



TPA Bill Passage Fails on First Attempt

U.S. Congressmen decided that Friday June 12th was the day to vote on three components of the trade bill: Trade Adjustment Assistance (TAA), Trade Promotion Authority (TPA), and the customs and enforcement bill.

However, the vote on TAA failed by a large margin 126-302, as a simple majority of 218 votes was required for the bill to pass. Despite this first setback, lawmakers continued voting on the two other components of the bills (TPA and customs) which, contrary to the TAA, were approved by 219-211 and 240-190 respectively.

Because TPA and TAA were packaged together, the final passage of fast track Presidential trade negotiation authority will have to wait until a revote on TAA is considered this week. U.S. President Barack Obama, who was due to sign both legislations together, asked for the revote to place as soon as possible. Pro fast-track lawmakers warned that this second opportunity to vote on TAA may be the final opportunity to get the program renewed before it expires for good on September 30th.

The TAA was attached to TPA to help U.S. workers who would be adversely affected by a potential TPP agreement.

Observers say the House may consider a revote on TAA as early as June 16th, despite the perceived short timeframe to lure those who voted against it to change their minds. In order to prevail, the Republican leadership will have to convince another 92 or so Republicans to vote for TAA – a program most of them hate – in order to move forward on the TPA (which the Republicans support).

As the uncertainty continues this week, most observers find it hard to imagine how an overwhelming swing of votes could occur so quickly, given the unlikelihood that a significant number of Democrats would similarly change their “no” votes in such a short period of time.

That being said, it is believed that House lawmakers can always consider voting on the TPA on a standalone basis if the second vote on TAA fails. However, this last scenario may likely take more time than anticipated as lawmakers would then have to reconcile the House version of the TPA with the Senate-passed bill, which would take quite a while, before going back to Senate and House for a new vote where success would still be unsure.

A deal on TPA is essential for the TPP to enter the end game. Many TPP countries, including Japan and Malaysia are believed to be waiting for the passage of the authority before tabling their best offers, observers say.

Early rumours have it that TPP chief negotiators (CNs) were planning to meet the week of June 22nd in Oakland, California. This upcoming negotiating session is heavily dependent on the passage of TPA as the CNs meeting will serve as a preparatory session for the final Ministerial gathering.

However, Japanese officials already believe that the June 22nd CNs meeting is now in jeopardy following the failure to agree on the TPA package last Friday. Japan’s TPP minister, Akira Amari, does not believe that the full-blown ministerial meeting between the 12 TPP countries could take place at the end of June or even in early July.

“The shortest possible schedule for the next ministerial meeting toward a broad TPP deal now appears difficult,” Amari was quoted as saying.

Geneva Watch is published by Dairy Farmers of Canada, Chicken Farmers of Canada, Egg Farmers of Canada, Turkey Farmers of Canada and Canadian Hatching Egg Producers to report on the various events occurring in Geneva, particularly on the WTO negotiations on agriculture.

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