



FOR IMMEDIATE RELEASE
May 26, 2011

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HATCH STATEMENT AT FINANCE COMMITTEE HEARING EXAMINING THE U.S.-KOREA FREE TRADE AGREEMENT

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 the U.S.-Korea Free Trade Agreement:

Today is the last of three hearings on our pending trade agreements. I want to thank Senator Baucus and his staff for the steadfast leadership that helped to get these agreements to where they are today. With today's hearing, we are one step closer to seeing our trade agreements with Colombia, Panama and Korea become a reality.

In many ways, the Korea FTA is the gold standard for trade agreements. This agreement levels the playing field for American goods and services in an economy worth over one trillion dollars. The FTA incorporates state of the art intellectual property rights protections, significantly expands services sector market access, opens a large agriculture market, and offers new market access for American manufacturers. This FTA adopts the most advanced regulatory, non-tariff barrier, and investment provisions of any FTA and champions the rule of law which is so critical to an effective and fair rules-based trading relationship. The Korea FTA provides an impressive foundation upon which to build our future FTAs — including the Trans-Pacific Partnership.

The Administration has set a goal of doubling exports in five years. Quick approval of this Agreement will help us reach that goal. For Utah, South Korea is already an impressive market, importing more than \$294 million dollars of goods from Utah in 2009. Implementation of the agreement will help boost Utah's exports even more, as over two-thirds of our exports to Korea will become duty-free immediately. The sectors that will immediately benefit from the agreement's tariff cuts reflect Utah's economy, including computers and electronics, metals and ores, machinery, agriculture and services.

But the benefits of this agreement for Utah go far beyond just reducing tariffs. By adopting the strongest intellectual property rights, regulatory reforms, investment protections, and transparency provisions, the Korea FTA will ensure that Utah's companies, farmers, and

workers realize the full potential of the South Korean market. By protecting the ideas of Utah's entrepreneurs and providing a level playing field, Utah will be in a good position to double our State's exports again over the next five years.

I am very pleased that Tim Guertin could join us this morning. Tim is the CEO of Varian Medical Systems, a world leader in manufacturing medical devices and software. By protecting Varian's intellectual property rights as well as reducing tariffs and other barriers that inhibit Varian from selling its products in Korea, this FTA will strengthen Varian and its workforce. Varian employs workers aground the world, including almost 700 in my home state of Utah. So I am especially interested to hear about how the agreement will impact your company.

As I noted earlier, today is our last hearing on the three pending free trade agreements. Although the Korea FTA is certainly the most economically significant, it is critically important that the President submit all three agreements. Achieving approval of all three agreements remains my number one trade priority. Why that has not happened yet remains a mystery to me.

I do not understand the President's excuses for further delay. Lack of support is not the issue. Once submitted to Congress, these agreements will gain strong bipartisan support. Economic concerns are not the issue. We all agree that that these agreements will provide a sorely needed economic boost to the economy and that if we do not act, other nations will take these markets from us. Foreign policy is not the issue. We all agree that Colombia, Panama, and South Korea are key regional allies and that approving these agreements will help strengthen our alliances. Yet, the President still will not submit these agreements to Congress.

Let's be clear. Failure to submit the agreements cedes foreign markets to our competitors. Failure to submit these agreements sends a chilling signal around the world that the United States is not a trusted ally on trade. Failure to submit these agreements is tantamount to a failure in leadership.

Further delay imperils the recent gains made toward consideration of the pending trade agreements. If we do not have an opportunity to vote on these agreements this summer, I am afraid we never will. So, Mr. President, please don't let the summer slip by before sending these agreements to Congress. The American people and our allies can no longer wait.

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