

**Statement of Northern Plains Resource Council  
Hearing on Senate Joint Resolution No. 17  
February 23, 2007  
Introduced by J. Elliott**

On behalf of Northern Plains Resource Council, I thank the committee on Business, Labor and Economic Affairs for the opportunity to share my organization's support for Senate Joint Resolution Number 17.

The prosperity of our state is threatened by an array of provisions found in the North American Free Trade Agreement, the Central American Free Trade Agreement, World Trade Organization and other trade agreements. To add insult to injury, Congress has given away its constitutional authority to set the terms of foreign trade agreements and allowed the Administration to negotiate trade agreements that actually harm our state and the people who live here. This year, we have the opportunity to give Congress back that power and develop a trade negotiation model that is good for Montana's working families, farmers and ranchers and small businesses.

Fast Track, also referred to as Trade Promotion Authority, transfers Congress' constitutional responsibility for regulating foreign trade to the president and federal trade negotiators. Fast Track allows the Administration to negotiate and sign trade deals before Congress gets a vote. The rules of Fast Track prevent congress from making any changes to a trade agreement; they must either accept the agreement as a whole or kill it. In addition, Congress is only allowed 20 hours to debate to debate these complicated trade bill pacts. By relegating Congress to the sidelines, Fast Track limits the public's ability to affect international trade negotiations, which have proven to increase income inequality and trade deficits while driving down wages and corporate accountability.

Fast Track is scheduled to sunset in June of this year. There is a growing movement in Congress to take back this trade negotiation authority and renew their ability to review, change and impact trade agreements to benefit the American people they represent. This resolution would give them the support they need in Congress.

In 1973 the year before President Nixon first created Fast Track, the United States had a slight trade surplus, as it had in nearly every year since World War II. But in every year since 1974 save one, the United States has run a trade deficit. Trade deficits mean lost jobs – and Fast Track has accelerated it. Since President Bush was granted Fast Track in 2002, the United States has lost nearly three million jobs. We have also lost more than 200,000 small farms since NAFTA and WTO and as of August 2006 we have begun importing more food than we export.

As long as trade promotion authority exists, it will take you and me down the fast track to more of the same unfair trade pacts that hurt the farmers and ranchers and workers or our great state of Montana and across this great country.

Fast Track is scheduled to sunset in June of this year. However, there are still some decision makers in Congress who would rather shirk their responsibility to review, change and impact trade agreements to benefit the American people they represent.

Under Fast Track, Congress only gets a "yes" or "no" vote. The rules of Fast Track prevent Congress from making any changes to a trade agreement; they must either accept the agreement as a whole or kill it. In addition, Congress is only allowed 20 hours to debate these complicated trade bill pacts.

We need a new mechanism for negotiating trade agreements that gives Congress back the constitutional authority to "regulate commerce with foreign nations," as stated in Article I-8. This means the branch of government closest to the people has given away its authority to set our trade policy.

Simply adding new negotiating objectives to the existing Fast Track structure, for instance regarding labor and environmental issues, will not result in trade agreements that reflect Congress' goals and objectives. The 1988 Fast Track used to negotiate NAFTA and United States entry into the WTO explicitly required that labor rights be included in the U.S. trade agreements. However, the administrators and their negotiators have ignored those objectives.

Fast Track was designed 30 years ago as a way to deal with traditional tariff and quota-focused trade deals. Today's "trade" agreements affect a broad range of domestic non-trade issues like prevailing wage laws, Buy-America procurement policy, anti-off-shoring measures, food safety, land use and zoning, the environment and even local tax laws. Congress, state officials and the public need a new modern procedure for developing U.S. trade policy that is appropriate to the reality of 21<sup>st</sup> Century globalization.

Critical to such a new system is restoring Congress' ability to control the content of U.S. trade agreements and with which countries we will enter trade agreements. This change is needed to ensure future pacts contain terms beneficial to most Americans.

Therefore, Northern Plains Resource Council urges you to pass Senate Joint Resolution Number 17 and take the first step in urging Congress to implement a trade negotiating model that strengthens the health, environment, food sovereignty, working conditions and labor rights of all countries involved. With a new forward-looking trade negotiating process, we can ensure U.S. trade expansion policy meets the needs of Montana's working families, farmers and ranchers and small businesses.

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