

some instances, from foreign countries sitting at our docks, being sold into our markets at below our production costs.

How did that come about? That came about because the government of the producing country that sent the boatload of grain to the Port of Portland subsidized it down to a level that they could actually enter our market and compete against our producers who were getting 1950 prices for their 1998 barley crop.

How do you pay for a brand new tractor or a brand new combine with 1950 dollars in 1998? You do not. You run the old combine, you fix it up, or you go bankrupt. But that is exactly what was happening because our negotiators did not do the effective job of bringing down export subsidies in a way that would disallow the greatest grain-producing country in the world to accept grain at its ports from foreign nations at below our cost of production. That is the best example I can give.

Mr. DORGAN. If the Senator would yield, I think the Senator is describing, at least in one case, a barley shipment coming from the European Union to Stockton, CA. It pulled up to the dock in Stockton, CA, and was able to offload barley shipped over here from Europe at a price that was dramatically below the price that was received in this country by barley growers, at a time, incidentally, when our barley price was in the tank.

How could that be the case? The reason they could do it is they deeply subsidized it. In fact, they dumped it into our marketplace. When that ship showed up at the California dock, it represented legal trade. Think of that: A deeply subsidized load of grain coming into a country that is awash in its own barley, with prices in the tank, and that ship shows up, and it is perfectly legal. They can just dump it into our marketplace. They can hurt our farmers. It doesn't matter because it is legal under the previous trade agreement.

That describes why our farmers and ranchers in this country are so upset. They have reason to be upset. They ought to be able to expect, when our negotiator negotiates with other countries, that we get a fair deal. It is not a fair deal to say to other countries: We will compete with you, but you go ahead and subsidize; drive down the price. Dump it, if you like, and there will be no remedy for family farmers to call it unfair trade because we in our trade agreement will say it is OK.

It is not OK with me. It is not OK with the Senator from Idaho. It is not OK with many Republicans and Democrats who serve in Congress who insist it is time to ask that trade be fair so our producers, when they confront competition from around the world, can meet that competition in a fair and honest way. That is not what is happening today.

If I might make one additional point, the Senator represents a State that borders with Canada, a good neighbor of ours to the north. My State borders with Canada. I like the Canadians. I think they are great people.

But following the trade agreement with Canada, and then NAFTA, we began to see this flood of Canadian durum coming into this country. It went from 0 to 20 million bushels a year. Why? Do we need durum in this country? No. We produce more than we need. Why are we flooded with durum? Because Canada has the state trading enterprise called the Canadian Wheat Board, which would be illegal in this country but legal there.

They sell into this country at secret prices. It is perfectly legal. You can sell at secret prices. You dump and hide behind your secrecy, and no one can penetrate it. That is why our farmers are angry. It has totally collapsed the price of durum wheat. It is unfair trade. All the remedies that farmers and ranchers would use to fight this unfair trade are gone.

Ranchers have just gotten together in something called R-CALF. They have spent a lot of money and legal fees and so on and taken action against the Canadians. Guess what. The first couple steps now they have won. But that should not be that way. You should not have to force producers to spend a great deal of money to go hire Washington law firms to pursue these cases.

Trade agreements ought to be negotiated aggressively on behalf of our producers in order to require and demand fair trade. But I wanted to make the point about State trading enterprises, which must be addressed in this new WTO round, because the STEs have dramatically injured American farmers and ranchers.

My expectation is that Senator CRAIG has discovered exactly the same circumstance in Idaho in terms of his ranchers and farmers trying to compete against sanctioned monopolies from other countries.

Mr. CRAIG. The Senator is absolutely right. When he speaks of Statetrading enterprises, the Canadian Wheat Board and the Australian Wheat Board control over one third of the world's wheat and wheat flour trade. As the Senator just explained, those negotiations are kept secret. Those trading enterprises buy the grain from farmers at the going market price. Then when they sell it, they do not report it. If they are to sell it well below the cost of the market, to get it into another country for purposes of sale, they sell it, and they are subsidized accordingly. If they can make money, they make money. But the point is, those kinds of transactions are not transparent. They are not reported.

In my State of Idaho, you can get a truckload of barley out of Canada to an

elevator in Idaho cheaper than the farmer can bring it from across the street out of his field to that elevator. Why? Because that was a sale conducted by that particular trading enterprise, and it was sold well below the market, and, of course, that was not reported. You do not have marketplace competition. You cannot even understand it and compare figures, if you have no transparency in the marketplace. State trading enterprises are known for that, and we have asked our Secretary of Agriculture and our trade ambassador to go directly at this issue. Even the farmer of Canada now recognizes that this is also disadvantaging the producer in Canada, to have this kind of a monopolistic power controlling the grain trade of the world.

Mr. DORGAN. Mr. President, I have been pleased to work with Senator CRAIG and others in establishing this caucus. I will be in Seattle at the trade talks, as are many of my colleagues. We are determined this time to make sure that, at the end of these trade talks, we do better than we have done before on behalf of family farmers and ranchers.

Will Rogers said, I guess 60 years ago, the United States of America has never lost a war and never won a conference. He surely would have observed that if he had observed the trade negotiations that have occurred with Republican and Democratic administrations over recent decades. We are determined to try to change that. That is the purpose of this caucus.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, what is the pending business?

The PRESIDING OFFICER. Morning business is closed.

BANKRUPTCY REFORM ACT OF 1999—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative assistant read as follows:

A bill (S. 625) to amend title 11, United States Code, and for other purposes.

Pending:

Grassley amendment No. 1730, to amend title 11, United States code, to provide for health care and employee benefits.

Kohl amendment No. 2516, to limit the value of certain real or personal property a debtor may elect to exempt under State or local law.

Sessions amendment No. 2518 (to amendment No. 2516), to limit the value of certain real or personal property a debtor may elect to exempt under State or local law.

Feingold (for Durbin) amendment No. 2521, to discourage predatory lending practices.