

# **U.S. lawmaker plans quick action on Peru trade pact**

By Doug Palmer

Reuters

September 11, 2007

WASHINGTON -- U.S. Senate Finance Committee Chairman Max Baucus said on Tuesday he would move quickly to win approval of a free trade agreement with Peru that has been stalled in Congress since last year.

"I expect it to pass without too much difficulty," the Montana Democrat told reporters after leaving a hearing to examine revamped labor and environmental provisions of the trade pact. "We're going to move expeditiously."

The Bush administration hopes Senate action will prod the House of Representatives into following suit -- breaking a logjam that has held up the trade agreement since Democrats won control of Congress last year.

Although House Democrats negotiated an agreement with the Bush administration to strengthen labor and environmental provisions of trade agreements with Peru, Colombia, Panama and South Korea, they have been slow to begin legislative action on the trade pacts.

A spokesman for the House Ways and Means Committee said there still was no date for that panel to hold a hearing on the pacts, the first step in the approval process.

"Understanding the time constraints of this week and next, we urge the leadership of the House Ways and Means Committee to carve out time as soon as possible to consider the Peru agreement, and move forward with the other FTAs awaiting approval," Bill Reinsch, president of the National Foreign Trade Council said in a statement.

At the hearing, U.S. business and farm groups called for quick approval of all three Latin American agreements.

"We estimate that passage of the Peru, Colombia and the Panama agreements will increase U.S. agricultural exports by almost \$1.5 billion per year by the time the agreements are fully implemented," South Carolina Farm Bureau President David Winkles said on behalf of the American Farm Bureau Federation.

Former President Bill Clinton's first trade representative, Mickey Kantor, said the pact's new labor and environmental provisions were much stronger than in the past.

"In my view, the U.S.-Peru Trade Promotion Agreement is now the kind of trade agreement that is worthy of the support of Congress and the American people," Kantor, a Democrat, said.

Thea Lee, policy director for the AFL-CIO labor federation, also praised the new labor and environmental provisions worked out between House Democrats and the Bush administration.

These "represent significant progress in crucial areas we have fought to achieve for many years," she said.

The AFL-CIO still does not endorse the Peru agreement but will focus its attention on defeating the trade pact with Colombia and a fourth one with South Korea, she said.

"Intractable and egregious human rights violations in Colombia and unequal market access issues in South Korea put these two agreements in a completely separate -- and significantly more problematic -- category," Lee said.

Sen. Charles Grassley, the Finance Committee's top Republican, told reporters he'd like Congress to move to the Colombia agreement immediately after approving the Peru pact, but the AFL-CIO's strong opposition could slow that down.

U.S. Trade Representative Susan Schwab told reporters on Monday she thought it was possible for Congress to approve all three trade pacts by the end of the year. But many doubt there will be action on the Colombia pact that soon.