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US Agriculture Can't Afford Delay on Unconsidered Trade Agreements June 29, 2010

By Reps. Frank Lucas (R-Okla.) and Dave Camp (R-Mich.)

There is no question that jobs and job creation are on the minds of all Americans as they work hard to make ends meet in the midst of this economic downturn. As the national unemployment rate holds at 9.7 percent — higher than the same time last year — it makes little sense to let opportunities for new jobs pass us by. Yet, that is exactly what the administration is allowing to happen.

The administration has recently embarked upon talks with our Asia-Pacific trading partners to form a new agreement to reduce trade barriers in the region. Reducing barriers to our exports through these Trans-Pacific Partnership discussions is important, and we certainly hope that the final package will result in a positive outcome for the U.S.

However, it seems that the administration has completely forgotten about the three agreements we have already signed with Colombia, Panama and South Korea. Each of these agreements provides significant new market access for America's farmers and ranchers. Unfortunately, we have just "celebrated" the third anniversary of the signing of these agreements without congressional consideration, and each day that passes without the benefits of these agreements represents foregone income and lost jobs.

U.S. meat and poultry exports totaled \$11.7 billion last year. As global markets begin to recover and demand for meat and poultry products rises, we must seize opportunities to increase those exports, which are vital to the growth of these industries. The American Meat Institute (AMI) recently issued a report estimating implementation of the agreement with South Korea alone could increase U.S. meat exports by more than \$2 billion, and implementing all three agreements could create nearly 30,000 jobs.

Unfortunately, these opportunities are threatened by the failure of the administration and congressional Democrats to resolve the few but important outstanding issues in the pending agreements and provide American exporters with this new market access.

Because of this inaction, American exports continue to face high tariffs in these markets. In Colombia, U.S. exports face tariffs between 5 percent and 80 percent. In Panama, the tariffs are between 10 percent and 260 percent. In South Korea, the tariffs range between 3 percent and 38 percent.

Making a bad situation worse, many of our close competitors such as Canada and the European Union are completing their own trade agreements with Colombia, Panama and South Korea, giving their exporters advantages we are denying our own. Just last week, the Canadian legislature passed legislation to implement its agreement with Colombia. The EU has completed negotiations with South Korea and Colombia.

These countries are poised to achieve a significant competitive advantage over American farmers and ranchers. In a report we released on the anniversary of the bipartisan May 10 agreement between the administration and Congress, we documented how America's farmers have already lost significant market share to Argentina and Brazil because of inaction on the Colombia agreement. If our farmers and ranchers continue to face these high tariffs and are forced to compete globally with those who have secured preferential access, we will continue to forfeit export opportunities and could see even greater declines in the jobs they support.

As the AMI study shows, these agreements offer significant, real, and sustainable market access for our agricultural products. All of this could be good news for our economy — from rural producers, to manufacturing workers and truckers, to port workers and shippers. But for us to realize export growth and the additional jobs it would create, the administration must actively engage in finding a way forward to approve these agreements. Our farmers and ranchers cannot afford further delay.

Rep. Lucas is the ranking member on the House Agriculture Committee. Rep. Camp is the ranking member on the House Ways and Means Committee.