



FOR IMMEDIATE RELEASE

March 31, 2011

CONTACT: [Julia Lawless](#), [Antonia Ferrier](#)

(202) 224-4515

## HATCH STATEMENT AT FINANCE COMMITTEE HEARING EXAMINING ECONOMIC OPPORTUNITIES WITH TRADING PARTNERS IN APEC

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, today delivered the following opening statement at a committee hearing examining economic opportunities with trading partners in the Asia-Pacific Economic Cooperation (APEC) forum:

APEC can be a critical tool to open new markets in the region. But, a tool is only as effective as the person using it. A hammer in the hands of an unskilled builder will yield limited benefits. But, put that hammer in the hands of a master craftsman and you can create a sound and sturdy structure that endures a lifetime.

During the U.S. host year, we must use the APEC tool well and create real enduring economic benefits for America's workers and exporters.

To make APEC more meaningful and relevant we need to focus on concrete outcomes and meaningful goals. No one is better equipped to help us define those goals than the U.S. private sector. That is why I am pleased to welcome Rich Hartvigsen from Nu Skin Enterprises to the Committee today. Nu Skin operates in over fifty markets around the world and has significant experience doing business in the Asia-Pacific region. I am grateful that Rich took the time to travel from Provo, Utah to share his company's practical experience with us.

Nu Skin is one of many companies in Utah that benefit from trade in the APEC region. Of Utah's \$10.3 billion in goods exports in 2009, \$4.0 billion — or 39 percent — went to markets in the Asia-Pacific region. These exports include computers and electronic products, manufactured chemicals, processed foods, transportation equipment, and high quality Nu Skin products, among others. And our exports are growing. In fact, Utah is the only State in the country to double exports in the last five years.

As the Administration reaches out to stakeholders across the country to help ensure that our host year is a success, I will work hard to make sure that our Utah trade community is well represented throughout this process. I also want to recognize the significant work of

Chairman Baucus whose home state of Montana will host the APEC trade ministerial this year in Big Sky in May.

As Chairman Baucus knows, a great deal of work needs to take place for our host year to be a success. Working together we can seize this historic opportunity, take on meaningful work, and address new and innovative challenges. If we use APEC effectively, we can steer the direction of world trade well into the future.

The Administration's commitment to tackling next generation trade and investment issues within APEC is laudable. Among the issues I hope will be at the top of the agenda are protecting intellectual property rights, harnessing the power of global and regional supply chains, enhancing trade facilitation, and responding to the rise of state-owned and state-assisted enterprises.

APEC economies are among the most innovative in the world. To further foster that innovation, APEC economies should adopt strong and effective intellectual property rights protections. One way might be to seek development and establishment of best practices to better protect intellectual property rights.

The development of elaborate global and regional supply chains has changed how business reaches new consumers. But man-made and natural disasters disrupt these supply chains, as we have seen from the tragedy unfolding in Japan. Such disruptions can impact manufacturing here in the United States as parts and components no longer reach our factories and exports cannot reach their destination. Global and APEC regional supply chains provide enormous benefits to American businesses and consumers while presenting new challenges. To ensure the strength, stability, and safety of these supply chains – APEC economies will need to work together. Enhancing trade facilitation and the movement of goods and services across the APEC region should be a top priority.

APEC can also serve as an incubator for new ideas. For example, some of the cutting edge issues being negotiated in the Trans-Pacific Partnership negotiations first originated in APEC.

An area that merits considerable work is developing disciplines on State-Owned and Assisted-Enterprises to ensure they do not compete unfairly with private industry. I am alarmed that too many governments provide regulatory favoritism, leverage government procurement, require the use of indigenous innovation, and provide cheap financing to the benefit of their State-Owned or Assisted enterprises, but to the detriment of American businesses and farmers trying to compete. I hope the Administration will accept this challenge to set the rules of trade to address this increasingly complex and growing problem.

Our host year provides an exceptional opportunity for leadership. What better way to demonstrate U.S. leadership on trade during our APEC year than to pass all three Free Trade Agreements. Action, not words, is the true test as to whether the President truly supports

opening markets, growing exports, and creating new opportunities for American businesses around the world. If we can't implement agreements we negotiated five years ago, how can we expect our trading partners in APEC to take us seriously when we talk about liberalizing trade and tackling 21<sup>st</sup> century trade issues?

Finally, a word of advice to the President about the TPP negotiations. I strongly support the Administration's efforts to negotiate a high-standard 21<sup>st</sup> Century regional trade agreement that will create jobs here at home and increase American competitiveness. But we also should not lose sight of the basics. To me a high-standard agreement is one that truly opens foreign markets to U.S. competition, promotes high standards of protection for all types of intellectual property rights and investment, and does not sacrifice the overwhelming economic benefits of a commercial agreement to the vagaries and never-ending demands of a labor and social agenda.

###