

**Ways & Means Committee Member Day Hearing
Representative K. Michael Conaway, Ranking Member, House Agriculture Committee
Tuesday, June 4, 2019**

Chairman Neal, Ranking Member Brady, and Members of the Committee, thank you for permitting me time today to discuss the vital importance of ratifying the USMCA.

For those Members who have farmers, ranchers, and dairymen in your districts, you are undoubtedly already aware that there is near-universal support among agriculture groups for Congressional ratification of USMCA.

For Members of the Committee who do not have significant agricultural production in your districts, I do hope you will take into consideration the level of support this agreement is garnering in rural America.

Going into negotiations with Mexico and Canada, the Administration pledged to avoid any backsliding when it comes to U.S. agricultural exports to our two neighboring trading partners while also working to expand farm exports and to level the playing field for manufacturing, services, and other sectors of our economy.

The Administration's clear success on the agriculture end of this commitment is evident as measured by the strong show of support from those whose livelihoods depend on the farm, ranch, or dairy.

I know that USMCA has received a similarly strong endorsements from the other sectors of our economy.

I will leave it to others to appraise the advances on the labor front except to say that leveling the playing field for the American worker has been the lifelong professional endeavor of Ambassador Lighthizer.

This is the Ambassador's wheelhouse and, in my estimation, USMCA is the most pro-labor trade agreement that I have ever seen negotiated by a president of either political party.

While perhaps there may still be room for improvement on this aspect of the agreement through implementing legislation and the like, I very much hope that in the end analysis Congress will come together in a strong bipartisan fashion to support USMCA in order to increase our nation's exports and to keep our economy growing.

U.S. farmers and ranchers, dairymen, and rural America are certainly counting on us.

You see, they have seen a 50 percent drop in net farm income since 2013 — the largest drop since the Great Depression.

This precipitous drop in farm income has been exacerbated by a streak of record-breaking hurricanes, wildfires, flooding, drought, and other natural disasters.

The lethal combination has resulted in the rise of chapter 12 farm bankruptcies and tightening credit. These poor conditions are in good part thanks to the predatory trade practices of foreign countries that use high and rising subsidies, tariffs, and non-tariff barriers to the detriment of our nation's farmers, ranchers, and dairymen.

For many years, presidents of both parties have tried to sweep the violations of our trading partners under the rug for fear that any publicity caused by our pushing for enforcement would reflect poorly on U.S. trade policy.

Instead, by failing for so long to hold our trading partners to their end of the bargain, we have hurt our economy, hemorrhaged jobs, and made the leveling of the global playing field all the harder.

Farmers, ranchers, dairymen, and rural America all know this because they have been on the front lines of trade for a long, long time.

For rural America, trade is a double edged sword: it is absolutely essential. But, it is also extraordinarily frustrating — and costly — when we live by the rules of trade agreements while others don't.

It is for this reason that farmers, ranchers, dairymen, and rural America have been patient with the Administration in its efforts to right the ship.

They want the cheating to stop, confident that if they simply have an authentically free and fair market, they can compete with anyone around the world.

Ratification of the USMCA is our first opportunity to respond forcefully and favorably to that pent up demand of our constituents for a truly fair trade deal. And, every day that passes without ratification of USMCA is another day of lost opportunity for our nation's farmers, ranchers, and dairymen.

I know that we live in politically charged times where Washington seems to put off until tomorrow anything and everything that might give one side something to run on for reelection.

I hear from farmers and ranchers all of the time that they are deeply concerned that partisan politics will scuttle ratification of USMCA and lead to withdrawal from NAFTA.

For once, let's shock the American people in a good way.

Ratification of USMCA is a big enough win for all of us to take credit for.