of the Pacific," Ambassador Han said.



(From left) Susan Corrales-Diaz, chair of the CalChamber Council for International Trade and president of Systems Integrated; and His Excellency Duk-Soo Han, ambassador to the United States from the Republic of Korea, field questions at the CalChamber breakfast forum.

The United States and Korea negotiated an FTA and signed it in 2007. Unfortunately, "it has been languishing ever since because of other, more urgent policy priorities in Washington D.C. and because of other concerns about some of its provisions," Han said.

In June 2009, Korean President Lee and President Barack Obama breathed new life into the agreement during their meeting in Toronto. At the meeting, President Obama said he wanted the concerns dealt with and the agreement

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CalChamber Joins Governor on Trade Mission to Asia

California Chamber of Commerce members are joining Governor Arnold Schwarzenegger this week on a six-day trade mission to China, Japan and South Korea to promote trade and investment, market California agriculture, encourage tourism and discuss high speed rail.

"The business and trade mission to Asia led by California Governor Schwarzenegger will serve to strengthen ties and increase economic opportunities among our major trade and investment partners," said Susanne Stirling, CalChamber vice president of international affairs and a member of

the business delegation.

"In keeping with long-standing policy, the CalChamber supports free trade worldwide. We encourage the expansion of trade and investment, fair and equitable market access for California products abroad and the elimination of disincentives that impede the international competitiveness of California businesses," Stirling continued.

There will be a 22-member business delegation attending the September 9-15 mission. The delegation includes representatives from manufacturing, high tech, agriculture, goods

movement and tourism, along with members of the Governor's Cabinet.

The role of the delegation is to join the Governor in serving as ambassadors of good will for the state and to assist him in informing Asian companies and investors that California is back on track and once again open for business. The mission has scheduled stops in Hangzhou, Shanghai, Tokyo and Seoul.

For more information on the CalChamber's positions on international trade issues, please visit www.calchamber.com/international.

Heat Illness Standard: Cal/OSHA Adopts CalChamber-Backed Amendments

The Cal/OSHA Standards Board has unanimously adopted Division of Occupational Safety and Health-recommended revisions providing needed clarity to the state's heat illness prevention standard.

California Chamber of Commerce Policy Advocate Marti Fisher was among those presenting an employer perspective when the Cal/OSHA Standards Board met in Sacramento on August 19 to review several amendments to the state's heat illness standard.

The CalChamber supports the amended regulations and sees them as a balanced approach to protecting the health and safety of outdoor workers while recognizing the realities of outdoor workplaces for employers.

Amended Regulations

In summary, the rulemaking package:

- institutes "shade up" provisions when temperatures reach 85 degrees Fahrenheit,



- establishes "high-heat" procedures at 95 degrees Fahrenheit,
- clarifies what constitutes a "shade break" and
- creates exemptions from the shade up requirement for employers for whom it is not feasible, providing the alternative is just as effective as shade.

The amendments also require that employees on the job for 14 days or less be closely supervised, unless they prove they are accustomed to working on hot days.

These rules apply to ALL outdoor workplaces, except the high heat provisions, which apply only to

agriculture, construction, landscaping, oil and gas extraction, and transportation of various industrial products. The new rules will take effect this fall.

Comprehensive Standard

California became the first state in the nation to adopt a comprehensive heat illness prevention standard for outdoor workers in July 2006. The regulations, implemented by the California Division of Occupational Safety and Health, mandated training for employees and supervisors on heat illness prevention, symptoms and treatment. The regulations apply to all companies with employees working in outdoor places of employment.

In addition to the training requirements, employers must provide potable drinking water, access to shade and complete heat illness prevention procedures, including employee training, in writing.

Staff Contact: Marti Fisher

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finalized before he returns to Seoul in November for the G-20 Summit.

Korea FTA

Ambassador Han said that the U.S.-Korea FTA is about three things: jobs, economic growth, and security and shared values. The FTA "offers one of the best opportunities to create American jobs by providing new market openings for U.S. manufacturers, farmers and small and medium-sized companies," Han explained.

The U.S. Department of Commerce estimates that implementation of the FTA will create 70,000 new jobs in the United States. Han commented that expanding trade with Korea can be seen as "an economic stimulus package with no cost to taxpayers."

The independent and non-partisan U.S. International Trade Commission estimates that passage of the U.S.-Korea FTA will increase U.S. manufactured

goods exports by \$11 billion and reduce the U.S. trade deficit by \$4 billion.

State and Local Benefits

California is second only to New York in the annual dollar value of its exports—\$120 billion last year. It is second to none in the value of its exports to Korea—almost \$6 billion last year.

Six of the state's top 10 export commodities face Korean import tariffs ranging from 5 percent to 50 percent. The FTA will immediately eliminate all but one of them.

The FTA guarantees U.S. financial service companies operating in Korea all the legal rights and privileges that Korean firms enjoy. It also includes strong intellectual rights protections.

No Time to Lose

Ambassador Han stressed that there is "no time to lose. The agreement was signed three years ago and at last we have an opportunity to finalize it."

Last March, the Ambassador met with Governor Arnold Schwarzenegger, who promised him two things: to visit Korea and to be a strong advocate for increased trade and economic ties between Korea and California.

Governor Schwarzenegger is going to make good on the first promise this week. He will travel to Korea on September 15 to sign a memorandum of understanding with his counterpart in Gyeonggi Province, the country's largest local administrative region. (See previous page.)

In closing, Ambassador Han encouraged the group not to give up. "I ask you to employ your support for the Korea FTA. Your members will be quite well-served by your advocacy and Korea will be too."

More information on the U.S.-Korea FTA is available at www.calchamber.com/USKoreaFTA.

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