COMMITTEE ON FINANCE
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BAUCUS LAYS OUT TRADE GOALS TO BOOST U.S. EXPORTS, CREATE JOBS AT HOME

Finance Chair, U.S. Trade Rep Kirk Talk Russia and Jackson-Vanik, Trans-Pacific Partnership, China Trade Issues

Washington, DC – In a hearing with U.S. Trade Representative (USTR) Ron Kirk today to discuss the President's 2012 trade agenda, Senate Finance Committee Chairman Max Baucus (D-Mont.) detailed concrete steps to expand trade opportunities overseas for American businesses, ranchers and farmers, boost U.S. exports and create jobs here at home. Baucus laid out three major trade goals for 2012:

- establishing permanent normal trade relations with Russia;
- concluding the Trans-Pacific Partnership (TPP) trade agreement negotiations; and
- addressing the challenges posed by China.

Baucus noted that coming off the trade successes of last year, the U.S. has new opportunities to open new markets for American goods and services and needs to maintain strong enforcement of trade laws to break down barriers to trade.

"The successes in our aggressive trade agenda thus far have meant more U.S. exports, more market access abroad and more jobs here at home, so we need to maintain those efforts. Export-related jobs pay 13 to 18 percent more than the national average, so we need to keep opening new doors overseas for American businesses," Baucus said. **"Repealing Jackson-Vanik and passing permanent normal trade relations with Russia gives us access to the Russian market without giving up anything in return. It benefits the U.S. and our businesses by providing jobs and economic growth here at home, all at no cost to us, and repealing Jackson-Vanik will open Russia to U.S. companies and promote competition, openness and transparency. It's a no-brainer. This year, we will also work to conclude the Trans-Pacific Partnership negotiations to produce an agreement that works for U.S. businesses and workers. And we need to maintain pressure on China to play fair and respect the rules. It's past time China stopped its currency manipulation, intellectual property abuses and unfair protectionist policies that cost us millions of jobs and billions of dollars. An aggressive trade agenda is key to creating good jobs here at home, and concrete goals will ensure continued success this year and in the future."**

Baucus said the U.S. must seize the opportunity provided by Russia's entry this summer into the World Trade Organization (WTO) to expand market access there for American businesses. Congress has until then to pass legislation that repeals Jackson-Vanik and establishes permanent normal trade relations (PNTR) with Russia, or American businesses will begin losing out to competitors in China, Europe and the more than 150 other WTO member nations. If Congress successfully establishes PNTR, American exports to Russia are expected to double within five years of Russia joining the WTO, from the current level of around $9 billion per year. Baucus noted PNTR is a one-way benefit for American companies and workers, giving them access to the Russian market without requiring them to give up anything in return. Not a single U.S. tariff must be reduced or changed.

Baucus discussed his recent trip to Russia, during which he met with democracy, human rights, anti-corruption and transparency activists, all of whom support Russian PNTR. These activists said granting PNTR would open Russia and promote competition, openness and transparency.

Baucus also expressed his desire to work with Ambassador Kirk on the ongoing TPP negotiations in order to build closer ties between some of the world's most dynamic economies and finalize an agreement that will create new trade opportunities abroad for U.S. businesses.

Finally, Baucus addressed the issues that continue to affect the United States-China trade relationship. A report he requested last year found China's intellectual property infringement cost the U.S. $50 billion each year and millions of jobs. China also continues to undervalue its currency, and its protective indigenous innovation policies and unfair domestic subsidies harm U.S. businesses and workers. Baucus voiced his support for the Interagency Trade Enforcement Center, which the Administration recently announced, as a step in the right direction, and urged USTR to maintain pressure on China.

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