



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS DISAPPOINTED BY TRADE DEFICIT NUMBERS

Senator calls for strong initiatives on competitiveness, savings, and open markets

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Democrat on the Senate Finance Committee, today reacted to the latest figures for international trade in goods and services, released by the Commerce Department. The latest release showed a record trade deficit of \$725.8 billion for 2005, an increase over the record 2004 trade gap. The December trade deficit was \$65.7 billion, more than \$10 billion greater than December 2004.

“I think this new record trade deficit shows a failure of leadership by this Administration. To stop this spiral, America must focus more resources on enforcing international trade rules to keep foreign markets open,” said Baucus. **“We must do more to help American farmers, ranchers, and businesses - large and small - sell their goods abroad. It’s also vital to look inward for solutions – to build up new, innovative American industries that will create goods and services wanted by the world, and to prepare our students and workers for jobs in those industries. For all these reasons, I will soon introduce legislation to improve American competitiveness in trade, innovation, education, and other areas.”**

In January, Baucus announced an upcoming legislative agenda to advance American competitiveness. In the coming weeks he will introduce bills aimed at improving American education, trade, research, energy, savings, tax, and health policy in ways that will keep our nation economically preeminent. Baucus’s proposals include creating new trade enforcement mechanisms, reforming and making permanent the R&D tax credit, and boosting national savings to temper current foreign borrowing that will saddle future generations with debt.

“Everyone is hurt by the negative effects of trade deficits, when foreign debt grows and American businesses struggle to compete,” Baucus said. **“So everyone must be part of the solution. Americans must embrace new policies now that will keep our companies and our workers first in the global market for decades to come.”**

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