



FOR IMMEDIATE RELEASE

January 16, 2014

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Hearing Statement of Senator Max Baucus (D-Mont.)
On the Need to Renew Trade Promotion Authority
As prepared for delivery

Thomas Edison once said, "We often miss opportunity because it's dressed in overalls and looks like work."

Today we have tremendous opportunities to boost our economy and create American jobs through trade.

Talks are underway with countries in Europe and across the Pacific. These agreements will open huge new markets for American exports.

Ninety-five percent of the world's consumers are outside the United States. They hold eighty percent of the world's purchasing power. We need trade deals to reach those consumers. Why? To create jobs here in the United States; to strengthen our economy.

Some people argue that pursuing trade deals is not the right solution for America's jobs crisis. But here are the facts.

Exports support nearly ten million American jobs. That includes 25 percent of all jobs in manufacturing, and those numbers are increasing.

These are good paying jobs. Workers in factories that export earn nearly 20 percent more than workers in factories that don't export. Businesses that export create jobs more quickly, and they are less likely to go out of business.

So how can we help create those jobs? How can we get more American exports into foreign markets? Through trade agreements. And to complete trade agreements, we need trade promotion authority, also referred to as TPA.

Last week, Senator Hatch and I introduced a bill to renew TPA. It's called the Bipartisan Congressional Trade Priorities Act of 2014.

Why do we need this bill? For several reasons. First, we have to level the playing field with our international competitors. The United States is already open to trade, but too often, our trading partners are not.

The trade deals we're negotiating will provide new opportunities for U.S. exports in many countries, and that would mean more jobs in the U.S.

The fact is dozens of nations are cutting their own deals with one another as we speak. China, Japan, Korea, just to name a few.

If we don't stay in the game, we'll be left on the sidelines. Our exports will face high tariffs, whereas our competitors will not. And frankly, we may not like the look of some of the deals that other countries are cutting.

That leads to another reason why the TPA bill is so important.

Labor rights, environmental protections, currency rules, and discipline for state owned enterprises – all of these issues and more will be left out of trade deals if we don't push for them. We'll have forfeited our role as a global power. We'll have lost the chance to shape the rules on trade.

Some argue that we need to do more; that we need to bring our policies into the 21st century. The TPA bill does that.

It reflects the bipartisan agreement on labor, the environment and the need to foster innovation and promote access to medicines.

TPA will call for countries to adopt and maintain core labor standards and environmental commitments – not just enforce their own laws as they stand. The bill will direct USTR to back those commitments with the same strong dispute settlement and remedies that apply to commercial commitments.

The bill ensures that parties to U.S. trade agreements cannot manipulate their currency. The bill also recognizes the importance of the internet. It ensures that trade rules facilitate legitimate digital trade. And it calls for tougher enforceable rules against unscientific barriers to U.S. agriculture exports.

The bill updates TPA to address several other 21st century challenges. That list includes “localization barriers” to trade that shut out American companies or force them to surrender intellectual property and restrictions on the flow of data across borders.

In short, this isn't the same old TPA. This strengthened bill tells the Administration – and our trading partners – what provisions need to be included in trade agreements to win Congressional support. It helps guarantee that America's workers and companies can compete on a fair and level playing field.

Many in Congress have expressed concerns about a lack of transparency and consultation in trade negotiations.

We heard that message, and this bill addresses those concerns. It sets significantly stronger rules for the Administration to follow in negotiations, and it ensures Congress is a full partner.

The bill gives every member of Congress a strong voice in the negotiation process. That includes the right to access information, including classified information, and it includes the ability to attend all negotiating sessions and serve as an advisor.

These privileges were previously reserved for only some members. Not anymore. Our bill would make these privileges available to all members. The bill also requires USTR to hold close consultations with any committee whose jurisdiction would be affected by a trade agreement.

It requires USTR to prepare new rules of engagement with Congress, stakeholders and the public. For Congress, these rules will ensure detailed and timely briefings and access to information. For stakeholders, they will mean improved coordination. For the public, they will boost transparency, public participation, and collaboration in negotiations.

All of these improvements are backed by a strong mechanism for Congressional disapproval. If a trade agreement fails to meet any consultation requirement, Congress can disallow the final deal from being considered under TPA procedures.

In short, the bill gives Congress a much bigger role in trade negotiations.

Some have argued that we don't need TPA. They say that this isn't the right time. But I believe we have an obligation – not just an opportunity, but an obligation – to show the United States leads on global trade.

For a trade negotiation to work, countries need to know that our negotiators are good for their word. So we need TPA, and we need a TPA that empowers Congress to play a larger role in negotiations from the beginning.

As I noted at the outset, Thomas Edison said, “We often miss opportunity because it's dressed in overalls and looks like work”

In order for our job-creating trade agenda to succeed, we have to act, and we have to renew trade promotion authority now, as well as Trade Adjustment Assistance. TPA and TAA have always gone together, and it will be no different in this case.

Trade bills are always tough, but we work together to get them done. This committee has a history of rolling up our sleeves and working together to get a product that will pass the Senate and the Congress. I am deeply proud of the work we've done together in my time here as chairman. And I am confident that spirit of collaboration will continue in the days, months and years ahead.

This bill is not a perfect solution to all the issues we face, but I know that we can work together and get it done.

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