



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Opening Statement of Sen. Chuck Grassley
Hearing on the Implementation of the U.S.-Australia and U.S.-Morocco Free Trade Agreements
June 15, 2004

Today we will hear testimony on the U.S.- Australia and U.S.- Morocco Free Trade Agreements. Following today's hearing, the Committee will meet briefly in executive session to consider Senate Joint Resolution 39, which would approve the renewal of sanctions on Burma. I first want to thank our panelists, many of whom traveled a long way to be here to testify about the importance of these agreements to their industries. I especially want to thank Jon Kneen and Ron Heck, both of whom traveled from Iowa to be here today. I am confident that their testimony, along with the testimony of our other witnesses today, will show that both the Morocco and Australian FTAs are solid agreements which deserve the broad, bipartisan support of the Congress.

Each of these agreements was negotiated using the Trade Promotion Authority procedures established by Congress in the Trade Act of 2002. These procedures require intensive consultation with Congress throughout the negotiating process. While I may not agree with the substantive outcome of these consultations in every respect, I am confident that both agreements will receive strong bipartisan support in the Congress.

I am especially pleased with the strong and comprehensive agriculture provisions in the U.S.-Morocco Free Trade Agreement. To ensure the future support of myself and many in the agriculture sector, I would strongly encourage the administration to negotiate comprehensive agreements like the Morocco FTA which do not exclude specific commodities from negotiation. The Moroccan agreement provides significantly improved market access for Iowa-produced soybeans, corn, and beef in the fast-growing Moroccan market. In addition, the U.S.-Morocco FTA contributes to the President's goal of establishing a U.S.-Middle East Free Trade Area by 2013. As Middle Eastern countries are major importers of food and other agricultural products, such an FTA would greatly benefit both farmers in the United States and consumers in the Middle East.

I would like to add that I am pleased that Australia recently reviewed its sanitary restrictions regarding U.S. pork, and due to a science-based decision, Australia will now permit the importation of U.S. processed pork and U.S. pork for processing. I am hopeful that the U.S.-Australia Committee on Sanitary and Phytosanitary Matters, and the Standing Technical Working Group on Animal and Plant Health Measures, which are established under the FTA, will be able to work successfully to address contested sanitary and phytosanitary barriers that remain between our countries. In addition, the recently enacted state of the art Moroccan labor law is an example of the progress that can be made in areas beyond trade as we engage in bilateral FTA negotiations.

Both the Morocco and Australia free trade agreements will provide important new economic opportunities to America's manufacturing, services, and agricultural sectors. Both of these agreements will also help solidify our international alliances with two valuable allies in the war on terrorism. Through trade, our nations will be drawn even closer together, and the friendship among our people strengthened. I look forward to working with the Administration and Ranking Member Baucus to get these agreements implemented before the August recess, and to continue our bipartisan efforts to open foreign markets for U.S. goods and services.

