I am pleased that the IG has agreed to look into the matter. Trust in government is very important. I am hopeful that the investigation, and an oversight hearing, will shed some light on what happened at USDA, and pave the way for more effective and transparent policymaking under this administration's watch. I don't think anyone would dispute that we are not doing right by rural America when we hide things and provide special treatment for large corporations. One thing we can do here in the Congress to help ranchers is to take up my bill to reinstate the date adopted in the 2002 farm bill for implementation of country-of-origin labeling.

I have asked the majority leader to allow us to consider this legislation, but as I have mentioned, there appears to be another agenda at work in the Senate.

To refresh memories on the labeling law, which we call ''COOL,'' the purpose of the provision was simply to allow for certain fruits, meats, and vegetables to be labeled with their country of origin.

it was a way to add value to our domestic products by offering American consumers and others around the world a choice about the food they feed their families. Polls show that Americans, in particular, want to ''Buy American.'' But when it comes to food, they don't have that choice. Labels tell us where the clothes we put on our bodies come from, but not where the food we put in our bodies comes from.

To fix this discrepancy, Congress passed COOL in 2002, despite the Bush administration's opposition—opposition that reflected the position of the large meatpackers who said they didn't want the labels because it might add a few pennies to the cost of doing business. Never mind that consumers say, by a large majority, that they are willing to pay a few cents more to have this information.

Notwithstanding Congress's clear decision to implement labeling, the administration and the meatpackers wouldn't give up. In the middle of the night in January, in a meeting that was closed to Democrats, Bush administration officials and the majority leadership added a small provision to the Omnibus Appropriations bill to delay the labeling law until 2006—essentially paving the way to killing this important consumer information tool.

People ask me all the time, Why do you object to going to conference? Why can't you go to conference on these bills and allow the process to work?

I have to say that it is exactly situations like this that demonstrate how things don't work in Congress sometimes. That is why, once again, the agreement that we reached last night on the so-called FSC bill was critical in ensuring adequate confidence and participation on the part of Democrats as we go into yet another very important conference.

Are we doing right by America when we allow the Bush administration and a few in leadership to override the clear majority of the House and Senate? After all, both the House and Senate passed COOL with bipartisan votes.

Are we doing right by America when we allow these sorts of back-room deals? We are not—clearly.

Another topic I want to discuss for just a minute is conservation.

I believe that we have the best farmers in the world. I also believe that farmers are the true American conservationists. They work the land they love and they take care of the land. They are the best stewards that we could hope for.

But, as a Nation, we value conservation to such an extent—and this is a testament to the character of the American people—we value conservation to such an extent that we have supported programs to encourage farmers and ranchers and rural residents to do even more than they already do to protect wetlands and to preserve grassland and other natural areas.

Programs such as the Conservation Reserve Program, the new Grasslands Reserve Program, the Environmental Quality Incentives Program, and the Conservation Security Program championed by Senator HARKIN all reflect a tremendous and important commitment to conservation. In fact, I have said that the 2002 farm bill was the ''greenest'' farm bill ever. Many of us remain extremely proud of those efforts.

But administration officials found a way to reallocate critical conservation funds away from many of these important programs. They have, by their actions, failed to allow government to follow through on the promises we made to the American people in 2002.

The Bush administration's approach doesn't recognize the important weight that Americans place on conservation—on protecting our natural resources.

It is also out of step with what Congress and the American people want and expect from a farm bill that was supported by a wide bipartisan majority only 2 short years ago.

These are only a few examples of the deficient rural policies that fail to address the very troubling figures I discussed earlier.

If we ask, Are we doing right by rural America? The answer is clearly no.

In the future, I will discuss other issues that impact rural America. But on these critical issues—disaster aid; energy policy; livestock, trade and conservation issues—on all of these matters, the answer is that we need a change.

The Bush administration is not doing right by American farmers, ranchers, rural residents, or the communities in which they live.

We can, and we should, do better. And I am optimistic about the future of rural America because I believe we will do better.

In the coming months, rural America will get a chance to learn more about those who have a positive vision for the future; those who understand that rural residents should not be taken for granted; and those who know that they have an obligation to provide serious leadership and strive to make progress.

Together, I am confident we will make that progress.

I yield the floor.

ORDER OF PROCEDURE

Mr. REID. Mr. President, on behalf of the minority leader, we designate our time to Senator KOHL, 5 minutes; Senator DORGAN, 5 minutes; Senator CONRAD, 5 minutes; and Senator CANTWELL, 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I want to take a moment to address an issue of serious concern to families across the United States—the continued high cost of gasoline. Over the last few years, spring has always meant gas price spikes to southeastern Wisconsin. This year, that trend has gone nationwide, with consumers and businesses from coast to coast experiencing gas prices of over $2 a gallon.

The current average price for a gallon of gas is $1.89, up 40 cents over last year. That means that a family owning one car can expect to spend an additional $286 this year on gas over last year. If a family has more than one car, then they are looking at almost an additional $600. With job losses plaguing the manufacturing sector and stagnant wages for those who have been lucky enough to keep their jobs, that kind of increase in the cost of transportation is a serious problem.

And it is not only families who are feeling the pinch of high gas prices. Wal-Mart, the country's biggest retailer, has expressed concern that these higher fuel prices will result in lower sales—and in fact, the Commerce Department reported yesterday that retail sales saw their largest drop in 16 months. Our economy's health is dependent on consumer spending. If consumers are buying less because of high transportation costs, the family van will not be the only thing out of gas; our nascent economic recovery will also stall.

Much of the gas money squeezed out of our economy heads to OPEC countries, the result of their blatant price fixing. To address that, Senator DEWINE and I have introduced the ''No Oil Producing and Exporting Cartels Act'' or NOPEC. NOPEC will, for the first time, establish clearly and plainly that when a group such as the OPEC nations act together to restrict supply or set prices, they are violating U.S. law. The bill will not authorize private lawsuits, but it will allow the Attorney General or the FTC to file suit under the antitrust laws for redress. Our bill will also make plain that the nations

of OPEC cannot hide behind the doctrines of ''Sovereign Immunity'' or ''Act of State'' to escape the reach of American justice. This legislation would be a powerful tool to combat the illegal price fixing behavior of OPEC, behavior that would be severely prosecuted if it happened inside the U.S. or was carried out by U.S. companies.

Although OPEC is a big part of the problem of high gas prices, the lack of refining capacity across the country also contributes. Every day our economy demands almost nine million barrels of gasoline to keep the marketplace moving, but we lack enough oil refining capacity to meet the demand. Refineries are operating at 95 percent of capacity—and so we are forced to import 1 million barrels of refined gasoline a day.

The antitrust subcommittee on which I am the ranking member has looked into the issue of whether insufficient refining capacity is a manufactured crisis designed to raise prices by reducing the supply of refined product. No new refineries have been built in this country for 25 years, while scores have been closed. Some believe that this has allowed the remaining refiners to keep gasoline prices abnormally high. We are going to have to be vigilant if we are to keep the short supply of refineries from allowing another Enron-like gouging of consumers.

Indeed, I was gratified by the news last week that the FTC had begun a formal investigation into Shell's plans to close an important refinery in Bakersfield, CA, a refinery that produces 70,000 barrels of gasoline a day. Should the FTC conclude that the closure of this refinery results from efforts by Shell to control supply and raise prices, it must pursue all legal measures to protect consumers. The FTC must be tougher on all mergers in the oil and gas industry and act quickly and decisively to prevent oil companies from manipulating supply and prices. And Congress has important oversight responsibilities to make sure the FTC uses the powers we have given them.

The high price of gas is an issue that affects everyone, but to those on the bottom of the economic ladder it can be devastating. It is a serious problem when—because of the cost of gas—getting to work, finding a new job, or visiting the grocery store or the doctor become a luxury out of the reach of working families. It is a serious problem that we need to address seriously—and there are simple steps, like some I have outlined today, that we can take this year. We can and should act—not sit on our hands while working families again reach for the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

STANDING FOR AGRICULTURE

Mr. DORGAN. Mr. President, my colleague from South Dakota described the circumstances on the family farms and ranches in this country and why folks who are out there living on the land trying to grow a crop and raise some animals wonder whether the Government is on their side, wonder what is happening here in Washington, DC, with this administration and this Department of Agriculture, and why they won't stand up for their interests.

My colleague described many circumstances. Let me describe at least one. I am going to talk later today about the United States-Australia Free Trade Agreement, so-called, that I think undermines once again our agricultural interests.

Let me describe one example of this administration again deciding we are not going to stand for farmers and ranchers. It deals with China. It deals with wheat. An official from the U.S. Trade Ambassador's office in the last week in which he served in the Government gave a speech. He said the recommendation was that inside the administration they take action against China because China has been unfair in its decisions on trade with respect to U.S. agriculture.

If I can interpret that, we have farmers and ranchers who are trying to make a living, who are trying to raise some products and move them around the world and the Chinese, with whom we have a very large trade deficit—the largest in human history—have decided they are not going to play fair with us.

What is the result of a recommendation inside this administration to take action against China because China is not playing fair with respect to our ability to sell wheat to China? They say we are not going to take action against China because that would upset the Chinese. What do you think it does to farmers and ranchers out there who are trying to make a decent living?

About a week ago, I was out on a ranch in North Dakota, owned by the Ebers. They are out there by themselves. They are not a big conglomerate or a big corporation, only themselves. They run some cattle. They run a ranch, try to do a good job and try to make an income at the end of the year. I asked them, Where do you buy your groceries? It is an hour and a half away to go buy groceries. They are way out in the country.

You would expect and they would expect their Government would at least stand up for them when it comes to fairness with respect to trade agreements, whether it is CAFTA, or U.S.-Australia, or NAFTA, or the bilateral with China. Nobody is willing to stand for them.

This administration says with respect to China that we know the Chinese Government made commitments. We know the Chinese Government was supposed to do certain things and has not done them with respect to agriculture, but we are not going to do anything about it.

March 17 of last year is when a U.S. Trade Ambassador's official in the USTR office told a wheat industry meeting here in Washington, DC, that the USTR should file a case against China at the World Trade Organization in response to the failure of the Chinese to keep their commitments. He was leaving the USTR and going to another agency. Finally, somebody was candid about what was happening inside the administration.

This official expressed his frustration with the Chinese Government. He noted that Chinese officials have never disagreed with U.S. technical criticism of how China has been administering these so-called tariff rate quotas. He said the Chinese only make the political argument: You have to understand China. China is a special case, they say.

So this fellow said publicly that the trade policy review group in this interagency process in the Bush administration has given the U.S. Trade Ambassador's office the green light to move forward with a WTO case against China. That means in English that China is being unfair to our farmers and ranchers. So the technical folks said clearly we ought to take action against them. But he noted that many in the administration decided we can't do that; that would be an ''in your face'' action with respect to the Chinese.

Right after this official made these candid remarks, the administration disavowed those comments saying: No, no, he was not speaking for the administration. Of course he was. He made a very big mistake. He told the truth. He was candid.

My colleague from South Dakota asked the question: Why will they not stand up for the interests of farmers and ranchers? These are the bedrock entrepreneurs of our country who live on the land and try to do a good job and make a decent living. They expect their government to stand for them, to be on their side, to help them.

When they are confronted with an unfairness—and the example here is with respect to the Chinese who are mistreating our farmers and ranchers in international trade—they expect their government to stand for them. This administration, this trade ambassador, this trade policy from this administration fails to do so. It is a shame.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from North Dakota.

Mr. CONRAD. Madam President, in this discussion of farm policy and policy toward the rural parts of the country, I looked at the President's Web site for his campaign. It says, ''President Bush understands that America's farmers are the heart and soul of this country. That is why he has worked so hard to help protect the rural way of life. He has proven his commitment to rural America time and time again. He pushed for and signed the 2002 farm bill.''

I was one of the negotiators of the farm bill representing the Senate in