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Senate

UNITED STATES-KOREA FREE TRADE AGREEMENT IMPLEMENTATION ACT

Mr. President, I rise today to speak about one of the greatest job-creation measures this body has considered in a long time.

The three long-awaited trade agreements with South Korea, Panama, and Colombia that the Senate will soon receive will create more real, long-term jobs than any stimulus approach advocated by the President.

While many of us are concerned about the role of government in job creation—an issue that will continue to be debated by this body—we can all agree that it is imperative to create a fair and efficient platform on which businesses can grow. The trade agreements before us will do just that.

Some economists believe that we are doing perpetual harm to our manufacturing, agricultural and export sectors by not passing these agreements. For instance, the U.S. Chamber of Commerce has previously calculated that delaying the passage of the Colombia Free Trade Agreement alone may have resulted in the direct loss of more than 20,000 jobs in the United States.

Our trading partners have looked elsewhere for goods and services to power their growing economies. When Canada and Colombia completed their trade agreement in August, within 15 days there was an 18-percent increase in wheat exports from Canada to Colombia.

The U.S. Trade Representative completed negotiations in 2006 with Colombia for the agreement we will soon have before us. Nearly 5 years of delays on this agreement alone have caused us irreparable damage.

While America was once the envy of the world for our trade agreements, we are now losing ground.

According to some estimates, the South Korean Free Trade Agreement has the potential to create 280,000 jobs in America alone. South Korea once called the United States its largest trading partner. We have since lost that distinction to China.

We are not simply creating jobs by passing these agreements, we are invigorating America's economy.

The Panama agreement will pack a significant economic punch for the United States. While it is a smaller country than South Korea or Colombia, the International Trade Commission estimates that U.S. grain and meat exports to Panama will increase 60 percent.

In the past several years, my State of Georgia has experienced a 327-percent increase in exports to Panama. While these

exports have increased despite the tariffs exporters are burdened with, a fair and free trade agreement will allow these firms to export duty-free, increasing the capital available to them and giving them more opportunity to grow.

This agreement will have major implications for Georgia's agricultural producers. In fact, all three of these trade agreements will give major benefits to Georgia's agriculture sector.

With the South Korea agreement, we will see gains in poultry, eggs, beef, cotton, and pecan exports as tariffs on these items are phased out. We will see the same benefits with the Colombia pact, and that agreement will also eliminate peanut tariffs over the next 15 years.

I am proud to say that agriculture is not the only sector where Georgia will see gains. I would like to highlight a couple of local companies that stand to benefit from these agreements.

Sasco is a third-generation family-owned business based in Albany, GA. Sasco produces and distributes worldwide more than 1,200 chemical products, but it faces a 5-percent tariff in Colombia.

For Sasco to remain competitive in South America, it must be able to export duty free. While the company's president, Mark Skalla, continues to seek partnerships and contracts in the region, the delays he has experienced are hindering Sasco's expansion.

Payne Hughes, CEO of Thrush Aircraft, a manufacturer of agricultural aircraft in Georgia, says he has already seen big gains in Panama and Colombia, where these markets continue to grow. As these countries' economies expand, American business will be able to take advantage of the increased needs for our quality products.

The U.S. Chamber of Commerce has calculated that for every \$1 billion in agriculture exports, some 8,000 U.S. jobs are created and supported. Every \$1 billion in manufacturing exports supports nearly 7,000 U.S. jobs.

The large-scale manufacturers in Georgia, including General Electric and IBM, will also see major benefits that translate to growth and job creation.

As we continue to look for areas where we can enhance American competitiveness, increase job creation, and boost economic development, free-trade agreements are a sure-fire way to make big gains. They are, quite simply, good for American business.

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