

It is time to move forward. We should move it forward. It should be the next one we approve, with Colombia coming along not long after. But these are tremendously important. These countries look to these agreements as a way forward, as a way of enhancing their partnership with our country, and rejecting other ideologies.

You know we might as well talk about this. I think it is very important. On Sunday we had a very startling event occur in the region. Venezuela held an election in what was a proposal from an increasingly authoritarian leader, Hugo Chavez, to become essentially President for life. It was essentially to give him the authority to rule by decree, to declare a state of emergency and essentially suggest that all of the institutions of the country be suspended and he would be the sole ruler.

It also went further, and it said the country would take a socialist path. Now, this is only the latest excess by a leader who is excessive in many ways, his rhetoric and his action. But this latest excess was rejected by the people of Venezuela.

I congratulate the people of Venezuela for taking this bold step in the direction of not a single authoritarian person in charge of the government but one who would allow a more democratic future for the people of Venezuela. The people of Venezuela courageously went to the streets, courageously demonstrated against tremendous oppression and repression by the Venezuelan authorities, and continued to insist that they have a free vote on Sunday, and they did.

They rejected the overreaching of President Chavez. But this ideology that President Chavez preaches, the failed ideology that was preached by Fidel Castro that has taken Cuba on the path of destruction, disaster, and desolation is now trying to be inflicted on the people of Venezuela, where they are now seeing the same kind of food shortage we have seen in Cuba for almost a half a century beginning to manifest itself in a country that is so oil rich it is ridiculous.

The fact is, we see in the path to bilateral trade agreements with the United States a rejection of these failed ideologies, a rejection of the Chavez way, and a welcoming of a partnership with the United States, one that allows independence and democratic institutions to flourish, while at the same time improving the lives of the people of the region.

I urge my colleagues to look forward also to the Colombian and Panamanian trade agreements. They should be coming. We need to proceed to move those forward. They are tremendously important for these countries. Let's engage in this friendship, but let's take care of first things first and today resoundingly approve the free-trade agreement with Peru that is good for America, good for our Nation, but also good for Peru, and for our relations with the region.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALAZAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I ask unanimous consent that I be allowed to speak for up to 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I come to the floor today to make a very simple statement; that is, about our food security in America.

For all of my life—as a farmer and a rancher and attorney general—I have recognized importance of food security for America. On my desk in my Senate office here in Washington, DC, there is a sign that says: "No Farms, No Food."

It is important for all of us in this Chamber to recognize the importance of the food security of the United States of America by moving forward with the passage of the 2007 farm bill.

As the Presiding Officer well knows, the Agriculture Committee, under the leadership of Senator HARKIN and Senator CHAMBLISS, worked very hard—worked for weeks and weeks and months and months—to come up with what is a very good farm bill. It is a very good farm bill that invests in the nutritional needs of our country. It is a very good farm bill that helps us unveil the clean energy future of America and helps us grow our way to energy independence. It is a very good farm bill that invests such as no other farm bill ever has in the conservation opportunities we need to protect our land and our water in America. It is a very good farm bill in all respects, and it is paid for. It is a farm bill that is paid for.

We have been on this farm bill now in the Senate for the last several weeks, since before Thanksgiving, and have not been able to move ahead. The majority leader, Senator REID, has prodded a proposal where we would move forward with a set of discrete amendments, giving the Republicans 10 amendments, having the Democrats have 5 amendments and 2 additional amendments would be considered. It seems to me that is a very eminently fair proposal, and I would ask my colleagues, both on the Democratic side and the Republican side, to stand behind that procedural framework so we can get onto the farm bill and get this farm bill across the finish line.

It is my view the people of America deserve no less from this Senate, and I am very hopeful we will be able to come to that agreement very soon.

#### RECESS

Mr. SALAZAR. Mr. President, I ask unanimous consent that all time be

yielded back and that the Senate now stand in recess until 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, the Senate, at 12:26 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

The PRESIDING OFFICER. The Senator from Vermont is recognized.

#### UNITED STATES-PERU TRADE PROMOTION AGREEMENT IMPLEMENTATION ACT—Continued

Mr. LEAHY. Mr. President, I ask unanimous consent that the vote that was scheduled for 2:15 occur at 2:30, and the 15 minutes between now and 2:30 be equally divided in the usual fashion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I rise in opposition of the Peru Trade Promotion Agreement. While the Peru Trade Promotion Agreement includes important labor and environmental provisions, I do not believe that it represents a large enough departure from the failed NAFTA-style free trade model to merit my support.

Instead of fast-tracking new trade agreements through Congress, we need to take a deep breath and assess the impact of our failed trade policies and take the country and our economy in a better direction.

We should focus on fixing the problems created by NAFTA and other trade agreements, extending trade adjustment assistance for displaced workers, reinvigorating our domestic economy, and creating jobs for hard-working Americans.

The inclusion of labor and environmental protections in the Peru deal is an important and positive development, but without an administration willing to enforce these provisions, the promises ring hollow.

The Bush administration has an abysmal record when it comes to enforcing trade regulations, and it is not a stretch of the imagination to assume that their unwillingness to enforce regulations will extend to Peru.

Without strong enforcement of these important labor and environmental provisions, they are nothing more than words on a piece of paper.

Already we are seeing the Peruvian government backtrack on the spirit of the environmental provisions included in the agreement. International environmental groups have documented a number of recent actions taken by Peru's government that provide a serious cause for alarm.

As an example, in September, a law was proposed to remove half a million acres from the Bahuaja-Sonene National Park and devote the area to oil and gas exploration and exploitation. The Superintendent of Peru's natural protected areas determined that excluding the zone from the national park would violate both the Peruvian

Constitution and Peru's trade promotion agreement obligations. The whistleblower in this situation was immediately fired from his post.

And in July, Peru offered concessions for oil and gas exploration and exploitation for over a fifth of the Peruvian Amazon rainforest despite a report by the national ombudsman determining that elements of this process were illegal.

What we are seeing with these recent developments in Peru related to environmental protections is that despite increased enforcement mechanisms in the free trade agreement for labor and for the environment, the NAFTA model perpetuates a "race to the bottom" that has become the unfortunate hallmark of free trade agreements.

When trade agreements are used only as a tool to provide cheap labor for American companies, everyone loses. The United States can be a leader in the global economy if we promote fair trade that creates sustainable markets for American goods and services, protects the environment and improves wages and standards of living for American and foreign workers.

Mr. LEAHY. Mr. President, as chairman of the Committee on the Judiciary, which has jurisdiction over our Nation's intellectual property laws, I feel compelled to comment on the intellectual property chapter of the United States-Peru Trade Promotion Agreement.

In the Trade Promotion Authority Act of 2002, Congress instructed the administration to negotiate agreements with other nations that, among other things, reflect a standard of protection for intellectual property "similar to that found in United States law." In many respects, the intellectual property chapter of the Peru Trade Promotion Agreement meets that goal, for it will require Peru to raise its standards of protection for our intellectual property.

I am concerned, however, that some aspects of the intellectual property chapter prescribe the rules for protection so specifically that Congress will be hampered from making constructive policy changes in the future. The art of drafting the chapter is in raising intellectual property protections to a standard similar to ours, without limiting Congress's ability to make appropriate refinements to the intellectual property law in the future. The flexibility necessary for the proper balance is found in many provisions of the intellectual property chapter, for which I commend the U.S. Trade Representative. Other provisions, however, are too fixed and rigid, and may have the perverse effect of restricting the Congress's ability to make legitimate changes in United States law, while keeping our international commitments. I expect that in the future, with improved consultation between the Committee on the Judiciary and the Office of the United States Trade Representative, we can avoid these concerns.

Our trade promotion law also instructed the administration to negotiate agreements that provide strong protection for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property. This, too, is an objective I support. Under our laws, many such new technologies and consumer devices rely, at least in part, on fair use and other limitations and exceptions to the copyright laws. Our trade agreements should promote similar fair use concepts, in order not to stifle the ability of industries relying on emerging technologies to flourish.

Finally, a longstanding priority of mine has been the promotion of affordable, lifesaving medicines to address the public health problems afflicting many, primarily developing Nations—particularly those resulting from HIV/AIDS, tuberculosis, malaria and other epidemics. The United States made such a commitment in the 2001 Doha Declaration; I was pleased that the U.S. Trade Representative reaffirmed this commitment in May and that Peru's rights to promote access to medicines is preserved in this agreement.

There is much in the intellectual property chapter of this free trade agreement that I support. I look forward to the Judiciary Committee's being consulted by the Office of the U.S. Trade Representative earlier, and more frequently, in the future, so that we can continue to improve on these issues.

Mr. KOHL. Mr. President, when voters gave Democrats control of Congress, they wanted a new direction on trade policy. They wanted trade agreements that would hold our trading partners to the same labor and environmental standards expected of U.S. companies. And they wanted trade agreements that would level the playing field for U.S. businesses. Democrats listened.

I am supporting the Peru FTA because it is a new model for trade agreements that includes enforceable labor and environmental protections. For the first time, the U.S. will have the right to hold a trading partner accountable if labor or environmental issues become a problem.

The Peru FTA benefits Wisconsin companies and workers. Wisconsin exports to Peru have increased from \$9.3 million in 2002 to \$43.5 million in 2006. This agreement will help trade between the U.S. and Peru flourish and keep businesses and jobs in Wisconsin, something I couldn't say about several previous trade agreements. Further, the Peru FTA eliminates the current 10 percent tariff on U.S. goods entering Peru. This will remove barriers to Wisconsin exports and make Wisconsin businesses even more competitive.

The Peru FTA is the first step in a new direction for trade policy that will enforce labor and environmental standards and help U.S. businesses gain access to new markets.

Mrs. MURRAY. Mr. President, I rise today to discuss H.R. 3688, the United States-Peru Trade Promotion Agreement. Washington State is extremely trade dependent, and this agreement will have direct impacts to my constituents at home, particularly farmers growing asparagus. In addition, I am concerned about existing labor practices for miners in Peru.

The domestic asparagus industry has been economically injured by the Andean Trade Preference Act's, ATPA, extended duty-free status to imports of fresh Peruvian asparagus. There has been a 2000-percent increase in Peruvian asparagus imports into the U.S. since ATPA was enacted. The asparagus industry suffered the greatest negative impact from the ATPA, according to the U.S. International Trade Commission's analysis of the agreement. The effects of the agreement to Washington State's asparagus industry were dramatic.

Prior to the ATPA, there were over 55 million pounds of asparagus canned in Washington State, roughly two-thirds of the industry. By 2007, all three asparagus canners in Washington relocated to Peru. As asparagus production fell, I fought to provide assistance for these hard-working men and women whose industry had been devastated.

To mitigate the impacts to growers, I tried to get them trade adjustment assistance. I have secured funding over the past several years to conduct research on a mechanical harvester to make this labor-intensive crop less costly to produce. Most recently, I helped secure \$15 million in the farm bill for a market loss assistance program for asparagus growers. This funding will help farmers who have continued to grow asparagus despite the challenges ATPA has presented. I am hopeful that this program will help growers continue to invest in asparagus.

Many of our asparagus growers have turned to other crops, and this Peru trade bill will help them, along with many other farmers in Washington State. While I have serious concerns about the continued effects on the asparagus industry in the U.S. and in Washington State, overall this bill will have a positive impact for agriculture in Washington State.

I would also like to note my concern about labor practices for miners in Peru and the unintended negative impact that this agreement may have on them.

A report by the Congressional Research Service indicates that while Peru endorses the International Labor Organization's core labor standards in the PTPA, concerns remain about their compliance with and the enforcement of these standards. I was discouraged to learn that while Congress was considering the PTPA, the Peruvian Government stalled in its efforts to secure statutory protections for miners and declared it illegal for metal miners to continue striking in support of stronger labor laws.

As chair of the Senate HELP Subcommittee on Employment and Workplace Safety and an advocate for labor rights and workplace protections, I am concerned that the Peruvian Government's most recent actions do not convey a good-faith effort to reform its labor laws. I have worked tirelessly to ensure that miners in our own country have the safety protections on the job that they deserve. In light of the tragic mine disasters in West Virginia, I was proud to help write and pass the landmark MINER's Act last year. Miners put their lives on the line every day to provide for their families, and we must work to ensure they have a respected voice at the table and that their rights are protected.

While I believe this agreement will ultimately do more good than harm, I hope my colleagues will join me in encouraging the Peruvian President, Congress, and Labor Minister to fulfill their promise and pass much needed labor reform legislation without hesitation.

As you may know, Washington State is the most trade dependent State in the Nation. From apples to potatoes to Microsoft and Boeing, we rely heavily on international trade. This trade agreement, when taken as a whole, will do more to bolster the economy of my State and the Nation, and thus merits support.

Mr. LEVIN. Mr. President, in my view, the United States has pursued failed trade policies for the past 20 years or more. This failed trade policy is reflected in our record trade deficits with the world. This failed trade policy has led us to accept a one-way street in trade where we allow too many countries access to our markets without insisting that they give us reciprocal access to theirs.

I have opposed trade agreements when they were in the same failed mold as our past trade policy, when they clearly were not requiring a more level playing field for U.S. manufacturers, farmers, and service sector employees, and when they failed to insist on basic internationally recognized labor and environmental standards. However, I have supported trade agreements that leveled the playing field and that did include strong and enforceable internationally recognized labor and environmental standards.

I particularly commend the work of my brother, Representative SANDER LEVIN, chairman of the House Ways and Means Trade Subcommittee, and others, for substantially improving the Peru Free Trade Agreement by reopening this agreement to incorporate enforceable worker rights and environmental standards in the body of the agreement. This is something Democrats have been working to include in trade agreements for over a decade. I agree with my brother who has characterized this groundbreaking achievement as, "an historic breakthrough on trade by amending pending U.S. free trade agreements to incorporate a fully

enforceable commitment that countries adopt and enforce the five basic international labor standards, subject to the same dispute settlement mechanism and remedies as other FTA obligations."

This breakthrough is surely of critical importance. For the first time in any FTA, the labor chapter requires both the United States and Peru to adopt and maintain domestic laws to implement the five core standards incorporated in the 1998 ILO Declaration on Fundamental Principles and Rights at Work. These include, one the right to organize; two, the right to bargain collectively; three, prohibitions on forced labor; four, protections for child labor; and five, freedom from employment discrimination.

The agreement also requires for the first time that the United States and Peru adopt and maintain domestic laws to implement the obligations in the seven multilateral environmental agreements that both the United States and Peru are party to. All of these added obligations are subject to the same dispute settlement mechanism that applies to all other FTA obligations.

Peru is a small economy and makes up less than 1 percent of overall U.S. trade, and in 2006 was only our 43rd largest export market. Furthermore, 98 percent of U.S. imports from Peru already enter the United States duty free under the Andean Trade Preferences Act and the General System of Preferences. The Peru FTA will at least give American exports a more level playing field in Peru by allowing them to enter Peru duty free, which is currently not the case, although Peruvian products already enter the U.S. duty free.

As a rule, I do not like the idea of trade agreements coming up under fast-track procedures because it limits Members of Congress to an up-or-down vote with no chance to amend or improve it. Thankfully, we did not extend fast-track authority. In this case, my brother, SANDY LEVIN, and others successfully amended this agreement through an historic bipartisan agreement which vastly improved the agreement. The changes that were made represent an important break with the failed and flawed trade policies of the past and signify a better approach to trade that supports American workers and protects the environment. For all of these reasons I will vote for the Peru Free Trade Agreement implementing legislation.

Mr. FEINGOLD. Mr. President, the Senate will soon be voting on the first measure to implement a trade deal since the announcement last spring by the administration and some Members of Congress of an agreement to facilitate the consideration of trade legislation.

The centerpiece of that agreement was to be the inclusion in future trade agreements of meaningful labor standards. In fact, because last spring's an-

nounced agreement was only a set of principles, and not actual language, the Peru Trade Promotion Agreement bill before the Senate is the first opportunity to review the details of that agreement.

I will touch on the new labor provisions included in the Peru agreement shortly, but the agreement is far more than just provisions overseeing labor standards. And in those areas, the trade agreement with Peru comes up short. In fact, the agreement looks just like the provisions in other trade agreements that have been stamped out over the past decade and more by the NAFTA template—a failed model of trade that has helped ship millions of family-supporting American jobs overseas, while too often failing to produce the promised enhanced standard of living for the families of our trading partners.

Like those previous trade agreements based on the NAFTA model, the Peru agreement contains language identical to the devastating foreign investor rights provisions of NAFTA that undermine federal, state, and local protections for the environment, health, and public safety.

Like those previous trade agreements based on the NAFTA model, the Peru agreement renders meaningless our longstanding common sense government procurement policies, including the Buy America law which requires that taxpayer dollars be used by the federal government to purchase American made goods and services when they are a reasonable option.

Like those previous trade agreements based on the NAFTA model, the Peru agreement undercuts pro-environmental policies such as recycled content requirements, and undermines our ability to require imported food to meet our safety standards. As the consumer advocacy group Public Citizen has noted, the Peru trade agreement includes NAFTA provisions that require the United States "to treat imported food the same as U.S.-produced food, even though more intensive inspection is needed to compensate for Peru's weak domestic regulatory system."

And like those previous trade agreements based on the NAFTA model, the Peru agreement includes NAFTA provisions that undermine the right to affordable medicines for poorer countries established in the World Trade Organization's Doha Declaration.

With all of this NAFTA baggage included in the Peru agreement, one might ask if there is any reason to believe this agreement won't just reproduce the same disastrous results we have seen from failed trade policies over the past two decades.

And that brings us to the new language included in the Peru agreement stemming from the deal announced last spring between a number of Members of Congress and the administration.

Regrettably, and perhaps predictably, that new language does not live

up to the billing it received at the time of the announcement. In fact, according to an analysis done by Professor Mark Barenberg of Columbia University, the new labor provisions are actually weaker than current law. Professor Barenberg compared the proposed new labor provisions with those of trade deals already in effect, and found that the Peru agreement undermines existing trade laws, which Barenberg states are already “weak, unreliable, and inadequate to the task.”

For example, the Barenberg report notes that under current law, “if Peru fails to comply with internationally recognized labor rights, then the United States can impose unlimited sanctions against Peru, can provide benefits to Peru in any area of foreign relations, or can withdraw special trade benefits in whole or in part, to ensure that Peru comes into compliance. The U.S. can target specific sectors, products, or actors. The U.S. can impose sanctions or withhold benefits until those specified actors comply.”

But under the U.S.-Peru agreement, “if Peru fails to comply with the vague labor “principles” or with Peru’s domestic labor law, Peru can choose to pay the United States only half the monetary value of the trade benefits that accrue to Peru as a result of the violations—creating a cost-benefit incentive for Peru to commit violations. If Peru chooses this monetary penalty, then the sanction is not targeted on any sector or any actor. The Agreement establishes no system of positive benefits (carrots) to Peru for compliance.”

The Barenberg report gives another example. Under existing law, “if Peru fails to comply with internationally recognized labor rights, then private parties in the United States, such as workers and labor unions, have the right to petition the President to impose sanctions or take other measures against Peru to ensure compliance.”

But, while private parties, including trade unions are allowed under section 301 of the Trade Act to file petitions with the President, alleging that a trading partner has violated a trade agreement, under the U.S.-Peru Agreement, private parties are given “no right to directly initiate complaints against Peru for violating its obligation to enforce the vague labor “principles” or domestic labor law. Only the President may bring such complaints—and, in fact, the President has never filed a complaint under the labor-rights provisions of any bilateral trade agreement.”

Here is still another example. Under existing law, “if the President decides that Peru is failing to comply with internationally recognized labor rights, he can impose sanctions. He need not gain the approval of another decision-maker.”

By contrast, under the U.S.-Peru agreement, “if the President decides that Peru is failing to comply with

vague labor “principles” or domestic labor law, he cannot impose sanctions. He can only file a complaint that may lead to international arbitration to determine whether Peru stands in violation. Hence, the decision to impose sanctions must be taken by two decision-makers, rather than one—the President and a panel of international arbitrators. And international arbitrators will apply international law, which holds that an obligation to adhere to the vague labor principles does not entail an obligation to adhere to actual labor rights, let alone adhere to any concrete performance measures or indicators.”

As others have noted, Professor Barenberg’s report may explain why no major labor, environmental, human rights, or consumer protection groups have endorsed the Peru agreement.

Our trade policies of the past two decades have been disastrous. They have contributed to the loss of several million family-supporting jobs in this country. They have left communities across my State devastated, and I know the same is true in communities around this country.

Our trade deficit is still out of control, as we send more and more of our wealth overseas, much of it in the form of factories that provided entire communities with decent, good-paying jobs. I hold listening sessions in each of Wisconsin’s 72 counties every year. This is my 15th year holding those listening sessions, listening to tens of thousands of people from all over Wisconsin. I completed my 1000th of those sessions just about a year ago, and I can tell you that there is nearly universal frustration and anger with the trade policies we have pursued since the late 1980s. Even among those who would have called themselves traditional free-traders, it is increasingly obvious that the so-called NAFTA model of trade has been a tragic failure.

I voted against NAFTA, GATT, and permanent most favored nation status for China, in great part because I felt they were bad deals for Wisconsin businesses and Wisconsin workers. At the time I voted against those agreements, I thought they would result in lost jobs for my State. But, as I have noted before, even as an opponent of those trade agreements, I had no idea just how bad things would get.

Nor does the problem end with the loss of businesses and jobs. The model on which our recent trade agreements have been based fundamentally undermines our democratic institutions. It replaces the judgment of the people, as reflected in the laws and standards set forth by their elected representatives, with rules written by organizations dominated by multinational corporations. Food, environmental, and safety standards set by our democratic institutions are subject to challenge if they conflict with those approved by unelected international trade bureaucracies. Even laws that require the gov-

ernment to use our tax dollars to buy goods made here, rather than overseas, can be challenged.

We cannot live in isolation. We are in a global economy, and it makes good sense to have reasonable trade agreements with those who want to trade with us—trade agreements that have broad-based support and that will provide broad-based economic benefits to all sectors of our economy and the economies of our trading partners. That is not what we have now, and we shouldn’t pass another bill to implement one of these flawed agreements until we can straighten out the twisted trade model that has done so much damage to the personal economies of thousands of families across the country.

Mr. HATCH. Mr. President, I rise today to discuss the U.S.-Peru Free Trade Agreement, FTA. As my colleagues are aware, I am a strong proponent of free trade, having voted for every trade agreement that has been negotiated during my 31 years in this body.

Despite that fact, I have concerns over some recent changes to the Peruvian agreement and, more specifically, the deal that was struck between the administration and the congressional Democrats on May 10. Specifically, the changes to the intellectual property rights, IPR, and labor chapters of this agreement will, I believe, become more relevant when we as a nation begin to negotiate future free-trade agreements with deserving nations.

It is my sincere hope that I am wrong and that we will not in the near future face serious challenges to our national labor laws as a result of this agreement. Unfortunately, we will not have to wait, however, to realize the devastating effects that the new trade deal will have on our IPR concerns.

The labor chapter of the U.S.-Peru Free Trade Agreement could put U.S. Federal and State labor laws at significant risk. Several provisions of the labor chapter of the U.S.-Peru trade agreement create an unacceptable risk that the United States will be required to change important provisions of U.S. Federal and state labor law or be subject to trade sanctions. Given that the purpose of the May 10 agreement was to ensure that Peru adopted strong labor provisions, not the United States, Congress’s implementation of this agreement should provide an explicit safe harbor for U.S. labor law.

Peru FTA requirement to adopt “fundamental labor rights” puts right-to-work, freedom of association and other major U.S. labor provisions at significant risk. Article 17.2 of the Peru FTA requires both Peru and the United States to “adopt and maintain in its statutes and regulations, and practices there under, the following rights as stated in the International Labor Organization ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998) (ILO Declaration) where it affects trade between the

countries. These rights are freedom of association, recognition of collective bargaining, elimination of forced/compulsory labor, effective abolition of child labor, prohibition of worst forms of child labor, and elimination of employment discrimination.

The Peru FTA does not provide any definition of these fundamental rights, leaving the interpretation of what constitutes “freedom of association” or “collective bargaining” to a dispute settlement panel appointed by the U.S. and Peruvian Governments.

Given the agreement’s reference to the ILO declaration, it is widely expected that such a dispute settlement panel would in fact look at and rely at least partially on the standards of the relevant ILO core conventions associated with these rights, much as the ILO does each year in its followup reports required by the ILO declaration. The recent push by House Democrats to have Peru enact very detailed changes to its treatment of—contract laborers as part of its implementation of the agreement an issue not specifically addressed in the Peru FTA—confirms the wide range of issues subject to this chapter.

The United States, which has only ratified two of the eight ILO core conventions, faces substantial risk that a panel will find that U.S. labor law violates the Peru FTA, requiring the U.S. to change its law or face trade sanctions. Key U.S. laws subject to that risk include:

State right-to-work rules, which standard labor market analysis and several other countries, such as Canada, find imposes an improper restraint on the ability of workers to bargain collectively or to strike, as nonunion workers have the authority to vote on whether to strike;

U.S. prohibitions on the admission to unions of persons connected with the Communist Party or the Klu Klux Klan given that ILO standards require the admission of all applicants;

U.S. prohibitions in the National Labor Relations Act, NLRA, on the inclusion of supervisors in union, which is required by ILO conventions;

Exclusive bargaining rights provided under the NLRA, which are in conflict with ILO standards requiring minority unions be allowed to function;

Various Federal and State laws that place reasonable and balanced limits on the right to strike, which are in conflict with the ILO conventions’ prohibition on virtually all restrictions on the right to strike;

U.S. laws permitting the permanent replacement of striking workers, which the ILO has indicated may pose a risk to the effective enforcement of the right of collective bargaining when it occurs on an extensive basis;

Fair Labor Standards Act minimum age of 14 and state laws where there are no minimum ages for children working in agriculture contravene the ILO minimum age convention; and

Lack of equal remuneration or comparable worth rules.

The Peru FTA is likely to require State labor law changes as well. By requiring the adoption of these rights at the Federal level, the Peru FTA in combination with the U.S. Constitution’s Supremacy Clause, Article VI, section 2, is also expected to require any changes made at the Federal level to preempt conflicting State law. As a result, State right-to-work rules or lower minimum age standards would face significant risk of being overturned by dispute settlement panels.

The Peru FTA requires parties to promote migrant worker rights. Annex 17.6 requires the United States and Peru to engage in a wide range of capacity building work. While much of it could be useful, its obligation to promote migrant rights, without regard to the legal status of a migrant, creates a troubling requirement that the United States would be promoting rights for illegal immigrants at odds with Congress’s direction. For years, I have been a steadfast supporter of fair intellectual property laws that are appropriately enforced. The Constitution itself provides for the creation of intellectual property, and it has been the process used by brilliant U.S. innovators to develop, market, and sale groundbreaking new products for years. In the sea of red trade deficits we have faced for so many years now, IP and the innovative U.S. products that use its protection have been one of the few areas where the U.S. has a trade surplus.

Traditionally, trade agreements have strengthened American innovation abroad. However, with the newly renegotiated text found within the U.S.-Peru FTA’s IPR chapter, we see that we have walked back from the rigorous IPR protections found in previous agreements in favor of weakened provisions. These changes mainly affect one of America’s most productive industries, that of pharmaceuticals.

The U.S.-Peru FTA weakens IP protection in three ways:

First, the agreement does away with patent linkage. Linkage requires a country, before it approves a generic medicine for sale, to ensure that the brand-name medicine is no longer under patent. Without linkage, governments can help facilitate patent infringement. Linkage doesn’t hinder access to medicines, and it is not about compulsory licensing. It is about protection of basic patent rights. The proposed changes replace this simple enforcement procedure with a complex one. I don’t see what that accomplishes.

Second, the changes shorten the period of data exclusivity for innovative medicines, authorizing a shorter period than we require here in the United States. This change is not only unfair to U.S. innovators but devalues the incentive for launching new drugs in developing countries. Here is why. In developing countries, it is often difficult to enforce patent rights. But data protection is effective and relatively easy

to administer. It often provides the only real protection biopharmaceutical companies have when they invest significant resources to launch new products. You take away the protection and you take away the incentive to launch. It is hard enough to get companies to launch medicines quickly in these countries because the markets are so small. If you shrink data protection, you effectively shrink the market even further.

Finally, the new template no longer requires countries to add time to patent terms for pharmaceuticals to make up for undue delays in marketing approval or patent grant. We require patent restoration here in the United States, so why not abroad? Because, critics argue, patent terms are long enough as they are. But without patent term restoration, we actually go the other direction. Without patent term restoration, the effective patent term could actually shrink significantly.

From what I understand, the Democrats insisted on the changes to the IPR chapter in order to grant greater access to medicines for developing nations. What is ironic to me is that these changes will do just the opposite.

All of these changes were ostensibly part of an effort to promote access to medicines to poor people. A noble goal. But what is so absurd about this is that the changes may actually have the opposite effect and harm U.S. competitiveness in the process.

Why would we backtrack on IPR? Some may say that we are rich enough so that we can afford to give away the fruits of our ingenuity. But that is like saying we are rich enough to voluntarily close down our factories so that our competitors can have a chance. We don’t have that luxury.

Some say backtracking on IPR is necessary to help the poor and sick. That, too, is wrong. IPR is all about incentives. If you protect IPR, then people will have a stronger incentive to develop new and innovative products and bring them to market faster. If you don’t protect IPR, then those incentives are greatly diminished. Here is what we might expect with weak IPR protection:

There would be less incentive to launch products early in developing countries. Innovative companies would have less reason to show up when their technology could immediately be copied and sold by others who made no contribution to the R&D.

If there were fewer brand-name launches, there would be fewer generics. As brand-name medicines go off patent, generic medicine companies can rely on the safety approvals and market secured by the research-based companies, making more generics available to more people. Without the brand-name company securing the safety approvals and creating the market, fewer generics can enter the marketplace, and fewer people will get the medicines they need.

As a result, the poor would not have access to the newest and most effective medicines.

It is easy and convenient to use IPR as a scapegoat for poor health care systems. The reality is that access to medicines is helped, not hindered, by strong IPR protections. Problems in access to medicines are most often due to other factors, such as poor infrastructure, taxes, tariffs, an ineffective health care system, and different government funding priorities. By pointing at IPR, we divert attention from these much more critical problems. In sum, the changes we have foisted upon Peru are harmful not only to U.S. interests, but also to the very interests they purport to serve.

I applaud the USTR and her staff on their hard work in negotiating this agreement, especially in the area of intellectual property rights. However, I know there are several Senators in this body who represent States that contain numerous innovative companies that benefit from strong intellectual property laws and enforcement. While the overall agreement strengthens American IPR, it does so in a way that is not as vigorous as agreements in the past.

Millions of jobs across the country depend on these laws.

I know firsthand that many countries around the world would like nothing more than to see the U.S. intellectual property laws and enforcement diminished. Why? Because they want to exploit us.

They want to be able to steal our inventions.

They want to be able to ripoff our best and brightest ideas. They want our taxpayers to fund billions of dollars of extremely important research and then take it from us for free.

I have been assured by the administration that the issues that I have raised today will never become a problem for the United States. While I am confident that my concerns remain valid, I am unwilling to stand in the way of the President's trade agenda. The Peruvian trade agreement will provide needed trade benefits to many Utah businesses that exported \$7.7 million worth of goods in 2006, not to mention the overall benefit of the agreement to the U.S. economy as a whole.

Therefore, I will reluctantly vote for the U.S.-Peru FTA before us today. However, I will not give up on improving future trade agreements in the critical areas of labor and intellectual property rights.

Mr. KYL. Mr. President, I have never opposed a free trade agreement, FTA, although I have sometimes had reservations or concerns about different elements of the agreements.

I believe free trade encourages economic growth, improves living standards by making a wider variety of goods and services available at more affordable prices, and creates good-paying jobs. In fact, exports from the U.S. account for more than 10 percent of our annual gross domestic product and one

in six manufacturing jobs are related to exported products.

I also understand that the benefits of trade accrue not only to Americans, but also to workers in other countries; but this is also to our benefit. The more free trade encourages economic growth and job creation around the world, the more demand there will be for high-value American products and services. Trade fosters closer economic relations with other countries and those economic ties generally lead to improved political relations, which benefits our national security.

For these reasons, I have been a strong, consistent, and vocal supporter of free trade. And for these reasons, I take my vote against the Peru FTA today extremely seriously. I have decided to oppose the Peru FTA not because I have any quarrel with Peru or because I am in any way opposed to expanding our bilateral trade relations with Peru. In fact, I strongly support the original Peru FTA.

My opposition to the Peru FTA is rooted entirely in the agreement reached by the U.S. Trade Representative, USTR, with Members of the other body in May of this year. That agreement forced the U.S. to renegotiate the Peru, Panama, and Colombia FTAs to add new requirements for labor and environmental protections and weakened traditional trade agreement protections for certain U.S. intellectual property, IP, related to pharmaceutical products.

I am concerned about the labor and environment provisions, but I am simply puzzled by the intellectual property changes. I am not sure what my colleagues hoped to gain by weakening standard protections for U.S. intellectual property through this trade agreement. I see no reason why U.S. legislators would want to weaken the ordinary protections that are normally accorded to pharmaceutical intellectual property in our bilateral trade agreements. Peru did not, in the course of negotiations, ask us to weaken the IP requirements. Peru was perfectly willing to abide by the greater protections of the original FTA.

If the goal of these changes was to provide better access to lifesaving medicines in Peru, I worry that their effect could have the exact opposite result. Countries with weaker IP protections will have a difficult time encouraging U.S. companies to do business there. Respect for private property—including intellectual property—is essential to encouraging innovation. Without assurances that new and creative products and services will not be stolen by unscrupulous competitors or forcibly devalued by governments, there is a reduced incentive to take the economic risks that are necessary to achieve groundbreaking inventions.

And why should we expect that those who want to weaken protections for U.S.-owned intellectual property will stop at pharmaceuticals? Are computers, movies, music, and other prod-

ucts that involve valuable U.S. intellectual property next? U.S. intellectual property is one of our most valuable exports; it is not in the national interest of the United States to unilaterally weaken protections for it.

I would like to share some statistics that underscore my concern for protecting U.S. intellectual property. First, IP-related industries provide some of the highest quality jobs in the U.S. According to some studies, IP-related jobs pay as much as 40 to 50 percent more than jobs that are not dependent upon intellectual property. That means that devaluing U.S. intellectual property will hurt U.S. workers. Further, economists estimate that over 50 percent of U.S. exports depend upon intellectual property protection of some sort, up from below 10 percent 50 years ago. My colleagues know that theft of U.S. intellectual property is rampant overseas, costing U.S. companies many billions of dollars annually and costing the U.S. economy high-paying jobs. We should use FTAs to enhance protection for U.S. intellectual property, not weaken it.

Finally, I want to explain to my colleagues that I made my concerns known to the USTR on several occasions. When I first began hearing that the USTR might renegotiate the various Latin American FTAs to secure support in the other body, I made sure the USTR knew of my strong concerns about weakening IP protections. As the discussions progressed, six members of the Finance Committee wrote a letter to the USTR in May of this year outlining our very serious concerns with all of the areas under renegotiation: labor, environment, and intellectual property. Finally, when the USTR, Ambassador Schwab, came to meet with members of the Finance Committee this fall I again expressed my concerns about weakening the standard protections that had been traditionally accorded to IP in our other FTAs. Because the administration apparently made no attempt to address our concerns or to assure us that other actions could be taken to enhance protections for valuable U.S. intellectual property, I am compelled to oppose the Peru FTA.

I urge my colleagues to give additional thought to whether it is wise to unilaterally weaken the intellectual property protections we normally include in FTAs. These provisions better not be included in future FTAs or I will work for their defeat.

Mr. LIEBERMAN. Mr. President, I rise today to support the legislation to implement the United States-Peru Trade Promotion Agreement. The agreement promises to significantly strengthen our commercial and non-commercial ties with Peru and represents a new era for U.S. free trade agreements.

This agreement will significantly increase our goods trade balance with Peru. As a result of U.S. unilateral preference programs, about 98 percent

of imports from Peru presently benefit from duty-free treatment. The agreement will move beyond one-way preferences to reciprocal commitments. Immediately, 80 percent of the consumer and industrial products our firms export to Peru will be duty free; remaining Peruvian tariffs will phase out over 10 years. The International Trade Commission estimates that, upon the agreement's full implementation, U.S. exports to Peru will increase by \$1.1 billion, while U.S. imports from Peru will increase by \$439 million. Exporters across our country depend on world markets. In my home State of Connecticut, this agreement will open an important new market for our manufacturers of transportation equipment, machinery, and electronics, among other products.

The gains are likely to be even more significant for America's service industries. Take, for instance, the insurance industry, which has played a vital role in Connecticut's economy. The agreement will enable U.S. insurance companies to establish a presence in Peru while ensuring strong regulatory transparency, including license approval within 120 days. Similarly, Connecticut's vibrant financial services industry stands to benefit from the agreement's robust financial services chapter. Among other benefits, the chapter's provisions will enable U.S. asset managers to provide cross-border portfolio management services, even without establishing a physical presence in Peru.

But the agreement's implications transcend commercial boundaries. It will strengthen our alliance with Peru, a key ally in Latin America, contribute significantly to Peru's economic development, and extend our commitment to transparency and rule of law in Latin America.

The most recent free trade agreement this Chamber considered was with Oman in 2006. Consistent with my longstanding record of supporting trade as good for America's economy, and economic development in Arab and Muslim countries as important for peace in the world, I voted in favor of legislation to implement the Oman FTA. But during consideration, I voiced my concerns about the Oman FTA's labor provisions, announcing in this Chamber that: "I will not continue to support future free trade agreements unless the Administration becomes serious about negotiating labor and other improvements. . . ." By including basic worker rights recognized by the International Labor Organization, with full enforceability equal to all other provisions, I am satisfied that the Peru FTA addresses my concerns.

The inclusion of strong labor provisions, as well as unprecedented inclusion of multilateral environmental agreements, means this agreement's significance will extend beyond Peru. Indeed, this FTA represents a strong standard for our future bilateral free trade agreements. I applaud House

Ways and Means Chairman RANGEL and House Trade Subcommittee Chairman LEVIN for achieving consensus with the administration to address these key issues.

I have high hopes for expanding our trading relationship with Peru and for continuing to responsibly open markets across national borders. And I look forward to working with my Senate colleagues to enact legislation implementing FTAs that the administration has already signed with Colombia and Korea.

Mr. MCCAIN. Mr. President, I strongly support H.R. 3688, the United States-Peru Trade Promotion Agreement Implementation Act, PTPA.

The agreement before this Chamber today stands as another important milestone in the development of our relationship with Peru. The pending trade bill will help level the commercial playing field and solidify a genuine bilateral partnership based on free and fair trade that benefits not only Peruvians, but also U.S. workers and businesses. Ratification will also demonstrate to the people of Peru that we stand by them as an important democratic ally in a strategically vital region of the world.

As it currently stands, 98 percent of goods imported from Peru already enter the United States duty-free. If this agreement is passed and fully implemented, 80 percent of U.S. exports of consumer and industrial goods and over two-thirds of agricultural exports will gain duty-free access to the Peruvian market of some 29 million citizens. The agreement also contains provisions that address intellectual property rights, electronic commerce, customs and trade facilitation, and these provisions will reduce barriers on investment. The U.S. currently exports nearly \$2 billion in goods to Peru, a figure certain to grow as a result of increased access to this vibrant South American market.

While the economic benefits we will enjoy as a result of passing the PTPA are important, we must not ignore the political benefits as well. Peru stands as a shining example of the potential for democracy and open markets in South America. Following free and fair elections in 2006, Peru's economy continues to grow at an impressive rate of 8 percent annually, and its poverty rate has been on the decline since 2001. It is also important to recognize the assistance the Peruvian government has provided the United States in combating drug trafficking, countering regional security threats, and providing for our energy needs. Implementation of this agreement will lead to greater prosperity and development for the Peruvian people, helping to strengthen their nation and our relationship with them.

I have long advocated for economic freedom and open markets. Free trade has long served to promote economic growth, generate jobs, raise wages and lower prices for American workers and

consumers. I believe in the ingenuity and resilience of the American worker and am not afraid of their ability to compete successfully in the global marketplace. America is home to the best and the brightest, and should have the opportunity to play a significant role in an increasingly globalized marketplace. By passing this agreement, we will reaffirm our commitment to nations that share our interest in open markets, economic freedom, and democracy.

I urge my colleagues to support swift passage of this important agreement.

Ms. CANTWELL. Mr. President, I would like to briefly address H.R. 3688, the Peru Trade Promotion Act. While this agreement stands to provide significant benefits to our country's agricultural industry, it comes with unfortunate consequences for our country's asparagus growers. My home State of Washington is one of the top asparagus producing States in the country. However, since the passage of the Andean Trade Preferences Act, Washington has lost 21,000 of its 30,000 acres dedicated to asparagus and all three of Washington's asparagus canning facilities have now moved to Peru. This is the reason that I worked so hard to include a \$15 million Market Loss Program dedicated to asparagus growers in the Senate's version of the 2007 farm bill. This program will support domestic asparagus producers, helping them plant and harvest more efficiently and remain competitive in the international market. In the past 17 years, the \$200 million Washington asparagus industry has been reduced to a \$75 million industry. To say that I am concerned about this trade agreement's effect on Washington's asparagus farmers would be an understatement. I implore the Senate, as it continues negotiations on the farm bill to support these hard working individuals remain competitive in our international economy.

With that said, the Peru Trade Promotion Act stands to significantly benefit the majority of farmers both in Washington and throughout our Nation. Under this agreement, Washington businesses will increase their exports to Peru by an estimated 45-62 percent and will immediately eliminate significant tariffs on many key goods. For example, Washington leads the Nation in potato exports and the current tariffs, now reaching up to 25 percent, will be eliminated immediately on most potato products. Washington's wheat farmers, whose exports are currently valued at over \$314 million, will benefit greatly by the elimination of the 17-percent tariff on wheat. Washington's third largest industry, beef, has much to gain from the elimination of the 25-percent duty on beef. Dairy, our second largest farm industry will benefit from the elimination of a tariff system that has reached as high as 68 percent for dairy products being exported to Peru. Perhaps the most significant impact for Washington, however, will be for our

fruit growers. Washington ranks as the second largest fruit exporter in the Nation, bringing in \$833 million for the State. Duties on fruit exported to Peru are currently 25 percent and would be immediately eliminated under the PTPA—a huge win for Washington and its fruit growers. Peru is a new growth market for Washington's fruit industry and the elimination of these tariffs will make our fruit much more competitive in the export market.

Given the significant benefits the vast majority of farmers in my State stand to reap from the Peru Trade Promotion Act, I will vote in favor of it, despite my grave concern for its effect on our asparagus industry. As PTPA is implemented, I will continue to fight to support asparagus growers through the Market Loss Program included in the Senate farm bill or any other means available to me and I strongly urge this body to do the same. The PTPA will benefit many, but it is up to us to assist those whose livelihoods are affected in the process of its implementation.

**Mr. ALLARD.** Mr. President, I rise today to voice my support and will vote for the Peru Free Trade Agreement.

On November 18, 2003, the administration formally notified Congress of its intent to initiate negotiations for a Free Trade Agreement, FTA, with Peru. The United States and Peru announced a bilateral deal on an FTA on December 7, 2005, after resolving certain agriculture and intellectual property rights issues, as was signed April 12, 2006. The Peruvian Congress approved FTA legislation on June 28, 2006 by a vote of 79–14. Legislation to implement the Peru FTA was submitted by President Bush on September 27, 2007 and this legislation was approved by the Senate Finance Committee by voice vote on October 4. On October 31, the House Ways and Means Committee approved implementing legislation (H.R. 3688) by a vote of 39–0. The full House voted to approve the Peru FTA by a vote of 285–132 on November 9, 2007.

U.S. trade with Peru has doubled over the past 3 years, reaching \$8.8 billion in 2006. More than 5,000 U.S. companies export their products to Peru, and over 80 percent of these are small and medium-sized companies that stand to benefit significantly from U.S.–Peru Trade Promotion Agreement, PTPA. According to the American Farm Bureau Federation, after full implementation of the agreement, U.S. agricultural exports to Peru will increase by more than \$700 million per year.

According to the Department of Commerce–International Trade Administration, when the agreement enters into force, U.S. farmers and ranchers will also become much more competitive by benefiting from immediate duty-free treatment of 90 percent of current U.S. agricultural exports. Key U.S. agriculture exports such as cotton, wheat

soybeans, high-quality beef, apples, pears, peaches, cherries, and almonds will be duty free upon entry into force of the Agreement. Peru will phase out all other agricultural tariffs within 17 years.

According to the United States Department of Agriculture, USDA, exports of farm products boost Colorado's farm prices and income. Such exports support about 10,100 Colorado jobs, both on and off the farm in food processing, storage, and transportation. Agricultural exports amounted to \$852 million and made an important contribution to Colorado's farm cash receipts in 2006 that totaled nearly \$5.6 billion. The State of Colorado depends on world markets and exported shipments of merchandise to 197 foreign destinations in 2006 totaling \$8.0 billion. This is an increase of 44 percent over the 2002 level of \$5.5 billion.

The USDA further states that as a leading source of farm cash receipts at nearly \$3.3 billion, Colorado's ranchers and beef industry benefit from exports in a number of ways. For instance, Peru will immediately eliminate the 25 percent duties on the beef products of most importance to the U.S. beef industry—Prime and choice cuts. Peru will provide immediate duty-free access for U.S. exports of standard quality beef through the establishment of an 800 ton tariff-rate quota.

The dairy industry in Colorado is the second largest source of state farm cash receipts. Our dairy producers will benefit immensely from the PTPA. Peru will immediately eliminate its system of variable levies facing U.S. exporters. Also, Peru will immediately eliminate tariffs on whey. And, all Peruvian duties on dairy products will be eliminated within 17 years, with duties on some dairy products eliminated earlier.

The corn producers are Colorado's fourth largest source of farm cash receipts. Colorado corn producers will benefit under the PTPA by eliminating its system of variable levies facing U.S. exporters. Under the current system, tariffs can be as high as the WTO ceiling of 68 percent on some corn products. Moreover, all currently applied duties on crude corn oil will be phased out over 5 years; and on white corn and other corn products within 10 years.

The pork producers are Colorado's seventh largest source of farm cash receipts. Peru will phase out all duties, which are currently as high as 25 percent, on fresh, chilled, and frozen pork within 5 years.

There are other markets that Colorado will benefit from as this agreement becomes a reality. The elimination of Peruvian tariffs on products such as computer and electronic products, machine manufacturers and chemical manufacturers will provide a competitive boost to Colorado companies.

This historic agreement will provide a level playing field for American workers and farmers, ensuring that the

United States gets the full benefit of trade with this dynamic market. In the early 1990s, the United States unilaterally opened its market to Peru, and nearly everything imported from Peru enters the U.S. market duty free. However, when Americans sell their goods to Peru, they face average tariffs of 11 percent for manufactured goods and 16 percent for agricultural goods. PTPA is meant to correct this unfair trade imbalance by eliminating nearly all tariffs on U.S. exports to Peru within a few years. The U.S. International Trade Commission estimates this agreement will add \$1.1 billion to U.S. exports and \$2.1 billion to U.S. GDP. U.S. farmers and ranchers must continue to find a way to stay competitive in today's world market.

I urge my colleagues to join me today in supporting passage of the United States–Peru Trade Promotion Agreement Implementation Act.

**Mr. REID.** Mr. President, the Senate will finish consideration of the U.S.–Peru Free Trade Agreement today, with a vote this afternoon. Before getting into the merits of the FTA, I wanted to take a moment to discuss a broader issue. It is very unfortunate that the Bush administration's only policy towards Latin America has been to negotiate free trade agreements.

I just returned from leading a bipartisan delegation to Latin America and last year I headed a similar delegation to different Latin American countries, including Peru. What we heard repeatedly there in almost every country we visited was that the Bush administration had neglected the region.

And, in fact, they are right. We have cut development assistance, eliminated programs, and repeatedly overlooked our neighbors to the south. In the place of a robust and comprehensive policy of engagement, exchange, aid, and a variety of trade tools, we have a simplistic, singular policy of free trade agreements.

The Bush administration's narrow approach has been harmful in many ways. We have left a vacuum of diplomacy and engagement in many areas, which has allowed unconstructive forces space to expand influence. And our free trade strategy has been very divisive in many of the countries—a foreign policy that divides rather than unites.

I support engagement with Latin America; I strongly support being a better neighbor, but I do not support this narrow policy tool that the Bush administration has fixated on.

The Peru Free Trade Agreement is the first agreement that incorporates the new provisions on labor rights, the environment, and access to medicines from the May 10 agreement with Speaker PELOSI, Congressmen RANGEL and LEVIN, and Chairman BAUCUS.

These changes are significant. For the first time ever a trade agreement will include an enforceable obligation for each country to respect core, internationally recognized labor standards.

I hope that this new provision will have a dramatic impact over time.

If they are faithfully enforced, they can help to reduce inequality and establish broader middle classes in the developing countries with which we have free trade agreements. I applaud these and other changes that were part of that May 10 agreement.

While the May 10 agreement is very important, I have generally opposed free trade agreements for several reasons.

First and foremost, I think that for many years now, U.S. trade policy has been one dimensional—we have had one agreement after another, yet so many other aspects of economic policy have been absolutely neglected.

While we have approved new FTAs with 12 different countries since 2001, we still do not have an adequate trade adjustment assistance program. Studies show that those workers who lose their job due to trade on average see a substantial cut in wages in their next job. We need to do a better job of ensuring that these workers do not get left behind before we move forward with more and more agreements.

While we have approved all of those new FTAs, the Bush administration has absolutely fallen down on the job when it comes to enforcement of trade agreements. The Clinton administration brought on average 11 cases per year against foreign trade barriers at the WTO. The Bush administration has brought only a few more than 11 cases total over the last 7 years. The Clinton administration was very aggressive in using other tools of trade policy to fight against unfair trade and unjustifiable trade barriers. The Bush administration has taken numerous measures to weaken U.S. fair trade laws. The Bush administration has been impotent in responding to China's currency manipulation. The continued inaction on this critical issue has led to a situation that could destabilize global financial markets and economic prospects. While the May 10 agreement includes important new labor provisions, the Bush administration has repeatedly demonstrated that it will not enforce them.

It is hard for me to see how I can go home and tell my constituents that I want to support more and more trade agreements when the present administration has refused to aggressively support U.S. rights under our current trade agreements.

Finally, I remain concerned that U.S. free trade agreements have hurt many American workers and unwittingly caused problems in some of our free trade partners. The U.S. has lost about 3 million manufacturing jobs since 2001. Many of these jobs have gone overseas, replaced by imports from low-wage countries.

These lost jobs are offset by lower prices, no doubt. But a lost job has a more profound impact than our statistics account for. A lost job means a strain on a family. Large concentrations of lost jobs mean strains on com-

munities and local and State governments.

Also, as we saw in Mexico after NAFTA, these FTAs can be harmful to communities in our trading partners. More than a million Mexican farmers lost their land and livelihood after NAFTA. NAFTA was supposed to end illegal immigration to the U.S.; instead by pushing poor rural farmers off their land, it helped cause an explosion of illegal immigration.

So I recognize that this FTA reflects major improvements from the previous model. But, I still see many holes in U.S. trade policy that need to be filled. So, reluctantly, I oppose the agreement.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum and the time during the quorum call be equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 3 minutes on each side.

Mr. DOMENICI. I yield myself 1½ minutes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I rise late in the debate because I know it is an important issue, and I find myself wanting to say to the people of Peru that this Senator who comes from the State of New Mexico, where almost half our people speak Spanish—a commonality between our two countries—would expect that I show the appropriate concern for the people whom this treaty will benefit. That is why I am here. It is entirely proper that the United States show more concern and more consideration and have more relationships of mutual benefit with the countries of Central and South America, without a doubt.

I would like to have a few words from this Senator spread on the record to show that with what I have said, I concur. With this treaty, be it not the best because those who look at it from the standpoint of the best find fault here and there, it is as good as we are going to get and we ought to approve it. My vote will show up in favor, and that will be because I understand it. I understand what it means, and I am for the principles and the expected effect of this treaty.

I yield the floor.

The PRESIDING OFFICER. Who seeks time?

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. I ask for the yeas and nays on the vote previously scheduled.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on the third reading of the bill.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN) would vote "nay."

Mr. LOTT. The following Senator is necessarily absent: the Senator from Arizona (Mr. McCAIN).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 77, nays 18, as follows:

[Rollcall Vote No. 413 Leg.]

YEAS—77

|           |            |             |
|-----------|------------|-------------|
| Alexander | Domenici   | McConnell   |
| Allard    | Durbin     | Menendez    |
| Barrasso  | Ensign     | Mikulski    |
| Baucus    | Enzi       | Murkowski   |
| Bayh      | Feinstein  | Murray      |
| Bennett   | Graham     | Nelson (FL) |
| Bingaman  | Grassley   | Nelson (NE) |
| Bond      | Gregg      | Pryor       |
| Brownback | Hagel      | Roberts     |
| Bunning   | Hatch      | Rockefeller |
| Burr      | Hutchison  | Salazar     |
| Cantwell  | Inhofe     | Schumer     |
| Cardin    | Inouye     | Sessions    |
| Carper    | Isakson    | Shelby      |
| Chambliss | Johnson    | Smith       |
| Coburn    | Kennedy    | Snowe       |
| Cochran   | Kerry      | Specter     |
| Coleman   | Kohl       | Stevens     |
| Collins   | Landrieu   | Sununu      |
| Conrad    | Lautenberg | Thune       |
| Corker    | Levin      | Vitter      |
| Cornyn    | Lieberman  | Voinovich   |
| Craig     | Lincoln    | Warner      |
| Crapo     | Lott       | Webb        |
| DeMint    | Lugar      | Wyden       |
| Dole      | Martinez   |             |

NAYS—18

|        |           |            |
|--------|-----------|------------|
| Akaka  | Feingold  | Reed       |
| Boxer  | Harkin    | Reid       |
| Brown  | Klobuchar | Sanders    |
| Byrd   | Kyl       | Stabenow   |
| Casey  | Leahy     | Tester     |
| Dorgan | McCaskill | Whitehouse |

NOT VOTING—5

|         |        |       |
|---------|--------|-------|
| Biden   | Dodd   | Obama |
| Clinton | McCain |       |

The bill (H.R. 3688) was passed.

Mr. CARDIN. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRASSLEY. Mr. President, with today's passage of the United States-

Peru Trade Promotion Agreement Implementation Act, we have taken a long-overdue step to strengthen our relationship with Peru, a close friend and important ally in Latin America. This agreement will result in new economic opportunities for U.S. farmers, manufacturers, and service providers, and I am pleased that the Senate has finally voted in favor of its implementation.

None of this would have been possible without the leadership of two of our United States Trade Representatives, Susan Schwab and her predecessor, Rob Portman. I want to thank Ambassador Portman for his hard work at the negotiating table that resulted in a solid agreement that will level the playing field for U.S. producers and exporters. And, I want to thank Ambassador Schwab for her dedication and perseverance that culminated in the May 10 bipartisan trade compromise, which set the stage for today's successful vote. Also meriting special mention for their tireless efforts are the Assistant United States Trade Representative for the Americas, Everett Eissenstat, and his predecessor, Regina Vargo.

Here in the Senate, I want to begin by thanking the chairman of the Finance Committee, Senator MAX BAUCUS. He is a true leader on trade and on the committee. And he is supported by a strong staff. That starts with the Democratic staff director on the Finance Committee, Russ Sullivan, and the deputy staff director, Bill Dauster, who were critical to the process. I also want to thank his chief international trade counsel, Demetrios Marantis, as well as the other members of the Democratic trade staff, Amber Cottle, Janis Lazda, Chelsea Thomas, Darci Vetter, and Hun Quach, and two individuals serving on detail to Senator BAUCUS, Russ Ugone and Ayesha Khanna.

Of course, I am grateful for the outstanding effort of my staff as well. First, my chief counsel and staff director, Kolan Davis, merits special mention. His legislative expertise has been instrumental in moving countless bills and this is no exception. I also want to thank my chief international trade counsel, Stephen Schaefer, as well as David Johanson, David Ross, and Claudia Bridgeford Poteet. And, I want to thank John Kalitka, who is on detail to my office from the U.S. Department of Commerce.

Finally, I want to thank Polly Craighill and Margaret Roth-Warren of the Office of the Senate Legislative Counsel for their hard work on this legislation. As always, Polly's patience and expertise have been invaluable in producing a top-notch bill. Margaret is a relatively recent addition to the office and already she is proving herself a very strong asset to our legislative team.

Today's vote is long overdue. The May 10 compromise was expected to pave the way for quick consideration of all four of our pending free trade agreements, as well as the renewal of trade

promotion authority. That hasn't happened as quickly as I would have liked. Still, today's vote is a critical first step, and I hope we can use this vote to build momentum toward implementing the next agreement in line, which is our trade agreement with Colombia. We should move the Colombia trade agreement as soon as possible, and I will work hard toward that outcome in the 110th Congress.

Mr. KERRY. Mr. President, today the Senate voted to approve H.R. 3688, the United States-Peru Trade Promotion Agreement Implementation Act. In July of 2006, I opposed this agreement when it came before the Senate Finance Committee because it lacked enforceable labor standards—standards that Peru's President Alejandro Toledo indicated a willingness to support. What a difference a year makes. As a result of a landmark bipartisan agreement reached in May of this year, and for the first time ever in a free trade agreement, our agreement with Peru encompasses meaningful and enforceable labor and environmental protections.

The labor chapter of the agreement requires both the United States and Peru to adopt and maintain domestic laws to implement the five core standards incorporated in the 1998 ILO Declaration on Fundamental Principles and Rights at Work: (1) the right to organize; (2) the right to bargain collectively; (3) prohibitions on forced labor; (4) protections for child labor; and (5) freedom from employment discrimination. The environmental chapter requires both the United States and Peru to adopt and maintain domestic laws to implement the obligations in seven multilateral environmental agreements to which both the United States and Peru are parties. I have long championed the inclusion of enforceable labor and environmental standards in free trade agreements, and I supported the agreement today because of these chapters. It is imperative that our trading partners be held to high labor and environmental standards, and I would not stand in support of this agreement had these provisions not been included.

The Peru Free Trade Agreement is a landmark achievement that makes these provisions fully enforceable—subjecting these provisions to the same dispute resolution system that applies to the commercial provisions of the agreement. I urge the President, along with the office of the U.S. Trade Representative, to hold Peru's government accountable to these provisions. By ensuring that these standards are fully enforced, the President can solidify this agreement with Peru as a model for dealing with future trading partners.

#### MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period for the transaction of morn-

ing business, with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARDIN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COLEMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota is recognized.

#### LIHEAP

Mr. COLEMAN. Mr. President, winter is fast approaching. The Senator from Minnesota was out there with his snow blower and shovel already this weekend. We had from 6 to 10 inches of snow in some portions of the State, 6 inches in the metro area. It was minus 2 when I woke up one day in the Twin Cities, in St. Paul. I traveled around the State. I think it was around minus 8, minus 9, and that is not getting cold yet. In that weather, we actually button the top button but no more.

The reality for many families is cold weather has a lot of people deeply concerned about their ability to keep the heat on. Most of us look forward to the coming of the holiday season as a time we get together with loved ones. For many Americans, this holiday season comes at a time when the cost of energy is skyrocketing. It is raising the level of anxiety as to whether they are going to be able to pay these ever-rising heating costs.

I will never forget a hearing I held for the Permanent Subcommittee on Investigations. I actually did a hearing on the issue of energy costs in my home State last year. I got a chance to listen firsthand to folks who, last year, were impacted by rising energy costs. They bear down on young and old alike.

I had the opportunity to meet Deidre Jackson, a single mother, working professional, and college student who saw her heating bill go through the roof. Meanwhile, Lucille Olson told a story familiar to many seniors of the struggle balancing the high cost of health care, prescription drugs, with heating bills that represented 30 percent of her monthly income. Unfortunately, for many seniors, this is not a balancing act that is easily maintained. Stories abound of grandmothers and grandfathers having to choose between food, medicine, clothing, and heat. This should not happen in America in the 21st century.

It is for stories such as these that we have the Low Income Home Energy Assistance Program—LIHEAP—to provide heating and cooling assistance for folks who are struggling to get by. To many Americans, LIHEAP is a real lifeline. More than 70 percent of families receiving LIHEAP assistance have