

## HOUSE OF REPRESENTATIVES—Wednesday, September 16, 1987

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, as we think on the glories of Your spiritual world, may we also see how those glories can be realized in our daily lives. We recognize, O God, that we so easily separate our spiritual gifts from our worldly tasks. Teach us to see how good deeds done for the needy, the hungry, the hostage and the forgotten can be our way of responding to the spiritual blessings You have provided to us. This we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## CALL OF THE HOUSE

The SPEAKER. Without objection, a call of the House is ordered.

There was no objection.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 317]

Ackerman Brooks Darden  
Akaka Broomfield Daub  
Alexander Brown (CA) Davis (IL)  
Anderson Brown (CO) Davis (MI)  
Andrews Bruce de la Garza  
Annunzio Bryant DeFazio  
Anthony Buechner DeLay  
Applegate Bunning Dellums  
Army Burton Derrick  
Atkins Bustamante DeWine  
Badham Byron Dickinson  
Baker Callahan Dicks  
Ballenger Campbell Dingell  
Barnard Cardin DioGuardi  
Bartlett Carper Dixon  
Barton Carr Donnelly  
Bateman Chandler Dorgan (ND)  
Bates Chapman Dornan (CA)  
Bellenson Chappell Dowdy  
Bennett Cheney Dreier  
Bentley Clarke Duncan  
Bereuter Clinger Durbin  
Berman Coats Dwyer  
Bevill Coble Dymally  
Bilbray Coelho Dyson  
Bilirakis Coleman (MO) Early  
Bliley Coleman (TX) Eckart  
Boehrlert Combest Edwards (CA)  
Boggs Conte Edwards (OK)  
Boland Conyers Emerson  
Boner (TN) Cooper English  
Bonior (MI) Coughlin Erdreich  
Bonker Courter Espy  
Borski Coyne Evans  
Bosco Craig Pascell  
Boucher Crane Fawell  
Boulter Crockett Fazio  
Boxer Daniel Feighan  
Brennan Dannemeyer Fields

Fish  
Flake  
Flippo  
Florio  
Foglietta  
Foley  
Ford (MI)  
Ford (TN)  
Frank  
Frenzel  
Frost  
Gallegly  
Gallo  
Gejdenson  
Gekas  
Gibbons  
Gilman  
Gingrich  
Glickman  
Gonzalez  
Goodling  
Gordon  
Gradison  
Grandy  
Grant  
Gray (IL)  
Green  
Gregg  
Guarini  
Gunderson  
Hall (TX)  
Hamilton  
Hammerschmidt  
Hansen  
Harris  
Hastert  
Hatcher  
Hawkins  
Hayes (IL)  
Hayes (LA)  
Hefley  
Hefner  
Henry  
Herger  
Hertel  
Hiler  
Hochbrueckner  
Holloway  
Hopkins  
Horton  
Houghton  
Howard  
Hoyer  
Hubbard  
Huckabay  
Hughes  
Hutto  
Hyde  
Inhofe  
Ireland  
Jacobs  
Jenkins  
Johnson (CT)  
Johnson (SD)  
Jones (NC)  
Jones (TN)  
Jontz  
Kanjorski  
Kaptur  
Kasich  
Kastenmeier  
Kennedy  
Kennelly  
Kildee  
Kleczka  
Kolbe  
Kolter  
Konnyu  
Kostmayer  
Kyl  
LaFalce  
Lagomarsino  
Lancaster  
Lantos  
Leach (IA)

Lehman (CA)  
Lehman (FL)  
Lent  
Levin (MI)  
Levine (CA)  
Lewis (CA)  
Lewis (FL)  
Lewis (GA)  
Lightfoot  
Lipinski  
Livingston  
Lott  
Lowery (CA)  
Lowry (WA)  
Lujan  
Luken, Thomas  
Lukens, Donald  
Lungren  
Mack  
MacKay  
Madigan  
Manton  
Markey  
Marlenee  
Martin (IL)  
Martin (NY)  
Martinez  
Matsui  
Mavroules  
Mazzoli  
McCandless  
McCloskey  
McCollum  
McCurdy  
McDade  
McEwen  
McGrath  
McHugh  
McMillan (NC)  
McMillen (MD)  
Meyers  
Mfume  
Michel  
Miller (CA)  
Miller (OH)  
Miller (WA)  
Mineta  
Moakley  
Montgomery  
Moody  
Moorhead  
Morrison (CT)  
Morrison (WA)  
Mrazek  
Murphy  
Murtha  
Myers  
Nagle  
Natcher  
Nelson  
Nichols  
Nielsen  
Nowak  
Oakar  
Oberstar  
Obey  
Olin  
Ortiz  
Owens (NY)  
Owens (UT)  
Oxley  
Packard  
Panetta  
Parris  
Pashayan  
Patterson  
Pelosi  
Penny  
Pepper  
Perkins  
Petri  
Pickett  
Pickle  
Porter  
Price (IL)

Price (NC)  
Quillen  
Rahall  
Rangel  
Ravenel  
Ray  
Regula  
Rhodes  
Richardson  
Ridge  
Rinaldo  
Roberts  
Robinson  
Rodino  
Roe  
Rogers  
Rose  
Rostenkowski  
Roth  
Roukema  
Rowland (CT)  
Rowland (GA)  
Roybal  
Russo  
Sabo  
Saiki  
Savage  
Sawyer  
Saxton  
Schaefer  
Scheuer  
Schneider  
Schuette  
Schulze  
Schumer  
Sensenbrenner  
Sharp  
Shaw  
Shays  
Shumway  
Shuster  
Sikorski  
Siskis  
Skaggs  
Skeen  
Skelton  
Slattery  
Slaughter (NY)  
Slaughter (VA)  
Smith (FL)  
Smith (IA)  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smith, Denny  
(OR)  
Smith, Robert  
(NH)  
Smith, Robert  
(OR)  
Snowe  
Solarz  
Solomon  
Spratt  
St Germain  
Staggers  
Stallings  
Stangeland  
Stenholm  
Stratton  
Studds  
Stump  
Sundquist  
Sweeney  
Swift  
Swindall  
Synar  
Tallon  
Tauke  
Taylor  
Thomas (CA)  
Thomas (GA)  
Torres  
Torricelli  
Traficant

□ 1010

The SPEAKER. On this rollcall 399 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

## LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked to proceed for 1 minute for the purpose of inquiring of the distinguished majority leader the program for the balance of the week, and might I indicate to the distinguished majority leader that while we have a good rapport in discussing the schedule from time to time, I know the gentleman is always under pressure from various quarters, just as this gentleman is, and now we begin what will be a series of kind of unpredictable events into September and October and Thanksgiving and the Members are talking about how close to Christmas and really particularly for our west coast Members on transportation and all of the rest, we need as definitive a schedule as we can possibly give to these Members and if the gentleman would be so good as to respond to that particular inquiry, what are we going to do for the balance of the week and beyond?

□ 1025

Mr. FOLEY. Will the distinguished Republican leader yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, first to address the more specific schedule of this week and early next week, the House will be considering the textile legislation today, and tomorrow the House will meet to consider H.R. 442, the Civil Liberties Act, which deals with the Japanese relocation issue. The Japanese-American relocation issue has been scheduled for a period now of many months for September 17, and it is expected that this legislation will be concluded by 2 p.m. or close to 2 p.m. in the afternoon.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

So we have scheduled no other legislation tomorrow and Members can generally believe, I think, that they can have an early departure. There will be no other legislation scheduled for the week.

Next Monday, however, I repeat, next Monday, however, the House will be in session and we will be considering the Farm Credit Act. There will be votes. That is an important legislative proposal and a major agricultural proposal, the major agricultural proposal, for this year. The reason we are scheduling legislation Monday as well as Tuesday and Wednesday is that next week the House will adjourn on Wednesday for the Jewish holidays and there will be consequently only a 3-day work week next week. But it will be 3 days.

Once again, a full schedule on Monday with the farm credit bill and H.R. 442, the Civil Liberties Act on tomorrow.

As far as the rest of the schedule next week is concerned, that will be announced tomorrow. But there will be, as I say, legislation on Tuesday and Wednesday.

We hope there will be a fairly early departure time on Wednesday to accommodate Members who need to have an early departure and be home early.

Broadly speaking, we intend to keep the Members advised on the schedule as precisely as possible. But I think it is clear that the legislation which remains before us and in the other body require a session that will go into the middle or latter part of November. It would be unrealistic for Members to expect adjournment much prior to Thanksgiving.

The problem presented here is not so much the work of the House of Representatives, which frankly has been diligent and on time, but the problems have existed in the other body, and I will not elaborate on those. But we intend to keep pressing forward to complete the work of the House of Representatives so ably begun under the speakership of our distinguished Speaker. And we hope for the continued cooperation of our friends on the minority side.

Mr. MICHEL. Mr. Speaker, might I ask two specific questions.

Today, could the gentleman be a little bit more specific on how we take up that textile bill timeframewise because of the celebration on the west front?

Mr. FOLEY. The House gave approval last evening for the Speaker to declare a recess at approximately, I believe, 1:15 and resuming at 2:30. That will be for the purpose of Members attending the Constitution bicentennial observation on the west front. But we will resume at 2:30 and take up the textile bill until completion.

Mr. MICHEL. Would the gentleman suspect that would run late this evening?

Mr. FOLEY. I do not think so. I think probably 5 or 6 o'clock.

Mr. MICHEL. Finally, next week would those be late evenings?

Mr. FOLEY. The farm bill will be completed on Monday and Members would have to assume that Monday will be a full day. I would assume, we have about 5 hours on the farm bill, so going in at noon and accommodating the procedures of going in, I would think 6 or 7 o'clock would be what Members should assume for the farm bill on Monday.

Again, I think Wednesday we will make every effort to conclude legislation early because of the pending Jewish holiday.

Mr. MICHEL. I thank the distinguished majority leader.

#### ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Let the Chair announce that the Celebration of Citizenship which will be observed on the west front of the Capitol commencing at 1 o'clock will last for approximately 1 hour. The latter half of that time will be nationally televised.

This is an occurrence for the purpose of observing the 200th anniversary of the Constitution. Therefore, it will be the purpose of the Chair to declare a recess at approximately 12:45 in order that Members may take the seats reserved for Members of the Congress on the west front for this ceremony commemorating the 200th anniversary of our Constitution.

We would then expect to be back in session at approximately 2:15.

The Chair also would like to announce that at 10 a.m. next Tuesday morning an informal meeting will be held here on the House floor. The House Democratic Caucus, having invited the Republican conference and others who may wish to come will hear an address by the President of Costa Rica, the Honorable Oscar Arias.

#### RECESS

The SPEAKER. Pursuant to the provisions of House Resolution 255, the Chair announces that he has designated this time for the taking of the official photograph of the House in session.

Without objection, the House will stand in a brief recess while the Chamber is being prepared for the photograph. The House will be in order when the photographs are taken. Members will please face the cameras. There will be about 10 flashes of the strobe lights and the process will take about 10 minutes. About 5 minutes

after that the House will proceed with the business of the House.

There was no objection.

The SPEAKER. The Chair declares a recess.

(Accordingly, at 10 o'clock and 34 minutes a.m., the House stood in recess subject to the call of the Chair.)

□ 1040

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock and 47 minutes a.m.

#### REMOVING AVIATION TRUST FUND FROM CONGRESSIONAL AND PRESIDENTIAL BUDGET

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, for the past months, as chair of the Aviation Subcommittee, I have heard time and time again from my distinguished colleagues about airline delays and aviation safety. My colleagues have spoken to me on behalf of their constituents and from their own experience.

I am here today to let this body know that the solutions to most of these problems are within reach. By spending the \$5.6 billion surplus that now sits in the aviation trust fund and its future receipts, we can expand the Nation's airports and air traffic control system to handle growing passenger traffic.

We have the funds to replace FAA's vacuum tubes with state-of-the-art computers that will be able to keep air traffic moving. We have the money to ensure safe operation of the airways. We have the dollars to increase the efficiency of our airports and our air traffic control system.

Users of the aviation system have been contributing to the trust fund. Inexcusably, the Congress and the administration have not allowed the users' contributions to be spent.

Rather than fund the needed aviation improvements, the trust fund surplus continues to grow, balancing the overall budget deficit instead of financing projects to reduce air delays and increase aviation safety.

The obvious and final remedy we have been forced to advocate is to remove the aviation trust fund from the congressional and Presidential budget. The House as a whole deserves the chance to decide whether or not we will spend the funds we keep collecting to improve and develop the aviation system and to reduce delays.

I ask for your support in the Rules Committee and on the floor.

### NATIONAL POW/MIA RECOGNITION DAY

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, the fate of the men still unaccounted for in Southeast Asia weighs heavily on the heart and minds of all Americans, and especially upon the families and friends of these brave heroes.

On Friday, September 18, Americans will pause to remember those 2,417 men—24 of them Nebraskans—on National POW/MIA Recognition Day.

During the August recess, I was privileged to attend the annual Nebraska Vietnam Veterans Reunion, where the families of the 24 Nebraska POW/MIA's were the guests of honor.

I told the families that although there are many, many foreign-policy issues on which the Congress—and the people of this Nation—are divided, this is one foreign-policy issue on which we are completely united.

All Americans, after all, share this common goal: freedom for any American who may still be held in Southeast Asia, and justice for all of the families who have worked so long to resolve the fate of our POW's and MIA's.

On National POW/MIA Recognition Day and on every other day in the year, the Congress must continue to do everything in its power to ensure that this remains an issue of the highest national priority and that it be quickly and completely resolved.

### SUPPORT H.R. 1154, THE TEXTILE BILL

(Mr. RAY asked and was given permission to address the House and 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, today the House will begin to consider the textile bill, which if passed into law will provide relief for the textile industry.

I rise in strong support of this industry which is one of a few that is exempting the intestinal fortitude that is inherent in Americans when their very survival is threatened.

This bill is under attack by the so-called free traders who seem to be having problems recognizing the facts of life.

The administration wants trading policy left under their jurisdiction and control, however their dismal track record which has brought us to an annual trade imbalance of \$165 billion including the worst last quarter in history, is not trustworthy.

I was astonished to learn just recently that the most-favored-nation status, negotiated during the reign of the Shah of Iran, continues during the Ayatollah Khomeini's reign.

It is unbelievable that a country which daily refers to America as the "great Satan" and one who engineered the bombing of the United States Embassy in Beirut, and one who engineered the suicide attack on our Marine barracks in Lebanon killing 242 marines, is able to dump 600,000 square yards of fabric on the American market in a favored nation status.

The Soviets also got in their licks in 1986 by dumping over 12 million square yards of fabric on American markets with only a 3-percent tariff and at a rate of 33 cents per yard, less than American prices.

My colleagues, the free traders cannot be trusted. Enough is enough. Therefore I urge support of H.R. 1154, the textile bill.

### NATIONAL EDUCATION SAVINGS TRUST ACT

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, I have introduced the National Education Savings Trust Act, which establishes a national trust fund to assist families to save for their children's postsecondary education.

During the past 10 years while average college costs have increased 100 percent, Federal aid programs have actually declined in relative value. Families all across the Nation are concerned about the way to finance the education their children must have to compete in tomorrow's increasingly complex work place.

This bill would allow parents to contribute up to \$2,000 per child per year into a national education savings trust which would become available to cover the costs when a child is enrolled in a postsecondary institution. Contributions to this fund would have varying rates of deductibility based on a family's income level. If the funds are withdrawn for educational purposes, interest would be tax free.

Many States and postsecondary institutions have developed their own educational savings plans. However, only the Federal Government can offer a family the portability of a plan that applies to all postsecondary institutions and can guarantee equal tax treatment for all.

The National Education Savings Trust Act offers a practical way to meet the future costs of higher education. I urge all Members to give this plan serious consideration.

□ 1055

### MEDICARE PREMIUM INCREASES

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, the Washington Post reported yesterday that the Medicare part B premium would increase by 38 percent next year. Medicare part B covers all non-hospital services, and many people are asking "why such a huge increase?"

The answer is simple: drastic increases in physician charges. Even though the inflation rate is only 4 percent, physician charges are increasing at nearly 10 times that level.

Mr. Speaker, these increases will only end when this Congress gets serious about reforming the physician payment system under Medicare and starts to clamp down on physician charges. What we need is a whole new payment system—possibly a set fee-for-service—coupled with a prohibition on the practice of "balance billing." With such a law, we would limit premium costs for beneficiaries and prohibit physicians from billing patients above the exceedingly generous Medicare level, that will be true protection for the elderly, and I will continue to advocate and work for such a system on the Ways and Means Committee.

### SEPTEMBER 16, 1787—DELEGATES RECESS PENDING SIGNING OF THE U.S. CONSTITUTION

(Mr. GEKAS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, it is now September 16, 1787, and I am reporting to you from the floor of the Constitutional Convention in Independence Hall, Philadelphia. The delegates are all in their own lodgings at this hour preparing to go home, knowing that when they come back to the hall tomorrow after this short recess they will be signing the document now known as the Constitution of the United States, to complete the mandate of the Congress of the United States which had sent these delegates to Philadelphia for the express purpose of revising the Articles of Confederation, but who have devised the new wonderous document called the Constitution.

The only delegates who are scurrying around the hall today are those who have specific duties to accomplish concerning that final day which is scheduled for tomorrow. Among them is James Madison. I have interviewed him extensively, and I have just now asked him why he continues, as he has throughout every single day of this convention, to take notes and to revise those notes and to make memoranda concerning those notes. He has told me that he thinks 100 years from now or 200 years from now, in 1887 or 1987, Members of Congress and people who are history-minded and those who

want to celebrate a centennial for the Constitution of the United States will be referring back to his notes to determine what the delegates said, what they thought, what their course was, and what was the nature of the debate that went into the final compilation of the greatest document the world has ever seen, the Constitution of the United States.

#### PEACEFUL INTERVENTION IN HAITI

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, peaceful intervention in Haiti is desperately needed now. Following the leadership of our Government, the people of Haiti removed Francois Duvalier and proceeded step by step to prepare for the institution of a democracy. They confounded everyone and wrote a constitution, and the people came out and 90 percent of them voted for that constitution.

That constitution has a timetable for elections in it. However, military outlaws and armed terrorists are seeking to overthrow that process, to stop that process.

First, the military junta tried to take over the electoral process and the electoral commission that was set up to guide it. When the people rose up against that, they backed down. But they have instituted a policy of terrorism. The army, in concert with local terrorists, have actually hacked to death a candidate who was campaigning for the Presidency. In broad daylight, campaigning before a crowd of people, he was hacked to death, and nobody did anything about it.

Within this atmosphere, free elections cannot go forward. There is a desperate need, in order to have free elections in Haiti, for the United States Government and the Organization of American States to intervene on the side of the people. Peaceful intervention could guarantee a free election. We can guarantee that election, and we can keep to the timetable. If we keep to the timetable, by November 29 the Haitian people will have elected a President step by step. If we do not intervene, then the outlaws of the military and the terrorists will guarantee that there will not be a peaceful democracy established in Haiti.

Haiti is only 90 minutes away from the shores of our democracy. Haiti needs our help desperately. Haiti needs it now. I call upon the United States Government, the State Department, and the Organization of American States to take steps right now to intervene to guarantee a peaceful election in Haiti.

#### BELLS ACROSS AMERICA

(Mrs. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOGGS. Mr. Speaker, tomorrow, September 17, the United States will observe the 200th anniversary of the signing of the U.S. Constitution. On that day, Mr. Madison and 38 other courageous men dared to put their names to a document that would revolutionize the science of government. It established the world's first government of the people, by the people, and for the people.

To commemorate this historic event, on behalf of the Commission on the Bicentennial of the U.S. Constitution, I urge my colleagues to invite every American and every institution, from religious and educational to social and professional, to sound bells, chimes, and carillons on this memorable day at 4 p.m. eastern daylight saving time. At the same time, organizations are encouraged to release red, white, and blue helium-filled balloons. An official bicentennial certificate will be given to participating groups. This will enable Americans to reflect on the blessings of liberty, the ideal of justice, and equal opportunity made possible by the Constitution.

The "Bells Across America" ringing will be led by retired Chief Justice Warren Burger at a special ceremony in Philadelphia as part of the Constitution Day activities to be held in that city at 4 p.m. eastern daylight saving time. Nine children representing all of America's children and the Nation's future leaders will join in ringing a replica of the Liberty Bell.

Mr. Speaker, I urge all the Members to participate and to have their constituents participate as well.

#### DISCLOSURES FOR HOME EQUITY LOANS

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, in the September 15 Federal Register, the Federal Reserve Board proposed a change to regulation Z—Truth in Lending—to implement changes required by the FSLIC recapitalization bill recently signed into law by President Reagan.

During discussion of the ruling, the Board noted that it is "currently studying the broader issue of whether the Truth in Lending disclosures for open-end equity plans should be revised to take account of the special characteristics of these programs, which differ in many ways from the more traditional open-end credit programs. The terms and conditions of these programs are generally more complex and the consequences for con-

sumers greater if they fail to understand the program."

I commend the Federal Reserve's willingness to explore whether additional disclosures are needed for home equity credit lines. I have introduced H.R. 3011, the Home Equity Loan Consumer Protection Act of 1987, because I believe these open-end equity or home equity plans do require additional disclosures for consumers. My bill would bring these disclosures for home equity loans more in line with disclosures which will soon be required of every other loan secured by someone's home. I urge my colleagues to add their name to the 45 other House Members who have joined with me to make these disclosures required of all financial institutions.

#### U.S. TRADE DEFICIT WORSENS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute.)

Ms. KAPTUR. Mr. Speaker, last week another all-time record was announced for the trade deficit of this country with the rest of the world—a whopping 16.5 billion additional dollars, despite a 39-percent drop in the value of the U.S. dollar, which this administration said would solve all of our problems. This means more lost jobs in the United States and more lost profits for U.S.-owned companies.

The waiting game of this administration is simply intolerable. Reversing our country's trade deficit does not signal the closing of our doors to imports. Instead, we need to demand that other countries open their doors to us. No industry in any country has the right to shut out U.S. competition. We must have reciprocal access.

Our strong comprehensive trade bill is a good place to begin building on, but we also need an administration that will stand up for America, and we need a trade policy that will restore the United States as a key player in the international economic marketplace.

#### NASA VICTIMIZED BY COMPUTER CRIME

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute.)

Mr. NELSON of Florida. Mr. Speaker, the morning news chronicles that some computer hackers in West Germany over long-distance lines have broken into a NASA computer network that contains technical information from space shuttle flights and obtained the ability over a 4-month period to manipulate at will this data.

I do not need to share with the Members of the House of Representatives how dangerous this is in manipulating data in our computers that are

linked to information being received from the space shuttle. Besides the space program, I have an interest in this, in that I had the privilege of shepherding through the House the computer crime legislation, along with the gentleman from New Jersey [Mr. HUGHES], the chairman of the Crime Subcommittee.

Mr. Speaker, our prosecutors should prosecute these individuals with the full force of law, and where, because there might be foreign citizens involved that our law would not extend to, our State Department should enact and propose the appropriate treaties to see that these people are brought to justice.

#### SMALL COMMUNITIES TREATED UNFAIRLY BY FARMERS HOME ADMINISTRATION ACTION

(Mr. JONTZ asked and was given permission to address the House for 1 minute.)

Mr. JONTZ. Mr. Speaker, on previous occasions I have spoken on this floor to alert the Members to plans by the Farmers Home Administration to sell off community development loans in their portfolio at a discount to large financial institutions, while denying the right to the affected communities to purchase these loans themselves at a similar discount rate.

My fears became reality just a few days ago when the Department of Agriculture announced that an agreement had been reached to sell about \$1.9 billion of loans to the investment community at the unbelievable price of 58 cents on the dollar—after having offered the communities the right to repurchase their loans at the much less favorable discount of 65 to 75 cents on the dollar.

Mr. Speaker, for whose benefit is the Farmers Home Administration being operated? In this case, certainly not that of our Nation's rural communities, who are being charged as much as 22 percent more to purchase these loans.

The conditions which the FmHA set on the sale of loans to our small cities and towns—the unfair discount rates, a requirement that communities purchase all of their loans if they purchase any, a prohibition against use of tax free financing for repurchase of loans—we are designed to prevent these communities from having a fair chance to benefit from the sales.

At a time when rural America faces many economic problems, and when a few thousand dollars saved can make a big difference to the town's or city's budget, our Government ought to be helping small communities, whenever possible. In the case of the recent loan sales by FmHA, that wasn't done. I hope that Congress can take steps to remedy the situation.

#### TRADE POLICY RESULTS IN EXPORT OF MORE JOBS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, General Electric Corp. has hired more than 35,000 people in Mexico and foreign countries in the last 20 years. The General Electric Corp. has terminated over 25,000 American workers in the last 20 years and moved substantial amounts of their operations overseas.

□ 1110

Let us face it today. Competitiveness in America comes to mean that if you want to be competitive, you fire Americans, and you move overseas.

That is the mentality that has taken hold in Washington; and believe me, with this mentality, we will be lucky to have a manufacturing job in America in the next 10 years.

Today we start the debate on the textile bill, and I wonder for what, because the ITC ruled in 1985 unambiguously that foreign manipulations were ruining the footwear industry, and the President did absolutely nothing.

While he talks about the Orient Express, America does not even make footwear, so today is the litmus test in Congress. If you are going to change the Nation around and bring some of our jobs back, then take a look at the good old USA instead of a lot of this Harvard rhetoric that seems to be abounding around here.

#### EXTENDING STATE ELIGIBILITY REQUIREMENTS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1596) to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuse and neglect assistance, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from New York?

Mr. BARTLETT. Reserving the right to object, Mr. Speaker, I do not intend to object, and I will use this time to yield to the gentleman from New York [Mr. OWENS] to explain the gentleman's request.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, today I ask for unanimous consent for the passage of S. 1596. This bill provides for the continued funding under the Child Abuse

Prevention and Treatment Act for two States that are presently out of compliance with one aspect of this legislation. S. 1596 would provide an additional 1 year waiver to two States that have yet to conform with the "guardian ad litem" provisions of the act, Arizona and Alaska.

Because these States continue to make good faith efforts to come into compliance with the relevant sections of the Child Abuse Prevention and Treatment Act—it is important that we retain flexibility in allowing vital programs under the foregoing legislation to retain funding.

In passing S. 1596 we are acting with the full agreement of the administration and in the same bipartisan spirit that has characterized our dealings to date with the minority concerning the Child Abuse Prevention and Treatment Act.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, under my reservation, I do support the passage of S. 1596.

Mr. Speaker, this noncontroversial bill simply extends the current waiver authority in the Child Abuse Act. As a result the States of Arizona, Alaska, and Oregon, will receive their fiscal year 1987 funding allocations. These States have had unforeseen difficulty satisfying the guardian ad litem requirement contained in current law. The bill does not contain any new spending authority, and earlier this year the House passed a bill, H.R. 1900, reauthorizing the Child Abuse Program, that contained a similar provision in recognition of the progress and difficulties experienced by these few States.

This bill is being considered today because the other body does not expect to pass its Child Abuse Act reauthorization in fiscal year 1987, thereby rendering inoperable the extension contained in H.R. 1900 for fiscal year 1987 funds. In the 1984 amendments, States were given extensions until the end of fiscal year 1986 to meet the requirements of the law, including the enactment of their guardian ad litem programs. A small number of States contacted the Committee on Education and Labor during our reauthorization of the Child Abuse Program to request that they be given more time to comply.

After examining evidence to indicate that these States were in fact facing unforeseen difficulties, and more importantly making progress toward enacting the requirement of the legislation, the House agreed in H.R. 1900 to provide limited extensions to these States.

The legislation we are presently considering will allow for an extension only for the purpose of receiving fiscal year 1987 funds. This limited extension will exert a reasonable amount of

pressure on the other body to complete its work on the authorization in a timely manner, and ensure that needy social service agencies in the States affected receive their fiscal year allocation.

Mr. Speaker, our ranking Republican member, the gentleman from Vermont, Mr. JEFFORDS, has indicated his support for the measure we are now considering. I would urge my colleagues on both sides of the aisle to vote for passage of S. 1596.

Further reserving the right to object, I yield to my good friend and colleague, the gentleman from Arizona [Mr. KOLBE], who was instrumental in bringing this matter to the attention of the committee.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding to me.

I thank the gentleman from New York [Mr. OWENS] for his support of this bill, which is important to my State, along with the State of Alaska.

The House reauthorized the Child Abuse Prevention and Treatment Act (Public Law 94-247, as amended by Public Law 98-457). The act provides child abuse prevention funds to States which meet 11 delineated requirements. During the act's reauthorization in 1984, provisions were included for a 2-year waiver of the requirements. This waiver allowed States to receive funds in order to make a good-faith effort, with substantial progress during the second year, to comply with the act's mandates.

Arizona had not received grant funds prior to the waiver because the State did not meet the guardian ad litem requirement in section 4(2)(6) of the act. Grant funds received during the past 2 years have helped to establish a guardian ad litem program entitled CASA, court appointed special advocates. During this period of Federal funding, great strides have been taken to make the CASA volunteers available to abused and neglected children involved in dependency procedures in juvenile court. The 2-year period, however, had not been sufficient time to implement this program statewide.

An additional waiver provision will help assure that Arizona meets the act's requirements and secures these needed Federal funds for our child abuse treatment and prevention efforts. Alaska, another waiver State, is also in need of the extension. The absence of a waiver and the consequential defunding would be a severe destructive blow to the momentum States have gained toward accomplishing compliance.

Thus it is necessary for this legislation to be approved to ensure that the great gains that have already been accomplished can be continued without interruption. I urge my colleagues to support S. 1596.

Mr. BARTLETT. Mr. Speaker, further reserving the right to object, I

yield to the gentleman from Arizona [Mr. RHODES], who was also quite helpful in this process.

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding to me.

I too rise in support of S. 1596.

As the gentleman has pointed out, the difficulty we have run into in Arizona is that we have been slow in being able to acquire the necessary volunteers in rural counties. I am advised by the Arizona Department of Economic Security that they are making good progress; and with this extension, they will be able to complete the requirements under the act, and continue to be eligible for funding without a waiver.

For that reason, I urge support of S. 1596. The gentleman from Arizona [Mr. KYL], my colleague from the Fourth Congressional District, joins me and the gentleman from Arizona [Mr. KOLBE] in requesting the support of the Members from both sides of the aisle in favor of S. 1596.

Mr. KYL. Mr. Speaker, I rise in support of S. 1596 which will allow the States of Arizona and Alaska to continue to receive Federal funding from the Child Abuse Prevention and Treatment Act while working to comply with all of the act's mandates.

In 1984, the House reauthorized the Child Abuse and Prevention Act which provides Federal funding for child abuse prevention to States that meet 11 delineated requirements. Provisions were made in the reauthorization to allow States working in good faith and with substantial progress to continue to receive funding for 2 years while working to fulfill the 11 requirements.

This year the waiver expired and Arizona has not yet received its funding because it did not meet the Guardian ad litem requirement in section 4(2)(6) of the act. Grant funds received from the two previous years have been instrumental in establishing the highly successful, but not yet statewide CASA, [Court Appointed Special Advocates] Program. The State of Arizona has worked in good faith and with substantial progress, but the 2-year period has not been sufficient time to implement this program throughout the State.

The CASA Program has made great strides in providing support for abused and neglected children involved in dependency procedures in my State's juvenile courts. The additional waiver provided by S. 1596 will allow Arizona to receive its much-needed fiscal year 1987 funding, thus ensuring that progress will continue to be made, and that important ground will not be lost. I urge my colleagues to support S. 1596.

Mr. BARTLETT. Mr. Speaker, I would like to once again express my gratitude to the gentleman from New York [Mr. OWENS], the chairman of the subcommittee, for the gentleman's

diligence in this matter; and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1596

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

QUALIFICATIONS FOR CHILD ABUSE AND NEGLECT ASSISTANCE

Clause (i) of section 4(b)(3)(A) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5103(b)(3)(A)(i)) is amended by inserting before "or" at the end thereof the following: "and for a third one-year period if the Secretary makes an additional finding that such State is making substantial progress to achieve such compliance."

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1596, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 256

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1154) to remedy injury to the United States textile and apparel industries caused by increased imports and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of section 311(a) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except the amendments recommended by the Commit-

tee on Ways and Means now printed in the bill and said amendments shall be considered as having been adopted in the House and in the Committee of the Whole. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution is a modified closed rule providing for the consideration of H.R. 1154, the Textile and Apparel Trade Act of 1987. The rule provides for 3 hours of general debate, with the time equally divided between the chairman and ranking minority member of the Committee on Ways and Means. The rule waives section 311(a) of the Budget Act against consideration of H.R. 1154. Section 311(a) prohibits consideration of legislation which would cause the ceiling on new budget authority or outlays set by the budget resolution to be exceeded or the revenue floor to be breached. Since this legislation would reduce the amount of imports brought into the United States it would slightly reduce revenues by decreasing the amount of import duties collected. Because secondary effects such as increased taxes resulting from more employment in the domestic textile and apparel industries are not counted in determining Budget Act points of order, a waiver of section 311(a) is necessary.

Mr. Speaker, the rule provides that no amendment is in order to H.R. 1154 except the Ways and Means Committee amendments now printed in the bill. The rule provides that, upon adoption of the rule, these amendments are considered as having been adopted in the House and in the Committee of the Whole, so that no separate vote on these amendments will occur. Finally, the rule provides for one motion to recommit.

Mr. Speaker, passage of this bill is critical to the existence of the textile, apparel, and footwear industries in the United States. For the past 6 years, these critical industries have endured the onslaught of a flood of cheaply produced imports. While growth in the domestic market has followed a steady and relatively stable course, growth in the percentage of foreign-produced goods that make up the market has skyrocketed. If this pattern is to continue, we face the further deterioration of our domestic capacity to produce textile, apparel, and footwear products necessary to clothe and

equip our Armed Forces as well as civilians.

In light of this situation, I hope you will agree with me that it is imperative that we take immediate legislative action. The administrative fix that has been promised to us so many times simply has not come true. There is documented evidence that some of our trading partners exercise careless disregard for the administratively imposed quotas. I am sorry to say, our Commerce Department has not been especially eager to enforce their own mandates. This attitude, coupled with an insufficient number of Customs agents, has resulted in a textile trade policy which is an unworkable sham.

The trade deficit continues to soar to unprecedented heights, in large part due to the textile and apparel deficit. As long as foreign imports continue to take over our market, U.S. jobs and job opportunities become our exports.

This legislation that I and 247 of my colleagues have introduced will adequately stem the tide of imports with a minimum of disruption to the current market. We simply want to hold the growth in imported goods to a reasonable pattern that is fair to importers, manufacturers, our trading partners, textile workers, and consumers.

H.R. 1154 achieves this goal by limiting growth to 1 percent per year for each product. Footwear imports are frozen at the 1986 levels. H.R. 1154 does not prescribe discrimination against any individual country. Within the 1-percent cap, the administration is free to negotiate any bilateral or multilateral agreement on any product. Furthermore, if any country suffers injury, the bill provides for compensation to be negotiated in the form of a tariff reduction.

This proposal is the result of great compromise, and is desperately needed by the general economy as well as the industries directly involved. I urge you to vote yes on this rule and yes on final passage of H.R. 1154. Ultimately, I urge you to vote "yes" to override the inevitable Presidential veto later this year.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule sets up a straight "YES" OR "NO" vote on the textile and footwear bill and it should be adopted. So should the bill.

Since the rule provides for 3 hours of debate on the bill and since most Members are familiar with the bill's provisions, I will not describe it in detail. I do want to ask Members for their votes for the measure, and to tell the House the reasons why I am asking for a strong, bipartisan "YES" vote on final passage.

Those of us representing areas where textiles and apparel plants and shoe factories have been an important part of our local economies for genera-

tions know firsthand the devastation that imports have inflicted on these industries. In recent years we have seen textile plants and shoe factories shutdown and a great number of workers thrown out of work. We have tried over the last 7 years to enact a law that would allow these industries to survive. Up to now we have failed. Likewise, the industries are failing. We are here again to make our case and ask for help to save these two great American industries from collapse.

In the last 7 years, over 350,000 people have lost their jobs to foreign textile and apparel imports, which now control about 54 percent of the domestic market. Many more hundreds of thousands of people who used to work in industries which supply and service the textile and apparel industry have also been thrown out of work. The condition of the footwear industry is also desperate. In 1981, imported footwear took 51 percent of the domestic market. Today, they have 82 percent. Three hundred eight factories have closed since 1981. Seventy closed last year, and about 57,000 jobs have disappeared in the footwear industry alone. I could go on and cite grim fact after grim fact in this regard but the situation is bleak and getting worse—we all know this.

What I ask is this: Since we have a national trade policy which is causing the ruin and ultimate destruction of the textile and apparel industry, the footwear industry, and many, many other industries, and since this policy has produced the greatest trade deficits in our history, and since we are now the world's greatest debtor nation, then surely this policy must be producing magnificent results in other areas of our national effort to succeed and prosper.

Since any policy's value is measured by the results it produces, surely this trade policy must be producing terrific results in other areas that outweigh the devastation and ruin so apparent to all. So, I ask: What are these magnificent and beneficial results, and where are they to be found?

Members will answer this question as they bring to bear their considered views and thoughts on the results our national trade policy has produced. I have asked myself this question, have given it serious thought, and have concluded that our trade policy is not producing good results and should therefore be changed substantially.

I am not an economist or an expert on international trade, but just a businessman who later entered public service. I claim no special expertise or wisdom in these matters. I do feel, however, that I can tell when policy decisions and actions are producing good results and when they are not. In my view the evidence is in, things

are not going well, and it is time for a change.

This bill provides an opportunity to begin changing things today, here and now on the floor of the House. After all, the Congress is charged with the responsibility to regulate trade by the Constitution. Let us step forward confidently to accept this responsibility and enact the necessary changes in our trade policy while there is still time to save some of our basic industries from total destruction.

It is time to write a new chapter in the book of American trade policy, and the theme of this new policy must be realism and fairness with the interests of American industries and American workers first.

It has been a long time now since America emerged victorious from the Second World War with few international trade competitors standing out there to challenge us. Over the years we have opened our domestic markets and we have exerted every effort to assist the trading nations of the world, great and small, to recover economically and to expand their export markets. Our policy has achieved its purpose. It was a policy which produced good results operating under a particular set of conditions existing in the world during the post-World War II era.

That era is now history. It is time to fashion a new trade policy to fit our times. Change is constant. Everything moves on. All conditions are dynamic and in flux, not static. Those who cling to ideas which under prior conditions produced wholesome results, but which under present conditions produce unwholesome results, are heading for failure and defeat.

Let us face the truth. We have grown complacent and have allowed the old ideas of so-called free trade to continue to operate, even though as presently applied in the conditions of the world today, these old ideas are causing the industrial ruination of America. We have raised an economic theory to the status of a national theology and we have followed its doctrines as if they were divinely inspired. We have been following these doctrines wherever they have led us, even when this means marching over the cliff to our economic and industrial ruin.

The evidence is now clear to all who will look at it without prejudice. Our faithfulness to the doctrines of so-called free trade, while formerly they produced good results, now threatens our national standard of living and our economic future.

When we hand over our domestic markets to unfair import penetration, we are sentencing ourselves and our children to a bleak future of fewer competitive business enterprises, fewer good jobs, less economic opportunity, and a lower standard of living. As we are now practicing the theology of so-

called free trade, we are producing profoundly destructive results for the country because this theory is not based on the actual conditions of today's world. This theory, as it is now operating, relates to an imaginary world in which all nations engage in totally unregulated and unsubsidized trade.

The rest of the world is not playing by our free trade rules. America has opened many of its markets to the world, while most of the world has imposed greater restrictions on imports from us. They are practicing unequal competition. So-called free trade has placed us in direct competition with low-wage nations, such as Thailand, for example, where children are paid 4 cents an hour in sweatshops. It should be clear by now that by allowing other nations to seize large parts of our domestic markets, we are encouraging the permanent interruption of the crucial relationship between supply and demand that has been the main engine of economic and industrial growth in American history. This is a ruinous policy which is producing a disaster for ourselves, and which will eventually produce a disaster for our trading partners.

At this time, a new trade policy is urgently required. Two kinds of policy action need to begin at once. First, we must hold the line, we must keep what we have. We must halt the erosion of the American economy. Textiles and apparel and footwear are a good place to start. Let's be realistic. Isn't 54 percent of the American textile and apparel market enough for our trading partners? Isn't 82 percent of our footwear market enough for them? Second, America must proceed diligently in the direction of fair and balanced trade based on the conditions of world trade as they really are.

A new and realistic trade policy in tune with the actual conditions of our times must bring to a halt the underselling of American industrial production by foreign producers. We must set reasonable and fair limits on the percentage of our domestic markets that can be taken by imports, and we must ensure for American industry a home market on which it can rely in order to rebuild and resume its advance.

Finally, while it is essential to place America first—for who else will if we do not—it is also necessary to declare to ourselves and to the world that we have been in error. In our incessant and tiresome preaching of this theology of so-called free trade, we have not only invited our own industrial and economic ruin, we have also misled other countries.

It is time to step forward and forthrightly admit our error. It is time to state that the idea that the rest of the world can achieve sustainable and ever-increasing economic growth

through unbalanced export sales to the American markets is false.

We must put an end to the fantasy that the entire underdeveloped world can copy Japan and achieve economic progress through a parasitic relationship with the American markets.

Let us begin today here in the House of Representatives to make a new beginning. The American textile and apparel and footwear industries are a good place to start moving to a new, realistic trade policy. They employ over 2 million workers found in all 50 States. That is more workers than the steel and auto assembly industries combined. They need the help of their Congress. They have a right to expect it. Let us provide it.

Let us pass this bill today by a strong, bipartisan vote. Let us pass this bill to save our textile and apparel and our footwear industries. Much remains to be done. Let us begin to take up the task now. I ask for a "yes" vote on H.R. 1154.

□ 1125

Mr. DERRICK. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT] for purposes of debate only.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the rule and in support of the bill that it will permit us to consider, H.R. 1154, the Textile and Apparel Trade Act of 1987.

Passage of this bill is critical to saving our Nation's textile and apparel industry and it is critical to many of our constituencies, as evidenced by the fact that we have nearly 250 cosponsors on this bill.

Since this is the only bill that really is specific that we have considered in trade legislation this year, I think it is useful if I take just a minute to dwell on the fact of the reason we are addressing specifically the textile and apparel industry.

In 1980, just a short time ago and just before Mr. Reagan became President, the United States imported \$9½ billion in textile and apparel goods, but we also had offsetting exports. In fact, in terms of basic textile products, we literally had a near balance in textile trade in that year, 1980.

I say that because it is hard to believe how much the situation has deteriorated in 6 short years. Last year, the textile and apparel trade deficit had skyrocketed to \$21 billion. Textile and apparel imports had gone up to \$24.7 billion. That is an overall increase of 250 percent over 6 years. It is a compounded annual increase of 20 percent. That is how bad the situation is and it shows no signs of slackening.

This year, imports are projected to reach \$27.6 billion and that represents again an increase of 20 percent. Each

year we have had, since 1981, a record increase. We thought we had peaked out, we had topped out, only to find that the next year we had set a new record on the heels of the old record.

While imports have been increasing at a rate of 20 percent per year compounded annual rate, the domestic market has gone along at a snail's pace of 1 to 2 percent a year.

Now, since 1955-56 when we had our long-term cotton arrangement with the Japanese, every President, every government since President Eisenhower, through President Carter, has assured this industry something that we call today managed trade. You cannot say that the industry has been protected, because I think it is a joke to say that any industry suffering this kind of import competition and a deficit of \$22 billion in trade is a protected industry. That is comical; but it has at least been promised managed trade and every President has assured the industry that they would have that kind of protection.

President Reagan himself specifically promised in writing that he during his administration would seek to relate the growth of imports to the growth of our domestic markets. Well, the proof of the pudding is there to be tasted. We have had increases every year of 20 percent compounded annually. We have had an increase in our domestic market of 1 percent. The growth rates simply have not been related.

The administration has at hand the tools necessary to deal with this problem. It has the legal authority to do just what this bill would do, that is, implement global quotas.

Now, I will be the first to admit that it would be better and far more efficient if the administration would just use its authority under domestic law and international law, use its authority and come to grips with this problem.

The administration has an example it can follow. Our European allies in 1981, the European common market, was suffering about the same trade deficit that we had in textile and apparel goods, \$3 to \$4 billion.

□ 1140

That is what our deficit was then. That is what their deficit was.

They cracked down, they determined that they were not going to allow their deficit to grow and, as a consequence, today the Europeans last year had a deficit last year of about \$3 billion. They reduced their deficit in textile apparel trade by about 40 percent, whereas we last year had a deficit of \$21 to \$22 billion and ours had grown by 500 percent.

The Europeans do not have at their disposal any tools, any implements, any legal authority other than what we have. The only difference is they

had the will to do something; our administration did not.

What we are simply supplying in this bill is the will to do something about a serious problem.

One other point. The European Economic Community, certain members of it, have been critical of this bill. But it ought to be remembered and recalled, and people who want to vote on this bill ought to know that we in this country buy three times more clothing and apparel products from Third World countries and lesser developed countries than do the Europeans. We buy five times more than the Japanese. If this is a slowdown in the rate of growth, we will still have far more liberal trade with those countries than will the Europeans and the Japanese who might be critics of this particular bill. We take up 50 percent of all the exports of lesser developed countries; the Europeans take up 20 percent.

Mr. Speaker, without our help, without the passage of this bill, the future of the domestic textile industry runs from bleak to bad. Since 1980, record import levels have contributed to the loss of 350,000 jobs in this country and 1,000 plants in the American textile industry have been shutdown.

My colleagues will be painted in the debate of this bill a picture of prosperity in the current industry. They will be told they are enjoying record profits. Their profits are up, utilization is up, but utilization is up because plant capacity has been cut back by a third. Jobs are up, the percentage of textile workers employed is greater simply because 350,000 textile jobs have been removed from that particular base.

This bill comes before us on a timely occasion. This past weekend we learned that our trade deficit is still running at a rate of \$160 to \$170 billion a year. We have been told be patient. Rectify the exchange rate of the dollar and that simple macroeconomic solution will take care of everything.

Now we are waking up to the fact that it will not happen, and if we are serious about doing something about our trade deficit, our overall balance of payments deficit, then we have to be serious by stopping the hemorrhage in textile apparels because that is the second largest component of it. The two objectives go hand in hand.

Let us pass this bill, and let us send a message both to the administration and to foreign governments that we are not going to stand by and let our single largest manufacturing industry, the largest employer of minorities and of women in this country, disappear.

I urge my colleagues to support the rule and to vote for H.R. 1154.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, sad as it may seem, I have not yet, as I stand here, determined how I am going to vote on this bill. I have always been wary of protectionist measures, and this is without question another protectionist measure.

What is wrong with a protectionist measure? What it does is it pits two sets of our fellow Americans against one another.

On the one hand, one set of our fellow Americans whose concerns are ours are those in the textile industry in this particular protectionist measure. On the other hand are sets of American citizens who would be hurt by the imposition of quotas and protectionist measures in textiles; namely, our farmers, our clerical workers and those who deal with exports and imports.

So who are we? Can we exert the wisdom of Solomon to determine which of these two sets of our fellow Americans we should choose in any debate on a protectionist measure? That is why we should for the most part allow these matters to be settled by free trade and by the marketplace.

However, I do have hesitations in this particular atmosphere in which we find this bill, and yet may vote for the bill because of two or three other reasons. One is that it is prospective in nature, unlike last year's bill, and it will only apply to numbers and figures and quotas yet to come, which is different from last time. The other reason is based on the fact that the shoe industry, which is a part of this, is separate and apart from the textile industry in so many ways, and the numbers are so horrible there that even I, a staunch free trader, have pause when it comes to the footwear industry.

But that debate is yet to come, and my final vote on the bill is of course yet to come as is that of my colleagues.

But there is no question about where I stand on the rule. We must defeat the rule so that we can try to separate the footwear from the textile industry. They are really apples and oranges in this bill, and we are doing a disservice to the Congress of the United States and a disservice to the people if we cannot have separate considerations of these two industries.

Mr. DERRICK. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT] for purposes of debate only.

Mr. TRAFICANT. Mr. Speaker, sometimes I listen to the speeches and I am not quite so sure how people are going to vote. When it is over, I assure my colleagues when I am done they will know how I am going to vote, and they will know why.

Mr. Speaker, my district lost 55,000 jobs in the steel industry since 1977. In

fact, we had 44,000 card-carrying, dues-paying steelworkers, and that is now down to 2,200.

During the great 1984 election campaign Mr. Reagan said do not worry, I will bring those steel mills back. He further said my policies will allow your children to continue to own a piece of the rock.

I say here today that I agree, the President's policy still allows our children in Youngstown, OH, an opportunity to get and own a piece of the rock. The only difference is our kids, to get it, have to import a boulder from Mount Fuji, and that is about what the policies have been.

In fact, the only thing the Reagan administration has given areas like mine has been rustproof paint. I firmly am convinced as I stand in the well of the House today that this President has not finished yet. He will not be satisfied until he has a full grown rice paddy on the east lawn of the White House.

Now let us get off this protectionist business. L.B.J. warned us. He said Congress, if we do not rebuild our factories and take care of our industries, America will be a paper tiger in international trade. Ladies and gentlemen, welcome to confettiville. This is the real Hallmark Hall of Fame Congress because we have done nothing while we taken a President do worse. He has taken us the other way.

Let us talk about what the programs are. This administration started the Mequilladora process. Our Commerce Department sent out 12,000 letters to businessmen and corporations around America to teach them how to develop businesses offshore, in Mexico, for example.

My God, what happened to America where our Commerce Department would have seminars in their own land teaching our people how to make a profit in America?

I keep hearing it is good for America if we lose jobs. Pensions are lost, well, that is good for the country. Health benefits, life insurance benefits, for seniors are lost. That is good for the country. Our manufacturers are moving overseas. That is good for the country.

I say what is good for the country would be to send Mr. Reagan and the IRS to Japan. No. 1, that is where all of the jobs are, and that is where all of the money is. That is exactly the way people in my area feel.

Let me explain this to my colleagues. My area has gone from steel to basically autos. When the steel industry demise came about, Congress could see it. It was almost 30 percent import penetration. Now in the auto industry in October 1985 32 percent of every new car sold in America was made overseas. In November 1985 35 percent of every new car sold in America was made overseas. The Chevy Sprint and

the Dodge Colts are stone cold imports, and we are talking about protectionism.

Korea will export 1 million cars to America this year and they have a 35-percent tariff against our cars. What is wrong with us down here?

In Iacocca's book, and I read it, there is a professor from Japan who says that he cannot figure out what is going on in America. We in Japan take care of our country first. Why does America not do that?

We take a look at the textile industry. God Almighty, if this is not the litmus test for Congress in future battles on trade, I do not know what is. But it takes me to a little man who was never even elected in India, and everybody may have seen the movie "A Man Named Gandhi" and under British rule all of the imported cloth was coming in and all of the Indians were not working, hunger and pain. This little man stood up and made a little speech, and maybe everybody in Congress should listen too. He said to all of the people in India burn all of that imported cloth from Manchester and Leeds, and if you have but only one piece of homespun, wear it with pride and dignity because there is no beauty in any cloth if it causes hunger and indignation.

Let us face it. The textile industry is getting wiped out, the footwear industry almost wiped out. I think it has come to the point now that Congress has to look at the real trade issues. There is no free trade out there and this administration is selling the farm piece by piece, and what they are not selling the foreign countries are taking it from us.

We do not have to worry about a missile. Khrushchev was exactly right. Let them go ahead and go forward with all of that high-powered sophisticated mentality and they will give the country away.

I say today vote for this rule, vote for this bill and send a signal to the administration that Congress is going to stand here and take them on.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, it has been known for some time that the House would be voting on the textile bill. Those of us who believe that it is bad for the United States believe so just as strongly as its passionate proponents believe that it is good, but we will make that case during the debate on the bill.

I for one have certainly not tried to hold up the bill. It has gotten very speedy treatment from our committee, both in subcommittee and in full committee. I am glad that it is on the floor for consideration.

There is one point about the rule that bothers me. I suppose that the problem is unavoidable. The rule

waives the Budget Act. The House waives the Budget Act over and over, in nearly every piece of legislation that it takes up. That is unforgiveably.

This House has simply decided that the budget process is an object of scorn and derision rather than a standard which we will follow.

In this particular case, the customs duty effect is to lose \$5 billion of revenue over the next 5 years. The net revenue effect is to lose \$3.2 billion. None of those losses are included in the congressional budget which this House adopted, and, nevertheless, I am sure that the rule is going to be accepted overwhelmingly.

I would just invite Members' attention to the fact that the vote on the rule is a fiscal vote. It is a \$3.2 billion net vote, and it is a \$5 billion gross vote. The right vote is "no."

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 111, not voting 18, as follows:

[Roll No. 318]

YEAS—305

Ackerman	Boxer	Dicks
Akaka	Brennan	Dingell
Alexander	Brooks	DioGuardi
Anderson	Brown (CA)	Dixon
Andrews	Bruce	Donnelly
Annuzio	Bryant	Dorgan (ND)
Anthony	Bustamante	Dowdy
Applegate	Byron	Downey
Aspin	Callahan	Duncan
Atkins	Campbell	Durbin
Baker	Cardin	Dwyer
Ballenger	Carr	Dyson
Barnard	Chapman	Early
Bateman	Chappell	Eckart
Bates	Clarke	Edwards (CA)
Bellenson	Clinger	Emerson
Bennett	Coble	English
Bentley	Coelho	Erdreich
Berman	Coleman (TX)	Espy
Bevill	Combust	Evans
Bilbray	Conte	Fascell
Billirakis	Cooper	Fazio
Bliley	Coyne	Feighan
Boehert	Daniel	Fish
Boggs	Darden	Flake
Boland	Davis (IL)	Flippo
Boner (TN)	Davis (MI)	Florio
Bonior (MI)	de la Garza	Foglietta
Bonker	DeFazio	Foley
Borski	Dellums	Ford (MI)
Bosco	Derrick	Ford (TN)
Boucher	Dickinson	Frank

Frost	Martinez	Sabo
Gaydos	Matsu	Savage
Gedensson	Mavroules	Sawyer
Gibbons	Mazzoli	Scheuer
Gilman	McCloskey	Schroeder
Gingrich	McCurdy	Schuette
Glickman	McDade	Schulze
Gonzalez	McEwen	Schumer
Gordon	McGrath	Sharp
Grant	McHugh	Shays
Gray (IL)	McMillan (NC)	Shuster
Gray (PA)	McMillen (MD)	Sikorski
Guarini	Mfume	Sisisky
Hall (OH)	Mica	Skaggs
Hall (TX)	Miller (CA)	Skeen
Hamilton	Miller (OH)	Skelton
Hammerschmidt	Mineta	Slattery
Harris	Moakley	Slaughter (NY)
Hatcher	Mollohan	Slaughter (VA)
Hawkins	Montgomery	Smith (FL)
Hayes (IL)	Moody	Smith (IA)
Hayes (LA)	Morrison (CT)	Smith (NJ)
Hefner	Mrazek	Smith, Denny
Henry	Murphy	(OR)
Hertel	Murtha	Snowe
Hochbrueckner	Myers	Solarz
Holloway	Nagle	Spratt
Horton	Natcher	St Germain
Houghton	Neal	Staggers
Howard	Nelson	Stallings
Hoyer	Nichols	Stark
Hubbard	Nowak	Stenholm
Huckaby	Oakar	Stokes
Hughes	Oberstar	Stratton
Hunter	Obey	Studds
Hutto	Olin	Sundquist
Hyde	Ortiz	Sweeney
Jacobs	Owens (NY)	Swift
Jenkins	Owens (UT)	Swindall
Johnson (SD)	Panetta	Synar
Jones (NC)	Parris	Tallon
Jones (TN)	Pashayan	Taylor
Jontz	Patterson	Thomas (GA)
Kanjorski	Pease	Torres
Kaptur	Pelosi	Torricelli
Kastenmeier	Pepper	Towns
Kennedy	Perkins	Trafficant
Kennelly	Pickett	Traxler
Kildee	Pickle	Udall
Kleczka	Price (IL)	Valentine
Kolter	Price (NC)	Vento
Konnyu	Quillen	Visclosky
Kostmayer	Rahall	Volkmer
Lancaster	Rangel	Walgren
Lantos	Ravenel	Watkins
Leath (TX)	Ray	Waxman
Lehman (CA)	Regula	Weiss
Lehman (FL)	Richardson	Weldon
Lent	Rinaldo	Wheat
Levin (MI)	Ritter	Whitten
Levine (CA)	Robinson	Williams
Lewis (GA)	Rodino	Wilson
Lipinski	Roe	Wise
Livingston	Rogers	Wolpe
Lott	Rose	Wyden
Luken, Thomas	Rostenkowski	Wylie
MacKay	Roukema	Yates
Manton	Rowland (GA)	Yatron
Markey	Roybal	Young (AK)
Martin (NY)	Russo	Young (FL)

## NAYS—111

Archer	Daub	Ireland
Armey	DeLay	Jeffords
AuCoin	DeWine	Johnson (CT)
Badham	Dornan (CA)	Kasich
Bartlett	Dreier	Kolbe
Barton	Fawell	Kyl
Bereuter	Fields	LaFalce
Boulter	Frenzel	Lagomarsino
Broomfield	Gallely	Leach (IA)
Brown (CO)	Gallo	Lewis (CA)
Buechner	Gekas	Lewis (FL)
Bunning	Goodling	Lightfoot
Burton	Gradison	Lowery (CA)
Carper	Grandy	Lowry (WA)
Chandler	Green	Lujan
Cheney	Gunderson	Lukens, Donald
Coats	Hansen	Lungren
Coleman (MO)	Hastert	Mack
Coughlin	Hefley	Madigan
Courter	Herger	Marlenee
Craig	Hiler	Martin (IL)
Crane	Hopkins	McCandless
Dannemeyer	Inhofe	McCollum

Meyers	Roberts	Solomon
Michel	Roth	Stangeland
Miller (WA)	Rowland (CT)	Stump
Molinari	Salki	Tauke
Moorhead	Saxton	Thomas (CA)
Morella	Schaefer	Upton
Morrison (WA)	Schneider	Vander Jagt
Nielson	Sensenbrenner	Vucanovich
Oxley	Shaw	Walker
Packard	Shumway	Weber
Penny	Smith (NE)	Whittaker
Petri	Smith (TX)	Wolf
Porter	Smith, Robert	Wortley
Rhodes	(NH)	
Ridge	Smith, Robert	
	(OR)	

## NOT VOTING—18

Biaggi	Edwards (OK)	Leland
Clay	Garcia	Lloyd
Collins	Gephardt	Pursell
Conyers	Gregg	Roemer
Crockett	Kemp	Spence
Dymally	Latta	Tauzin

## □ 1210

Mr. HALL of Texas changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 442, CIVIL LIBERTIES ACT

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 100-301) on the resolution (H. Res. 263) providing for the consideration of the bill (H.R. 442) to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians, which was referred to the House Calendar and ordered to be printed.

#### VIEWS OF CONGRESSMAN BILL FRENZEL ON H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the views of Congressman BILL FRENZEL on the bill, H.R. 1154, the Textile and Apparel Trade Act of 1987, which were inadvertently omitted from the committee report, be inserted at this point in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The text of the material referred to is as follows:

#### ADDITIONAL VIEWS BY CONGRESSMAN BILL FRENZEL, AUGUST 6, 1987

If you don't like competition, you will love this year's textile bill, H.R. 1154. It is different from last year's vetoed version, but it is just as harmful to the U.S.

The Trade Subcommittee reported the legislation and the full Ways and Means Committee reported it without recommendation, and without enthusiasm. It was an idea whose time has come and gone.

Textile legislation used to be a Holy War. Now it has become an annual ritual. Textiles already have the broadest protection of any U.S. industry. By any standard, textiles is a profitable, high employment industry. Despite its great success, the industry knows only one battle cry, "more."

During the 99th Congress, the industry came close to passing a bill that would have drastically cut back imports, even to many of the least developed countries which are very minor suppliers. When the Congress failed to override a Presidential veto, the industry came right back with a different version which added footwear restraints. Because the bill is different, not better, the industry and its apologists allege that it is GATT and MFA consistent.

The bill is being hyped as the great compromise of the year—the bottom line for the survival of the textile/apparel/footwear industry. Without it, its authors say, there will be no textile/apparel industry by the year 2000. The Institute for International Economics textile study by William R. Cline analyzes that even with the lower tariffs and the phase out of quotas it recommends, the annual rate of employment reduction would be 2% for textiles and 2.5% for apparel—about the same as the annual rate of retirement in the industry.

To look at the current state of the industry is to challenge the statements that the industry is on its last legs. Textiles is the healthiest dying industry in sight. Production has been increasing since the early 70's, up 10% in 1986 and 3% for apparel. Productivity growth, sales and profits are over that of manufacturing as a whole. Capacity utilization is up to 96% currently in textiles. Textiles is the envy of other industries.

Employment is up, 3.4% in textiles and .4% in apparel from May of 87 over 86. Industry employment rose by 25,800 jobs between the same time frame. Unemployment figures in the major textile states are below the national average. Unemployment in the textile industry fell to 5.6% in 1987 from 7.4% in 86. Overall unemployment rate is 6.7%. In the main textile states unemployment rates are 4.8% in North Carolina, 6.1% in South Carolina, and 5.6% in Georgia.

A Kurt Salmon Associates survey of 35 textile companies showed net income increasing by 83% in 1986 with sales increasing 16%. 1987 first quarter profits of 8 textile companies were up 110%. Total industry profits were up 67% in 1986. Every broker in town is touting textile stocks.

The OTA says that between 1975-85 productivity grew at 5.6% average rate per year—twice that for manufacturing as a whole. Apparel was at 2.7%—still above the overall rate. Exports have increased in 1986—13% for textiles, 22% for apparel, according to the USTR. New and expanding plants are being built, further creating job opportunities in the industry. Few industries are enjoying such prosperous times.

The footwear industry is adjusting on its own and stabilizing in areas where it can be competitive. Voluntary labor turnover in the footwear industry is over 30% per year, permitting an adjustment without forced layoffs. While imports are high, domestic producers still control a high percentage of the value of the footwear market. The U.S. footwear industry is dominated by profitable companies concentrating on high quality brands. Quotas would force the importation of higher quality footwear that would directly compete with that.

Import penetration in textiles is high, but not alarming. The Institute for International

al Economics says that combined import penetration was 22% in 86 by value. Commerce shows a combined import share of 33%. ATMI shows much higher figures not accepted by DOC.

There has been a steady rise in imports, but no big surge, except in 1983-85 when the strength of the dollar injured many U.S. industries by encouraging imports. Slower consumption growth in the 70's and early 80's has also taken its toll on the industry. In the last year, imports have risen due to increased consumer demand and the inability of the U.S. industry to supply all of that demand.

Before we agree that the current level of import penetration is worthy of additional import restraints, we need another look at the industry. While it is true that the industry has made some productivity improvements, particularly in textiles, and has been far more effective lately at developing market niches, most of these improvements have occurred too late to recapture the share of U.S. consumption lost to imports.

A complacent textile industry suddenly had to face competition from abroad in the 1970's. Outmoded equipment had to be replaced, and an adjustment shock spread throughout the industry as factories either closed down, unable to raise the capital needed to adjust, or laid off workers no longer needed with new productivity improvements. The question is, are imports to blame, or did they provide a positive stimulus to an industry that badly needed revitalization? Throughout the continuing adjustment process, the industry has been protected as has no other in the U.S. Unsurprisingly, the industry and its employee groups found they loved the insulation from competition the 1,400 quotas had given them. So they have repeatedly asked for more.

When considering the need for more import restraints, we must also consider the impact on U.S. consumers. H.R. 1154 would have a disproportionate affect on lower-income consumers, both in textiles and footwear. The protection in place now, the 1,400 quotas, forces consumers to pay \$20 billion annually to protect a prosperous industry and preserves 220,000 textile and apparel jobs. That is \$82,000 per job saved in the apparel industry and \$135,000 for each textile job saved.

Consumers for World Trade says that \$27 billion is the current protection to the textile industry at the wholesale level, and \$54 billion at retail level. That level of protection is unconscionable and unnecessary.

The CEA estimates that consumer cost of H.R. 1154 in textiles would be \$25-37 billion over 5 years. It estimates a \$52,000 cost per job saved in the footwear industry. ITC estimates \$6.9 billion in consumer cost for footwear over the first 10 years of the bill.

The Institute for International Economics estimates an average \$7.1 billion consumer cost for textiles in H.R. 1154 for each of the first 10 years of the bill. International Business and Economics Research Corporation estimates that H.R. 1154 would increase consumer cost by \$10 billion annually and result in the loss of 52,000 retail jobs. It estimates that \$223,000 consumer cost would be paid for each of 47,000 jobs protected, a net job loss of 5,000 jobs should the bill pass.

Those costs would be rated extreme by any rational judge. Even if those estimates are off by 100%, they are still too expensive to lay on to the backs of American consumers. Protection for a struggling industry is one thing; H.R. 1154 by this analysis, looks like an exercise in pure greed. We must also

review the current protection of the industry. In 1961 the first textile agreement, the Short Term Arrangement, was negotiated as a temporary protection to the industry. 26 years later, the industry is still being protected under the successor agreement, the MFA.

The MFA has been extended three times, each time the rules tightened, growth rates restricted and coverage broadened. Now, nearly all fibers are covered. We have bilateral agreements with 39 countries which have also become stricter and broader. Those for the major suppliers have an average growth rate of 1%. The Taiwan bilateral includes a 7% rollback. Textiles and apparel have the highest tariffs of any U.S. industry—tariffs averaging 18% versus 3% for all other U.S. industries.

Textile protectionism is not creeping; it's galloping. The U.S. government has also automated its system of calls on particular non quotas categories in which market disruption is alleged. This has resulted in far more calls and new quotas than has been the case previously. There are over 1,500 quotas, 200 of which were made in 1986. Over 80% of all low-cost imports are under quotas. Customs enforcement of imports for possible circumvention has stepped up to the point where its efforts are sadly lacking in the general commercial area, and importers complain of lengthy delays and mistreatment of their merchandise. A special rule of origin for textiles and apparel has been devised, and country of origin labeling requirements have been strengthened. Textile exemptions have been granted to our CBI and GSP laws. The 807(A) program provides tariff relief to apparel sewn in 807 plants, if domestic fabric is used.

I would submit that the information submitted above does not justify further textile protection. Even as a so-called compromise measure, H.R. 1154 does not make any sense. The bill calls for quotas on imports from all countries, including Canada and the EC, which were never envisioned under the MFA. (The EC has increased its imports of U.S. textile and apparel by 45% in 1986). It unilaterally limits all quota growth to 1%, and zero growth for footwear. It provides for some compensation to injured countries in the form of tariff cuts, but not even a small percentage of what would be actually required. The bill would also continue the trend towards encouraging increased value imports which more directly compete with U.S. apparel and footwear and results in fewer lower cost imports for low-income consumers.

The bill, in the opinion of the Administration, violates both the MFA and the GATT. It violates the MFA by requiring global quotas, by determining quotas without the usual consultation and market disruption finding, and would violate all of our bilaterals. It would violate the GATT by determining injury for an entire industry, by assigning permanent not temporary quotas, and by not providing adequate compensation. The Europeans, and others of our trading partners, have stated that they will retaliate if this bill passes. The effect of retaliation against U.S. agriculture and high technology products could be devastating.

If the bill passes, we can expect the collapse of the MFA. Even more devastating, we could see the end of the Uruguay Round as well. The U.S. made a standstill commitment with our trading partners during the period of the negotiations. H.R. 1154 would violate that commitment.

If the Congress believes that the industry should receive further protection, it should

continue on the same course and speed as we are on now rather than to provide the additional protection of H.R. 1154. We should allow the MFA and the new bilaterals to work, gradually covering more categories as they become disruptive. We should provide more Customs enforcement of possible violations by granting Customs the additional inspectors Congress has long sought to authorize. H.R. 3 also has several sections which deal with circumvention and stiffer penalties for violators, not at all of which I agree, but is a more positive way of getting at the problem than H.R. 1154. The dollar decline is also beginning to make imports more unattractive.

The industry itself must make further commitments to modernization and flexibility as well. There has been a lot of complaint that the industry is inflexible and often refuses to or cannot manufacture many items. Failure to meet production deadlines is another problem, all of which has forced many retailers and U.S. interests offshore.

With an improved macroeconomic picture in the U.S., with adequate enforcement of existing law, and a concentrated effort by the industry to become further competitive, there will be no need for a bill as disruptive as H.R. 1154.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Before proceeding with the textile bill, the Chair desires to announce that Members who wish to attend the ceremony on the west terrace of the Capitol in honor of the bicentennial of the Constitution can either meet at the center door to the Chamber at 12:45, where they will be escorted to the Member's designated area on the terrace; or, they may go directly to the west terrace from the second floor of the Capitol by walking through the rotunda, and down the stairs to the center west front door or from the first floor by walking through the crypt to the center west front door.

Members should be in their seats by 1 p.m.

#### TEXTILE AND APPAREL TRADE ACT OF 1987

The SPEAKER pro tempore. Pursuant to House Resolution 256 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the consideration of the bill, H.R. 1154.

□ 1218

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 1 hour and 30 minutes and the gentleman from Tennessee [Mr. DUNCAN] will be recognized for 1 hour and 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Madam Chairman, I yield 45 minutes of my time to the gentleman from Georgia [Mr. JENKINS].

Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, H.R. 1154, the Textile and Apparel Trade Act of 1987, was reported by the Committee on Ways and Means without recommendation on August 6.

The bill would establish permanent global import quotas on more than 180 categories of textile products and 30 categories of footwear products. The quotas would apply to products from all countries, and would be effective retroactively to January 1 of this year.

For calendar year 1987, the various quotas on textile products would be set at 1 percent above actual levels of 1986 imports for each product category. After 1987 the textile quotas would increase by 1 percent each year.

The import quotas on nonrubber footwear would be frozen indefinitely at actual 1986 levels of imports in each category.

Other provisions of the bill include a grant of compensation authority to the President, a requirement for an annual report to Congress, and a review of the quota programs after 10 years by the Secretary of Commerce.

The one amendment adopted by the committee provides a limited exemption for certain products of U.S. insular possessions.

Madam Chairman, due to strong divisions of opinion within the Committee on Ways and Means on this bill, the committee chose to report the bill without any recommendation on whether it should pass.

I am, however, strongly opposed to this legislation, for reasons I will identify at the close of debate.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Madam Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Madam Chairman, I yield 45 minutes of my time to the gentleman from Illinois [Mr. CRANE].

Madam Chairman, I yield 6 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987.

As we all know, this legislation passed overwhelmingly in the last Congress but was vetoed by the President. Then as a result of those objections the measure was changed in order to meet those objections, and the present bill would establish quotas on a global basis. Thus no trading partner would be singled out for preferential treatment. The administration would be given complete flexibility to engage in bilateral agreements to enhance the status of any trading partner when it is deemed in the national interest to do so.

In addition, H.R. 1154 provides for no rollbacks of trade. Finally, the measure is consistent with GATT since it includes a congressional finding of injury to the domestic industry, global import quotas, and authorization to negotiate a reduction of tariffs as compensation for affected countries.

Madam Chairman, we have heard a great deal about textiles these past few years. Supporters say that H.R. 1154 is eminently fair, GATT-legal, sets global limitations, provides jobs, reduces Federal expenditures, and generally accelerates our country's economic growth. Opponents claim it will cost consumers billions, that the industry is too protected already, that it will invite retaliation, and that it will cost tens of thousands of dollars for each textile job saved. The information is available out there to support any of these claims. By now, most Members have decided for themselves which arguments have merit.

Today let me offer another point that should be considered—the critical role textiles play in our national defense. Our current Secretary of Labor, Bill Brock, when he served as U.S. Trade Representative, summed up the tremendous importance of textiles. Secretary Brock stated that "Every U.S. industry insists it is essential for national security. Textiles is the only one we accept, and that goes back 20 years."

Secretary Brock is not alone. Dr. Steven Kennedy of the U.S. Army's Natick Laboratories agreed of the importance, saying "it is doubtful if what is left of the woolen and worsted industry can continue for the indefinite future even at its present limited capacity, or be able to supply even peacetime requirements of uniform fabrics for the Armed Forces in the face of price competition from low-wage countries." That, Madam Chairman, is a compelling indictment of our industry.

The Federal Government spends about \$1.5 billion each year on clothing and textiles. The Pentagon admits there are more than 300 different "combat essential" items provided by

the textile and apparel industries—things such as chemical-protective suits and gas masks as well as traditional textile products like pants and shirts.

But we cannot forget the many non-traditional uses of textile products, and the critical role they play. Grenade decelerators. Bomb decelerators. Fuel cells for helicopters and airplanes. Parachutes. Truck tire components. Helicopter blades and fuselages. Submarine launch tubes. Airplane brakes. Tiles for the "belly" of the space shuttles. Processed materials for the Stealth bomber and fighter, the F-15, F-16, the B-1, the Apache helicopter, and many other military aircraft. In every branch of our Armed Forces, textiles are vital.

While the footwear industry is less pervasive, it is equally important. In World War II, Gen. Omar Bradley noted that 45,000 soldiers were evacuated with trenchfoot. None could return for combat, and some were incapacitated for life. In the sixties and seventies Vietnam was a harsh reminder that sophisticated weaponry has not supplanted the need for basic preparedness in jungle combat.

In the 1980's, one of our greatest allies shared the same problems. At the end of the Falklands war, one-half of all British troops were suffering from trenchfoot due to poorly designed footwear. A recent Army report gave us the sad conclusion. It said, "The lessons learned in previous wars about the seriousness of trenchfoot \* \* \* never seem to get passed on to the next generation. They have to be relearned in each war by amputations, deaths, loss of battles, and low morale." The report also noted that U.S. trade policy was destroying domestic sources of procurement. That was in 1984, when our domestic footwear market share was 29 percent. Today, it's 17½ percent, the lowest in American history.

And let's not fool ourselves into believing we can replenish our supplies with current stockpiles. Right now, less than one-third of our mobilization requirements can be met with existing reserves. That, Madam Chairman, is a military tragedy.

We are all concerned about national defense. And we all want a strong economy. Well, we can take a huge step toward both of these goals with the passage of the bill before us today. H.R. 1154 is a reasonable, responsive bill that addresses the needs of our domestic textile industry while ensuring minimum disruption in the global economy.

Bill Brock says the textile industry is the only industry we accept as being vital to national security. The Department of Defense now ranks textiles second only to steel. There are simply no acceptable substitutes for textile

products. Not a truck could roll, not a plane could fly, not a soldier could march without U.S. textile, apparel, and footwear producers. Ensuring America's troops are properly equipped is not a special interest issue, Madam Chairman, it is a national obligation.

□ 1225

Mr. JENKINS: Madam Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK: Madam Chairman, I thank the gentleman for yielding me this time.

Let me explain basically what this textile and apparel bill does and the changes from the last time, and there have been substantial changes since the last time.

The last bill had a rollback to 1983 levels. Most, or a large part of the increase in imports into this country has taken place since 1983, so last session's bill would have meant a substantial immediate cutback in textile imports into this country.

Also, the last bill was only applicable to the Asian-rim countries, and there were those that felt it was unfair because of that. These two major things were dealt with in the new bill and in the new bill it has global applications.

The administration has the authority to designate and make that application on a global basis. Further, we do not have a rollback. We go back to the last available figures, and that would be 1986 figures.

After that, textile imports are held to an overall figure of about 1 percent, which is about the growth that the domestic market has shown over the last few years.

Back in the 1980 election, both then-President Carter and candidate Reagan signed letters to the textile people indicating if they were elected or reelected, as the case may be, that they would keep textile imports down to about 1 percent, which would be comparable to what the domestic market was doing.

President Reagan and the administration have simply not done that. We have seen 20, 25 percent increases in textile imports into this country. I think we have a right—yes, this legislation is protective, but the GATT signatories and other nations around the world decided textiles needed protecting back years ago, and entered into the Multifiber Agreements because of that.

Our problem is that our part of the agreements are not being enforced, whereas Taiwan, Japan, the European Common Market, and others are enforcing their part of the agreement.

It leaves our American market open to all the Third World nations because of the relatively low capital investment and high labor intensity of ap-

parels which have flooded our markets and taken away jobs in this country.

It is a very legitimate concern of ours, and we cannot afford to let a basic industry slide as we have in other instances, and steel comes to mind.

That is basically what the bill does, and I ask for the Members' close consideration to the debate.

I yield back the balance of my time.

Mr. DUNCAN: Madam Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER: Madam Chairman, I thank the gentleman for yielding me this time.

I represent a district in North Carolina that has 60,000 textile workers. Ten years ago we had 80,000 in that district. One thousand plants have closed.

People say, "Why is business good in the textile industry?"

You close a thousand plants and see how the ones that are left will do.

I have often thought of comparing it to lawyers. This body is full of lawyers; and if we could cut half the lawyers out, think how much better the business would be for the other half.

It is really not fair, because our Government is presently equipped to do something about this problem, and I would agree with the Democrats that they have not done it.

The multifiber agreement that everybody says is such a great thing, leave it alone, we will regulate it that way, that agreement would have allowed textiles to grow in the period I am speaking of by 26 percent. In reality, it has grown by 100 percent.

I do not know whether you know it or not, but Korea has an allotment of polyester cloth they are allocated to ship into this country. The allotment is 95 million yards a year; and yet by going around through Japan, who probably does not produce their proper amount, they are shipping another 80 million yards of polyester cloth into this country.

We need this bill. We are allowing every country in the world to ship into our area now. The textile market, half of it, belongs to the people overseas. That is enough.

Let us vote for H.R. 1154.

Mr. GIBBONS: Madam Chairman, will the gentleman yield?

Mr. BALLENGER: I yield to the gentleman from Florida.

Mr. GIBBONS: Madam Chairman, I thank the gentleman for yielding.

I really challenge the gentleman's figures. The official figures compiled by the administration come nowhere near the figures that the gentleman has quoted.

Mr. BALLENGER: Which figures?

Mr. GIBBONS: All of the gentleman's figures, the import-penetration figures, the share of the market.

They do not come anywhere near that, and I do not challenge the gentleman's veracity; but whoever gave the gentleman those figures did not tell the gentleman the truth.

Mr. BALLENGER: I am sorry that the gentleman disagrees with me, but I am quite sure that the people that gave me the statistics believe them very seriously.

Mr. GIBBONS: Madam Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. PEASE], a member of the Subcommittee on Trade and a member of the Committee on Ways and Means.

Mr. PEASE: Madam Chairman, I thank the gentleman for yielding me this time.

When I spoke against the veto override vote last year, I made three points:

First, the United States has a textile and apparel import problem with enormous human dimensions;

Second, this problem was caused by the Reagan administration's maladministration of trade policy earlier in the decade; and

Third, in the absence of legislation, we have no assurance that the mistakes made by this administration will not be repeated in the future.

I voted to sustain the President's veto because enactment of last year's legislation would have broken our international obligations many times over. It would have jeopardized jobs in manufacturing and agriculture by giving our trading partners justification under international law to retaliate.

In my view, the textile and apparel industry and—and still has—a problem deserving a legislation response. Unfortunately, H.R. 1562 was the wrong response.

I commend those who crafted this year's legislation for their efforts to improve the bill. However, H.R. 1154 is still too flawed to receive my support. Regrettably, a number of serious problems remain.

The revised bill would still force the United States to violate trade agreements, potentially trading jobs in export industries for those in the textile, apparel, and shoe industries. I remain reluctant to support a zero sum game trade policy.

In addition, this vote comes at an inopportune time. Enactment of the bill would have serious consequences for the new GATT round. Moreover, the House-Senate conference on the omnibus trade bill is just getting underway.

For more than 2 years, I and, I suspect, other Members of Congress have been forced to choose between doing nothing and going overboard. I have found this to be a frustrating predicament. Imagine how frustrated workers in these industries must feel.

In my view, an appropriate and successful strategy would consist of the following:

First, tightened administration of textile and apparel import policy to ensure that import surges beyond MFA guidelines are quickly identified and analyzed to determine whether they are disrupting markets and warrant calls;

Second, accelerated negotiations to eliminate barriers to U.S. textile exports in countries that enjoy access to U.S. textile and apparel markets; and

Third, enhanced adjustment assistance to workers and communities affected by the great shakeout in the industry during the past several years.

Madam Chairman, my vote against H.R. 1154 is not a vote in favor of doing nothing. Rather, I vote against a cure that I fear would be worse than the disease.

□ 1235

Mr. CRANE. Madam Chairman, I yield myself 5 minutes.

Madam Chairman, there are many who would persuade you this morning that we must build an Iron Curtain around our textile, apparel, and footwear industries. Those possessing siege mentality see an army of imports surging on the horizon with battering rams and fear too many are overrunning our already excessive protective barriers. Problems are seen as unresolvable without further protection. They see plants closing, people out of work, and barrages of imports wounding those remaining domestic producers frantically bobbing and weaving to stay alive. They refuse to recognize newly created employment, profitability and high capacity utilization. They appeal to all of us to support H.R. 1154 as the only solution to save the United States from losing its domestic textile industry entirely, with dire national security and economic consequences if we do not.

But before you harken to the drumbeat of the H.R. 1154 brigade, let me urge you to consider that this is not a losing battle with a bleeding industry on its deathbed. Instead, this industry is alive, well and the most protected in U.S. history. Rather than helping the economy, the restrictive quotas in H.R. 1154 will cause mayhem—more jobs will be lost than gained and lower- and middle-income consumers hardest hit.

Since 1948, industry spokesmen have demanded ever increasing layers of protection, claiming, as today, that catastrophe is imminent unless immediate government intervention occurs. In response to these pleas we now have nearly 1,400 quotas regulating more than 80 percent of all textile and apparel imports. And only last year, the multifiber arrangement [MFA] was expanded to cover silk blends, ramie, jute, linen, and other fibers. Yet this

overanxious industry still howls for more protection.

Examine this so-called weakling before you agree to buy it another suit of armor. According to the Federal Reserve and industry analysts the industry had a banner year in 1986 and looks to be racking up another one in 1987.

From the first quarter of 1985 to the first quarter of 1987, textile production increased 20 percent; and capacity utilization increased steadily from 78 percent in 1985 to 92 percent in 1987. Apparel production is up 8 percent over the last 6 years and capacity utilization climbed to 90 percent.

Now it is certainly true plants may be closing, but more so to move production to more up to date, modern, automated facilities than for lack of business. In fact, with such capacity utilization, manufacturers and retailers have had to turn to imports when our domestic industry was oversubscribed with too many orders to supply their needs.

Employment in the industries continues to rise, with 24,000 more employed in August 1987 than in 1986, and unemployment rates in the leading textile States below the national average of 6.6 percent. North Carolina's rate in the first quarter of 1987 was 4.7 percent, South Carolina's was 5.5 percent and Georgia's 5.1 percent. Further, the textile industry also enjoys greater profitability than manufacturing as a whole, with a 12-percent return on equity in the first quarter of 1987 versus manufacturing's 10.8 percent. And this follows 1986's 24.6 percent return on equity in textiles versus manufacturing's 14.9 percent.

So profits are up, plants are booming at capacity, employment is increasing, yet we are asked to pass emergency legislation for a desperate industry. Nothing will suffice but restrictive quotas limiting growth to 1 percent annually in textiles and apparel, and permanently freezing footwear imports at 1986 levels. This added protection carries a hefty price tag. Consumer costs will rise an estimated 20 percent in escalating prices, or at a consumer cost of \$33,000 per job saved. And given higher consumer prices, 52,000 retail jobs will probably be lost. U.S. exports may suffer \$6 billion in retaliatory measures. And there will be shortfall of 90 million athletic shoes per year prohibited from entering the U.S. market—and this footwear is not even manufactured domestically.

Finally, if lost jobs and higher prices are not enough, this bill is a blatant violation of international agreements given the unilateral findings and actions required. Its passage will surely result in retaliation, with other industries, especially agriculture, asked to pay the price so textiles and apparel can bask in further benefits.

Lastly, I remind you that the United States launched the Uruguay round of the General Agreement on Trade and Tariffs [GATT]. We are attempting to strengthen our global competitive and economic position through a stronger GATT organization, with all participants opening markets and taking down trade barriers. The supporters of H.R. 1154 would throw this away, showing the world we will not uphold our agreements and that we're out to protect ourselves alone. The result will be a hamstrung GATT round, and disorder in the world marketplace as everyone seeks to follow our shabby example and fend for themselves.

Another wall of protection is not what the U.S. economy requires. If we are to grow, we do not restrict the very supply chain our manufacturers require to meet demand and profit. Our factories are hungry for fibers to produce finished goods and 80 percent of fibers are domestically produced. If we limit imports under this bill, what will occur when manufacturers cannot acquire the remaining 20 percent of fibers they require, especially with U.S. mills already at 92 percent capacity and oversubscribed with orders? Do we shoot ourselves in the foot restricting imports and by consequence doom more manufacturers to shut plants and layoff workers when they cannot get raw materials? Consumption is up 29 percent in the first quarter of 1987, and this bill would restrict annual growth to 1 percent. Clearly that is to move in the wrong direction.

Raising ever higher walls around the United States will cost dearly in lost jobs, more expensive goods, a weakened U.S. economy and a damaged global trading system, all of which will further fuel the spiraling U.S. trade deficit. The root cause of our trade difficulties is not addressed here, no more than in our mammoth trade reform bill to be considered soon in conference. These bills are not the answer to our record trade deficits. They will merely mask it, restructure it, or quite possibly make it worse. We must muster the political will to cut our top heavy budget deficit and reform our tax structure if we expect to restore confidence in our economy, stabilize the dollar, negotiate from strength and cure our trade ills.

I urge my colleagues to vote "no" on H.R. 1154.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. CRANE] has expired.

Mr. DUNCAN. Madam Chairman, I yield the gentleman from Illinois 1 additional minute.

Madam Chairman, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Tennessee.

Mr. DUNCAN. Madam Chairman, as the gentleman knows, I have the high-

est respect for him, but the gentleman's numbers are a little different from the Commerce News which was put out just yesterday. It shows that the second quarter textile income was down, and also profits were down 12 percent.

Mr. CRANE. In the second quarter of 1987?

Mr. DUNCAN. 1986 and 1987, it shows a comparison that they were down in 1987. The gentleman quoted some figures. I just wondered where the gentleman got those figures, because the Commerce News, which was printed day before yesterday, shows that the profits are down 12 percent.

Mr. CRANE. The gentleman is talking about down 12 percent in the second quarter of 1987 over the second quarter of 1986?

Mr. DUNCAN. Yes. The gentleman was quoting those quarters a moment ago.

Mr. CRANE. Well, I was not comparing the 2 years. I was talking about second quarter increases over the first quarter of this year.

Mr. DUNCAN. And also, the Commerce News says they were down for those quarters.

Mr. CRANE. But it is the second quarter sales and your figures suggest profits were down over the first quarter of this year?

Mr. DUNCAN. I think that is correct, but the gentleman was quoting the two quarters a year ago and 1987, but they are down and continue to be down.

Mr. CRANE. Well, if I was comparing 1987 with 1986, I retract that and stand corrected.

I thank the gentleman.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. Despite what its opponents claim, this legislation is necessary to end the crisis in the textile and footwear industry.

Although I support the bill in its entirety, one of its best features limits "nonrubber footwear" imports to their 1986 levels. There is precedent for this action; from 1977 to 1981, limitations were placed on footwear imports from Korea and Taiwan.

Despite the cries of those in this Congress that say we must have free trade, I contend that free trade must be fair trade. Foreign competition caused 70 "nonrubber footwear" factories to close in 1986, along with another 19 so far this year. Foreign competition cost 9,600 jobs in this industry in 1986. Foreign competition caused imports to rise to the historic high of 941 million pairs in 1986 and foreign competition caused import penetration to hit 82 percent in 1987.

The simple problem is, we cannot compete with unfair and subsidized foreign manufacturers. All the free traders on this floor will talk this afternoon about the need for global competition and international commitments, but the fact of the matter is that our country has a much more noble commitment to its workers than many of our trading partners. We respect the dignity of our workers. We will not let them work at poverty wages and work 18 hours a day. We will not put them in sweatshops and we cannot compete with countries that do.

Madam Chairman, the fact of the matter is that we are better than that. The time has come for action, and this bill will provide it. Stand up to the theorists who tell you that things will get better after this and after some time, and that the principles of free trade are worth more than the dignity of the American worker.

H.R. 1154 is a reasonable and rational solution to a real problem and deserves the support of this House.

Mr. GIBBONS. Madam Chairman, I move that the Committee do now rise. The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. DONNELLY] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, had come to no resolution thereon.

#### RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of yesterday, the Chair declares the House in recess subject to the call of the Chair. Bells will be rung 15 minutes prior to convening following the ceremonies at the west front of the Capitol.

#### PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GIBBONS. Mr. Speaker, can the Chair inform us about what time we will reconvene?

The SPEAKER pro tempore. The Chair will state that the House will reconvene at approximately 2:15. Bells will be rung 15 minutes prior to the reconvening of the House.

The House will be in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 48 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1430

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 34 minutes p.m.

#### SUPPLEMENTAL APPOINTMENT OF CONFEREES ON H.R. 3, TRADE AND INTERNATIONAL ECONOMIC POLICY REFORM ACT OF 1987

The SPEAKER. On August 7, 1987, the Chair appointed conferees on H.R. 3, the omnibus trade bill. Pursuant to the order of the House of that day, the Chair will now supplement that initial appointment.

Accordingly, the Chair appoints the following Members from the committees designated, including both the Members initially appointed and Members newly appointed, as conferees and specifies particular portions of the House bill and Senate amendment as the subjects of the various appointments.

Without objection, the appointment will appear at this point in the RECORD.

There was no objection.

The list of conferees is as follows:

CONFEREES ON THE OMNIBUS TRADE BILL (H.R. 3)

From the Committee on Ways and Means, for consideration of titles I, II, VIII, and XV and sections 704 and 906 of the House bill, and titles I, II, III (except sections 308 and 310), IV (except sections 412 through 415), V through VIII, IX (except sections 963, 967 through 972, 974, 975, and 977) of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, DOWNEY of New York, PEASE, RUSSO, GEPHARDT, GUARINI, MATSUI, DUNCAN, ARCHER, VANDER JAGT, CRANE, and FRENZEL.

From the Committee on Ways and Means, for consideration of sections 321, 323, 363, 907 through 909 of the House bill, and title XXXVII and sections 308, 310, 412, 977, 2002, and 3871 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, DOWNEY of New York, PEASE, RUSSO, CRANE, FRENZEL, and SCHULZE.

From the Committee on Ways and Means, for consideration of sections 613, 626, 627, 671 through 675, 681, 682, 691, and 692 of the House bill, and sections 974, 975, 2112, 2128, 2171, 2173 through 2175, 2191, 2193, and 2194, of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, PEASE, RUSSO, MATSUI, ARCHER, THOMAS of California, and DAUB.

From the Committee on Ways and Means, for consideration of sections 605 through 607, 611, and 663 of the House bill, and sections 2113, 2114, and 2136 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, JENKINS, MATSUI, THOMAS of California, and DAUB.

From the Committee on Ways and Means, for consideration of title X of the House bill, and section 3911 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, GEPHARDT, GUARINI, CRANE, and FRENZEL.

From the Committee on Ways and Means, for consideration of sections 351, 901, and 902 of the House bill, and sections 968 through 972, 1030 through 1033, and 3811 through 3824 of the Senate amendment, and modifications committed to conference:

Messrs. ROSTENKOWSKI, GIBBONS, DOWNEY of New York, ARCHER, and SCHULZE.

From the Committee on Agriculture, for consideration of title VI and sections 318 through 321 of the House bill, and title XXI (except sections 2178 through 2180A and 2185 through 2187) and sections 601, 602, 604, 605, 974, 975, and 4706 of the Senate amendment, and modifications committed to conference:

Messrs. DE LA GARZA, BROWN of California, PANETTA, GLICKMAN, STENHOLM, VOLKMER, ROBERTS, MORRISON of Washington, GUNDERSON, and GRANDY.

From the Committee on Agriculture, for consideration of section 308 of the Senate amendment and modifications committed to conference:

Messrs. DE LA GARZA, BROWN of California, GLICKMAN, ROBERTS, and MORRISON of Washington.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 126 (insofar as it would add new sections 311(g) (1) and (2) to the Trade Act of 1974), sections 401 through 427, and 431 through 452 of the House bill, and titles XIII and XVII and sections 108, 2008, 2012, and 2178 through 2180A of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, LAFALCE, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 322 of the House bill, and section 1106 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. GARCIA, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 341 and 344 of the House bill, and modifications committed to conference:

Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, LAFALCE, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 428 of the House bill, section 1506 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, BARNARD, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 461 through 471 of the House bill, and sections 3801 through 3809 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, and GARCIA, Ms. OAKAR, and Messrs. LAFALCE, VENTO, WYLIE, LEACH of Iowa, McMILLAN of North Carolina, and ROTH.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 476 and 477 of the House bill, and sections 1101 through 1103 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, LAFALCE, VENTO, WYLIE, LEACH of Iowa, BEREUTER, and ROTH.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 907 of the House bill, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, VENTO, SCHUMER, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 911 of the House bill, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. LAFALCE, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 959 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, and Messrs. GARCIA, LAFALCE, SCHUMER, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1026 and 1027 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. LAFALCE, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, BEREUTER, ROTH, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 1501 through 1504 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, BARNARD, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1805 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, VENTO, SCHUMER, MORRISON of Connecticut, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of title XIX and section 2001 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, LAFALCE, VENTO, SCHUMER, WYLIE, LEACH of Iowa, BEREUTER, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 313 of the House bill, and sections 1201 and 1203 of the Senate amendment, and modifications committed to conference:

Messrs. FAUNTROY, GARCIA, MORRISON of Connecticut, LEACH of Iowa, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 326 of the House bill, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. GARCIA, WYLIE, and LEACH of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 345 of the House bill, and modifications committed to conference:

Ms. OAKAR, and Messrs. LAFALCE, VENTO, LEACH of Iowa, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 664 of the House bill, and sections 1801, 3903, and 3906 of the Senate amendment, and modifications committed to conference:

Messrs. ST GERMAIN, FAUNTROY, GARCIA, WYLIE, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 702 of the House

bill, and modifications committed to conference:

Mr. ST GERMAIN, Mr. FAUNTROY, Ms. OAKAR, Mr. WYLIE, and Mr. McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of sections 902, 905, and 912 of the House bill, and title XIV and sections 3811 through 3824, 3861 through 3867, and 4501 of the Senate amendment, and modifications committed to conference:

Ms. OAKAR, and Messrs. LaFALCE, VENTO, McMILLAN of North Carolina, and ROTH.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1303 of the House bill, and modifications committed to conference:

Ms. OAKAR, and Messrs. FAUNTROY, GARCIA, LEACH of Iowa, and McMILLAN of North Carolina.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1105 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. GARCIA, WYLIE, and BEREUTER.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 1505 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, WYLIE, and LEACH of Iowa.

From the Committee on Banking, Finance and Urban Affairs, for consideration of section 3854 of the Senate amendment, and modifications committed to conference:

Mr. ST GERMAIN, Ms. OAKAR, and Messrs. VENTO, WYLIE, and McMILLAN of North Carolina.

From the Committee on Foreign Affairs, for consideration of title III (except sections 322, 326, and 351) and sections 451, 601 through 612, 621 through 623, 625, 631 through 637, 641 through 651, 653, 663, 701, 903, 907 and 912 of the House bill, and titles X (except sections 1030 through 1033), XII, XVI, XVIII (except section 1801), XX (except sections 2001 and 2008), and XLVII and sections 311, 413 through 415, 958, 963 through 972, 977, 1104, 1304, 1504, 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2184, 2192, 3851, 3881, 4501, and 4901 of the Senate amendment, and modifications committed to conference:

Messrs. FASCELL, BONKER, MICA, BERMAN, LEVINE of California, BILBRAY, BROOMFIELD, ROTH, BEREUTER, and MILLER of Washington.

Except that:

For consideration of section 331 of the House bill, Messrs. WOLPE, FEIGHAN, and LAGOMARSINO are appointed,

vice Messrs. LEVINE of California, BILBRAY, and MILLER of Washington;

For consideration of sections 318 through 321, 345, 451, and 912 of the House bill, Mr. GEJDENSON is appointed, vice Mr. LEVINE of California;

For consideration of sections 301 through 317 and 323-326 of the House bill, Mr. FEIGHAN is appointed, vice Mr. LEVINE of California;

For consideration of section 325 of the House bill, Mr. SOLARZ is appointed, vice Mr. LEVINE of California;

For consideration of title XLVII and sections 311, 958, 968 through 972, 2002 through 2007, 2009 through 2012, and 4901 of the Senate amendment, Mr. SOLARZ is appointed, vice Mr. LEVINE of California;

For consideration of sections 2111, 2113 through 2127, 2129, 2132 through 2136, 2138, 2139A through 2166, 2180B through 2182, 2192, and 4501 of the Senate amendment, Mr. GEJDENSON is appointed, vice Mr. LEVINE of California;

For consideration of title XII and sections 1802 through 1805, and 1807 through 1809 or the Senate amendment, Mr. FEIGHAN is appointed, vice Mr. LEVINE of California;

For consideration of title XLVII of the Senate amendment, Mr. GILMAN is appointed, vice Mr. MILLER of Washington; and

For consideration of section 1020 of the Senate amendment, Messrs. WOLPE, FEIGHAN, and LAGOMARSINO are appointed, vice Messrs. LEVINE of California, BILBRAY, and MILLER of Washington.

From the Committee on Foreign Affairs, for consideration of sections 322, 326, 351, 461 through 471, 664, 702, 703, 901, 902, 905, 1303 through 1306, and 1310 of the House bill, and title XIV and sections 308, 412, 1105, 1505, 1801, 3801 through 3824, 3854, 3902 through 3907, 3910 and 3912 of the Senate amendment, and modifications committed to conference:

Messrs. BONKER, MICA, BERMAN, ROTH, and BEREUTER.

Except that:

For consideration of section 664 of the House bill, and sections 308, and 2178 through 2180A of the Senate amendment, Mr. GEJDENSON is appointed, vice Mr. BERMAN; and

For consideration of sections 1303 through 1306 and 1310 of the House bill, and sections 3902 through 3907, 3910, and 3912 of the Senate amendment, Mr. BROOMFIELD is appointed, vice Mr. BEREUTER.

From the Committee on Foreign Affairs, for consideration of sections 1030 through 1033 of the Senate amendment, and modifications committed to conference:

Messrs. FASCELL, BONKER, MICA, BROOMFIELD, and ROTH.

From the Committee on Energy and Commerce, for consideration of title II and section 703 of the House bill, and

sections 901 through 913 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, SYNAR, ECKART, SLATTERY, LENT, MOORHEAD, RINALDO, DANNEMEYER, and RITTER.

From the Committee on Energy and Commerce, for consideration of sections 104, 181, 183, 324, 701, 703, 903, 904, 906, and 909 of the House bill, and title XVI and sections 1503, 1802, and 3851 through 3853 of the Senate amendment, and modifications committed to conference; for consideration of sections 121 and 124 of the House bill, and sections 306 and 307 of the Senate amendment, and modifications committed to conference, except for those matters relating to suspension, withdrawal, or prevention of trade agreement concessions or to imposition of duties or other import restrictions on goods; and for consideration of section 201 of the Senate amendment (insofar as it would add new sections 204(d)(1)(B)(ii) and 204(d)(2)(B) through (E) to the Trade Act of 1974), and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, LENT, MOORHEAD, RINALDO, and DANNEMEYER.

From the Committee on Energy and Commerce, for the consideration of section 198 of the House bill and sections 2185 through 2188 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, LENT, MOORHEAD, DANNEMEYER, and COATS.

From the Committee on Energy and Commerce, for the consideration of sections 908, 910, and 911 of the House bill and section 310 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, SHARP, SWIFT, BRYANT, LENT, RINALDO, DANNEMEYER, and RITTER.

From the Committee on Energy and Commerce, for consideration of sections 311 through 316, 345, 461 through 471, 901, 902, 905, 907, and 912 of the House bill, and titles XII (except section 1207) and XIV and sections 968 through 972, 1801, 1802, 3801 through 3824, and 4501 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and DANNEMEYER.

From the Committee on Energy and Commerce, for consideration of section 331 of the House bill, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and MOORHEAD.

From the Committee on Energy and Commerce, for consideration of section 702 of the House bill, and sections 1505 and 3854 of the Senate amend-

ment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and RINALDO.

From the Committee on Energy and Commerce, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. DINGELL, FLORIO, MARKEY, LENT, and RITTER.

From the Committee on Education and Labor, for consideration of title V (except subtitle B) of the House bill, and titles XXIII through XXXII of the Senate amendment, and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, BIAGGI, KILDEE, WILLIAMS, JEFFORDS, GOODLING, and COLEMAN of Missouri.

From the Committee on Education and Labor, for consideration of subtitle B of title V of the House bill, and title XXII of the Senate amendment (except the portion of section 2202 that would add new part B to title III of the Job-Training Partnership Act), and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, GAYDOS, CLAY, MARTINEZ, and JEFFORDS, Mrs. ROUKEMA, and Mr. GUNDERSON.

From the Committee on Education and Labor, for consideration of section 2202 of the Senate amendment (insofar as it would add new part B to title III of the Job-Training Partnership Act), and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, GAYDOS, CLAY, MARTINEZ, MURPHY, OWENS of New York, and JEFFORDS, Mrs. ROUKEMA, Mr. GUNDERSON, and Mr. BARTLETT.

From the Committee on Education and Labor for consideration of section 904 of the House bill, and modifications committed to conference:

Messrs. HAWKINS, FORD of Michigan, GAYDOS, JEFFORDS, and GOODLING.

From the Committee on the Judiciary, for consideration of title XIV and sections 166, 171 through 173 of the House bill, and titles XXXIII through XXXVI and sections 201 (insofar as it would add new section 203(f) to the Trade Act of 1974), 401, 415, 416, 1107, 1806, 1908, and 1910 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, KASTENMEIER, EDWARDS of California, and HUGHES, Mrs. SCHROEDER, and Messrs. CROCKETT, FISH, MOORHEAD, HYDE, and LUNGREN.

From the Committee on the Judiciary, for consideration of sections 872 and 873 of the House bill, and modifications committed to conference:

Messrs. RODINO, KASTENMEIER, EDWARDS of California, and HUGHES, Mrs. SCHROEDER, and Messrs. CROCKETT, McCOLLUM, LUNGREN, FISH, and MOORHEAD.

From the Committee on the Judiciary, for consideration of sections 326, 905, and 912 of the House bill, and titles XIV, XLVIII and sections 1105 and 3861 through 3867 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, EDWARDS of California, HUGHES, FISH, and MOORHEAD.

From the Committee on the Judiciary, for consideration of sections 351 of the House bill, and modifications committed to conference:

Mr. RODINO, Mr. KASTENMEIER, Mrs. SCHROEDER, Mr. FISH, and Mr. MOORHEAD.

From the Committee on the Judiciary, for consideration of section 701 of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, HUGHES, CROCKETT, McCOLLUM, and LUNGREN.

From the Committee on the Judiciary, for consideration of section 703(h) of the House bill, and sections 1603 through 1605 of the Senate amendment, and modifications committed to conference:

Messrs. RODINO, HUGHES, CROCKETT, FISH, and MOORHEAD.

From the Committee on Government Operations, for consideration of titles X and XVI of the House bill, and title XLVIII of the Senate amendment, and modifications committed to conference:

Messrs. BROOKS, CONYERS, NEAL, FRANK, WEISS, HORTON, WALKER, and CLINGER.

From the Committee on Government Operations, for consideration of sections 461 through 471 of the House bill, and sections 1030 through 1033 and 3801 through 3809 of the Senate amendment, and modifications committed to conference:

Messrs. BROOKS, CONYERS, NEAL, HORTON, and WALKER.

From the Committee on Merchant Marine and Fisheries, for consideration of title XI of the House bill, and title XLVI and section 2011 of the Senate amendment, and modifications committed to conference:

Messrs. JONES of North Carolina, BIAGGI, ANDERSON, STUDDS, BONKER, HUGHES, DAVIS of Michigan, LENT, YOUNG of Alaska, and SHUMWAY.

From the Committee on Public Works and Transportation, for consideration of title XII of the House bill, and section 4502 of the Senate amendment, and modifications committed to conference:

Messrs. MINETA, OBERSTAR, NOWAK, RAHALL, APPLEGATE, DE LUGO, HAMMERSCHMIDT, STANGELAND, GINGRICH, and CLINGER.

From the Committee on Small Business, for consideration of title XIII and section 186 of the House bill, and titles XXXVII and XXXIX and section 1804 (insofar as it would new sec-

tion 661(d)(2)(B) to the Foreign Assistance Act of 1961) of the Senate amendment, and modifications committed to conference:

Messrs. LAFALCE, SMITH of Iowa, SKELTON, MAVROULES, BILBRAY, McDADE, IRELAND, and CONTE.

From the Committee on Small Business for consideration of section 314 of the House bill (insofar as it would add new section 203(c) to the Export Administration Amendments Act of 1985), and modifications committed to conference:

Messrs. LAFALCE, SMITH of Iowa, SKELTON, McDADE, and IRELAND.

From the Committee on Science, Space, and Technology, for consideration of section 911 of the House bill, and modifications committed to conference:

Messrs. ROE, WALGREN, MACKEY, VALENTINE, BROWN of California, SCHEUER, LUJAN, BOEHLERT, RITTER, and PACKARD.

From the Committee on Science, Space, and Technology, for consideration of sections 3852 and 3853 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, MACKEY, BROWN of California, and SCHEUER, Mrs. LLOYD, Messrs. LUJAN, MORRISON of Washington, RITTER, and Mrs. MORSELLA.

From the Committee on Science, Space, and Technology, for consideration of section 3871 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, MACKEY, BROWN of California, and SCHEUER, Mrs. LLOYD, and Messrs. LUJAN, BOEHLERT, WALKER, and SENSENBRENNER.

From the Committee on Science, Space, and Technology, for consideration of sections 3881 through 3884 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, McCURDY, GLICKMAN, NELSON of Florida, McMILLEN of Maryland, HAYES of Louisiana, LUJAN, LEWIS of Florida, WALKER, and RITTER.

From the Committee on Science, Space, and Technology, for consideration of titles XL through XLIV and sections 4503 through 4505 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, BROWN of California, and SCHEUER, Mrs. LLOYD, and Messrs. GLICKMAN, LUJAN, and BOEHLERT, Miss SCHNEIDER, and Mr. RITTER.

From the Committee on Science, Space, and Technology, for consideration of section 4902 of the Senate amendment, and modifications committed to conference:

Messrs. ROE, WALGREN, BROWN of California, and SCHEUER, Mrs. LLOYD, and Messrs. GLICKMAN, LUJAN, LEWIS of Florida, PACKARD, and BUECHNER.

From the Committee on Science, Space, and Technology, for consideration of sections 461 through 471 and 904 of the House bill, and sections 2305, 3801 through 3809, and 3909 of the Senate amendment, and modifications committed to conference:

MESSRS. ROE, WALGREN, BROWN of California, LUJAN, and BOEHLERT.

From the Committee on Science, Space, and Technology, for consideration of section 411 of the Senate amendment, and modifications committed to conference:

MESSRS. ROE, HALL of Texas, TORRICELLI, LUJAN, and SENSENBRENNER.

From the Committee on Science, Space, and Technology, for consideration of sections 3861 through 3867 of the Senate amendment, and modifications committed to conference:

MESSRS. ROE, WALGREN, VALENTINE, LUJAN, and RITTER.

From the Committee on Rules, for consideration of title XVI and sections 114(d) and (e) of the House bill, and sections 104, 107, 110, and 2131 of the Senate amendment, and modifications committed to conference:

MESSRS. PEPPER, MOAKLEY, DERRICK, HALL of Ohio, WHEAT, LOTT, and TAYLOR.

From the Committee on Armed Services, for consideration of sections 1030 through 1034, and 4901 of the Senate amendment, and modifications committed to conference:

MESSRS. ASPIN, STRATTON, MAVROULES, BADHAM, and HUNTER.

From the Committee on Armed Services, for consideration of section 1021 of the Senate amendment, and modifications committed to conference:

MESSRS. ASPIN, MAVROULES, and HUNTER.

#### TEXTILE AND APPAREL TRADE ACT OF 1987

The SPEAKER. Pursuant to House Resolution 256 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1154.

□ 1436

#### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, with Ms. KAPTUR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, there were 2 hours and 37 minutes remaining in general debate. The gentleman from Florida [Mr. GIBBONS] has 41 minutes of general debate remaining, the gentleman from Tennessee

[Mr. DUNCAN] has 36 minutes remaining, the gentleman from Georgia [Mr. JENKINS] has 40 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 40 minutes remaining.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. AuCOIN], who is a very distinguished Member of this body and one who has devoted a great deal of time and expertise to the study of this matter.

Mr. AuCOIN. Madam Chairman, I rise in opposition to this bill.

We've heard how this bill is going to get the American textile industry back on its feet again. But the truth is: this bill would actually knock several American companies off of their feet instead.

My congressional district is the home of the corporate offices of Nike and Avia. These are two companies founded in America that employ thousands of my constituents—Americans—who design, market, test, and distribute their athletic footwear.

These companies spotted a change in the tastes of consumers, and began reaching a new market, made up of consumers who liked high-tech, athletic shoes. Domestic companies closed their eyes to that change, and they forfeited the market. Whose fault is that? Not Nike, Avia, or Reebok. Yet this bill penalizes them by including their products in the shoe quota.

And what really galls me is that this protectionism is being imposed when there is no American producer of this type of athletic shoe! How can it make sense to protect an industry that doesn't exist—and injure American companies that do exist?

Do you know what the shoe companies seeking this protection say to that? They say that even though they're not in the athletic shoe market, the companies who are, are indirectly guilty of unfair competition. Alan Wainberg of G.H. Bass Co. explained it this way: "People who used to buy Bass sandals now buy athletic shoes." I say to Mr. Wainberg and other supporters of this bill: What right do you have to come running to Big Daddy government to legislate what kinds of shoes Americans put on their feet? Are you going to mandate that everybody wear Hush Puppies? Nike and Avia are true American success stories. And I remember when I was growing up being told that one's potential for future success was dependent only on one's energy and vision.

But this bill before us takes a different approach to free enterprise.

This bill actually stops the growth of these American companies dead in their tracks by freezing the amount of shoes that they can import.

The fact is that demand for these shoes is increasing. Avia, for example, imported and sold 2 million pairs of shoes in 1986. For the fall 1988 season, they have already ordered and purchased 10 million pair of shoes. In the meantime, the number of people employed in their corporate headquarters has risen to about 200 people in just a few years, and there are plans to employ even more people in the future.

This bill threatens that economic growth. If it had been law a few years ago, companies like Avia would never have started. And, on top of everything else, the bill invites retaliation—against farm products, electronics products, and many other American exports.

What is free enterprise all about? Doesn't it mean rewarding a company that is clever enough to capture the imagination of the American consumer? I think it does.

But the authors of this bill have a different view. They believe that the American consumer's tastes cannot be trusted. And they have so much faith in the Congress' ability to micromanage our economy that they believe they can actually decide what kind of shoes the American public should be wearing.

Madam Chairman, there are dozens of other reasons why we should reject this legislation. But I just wanted to take my time to point out how protectionism is not a free ride. You try to prop up one sector of our economy and there are shock waves elsewhere, not just internationally but domestically as well.

I therefore urge my colleagues to vote against the textile bill.

Mr. CRANE. Madam Chairman, I yield 6 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Madam Chairman, I have with me today a familiar face to many of us here on Capitol Hill—his name is Dennis Gill. Dennis and two of his cardboard friends were kind enough to visit every congressional office here in Washington. They all have these same sad puppy dog faces. They all work in textile plants and are here to tell us that they are going to lose their jobs if we don't pass today's textile bill.

What they may not know, however, is how this bill is going to hurt them if it passes. More importantly, though, is how it is going to hurt the other 238 million American's that don't work in a textile plant.

H.R. 1154 is a textbook example of "special interest legislation." The definition of "special interest legislation" is—a bill in Congress that benefits a well organized, well funded, person or group at the expense of others who are either not special or not of interest. This bill, for the first time, will set

global quotas for textile, apparel, and footwear imports into this country. This means that more consumer choices about what consumers buy and how much consumers pay are going to be made on the floor of this House rather than in the store by the consumer.

And not only will we be removing those choices, we will be eroding the meager living standards of millions of poor Americans across the country. This bill will undoubtedly be the most regressive bill we will pass this Congress. Today, the poor people of this country are the ones that aren't special to the proponents of this bill.

Let me illustrate just what I mean by regressive:

Dennis has a nice blue jean outfit on today that was undoubtedly made in the U.S.A. Because of the textile bill, his clothes, and everyone else's clothes, will go up in cost regardless of where they were made.

According to a just released study by Dr. William Cline at the Institute for International Economics, Dennis and the rest of us have had to pay 19-percent more for our U.S. made clothes and 35-percent more for our imported clothes because of restrictions on textiles and apparel imports. And what's worse, these figures will double after this bill passes.

Dennis paid \$37 for his jacket. If he had bought it in a free market, he would have only paid \$30. And if he buys it after H.R. 1154 is enacted, he will pay \$44 for that same jacket. Even worse, if his \$37 jacket is imported, he will pay almost \$50 for that same jacket after the textile bill is enacted.

Dennis paid \$26 for his flannel shirt. If he had bought it in a free market, he would have only paid \$21. If he buys a shirt after today's bill, he will pay \$31. If his \$26 shirt happens to be made in Taiwan, he will pay \$35 after today's bill.

Dennis paid \$60 for his shoes. If he had bought them in a free market, he would have paid only \$48. And if he buys them after today's bill takes effect, he will pay \$71.34. If his \$60 shoes are imported, he will pay over \$80 because of the textile bill!

Dennis also has five children that he has to clothe and feed. According to the Department of Agriculture, he will spend over \$30,000 to buy the five of them clothes from the time they are born to age 18. If Dennis didn't have to open his pockets to protect his industry, the textile industry, and the footwear industry—he would save \$7,244 on those clothes! And if this bill passes, Dennis will pay over \$14,000 for protectionism on his children's clothes!

For \$14,000, Dennis could buy a college education. He could tithe to the church. He could put a down payment on a house. He could buy a new car.

But he won't. He, unfortunately, doesn't live in a fantasy land of free markets and unprotected goods. He lives in the land of special interests. The special interests, like the textile and apparel industry, will profit from this bill at the expense of most other Americans—Americans who are not special to the people of this body who vote for this bill.

Vote "No" on this bill. Send a message to the poor and the homeless that you care more about them than selfish special interests.

□ 1445

Mr. GIBBONS. Madam Chairman, I yield 5 minutes to the gentleman from Washington [Mr. BONKER], who, as all of the Members know, is chairman of the Subcommittee on International Economic Policy and Trade of the Committee on Foreign Affairs.

The gentleman has been head of the Export Task Force of this Congress for many, many years.

Mr. BONKER. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in opposition to H.R. 1154. I would like to take this opportunity to commend the gentleman from Florida [Mr. GIBBONS], the chairman of the subcommittee, as well as the gentleman from Minnesota [Mr. FRENZEL], for the gentlemen's leadership demonstrated and the commitment the gentlemen have devoted to this important issue.

There are clearly four good reasons why we should oppose this special-interest legislation.

First, this House adopted a comprehensive trade bill a few months ago; and we took great pains to make sure that there were no protectionist features in that bill, that the emphasis would be on export promotion, that we would attempt to deal with our trade deficit in a very positive way.

What we are about to do here, if the House were to adopt this legislation, is really an affront to that good effort to put forth a comprehensive trade bill.

Second, the textile industry today is prospering. There is plenty of evidence in their employment numbers, in their profits, and the very fact that this industry has striven to restore its competitive position.

I congratulate them, but it is no basis whatsoever to extend even more protection to that industry.

Third, I am concerned about the precedent that we may establish by favorable action on this legislation. Indeed we would open the door and extend an invitation for other segments of the American industry to come to us looking for special favors, special protection, if you will.

In October 1985 and again in August 1986 when we spoke about the override issue, I made the case in the well of the floor that the timber industry

which I represent is in far graver danger than the textile industry; and if a case could be made for the textile industry, an even better case could be made for the timber industry, the aluminum industry, the automobile industry and all the others that make up the mighty economy in the United States.

We would set a very dangerous precedent for others to come knocking on our door, and let us take a lesson from history. The Smoot-Hawley Tariff Act of 1929 was a good example of what is about to occur here today.

When Herbert Hoover traveled around the country as a candidate for President, he promised that if elected, he would convene a special session of the Congress for the purpose of taking up a limited tariff bill, and before the House concluded its work over 20,000 items, import items, became subject to higher tariffs; and that, if anything, precipitated the collapse of the world trading system.

Madam Chairman, my gravest concern has to do with our international obligations.

The gentleman from Florida [Mr. GIBBONS] has made available information on how H.R. 1154 would unilaterally violate our sacred agreements under GATT, would violate the bilateral agreements negotiated under the multifiber arrangement.

Mr. Speaker, the United States has worked hard since World War II to establish institutions and rules which would restore the world trading system.

We have very much at stake in maintaining those institutions; but if the United States were to violate the agreements, if we were to abandon our commitments to these agreements, what kind of standard would this set for other countries?

The only hope for the world trading system, especially in a world of overcapacity and intense competition and greater protectionist tendencies, is to have global institutions that can deal with these problems. If the United States, the most powerful economy in the world, were to turn her back on GATT and other agreements and treaties, what hope is there for other countries to adhere to them?

We have a responsibility to uphold those commitments and to uphold America's honor.

I urge opposition to this special-interest bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. CLARKE].

Mr. CLARKE. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. The textile industry is the No. 1

industry of my State of North Carolina.

Primarily because of the competition from low-wage countries of the Far East and Latin America, we have seen numerous textile plant closings in recent years, with the loss of thousands of jobs. This trend continues today.

A major part of the problem is weak enforcement of our existing trade agreements. Under the Multi-Fiber Arrangement, textile and apparel imports into the United States were due to rise at a rate of 6 percent during the 1980's. In reality they rose more than five times this much in 1983 and in 1984. Last year the total U.S. trade deficit due to textile and apparel imports was over \$20 billion.

This situation cannot continue unless we are willing to let whole sections of our textile industry be eliminated.

H.R. 1154 sets limits on overall imports of a wide range of textile, apparel, and footwear. An annual increase of 1 percent a year in these imports is permitted in line with the growth of the American market. H.R. 1154 calls for strong enforcement of our existing trade agreements and strong action to stop the evasion of quotas which has been accomplished so successfully by some textile-producing countries.

The bottom line of the textile bill is not a textbook theory of free trade but a measure to save the jobs and the livelihood of thousands of American workers, many of whom are older persons who would find it very difficult to retrain for any other work.

On behalf of these people and their families, I urge your strong support for H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, today I come before this House again to support legislation that will control the textile, apparel, and footwear imports coming into our country, H.R. 1154.

I would like to take this opportunity to stress the necessity of the passage of this legislation. The statistics clearly show the devastating impact of imports on both the domestic textile and footwear industries. Imports now comprise over one-half the U.S. apparel market and 81 percent of the domestic footwear market. In the past 6 years, foreign nations have more than doubled their textile and apparel imports into our market resulting in a loss of over 400,000 jobs and more than 1,500 factories in those domestic industries. The footwear industry has certainly fared no better. In 1986 alone, 70 shoe factories have closed and footwear unemployment averaged 15.4 percent in 1986.

Not only have I watched the statistics showing jobs and industries lost in our country over the years as a direct result of increasing textile and footwear imports, but I have also seen these effects firsthand in my congressional district and in my State. My State, Tennessee, is the fifth largest footwear producing State in our country. In 1986, however, our State alone had six footwear plants close, and in 1985, eight footwear factories closed.

It is important to understand the negative impact of these domestic industries to an area and to our country as a whole. The textile, apparel, and footwear industries are traditionally located in rural communities where that factory may be the largest employer. This fact makes these manufacturers vital to those rural economies in which most are located. In a county where the total work force may be around 6,000 people, one plant closing is detrimental to not only those who lost their jobs, but also to those small businesses and communities who depend on their support for survival. Many of the employees of these industries are women and provide the only source of income for an entire family. It is obvious, therefore, that once a factory is closed, no alternative employment for those in need of a job may be found.

The Textile and Apparel Trade Act of 1987 would establish much-needed quotas on all textiles and textile products imported based on the level of those imports for 1986, with 1 percent growth allowed each year. Footwear imports will also be limited to 1986 levels. Not only will this legislation help curb the large number of imports in these industries, it would reduce our Federal deficit by as much as \$500 million while creating over 150,000 new jobs in the second year after its enactment.

Factories continue to close in our country and jobs continue to be lost as a direct result of foreign imports. Our current trade policies regulating textile, apparel, and footwear imports have failed and a legislative remedy is imperative.

H.R. 1154 can provide our domestic textile and footwear industries a market in which they may be competitive. The future of these domestic industries and the jobs they provide are at stake.

I urge my colleagues to vote "yes" on H.R. 1154.

□ 1455

Mr. DUNCAN. Madam Chairman, I yield 4 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Madam Chairman, I rise in support of this legislation so critical to America's footwear and textile industries.

Madam Chairman, those who think the current trade relief process is suf-

ficient should reflect on the shoe industry, a case in point that should be regarded in this legislation.

In 1981, when the Orderly Marketing Agreements expired, the level of import penetration for shoes was 51 percent.

In 1985, when the ITC unanimously recommended relief for the industry and the President denied it, the level was 75 percent.

And what has happened since the last time we considered this legislation in this House? Import penetration is at an alltime high—84 percent. Restrictions were placed on imported automobiles when the levels were but one-fourth of the level the footwear industry endures today. Yet that 84 percent level is the level at which this legislation freezes imports.

I would have supported a rollback to 75 percent in light of the International Trade Commission's decision.

Nonetheless, we do have to draw the line in the sand somewhere, even if it is 84 percent, while we still have shoes on our feet to draw that line. Factory closings and dislocated workers due to patently unfair trading practices and imports have become all too familiar in my State. The familiarity, however, does not yield acceptance of these unfair trade practices.

Failure to enforce the existing trade laws has culminated in this situation. And enactment of the trade reform bill will not resolve the plight of these industries. Whatever its merits or demerits, that bill is prospective in focus—it won't take care of the problems at hand today with both of these industries; [the problems created by the combination of weak trade laws, weaker enforcement, and unfair trade practices.]

My concern is that this Congress and the American Government are no longer capable of recognizing that there is such a thing as a legitimate trade grievance. I worry that blind adherence to the free trade concept at whatever costs has produced a de facto surrender to other nations who are more than willing to use unfair or disruptive practices.

As Commerce Department official William Perry wrote,

There is a growing perception among those who do not rely on such laws that U.S. trade laws are protectionist in a negative sense \* \* \*. In fact, they are designed to eliminate the effect in the United States of certain foreign practices which the international community recognizes as commercially unfair and injurious.

In part because of the broad sweeping free trade perception, the textile and apparel industries are in a plight similar to footwear.

They, too, have suffered from tremendous production increases in developing nations, a lack of response to this huge, targeted export growth by our government, and the ineffective-

ness of current restraints under the Multifiber Arrangement.

In the State of Maine, alone, we have lost one-third of our work force in this industry since 1970. By doing nothing, according to a recent Office of Technology Assessment report, domestic sales of U.S. apparel will be virtually negligible by the year 2000, because the United States will not be taking any action. Two-thirds of the U.S. textile market would be served by foreign interests. As that report has indicated, an absence of action by this Government means the future of these industries will be dictated by foreign governments because they are willing to go the extra mile at any length and at any cost to preserve their industry.

Madam Chairman, if we do not enact this legislation in 1987, I fear that next year we will be considering a memorandum resolution for the shoe industry. The situation is that bad and that critical. If we cannot give assistance to those industries under our existing trade laws, protecting their rights as enacted by this House and this Senate, then I fear for the future of other industries as well, because they cannot rely on their government for any kind of legitimate lead under legitimate circumstances.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Madam Chairman, I rise in opposition to the textile bill.

This legislation blatantly disregards free trade practices and clearly smacks of protectionism. We are all concerned about the loss of jobs in the domestic shoe industry, but in solving this problem we must not destroy jobs in the import shoe industry.

A freeze on shoe imports would stunt the growth of small and medium size companies all across America. The Volume Shoe Corp., a major importer of footwear in this country, is representative of companies that would become economic casualties if this bill becomes law.

The growth of the Volume Shoe Corp. would come to a screeching halt if this legislation is passed.

Today, Volume Shoe employs 1,250 people in its headquarters in Topeka, KS, and provides 12,000 more jobs in its Payless Shoe Stores across the country.

Left alone, the import shoe industry will continue to create thousands of jobs each year. On average, Volume Shoe opens one new retail outlet each day, employing five people in each store on the retail level in addition to many other jobs created in shipping, distribution, and the construction operation that has to support that incredible expansion.

Does free trade threaten the domestic shoe industry? The evidence suggests that it does not. Growth of the

U.S. shoe market is largely attributable to the increase in the number of inexpensive imported shoes.

The fact is market growth of 40 percent in recent years has been due to lower income Americans buying more inexpensive shoes, and these are imported shoes which cannot be produced profitably in this country.

I have strongly supported tough action to help open U.S. markets abroad and to prevent U.S. workers and companies from being victimized by the subsidies of foreign governments. That is why I supported the Gephardt amendment, but I do not support or condone protectionism, and that is what we are dealing with today.

The U.S. shoe industry has frequently sought Federal protection, but has failed to show that their problems stem from unfair trade practices.

Madam Chairman, I am also concerned that this bill would trigger retaliation against American agricultural exports.

The cost of this bill will ultimately be felt in the pocketbooks of Americans, both through higher retail prices and the loss of American jobs, especially in the import shoe industry in this country.

I strongly urge my colleagues to oppose this legislation.

Mr. CRANE. Madam Chairman, I yield 3 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Madam Chairman, what we have here is a bill that when you strip away all the details raises barriers against importing primarily textiles into this country. That is what it does.

Now, the proponents of the bill know that if this bill passes it will hurt our port and shipping and apparel industries. It will mean that people in those industries will lose jobs, but the proponents say, "Well, it's too bad, but we've got to help the textile industry because the textile industry is hurting."

Now, if this bill passes, the aircraft, the high technology or agricultural sectors are going to be hurt. Jobs are going to be lost there when other nations retaliate and the proponents of this bill know that, but they say, "Well, it may be tough, but we've got to help the textile industry because the textile industry is hurting."

The proponents know that if this bill passes, regions of our country such as the gulf coast and the Pacific coast and the Northwest are going to be hurt, but they say, "Well, we've got to help the textile industry because the textile industry is hurting."

Well, what about our friends abroad? Several of us visited the Philippines recently. President Aquino told us how in the Philippines they were reducing and eliminating tariffs. That is one of her big planks in her economic recovery program, and then

she turned to us and said, "While we do that, why are you considering hitting us in one of our major exports to the United States, textiles?"

Of course, the proponents of this bill know that this bill will hurt this friendly struggling democracy in the Philippines, but they say, "Well, the U.S. textile industry is hurting and needs help."

Well, let us look at the U.S. textile industry. Are jobs down in that industry in the past year? No, jobs are up, up 30,000.

Are hourly earnings down? No, hourly earnings are up.

Is production down? No, production over the last year is up.

Are profits down? No, profits are up.

Madam Chairman, this industry does not deserve relief. It deserves congratulations. As one of the chief executives in the textile industry says, and I quote from a recent article in the news media.

The only thing that worries us is getting people to fill the jobs. There are just more jobs than there are people. We are running at 100 percent capacity.

Madam Chairman, this is not a bill whose time has come; oh, no. Instead, time has passed this bill by. We should defeat it.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Madam Chairman, I thank the gentleman from Georgia.

I salute the leadership that he and the gentleman from South Carolina have provided for this bill.

If hyperbole were legal tender, this debate would have put a substantial dent in the national deficit. The amount of harm that people have threatened is going to be done by this bill greatly exceeds reality.

I have heard it suggested that this bill will help textiles and damage the apparel industry. Well, I represent an area where the apparel industry very much wants this bill. This is a bill that will help the apparel industry.

The bill will have good and bad aspects, as does every piece of legislation I have ever seen come here. If it were amendable—a thought that I know causes great distress to our friends at ways and means—I would vote for some amendments. I would exempt athletic footwear; but the thrust of the bill is very important. There may be Members in this Chamber entitled to speak from an undiluted free trade position. I do not know who they are. We get from our debates on these issues an operational definition of protectionism. Protectionism is help for an industry that is not present in your State. Protectionism may be what some people think of this bill, but when timber is involved, suddenly protectionism looks a little different.

When other commodities are involved, people switch sides. That is entirely legitimate.

It has become very popular to condemn special interests. I guess special interests are economic groups that do not vote for you.

I do not find any recognizable difference between the special interest groups that are sometimes denounced and the constituencies that are sometimes applauded.

I want to talk about an important aspect of this, the garment workers, very hard working men and women who are underpaid and do excellent work and for reasons outside their control, they are threatened with obliteration by a flood of imports.

This is not a bill to stop imports. This is a bill that regulates the flow. With the passage of this bill, we will still, in my information, be one of the major importers in the world of both garments and textiles.

What we are saying is does the Government simply stand by and neglect completely hard working people who are threatened with a flow and a pace of imports that will overwhelm them, or do we attempt some regulation which will continue a serious flow of imports, and from the competitive standpoint the flow of imports plays the role of providing price competition, but at the same time we keep some domestic capacity.

One of the greatly exaggerated arguments we have had here is how many retail jobs this is going to do away with. Apparently the notion is that if people cannot buy imported clothes, they will go naked. Now, there may be very limited areas where people are allowed to do that. In most of the country, my view is that people will continue to be clothed, and if they cannot buy imported goods in the numbers that they want to buy imported goods, then they will buy goods that are made domestically.

Equity is a very legitimate concern. We have hard working people here who are threatened by a flow of imports that would overwhelm them and this bill will give them some help.

□ 1510

Mr. GIBBONS. Madam Chairman, how much time remains?

The CHAIRMAN (Ms. KAPTUR). The gentleman from Florida [Mr. GIBBONS] has 28 minutes remaining; the gentleman from Georgia [Mr. JENKINS] has 35 minutes remaining; the gentleman from Tennessee [Mr. DUNCAN] has 29 minutes remaining; and the gentleman from Illinois [Mr. CRANE] has 35 minutes remaining.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Alabama [Mr. NICHOLS].

Mr. NICHOLS. Madam Chairman, I rise today in support of H.R. 1154, the Textile and Apparel Act of 1987, and

would like to focus on two aspects which I hope my colleagues will consider prior to today's vote. First, part of the global strength of the United States lies in our ability to arm, clothe, and prepare great forces of men and materials for battle. In the past we have had great success in deploying these men and materials because we could turn to a strong textile industry to aid in the war effort. My distinguished colleagues, the textile industry has been there when we needed them, now I ask that congress stand in this industry's corner in its time of need. Our Constitution reads that congress has the power "to provide for calling forth the militia to execute the Laws of the Union." I also wish to emphasize the responsibility that we must assume before we have to call on our forces.

The textile and apparel industries' ability to provide adequate amounts of uniforms and critical individual equipment during mobilization is being directly threatened by the vast amounts of foreign imports. In the past engagements such as Korea and Vietnam it has taken this industry 1 full year to meet the minimal amount of uniforms and individual equipment required during the transition from peace to war. This even includes the warstock reserves.

Lt. Col. Joseph W. Kernodle of the Industrial College of the Armed Forces at Fort McNair has conducted a compelling study on the relationship between textiles and mobilization. He concludes that in 5 to 10 years the U.S. textile and apparel industry will not be able to support the mobilization of U.S. forces. According to Colonel Kernodle 80 out of 500 manufacturers identified for military production closed in 1985. It doesn't take a pile of facts and figures to show there will not be an adequate textile industry to meet the needs of quality products for the armed services to be successful in the near future.

Second, Madam Chairman, I have the privilege to represent one of the largest textile districts in the United States. These thousands of employees are dedicated hard working men and women, black and white, and from all walks of life, and they love their country and respect our Nation's great democratic traditions. Their employers cannot be accused of having failed to modernize—the facts will show that the U.S. textile industry is one of the most modern and efficient in the world. All my constituents ask for is a level playing field—a fair chance to compete against an ever-increasing onslaught of foreign competition which has cost some 1.7 million jobs from 1981 through 1985!! Adoption of this important bill would create 152,000 jobs after the second year of enactment. The textile and apparel trade deficit alone jumped 22 percent the

first 6 months this year over last year. Clearly this fact, alone, shows that the problems remain unsolved. I want to see a strong, healthy American economy with people working. I urge my colleagues to vote for H.R. 1154.

Mr. DUNCAN. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Madam Chairman, if I had the power in this Congress to eliminate the use of one word in these Halls and throughout the Halls of Congress, that would be "retaliation." It is a devastating word. It is a cowardly word.

For 10 years before I came to the Congress of the United States, I watched young men being killed in Southeast Asia based on a policy that somehow or other we were going to win if we feared the retaliation of China and the retaliation of the Soviet Union.

That is what our whole policy was based on, the policy of the Congress, maybe the policy of some of the military leaders. So it was a hopeless case because we were worried about retaliation.

Madam Chairman, I have been here for 13 years and all I have heard over and over and over again is that word "retaliation." Whenever we needed an excuse we used it.

It is a devastating word, it is a cowardly word. When we couple it with agriculture, that is the most mystifying thing that I ever heard. Where is it that we cannot send products that we are going to send products if we do not pass this legislation?

Is it to the EEC? What are we sending to the EEC? In what quantities?

Is it Japan? What agricultural products do we sell to Japan and in what quantities?

Madam Chairman, I represent an agricultural community. I represent a State that has more agriculture, small farms, than any other State. I represent a county, as a matter of fact, that is the fifth in the State of Pennsylvania in agriculture production. They are going to retaliate, oh yes, yes, the President got a little strength a couple of months ago and he said I am going to do a little something in relationship to the EEC. Oh, they yelled retaliation. But what did they do? They came to the United States to negotiate. That is what they did.

Then they got a little more courage, boy, he is getting courageous, and all of a sudden he determines I will needle Japan a little bit, and they said there would be retaliation, retaliation. What did the Japanese do? They came here to negotiate. That is what they did.

They will come here to negotiate now if we pass this piece of legislation. Let us not worry about retaliation.

What do we talk about when we talk about defense? The same people who get up and talk about retaliation are up here saying we need a strong defense. How can you have it if you do not have an industrial base? I would like to know that.

How could we have fought World War II if we did not have the industrial base. We could not have. We could not have won.

Let us think about America for a change.

Mr. GIBBONS. Madam Chairman, I yield myself such time as I may consume to respond to the last speaker.

Madam Chairman, in 1986 the United States exported more than \$52 billion in American goods to the European Community, of which \$2 billion was in just animal feed and fruits and nuts. In 1986, we exported to Canada almost \$45 billion, of which \$348 million was fruits and nuts alone.

We exported to China significant quantities of agricultural products.

We exported to Taiwan huge quantities of agricultural products.

We exported agricultural goods to Korea, to Hong Kong, and to Japan. In fact, 40 percent of all the food that the Japanese eat is raised and produced in the United States.

I respect the gentleman from Pennsylvania [Mr. GOODLING] but I am afraid his informant is terribly misinformed.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Madam Chairman, this is an extremely important vote we will cast today. Last year, we attempted to provide assistance to our beleaguered textile, apparel and footwear industries through passage of a textile bill. Unfortunately, this effort was defeated by a Presidential veto.

It is now a year later and the situation faced by these industries has not changed. In fact, the situation has worsened. America's textile and apparel firms are still plagued by an influx of subsidized imports originating in countries where the labor force is paid as low as 20 cents a day. At the same time, these countries place severe restrictions on American products. From 1980 to 1986, imports grew at an annual level of 17 percent. More recently, the period from January to June 1987 showed a record increase in imports—over 5 percent higher than last year's figures for the same period. These figures translate to 300,000 jobs lost since 1980.

Madam Chairman, it is time for action. H.R. 1154 is a fair proposal which will greatly assist America's textile, apparel and footwear industries. It gives the administration sufficient flexibility to address this problem and also sends a message to importers that unfair trade practices will not be tolerated. It tells them that we will not

abandon America's textile workers who have built one of the world's most efficient and productive industries. H.R. 1154 will offer these workers a chance to fairly compete with foreign imports. Let's give them this opportunity. I urge my colleagues to support the Textile and Apparel Trade Act.

Mr. CRANE. Madam Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Madam Chairman, for many of my colleagues, today's debate is not about shaping our best textile, apparel, or footwear policy for the Nation. It is about protecting jobs, particular jobs, and at any cost.

No matter how you look at this bill it spells trouble for America. It will hurt consumers, it will result in a loss of retail and export employment, and it will invite retaliation on the part of our trading partners. Ironically, passage of this bill will hurt the very people it aims to protect and at a time when the textile, apparel industry is making the changes necessary to become competitive.

Madam Chairman, let me address each of the points I have just made.

The Council of Economic Advisers estimates that this bill would cost the consumers of America between \$25 and \$37 billion over 5 years in the form of higher prices. Particularly hard hit would be the low-income consumers of America.

A textile tariff of this nature is a tax and a regressive tax. Some studies peg the costs as high as \$10 billion per year, not including the inflation ripple throughout the rest of the economy.

While sponsors of this bill will try to protect the textile industry, how will it affect employment elsewhere? The best information I have seen indicates that this bill will result in the loss of some 52,000 retail jobs. The consumer costs per job saved is \$32,894 next year; and at a cost of \$41,561 in 1991.

The above figures represent the most conservative estimates I have seen of consumer costs per job saved.

The International Business and Economic Research Corp. estimates the cost per job at an almost unbelievable \$223,000. They also point out that 5,700 more jobs will be lost in the retail sector than would be protected in the manufacturing sector. These estimates are static and they cannot fully predict the full cost to America.

It is no wonder that farmers, aerospace employees, retail employees, and others resist this legislation. They know that for every job protected in the textile and apparel industries there will be dozens of jobs put at jeopardy in their industry.

Madam Chairman, let us look at the beleaguered textile industry and apparel industry that we are hearing so much about. Since last session's heated debate on this textile bill, I was

amazed to learn that 11 textile manufacturers in Fortune 500 offered their shareholders a 36 percent total return on investment. For the same period, apparel manufacturers offered their shareholders 21 percent. Both are well above the average for all manufacture.

Listen to these headlines regarding the industry, "Labor Shortage Frustrates Textile Firms." "Cotton Biz Had a Ball in '86; 1987 Looks Better," "U.S. Fiber Execs Optimistic for Strong Performance in 1987," "Increase in South Carolina Apparel Jobs Seen Continuing; New Plants on Horizon."

This is not exactly gloom and doom stuff.

We are contemplating imposing a regressive tax on the poor consumers in America. We will be jeopardizing jobs in areas across the economy that do not have this special interest thrust. We will be risking inflation for the American economy to provide protection for an industry that is currently thriving.

I think an earlier speaker was correct, the time when a case could have been made for this bill has passed the industry by. It is not needed. It will be counterproductive. If you have a special interest constituency that will benefit, certainly you may feel an obligation to vote yes on this legislation. If you do not, if you represent farmers, if you represent consumers, if you represent Americans who want stable prices and free access to goods for their children, you must vote no.

I urge a "no" vote on this legislation.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Madam Chairman, a couple of months ago I came on the floor with some pictures, and these pictures were from a plant in Parsons, WV. The message I had at that time was that these are real people behind this message, or behind the message they are trying to get to us that there is a problem in their industry.

□ 1525

Madam Chairman, here we go again. Last year Congress attempted to combat the textile and apparel trade deficit through the passage of responsible legislation, but the President vetoed it. Textile and apparel industry unemployment has worsened, yet the administration continues to spoof a policy that does not exist in the real world. We have another chance to address the trade deficit problem before our economic seams are stretched to the splitting point.

Since 1981, the U.S. textile and apparel market has been increasingly eroded by foreign manufactured goods. This foreign invasion has cost nearly one-half million American jobs.

The apparel industry in West Virginia has seen 1,000 jobs lost to foreign nations since 1980. Between July 1985 and July 1986 alone, West Virginia lost 600 jobs from its manufacturing base.

Opponents of this bill say it is protectionist and that we have too much to lose. In West Virginia we have very few jobs left. We have only 3,600 apparel jobs left, 2,000 of which are in the manufacture of women and children's clothing, which is the industry most vulnerable to imports. We have only 1,500 footwear jobs left. Madam Chairman, I respond to opponents by asking: What's left to protect, what's left to lose. Doing nothing is seldom a solution, it is clearly not in this case, and yet there are some who continue to ask us to do nothing.

The textile and apparel trade deficit for January through July increased 21.4 percent. This is indicative of a problem that is growing, not one that is near remedy.

Madam Chairman, the Bible says that we will reap that which we sow. This legislation will allow hard-working Americans to compete in a fair, competitive, and worldwide marketplace. I urge my colleagues to sow the seeds that will begin to reap economic recovery in this industry that is vital to West Virginia and America.

The CHAIRMAN. The Chair would like to announce that the gentleman from Georgia [Mr. JENKINS] has 31 minutes remaining, the gentleman from Florida [Mr. GIBBONS] has 27 minutes remaining, the gentleman from Tennessee [Mr. DUNCAN] has 27 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 29 minutes remaining.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Madam Chairman, on behalf of Arkansas workers, I rise in strong support of passage of H.R. 1154, the Textile and Apparel Trade Act. The importance of this bill is underlined by the fact that 243 Members of this House, well over half, have signed on as cosponsors.

I want to thank the committee and its leadership for the diligent and clear thinking work that has gone into bringing this bill to us for consideration.

When this bill becomes law it will not only help Americans working in apparel, footwear and textile factories, it will help their communities by saving jobs and it will help U.S. farmers.

During my service in Congress I have worked for and supported efforts to make sure that companies that keep their plants open in our State and country get a fair shake when it comes to competing for sales against imported goods.

U.S. plants hire Arkansas and American workers. The jobs they provide

help families support themselves, improve their lives and take advantage of educational opportunities. And, at least some of them use American farm products such as cotton and wool.

When they get a fair chance, U.S. manufacturing plants using Arkansas and American workers can compete with any companies and workers from any where in the world.

Some changes in our laws have been made. Others are needed, H.R. 1154 provides urgently needed changes.

Arkansans are good workers for three basic reasons that are very important to employers. They want to work. They appreciate having jobs. They take pride in the work they do.

The Federal Government, including the President, has a responsibility to protect American workers, American companies and the American economy from damage caused by unfair competition from imports.

Under our existing trade laws, the President has substantial opportunity to act to support the interests of our workers, businesses, and the industries threatened by import competition.

This includes bringing about voluntary restraint agreements, instituting countervailing duties against unfairly priced imported goods and services. And, changing economic policies which encourage imports to flood into the United States and threaten jobs of Arkansas and American workers.

I have worked, and continue to work, to persuade Presidents to act on international trade issues in the best interests of U.S. workers. The unvarnished truth is that throughout the 1980's President Reagan and his representatives have put their foreign policy wants ahead of the jobs and needs of American and Arkansas workers.

This callous attitude and the tidal wave of imports it has encouraged has cost hundreds of thousands of Americans jobs. When a President will not use his authority to insure that American workers get a fair chance on a level playing field, the Congress has a responsibility to act.

Passage of this bill will make clear to the American people, the President and foreign suppliers that this Congress does not intend to see U.S. workers put on unemployment lines by unfair competition from imports.

Madam Chairman, during the period of time between 1950 and 1980, Arkansas attempted to balance its agricultural economy with industrial jobs. Between 1981 and 1986 in my district we lost 20 percent of all manufacturing jobs in the textile, apparel and leather footwear manufacturing industries. Eighty percent of the textile jobs are gone during this period. Four hundred fifty jobs are gone in apparel manufacturing and 1,600 footwear jobs. This has happened all across America because of the lack of a trade policy by the United States. Just today

I heard an announcement of the Craddock-Terri Co. of Lynchburg, VA, closed its gates, once providing 2,200 jobs for footwear manufacturing to the people of that economy. We cannot continue to amble along endlessly without a trade policy. It is time for us to stand up for the people that we represent and vote for the textile bill that is pending here today.

In addition to benefits for U.S. textile and apparel factory workers, this bill also contains critically needed provisions in support of our footwear manufacturing workers. Its provisions will also help strengthen the markets for U.S. farmers.

Imported textiles and textile products contain cotton equal to nearly 40 percent of the annual U.S. cotton production. Eight of every ten bales of cotton used in imported textiles and clothing is grown in foreign fields. The average annual market revenue loss to American cotton producers is more than \$1 billion. Depressed U.S. cotton markets have driven farmers to shift to other crops which are already in surplus—adding to price depression for these commodities.

The International Multifiber Arrangement, to which the United States is a party was intended to hold textile and apparel import growth to a reasonable, logical level.

I believe any fair-minded person will agree that when the U.S. market is growing, as it is, at a 1 percent rate annually and the imports are growing, as they are, at an average of 21 percent annually the situation has become unreasonable, illogical, and unfair.

Imports have gobbled up 52 percent of the U.S. clothing market.

The situation is even worse in the U.S. footwear market.

More than 2 years ago, the U.S. International Trade Commission found that footwear imports are seriously damaging the American footwear manufacturing industry. It recommended restrictions on footwear imports. President Reagan has refused to grant this protection to U.S. footwear workers.

Thanks to deliberate, outrageous decision by the current President, foreign footwear makers control 81 percent of the American footwear sales. In 1986, American footwear production fell down to the levels of the Great Depression of the 1930's.

I am proud that the House recognized the gravity the need for this kind of legislation when we passed a similar bill last year. I am honored to be an original cosponsor of today's bill, which is even better than last year's. I urge my colleagues to join me and other cosponsors in voting for passage of H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Madam Chairman, while many sectors of the economy have been crippled by the current world trade practices, I do not believe that any industry has suffered more than the beleaguered textile industry. And while every sector of the country has been adversely affected by the current trade imbalance, I do not believe that any State has suffered more than North Carolina.

Today, we have the means at hand to begin reversing the downward trend for the embattled textile industry. The Textile and Apparel Act of 1987 is needed now.

Autos, steel, video recorders, semiconductor chips, machine tools, timber, copper, and electronics are just a few industries in which the United States is losing its leadership or is being driven out of the marketplace. Our traditional manufacturing and industrial bases are being devastated each day by unfair competition from foreign nations.

Virtually every week, House Members take the floor to discuss the need to reach arms reductions agreements to avoid World War III. Madam Chairman, we are already engaged in World War III, only it is not being fought on the military battlefield; it is being fought on the economic battlefield. In this trade war, we do not measure the tide of battle by the number of individual casualties; instead we use abstract measurements such as the size of the trade deficit.

But no matter how abstract or impersonal the measurement, the individual human casualties are real. American workers are losing their jobs, and their families are losing their income, their standard of living, and eventually even their hope.

Madam Chairman, in the footwear industry, 80 percent of the U.S. market has been lost to imports, and 341 American plants have closed since 1980. More than 1,000 textile and apparel plants have shut down since 1980. And more than 400,000 American textile and apparel workers have lost their jobs.

Figures released during July by the Commerce Department show that the January-May 1987 textile and apparel trade deficit increased to \$9.6 billion. This record level was reached despite the administration's self-proclaimed intention of negotiating tighter bilateral trade agreements with foreign suppliers. The increase in textile and apparel imports from 1981 through 1986 represents the export of nearly 700,000 American job opportunities overseas.

Some critics of the legislation we are considering today claim that the American textile industry, and indeed other American industries devastated by the flood of foreign imports, are victims of their own outdated technology and methods. Like most general-

izations, there is a small element of truth in this charge. American manufacturers do need to modernize.

But to portray American textile manufacturing as an antiquated industry is to promote a myth. The industry is modernizing, and American textile workers are extremely productive.

But not even the most modern, high technology plant can compete with overseas factories that are subsidized by their governments. And not even the most efficient, productive work force can compete in foreign markets that are virtually closed to imports.

The problem is not just technology or productivity. The problem is fairness. American producers should not be forced to compete under unfair conditions.

A new study by the widely respected ICF Inc., using methods of estimation employed by the Congressional Budget Office and the Office of Management and Budget, found that enactment of the Textile and Apparel Trade Act of 1987 would in its second year save the Federal Government as much as \$500 million in reduced unemployment payments and AFDC, food stamp, and Medicaid benefits.

Additionally, ICF estimates that enactment of this legislation would result in an increase in employment of 82,000 jobs in 1987 and 115,200 jobs in 1988. These estimates are based on growth rates for textile and apparel imports ranging from 6 to 17 percent annually in the absence of the Textile and Apparel Trade Act of 1987.

I urge my colleagues to weigh the fiscal benefits of supporting this legislation. In the long run, this bill will strengthen the U.S. economy, lower the trade deficit, reduce the budget deficit, and perhaps more important, keep Americans working. It is clearly in our national interest to have a strong, healthy domestic textile and apparel industry.

We cannot help the economy by continuing a failed policy. But we can help the economy, we can save American jobs, we can create new employment opportunities, and we can ensure the American consumer a continuing supply of high quality domestic textile and apparel products by passing the Textile and Apparel Trade Act of 1987.

American workers can compete effectively. But the rules must be fair. Free trade must be free and fair for every nation or it is free and fair for none. This bill starts the essential process of restoring fair competition in the international textile marketplace.

The Textile and Apparel Trade Act is a reasonable, moderate step in the right direction. It deserves to be passed by a wide margin.

I urge my colleagues to support passage of this bill. The hour is late.

Mr. DUNCAN. Madam Chairman, I am pleased to yield 2 minutes to the

gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. My comments regarding this legislation will be brief but heartfelt.

For nearly 3 years now, we have had the opportunity to examine an ever-expanding library of information about this industry and the problems confronting it. This much can be established from the reports and statistics:

First, the current multifiber arrangement and bilateral accords are not working. Import penetration into our domestic markets currently exceeds 50 percent and is growing annually.

Second, there is a direct cause-and-effect relationship between this import penetration and a loss of American jobs. Since 1980, the industry has lost 350,000 jobs and 700,000 job opportunities. Passage of H.R. 1154 will halt this trend and, according to a recent study, create 152,000 new jobs.

Third, the problems plaguing the industry are not self-inflicted. Foreign exporters, playing under their own set of street-smart trade rules, are using tariffs, quotas, import bans, tax breaks, and other subsidies to take over our markets.

And fourth, a national interest—not a special interest—is being served with passage of this legislation. Who in this body wants to rely and depend upon foreign sources of textiles and apparel to clothe and equip our Armed Forces in time of war? Not I.

Madam Chairman, I would like to conclude by invoking Dwight Eisenhower, who once said that only Americans can hurt America. I hope that each Member, each American in this Chamber today will choose to help an industry so vital to our Nation's prosperity and future.

Mr. RIDGE. Madam Chairman, will the gentleman yield to me?

Mr. COBLE. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. Madam Chairman, I thank the gentleman for yielding. I commend him for his strong statement and I join him in his statement.

Madam Chairman, I rise in support of this important piece of legislation, the Textile and Apparel Trade Act of 1987. With more than 2 million workers, the fiber, textile and apparel industry is the largest in the manufacturing sector—larger than auto and steel combined. Until 1984, the fiber industry was one of the largest employers in my district. My only regret is that this bill comes too late for the hard-working men and women who worked at the Meadville Avtex Fibers plant.

This bill alone may not have saved those jobs and will not resurrect that plant. So, I'm not a cosponsor of this bill because I want to protect a plant in my district. But, I most certainly understand that this bill is in the best in-

terest of American manufacturers and American workers.

The job loss numbers are frightening with an avalanche of 390,000 jobs lost in 7 years. Foreign textile imports have been increasing at a rate of 19 percent since 1981. The U.S. footwear industry's share of the U.S. market has declined from 49 percent in 1981 to 18 percent today.

Still, 2.4 million Americans depend on textiles and apparel for their jobs. Every day, some of these 2.4 million Americans lose their jobs while the Federal Government equivocates. It is truly sad that most of these jobs will not be lost because of worker productivity but, instead, because the United States is the world's preferred trade dumping ground.

The Congressional Office of Technological Assessment's recent report clearly states that developing countries are using export subsidies to promote exports and are paying their textile and apparel workers wages far below those paid to U.S. workers. Interestingly, the European Economic Community (EEC) and Japan have limited the growth of imports from developing nations. Once again, the United States is isolated in its willingness to sacrifice its own interests and jobs to the philosophy of free trade.

Since the President's veto in December 1985, the Ways and Means Committee has worked hard to address the administration's concerns and I congratulate them on this effort. Although the administration still opposes the bill, it should be duly noted that the bill now is consistent with the general agreements on tariffs and trade, provides the administration with flexibility in implementing quotas and with flexibility on the multifiber agreements, and it eliminates rollbacks and discrimination.

Opponents are now focusing on the possibility of increased consumer prices, a very important concern. But, in my view, the level of concern is unwarranted. First, it must be clear that this bill will allow the same level of imports as in 1986 plus 1 percent growth. There will be no rollbacks. Second, the Office of Technology Assessment clearly states that the benefits of cheap foreign labor rarely reaches the consumer and, instead, only the middlemen benefit. Consumers usually pay the same price for equivalent imported and domestic products. Third, we must not ignore that this bill will save U.S. taxpayers an estimated \$500 million in unemployment programs by the second year. Best of all, more Americans will not have to be dependent on food stamps, Medicaid, and other programs. Finally, a nationally recognized economic consulting firm has estimated that 152,000 jobs would be created by the second year. More Americans working, contributing and paying taxes.

My colleagues, today's vote presents an opportunity to do something about the decline in our manufacturing base and do something about the survival of America's largest manufacturing employer. In my opinion, providing American workers and businesses with the opportunity to fairly compete is appropriate and desirable. Ignoring a foreign strategy of subsidized exports combined with cheap labor is just the opposite. I urge my colleagues to support this bill.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. Madam Chairman, at this time I would like to enter into a colloquy with the chairman of the textile caucus, the Honorable BUTLER DERRICK of South Carolina.

There has been a lot of talk here today about the consumer aspects of this bill, but nobody has focused on the safeguards built into this bill for the consumer, especially low-income consumers. Look at the footwear provisions. These portions keep footwear imports at 1986 levels, when they accounted for over 80 percent of the U.S. market—the highest levels ever recorded in history. In addition, there is a special set aside for the cheapest shoes, those imported at \$2.50 or less, so that they should be imported at the same high levels as last year. The bill as I read it, prevents price increases in these products, because it makes no allowance for borrowing volume from this category, and making it available for imports of higher priced shoes. The legislation, therefore, encourages importers to fill up this lower priced category. I believe that these provisions do not hurt our consumers, in fact, they protect our low-income consumers. I think that the bill should be applauded for having such safeguards for our low-income consumers.

I ask the gentleman for his comments.

Mr. DERRICK. Madam Chairman, will the gentleman yield?

Mr. MOAKLEY. I am pleased to yield to the gentleman from South Carolina.

Mr. DERRICK. I thank the gentleman for yielding.

Madam Chairman, the gentleman is absolutely correct. The bill does protect our low-income consumers by ensuring an adequate supply of the cheapest shoes because it doesn't allow the foreign countries to shift into higher priced footwear. We fully expect that the agency administering these quotas will develop a program that ensures that any shortfall in the amount of low-priced footwear imports is not made up by bringing in additional higher priced footwear.

Mr. MOAKLEY. I thank the gentleman for that clarification.

Madam Chairman, I have a special interest in this bill as chairman of the House footwear caucus, which numbers 105 members. The footwear industry in this country is losing ground fast. To survive, it must have this bill enacted. No major manufacturing industry in this country has been so hurt by imports as has the nonrubber footwear industry. Since 1981, over 300 U.S. footwear plants have closed their doors, and some 51,000 jobs have been lost.

The industry needs a legislative solution to its problems because its at-

tempts to seek remedy under existing trade statutes have been repeatedly denied. The Reagan administration has twice refused to grant this industry import relief under the escape clause. The industry's section 301 case, documenting numerous unfair trade practices against other countries, was the subject of benign neglect by this same administration. Former administrations do not have much better track records in this regard. This industry's import problems have been ignored, papered over, and callously disregarded for too, too long. It now has only one avenue open if it is to survive, and that is the enactment of this bill.

This industry can be competitive if given a chance and the opportunity presented in this bill. There is a lot of technology available to footwear manufacturers; much of it developed in the last few years. However, the tremendous import surges of the last 5 years are depriving U.S. companies of the financial resources to invest in new technology. These import surges also have robbed the industry of its confidence that these investments will pay off in increased production levels.

The industry deserves a chance to survive. Its workers deserve a place to work. We have only one way to ensure that this happens, and that is the passage of this bill today. I urge my colleagues to support passage of this bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Madam Chairman, it is time we came to our senses. Wishful thinking and dated views have clouded our understanding of the realities of textile and apparel trade.

Despite stated efforts by the administration, the textile, apparel and footwear industries are being battered by cheap labor imports. More than \$15 billion has been spent in making our textile workers the most efficient and productive anywhere in the world. But they cannot compete against foreign governments that subsidize their industries, pay workers as little as 16 cents per hour and impose severe restrictions on imports from the United States and other countries.

The American textile and apparel industry is fighting for its life. If the current trend persists, the annual textile and apparel trade deficit will exceed \$23 billion. From 1980 to 1986, there has been a 20-percent growth in textile imports. With the domestic market growing at a rate of just under 1 percent during the last decade, it is easy to understand how, since 1980, the industry has lost more than 1,500 factories, 40,000 jobs, and 750,000 job opportunities to foreign nations. These foreign markets are literally stealing the shirts off our backs. Without our action, the textile industry will face only increased import pene-

tration and disruption. That is why I urge my colleagues join me in strong support of H.R. 1154, the Textile and Apparel Trade Act.

This bill will help to sustain America's producers of textile, apparel, fiber, and footwear and their nearly 2 million workers by controlling the relentless growth of foreign imports. It will provide them with the market certainty needed to invest the substantial financing needed to continue their modernization efforts.

In South Carolina, we are seeing entire towns shut down in the face of the textile deficit leaving families jobless and hopeless. Yet, last year we handed over \$612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. What does this say about our administration's commitment to opportunity, to hope, to a future for America's workers?

If there is one word that encompasses all that America stands for, it is opportunity. But for American textile and apparel workers, it is a word that rings hollow these days. American workers want and deserve the opportunity to compete with foreign workers on an even footing—nothing more, nothing less.

I urge my colleagues to join me in strong support of H.R. 1154.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Madam Chairman, these debates on trade issues unfortunately usually come down to debates between those who will win under the terms of the legislation and those who will lose. That is unfortunate but at least we ought to get the record straight and correct. There are losers under this bill.

Contrary to what we have heard previously in this well, the biggest loser will probably be American agriculture.

This bill invites retaliation specifically from the Pacific rim. The Pacific rim is one of our major agricultural importing regions. Forty percent of all the food the Japanese people eat comes from the United States. They are our No. 1 soybean customer in the whole world and they have the greatest potential in terms of beef and citrus imports. The rest of the Pacific rim is almost as important and it is in some ways more so because of greater growth potential. Korea is our seventh largest agricultural customer.

Furthermore, to argue they will not retaliate flies in the face, first, of their own statements directly to the contrary and, second, of experience.

A couple of years ago this administration did impose restrictions on textile imports from the People's Republic of China. Within the month the People's Republic of China reacted by canceling their entire corn and wheat

purchases for that year. The People's Republic of China is not a large importer of American agricultural commodities. So its impact on our agricultural economy was not substantial.

If the Japanese or the Koreans or the rest of the Pacific rim countries were to take similar actions it would be devastating to an agricultural economy that is terribly fragile right now today.

Madam Chairman, nobody wishes ill for the American textile industry, but the evidence is that that is an industry which after some very difficult years is beginning to get back on its feet. We certainly all hope so. And if there are constructive things we can do here today to help them we would like to do that.

But American agriculture has been through, if anything, even more difficult times in the last few years. This year after 6 years of decline we are seeing a turnaround in the volume of American agricultural exports. Let us not cut that short before it even has a chance to get started. There are victims intended if this bill passes and the No. 1 victim will be the American farmer. Let us defeat this bill.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. McMILLAN].

Mr. McMILLAN of North Carolina. Madam Chairman fair and free trade is a good goal in world trade. But it's not a reality in textiles, as in most other segments of world trade. Textile markets are tough and competitive with heavy government involvement by our trading partners. World textile trade has long operated under a negotiated global system. The multifiber agreements are testimony to that fact even though not every nation has participated.

Under those existing but inadequate agreements, the United States has tolerated import penetration of its domestic textile and apparel markets up to 53.8 percent by 1986. Textile-apparel imports have grown at an average rate of 17 percent per year over 7 years while the domestic market grew at only 1 percent and has resulted in the closing of 1,000 textile and apparel plants with a loss of 350,000 jobs.

That unacceptable situation has not been corrected by the new multifiber agreements nor by the decline in the value of the dollar.

The textile trade deficit increased 21 percent in the first 6 months of 1987.

Some argue that earnings have improved. Since 1980 earnings in textiles have always been cyclical—ranging from a low of \$851 million in 1982 to a high of \$1.7 billion in 1986 but averaging \$1.3 billion over the 7 years. Returns at even the highest levels are not adequate to support the heavy investment required to remain competitive. The average return on investment for the eight leading publicly

held companies was only 9 percent in 1986 the best year in the last 7 and half that in the lowest year. Much of this improvement has resulted from a shake-out in the domestic industry.

If the strategically important textile apparel industry and its 2.4 million jobs is going to survive in this country the Textile and Apparel Trade Act of 1987 is a necessary guideline to make multifiber agreements effective.

I urge my colleagues to support this bill.

□ 1540

Mr. GIBBONS. Madam Chairman, I yield myself 1 minute and 30 seconds only for the purpose of putting in the RECORD the figures supplied by this administration's Department of Commerce, with reference to the figures that are collected and published by the Office of Textiles and Apparel in the U.S. Department of Commerce, based on census figures. If anybody's figures are right, I would say that these are more nearly right than anyone else's.

Of all textile finished goods—the total textile market—the import share for 1986 was less than 24 percent. Now, that is the whole market; that includes everything—garments, textile products and everything else. The import share of the domestic market: 24 percent, not 52 percent.

The import share of the apparel market only, according to the Commerce Department figures, was 33.1 percent last year, not 52 percent. That is the highest figure we are going to find—33.1 percent.

The nonapparel segment of the market for textile finished goods, 1986 figures, had import market share at 13.1 percent; not 52 percent as we just heard.

If you weigh these goods, whether you count them by dollars or by square yard equivalents, none of the figures reach some of the ridiculous figures we have heard today. I hope that my colleagues, however they decide to vote on this legislation, will at least keep the figures straight in accordance with the published figures of our own Government.

Mr. JENKINS. Madam Chairman, I yield 2 minutes and 30 seconds to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Madam Chairman, I thank the gentleman for yielding me this time.

A number of our colleagues have expressed a very important concern about doing what is right in this bill for rural America, for our friends in agriculture. Many have correctly noted that agricultural America is about at the bottom now and really cannot afford another severe economic blow.

I agree with that. So out in my district in western Montana, I have stopped by the grain elevators and sat down in the coffee shops and discussed it. I have tried to talk with our wheat and feed grain people, our wool growers, and our cattlemen, and I find that indeed they are divided about this bill. But they all tell me this: they say, "Pat, it's a big country. Everybody has got to try to benefit, and we all do a little better if someone else is doing a little better." One guy put it to me this way: "Pat," he said, "you know, I have come to find out in the last 6 or 8 years that there is no such thing as, 'Friend, your end of the boat is sinking.' So," he said, "as this textile bill comes up, try to get it in a way that doesn't hurt us. We don't want to be hurt. We can't stand that, but if it can help others in America, that would be good."

Just this week I got a letter from the Montana Wool Growers. Let me read the last paragraph of it to you:

In closing it is proper to note that President Reagan in 1980 made a pledge to the U.S. Textile industry that, if elected, he would take action to relate import growth to the growth of the domestic market. Two years after taking office he reiterated that pledge. But sometime between then and now he has changed his mind and has sat idle while imports have more than doubled the domestic market. In 1980, the U.S. competed with 16 countries importing quantities of wool, but today, in 1987, we compete with 40 and no control. That unfair competition has closed mills, lost U.S. jobs and lost market outlets for the buyers of the Montana wool clip. Congress can stop that trend by passing and probably having to override the President's veto of the Textile legislation.

Sincerely,

BOB GILBERT,  
Secretary-Treasurer,  
Montana Woolgrowers.

Madam Chairman, the woolgrowers are just one part, but one important part of rural America. They are one very important part of the agricultural community. They do want to pull together. No, they do not want to be hurt, but they know that there is no such thing as saying, "Hey, farmers," or "Hey, textile workers, your end of the boat is sinking."

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Madam Chairman, we are hearing a lot lately about the health and the well-being of the textile industry. Many people have forgotten about the apparel industry, which is certainly not healthy and certainly not in a condition of well-being. I would invite them to my district, the Lehigh Valley in Pennsylvania, to see the hundreds of shops and plants that have closed down over the years and the 10,000 to 15,000 jobs we have lost over the last 10 years or so.

In my district, the apparel industry is hurting. If the textile industry is to

prosper, we had better have an apparel industry in this country. The figures the gentleman from Florida [Mr. GIBBONS] has presented to us, referring to the 33.1-percent penetration, is less than the 52 percent, but it is enormous, and if we do not have apparel manufacturing in this country, we will not have textile manufacturing. To a very large degree the health and well-being of the textile industry is dependent on the health and well-being of the apparel industry.

Many of the manufacturing industries are going through transitions in this country. Textiles is one of them, apparel is another, and we need time to make the accommodation. We need the manufacturing base to apply a lot of the high technology. We are getting programs in computers, in robotics, and in integrated manufacturing. This technology is coming into apparel manufacturing much as they have already entered into textile manufacturing, but it takes time. If we are overwhelmed with a flood of imports coming in from all over the world, we will not have this time. And then where will the computer industry be? Where will the software industry be, and where will all these high technology industries be if we lose the manufacturing base?

We need that manufacturing base. In the Lehigh Valley, R&D programs to develop new technologies in robotic sewing are right on the horizon, and have the potential to substantially increase sewing productivity. There is also the potential, through "quick response" information technology, to unite the textile and apparel network, resulting in a more efficient system.

The industry currently invests an average of \$1.5 billion per year in new plants and equipment. New technology and innovation are being introduced. For example in Lehigh Valley the Ben Franklin Partnership Program and Lehigh University are assisting the American apparel industry to improve productivity via the application of advanced technology. They are currently working on several areas. First they are working on applying technology with the help of a startup company—On-Line Data Systems, Inc.—to develop computer software packages for the apparel and will be the software supplier recommended by IBM for use with its mainframe computers.

Second, the Ben Franklin Center is developing a technology demonstration site for the apparel industry to transfer new technology to the private sector. The center and the university have led an initiative in response to a request from the Department of Defense to create a demonstration site where representatives from all aspects of the apparel manufacturing industry can observe state-of-the-art technology and manufacturing methods at work.

Finally, the center is working to improve manufacturing processes through the Ben Franklin Challenge Grant Program. The project, entitled "Computer Aided Manufacturing and Commercial Sewing/Stitching," received a \$62,000 Ben Franklin grant to develop a system within their plant to computer control all the sewing machines by programming each operation of each machine so that the number of stitches is controlled by the program, thus improving efficiency and simultaneously monitoring the work flow.

But if there is no apparel industry left—there is no market for the infusion of this high technology. Clearly these are the types of technological advances which could make us more competitive in our own domestic market and in the world apparel if we are given the opportunity to sell these products overseas. With this in mind, I urge my colleagues to support this legislation. The textile and apparel industries have exhibited the potential to compete in global markets with the aid of a fair trade environment vital to the textile and apparel industries in America.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE of North Carolina. Madam Chairman, I rise to express my strong support for the passage of H.R. 1154. The people of North Carolina and the people of the Fourth District, which I represent, understand the urgency of this legislation. In my State, 304 textile and apparel plants either had to close or lay off significant numbers of their employees between 1981 and March of 1987. During this period, 31,500 people in the textile industry and 11,500 people in the apparel industry lost their jobs to layoffs or plant closings, for a total of almost 43,000 North Carolinians—displaced largely by a flood of foreign imports. In North Carolina's Fourth District, from 1981 through January 1987, 13 plants closed or had to lay off employees and almost 2,500 people lost their jobs.

Imports of textile and apparel products have doubled since 1980, increasing nearly 20 percent annually, and now account for more than half of the domestic market. This translates into 350,000 actual jobs lost to foreign competitors who often pay as little as 20 cents an hour to their workers, and 700,000 lost job opportunities.

The omnibus trade bill is not sufficient to maintain these essential manufacturing jobs; the Textile and Apparel Trade Act of 1987 is a necessary complement to the omnibus bill. The bill would establish a total, global quota for foreign textile, apparel and footwear products based on the record-setting 1986 levels. Based on the 1986 market share, there would be

no mandatory rollback of any country's share, and the administration would be given maximum flexibility in implementation. Imports would be allowed to increase at 1 percent a year, consistent with the growth of the domestic market. Compensation for countries affected would be allowed through reduced tariff levels. The bill is also consistent with the General Agreement on Tariffs and Trade [GATT] principles and with this country's existing international agreements.

H.R. 1154 represents significant concessions by the textile and apparel industry and its workers relative to last year's bill. The stable trade environment it would create is essential if we are to keep American jobs at home and are to continue the modernization of this industry, which reinvests 80 percent of its retained cash flow.

As the Office of Technology Assessment [OTA] concluded in a recent study, the American textile industry "is one of the most productive in the world \* \* \* [but] technology alone may not be able to salvage major parts of the industry." It is critical to moderate the flow of imports in the near term while the industry continues its revolutionary technical improvements. This is exactly what H.R. 1154 provides.

Madam Chairman, these are only a few of the arguments that can be made in support of this bill and I encourage my colleagues to listen carefully to this debate today. This measure is a necessity to save an essential American industry. It takes a moderate and balanced approach. It is time to get past the rhetorical abstractions of "free trade" and "protectionism" and to deal with the realities of the situation we face. Those 350,000 lost jobs are not an abstraction, and H.R. 1154 is a fair and reasonable response.

Mr. FRENZEL. Madam Chairman, I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Madam Chairman, when this bill came before the House Ways and Means Committee, we allowed it to emerge without a recorded vote, amendment or recommendation.

I did not oppose this bill in committee out of deference to those who worked so hard to argue their case on the floor. Now that the bill is here let's look at the merits.

A number of major farm groups believe this legislation is like the pitch of a boomerang which will return and strike at the heart of an infant recovery in ag exports.

Why do they have these fears? Because of past experience. In 1983, when textile negotiations broke down with China, we unilaterally restricted \$50 million of Chinese textiles. China canceled a grain agreement. We lost

\$500 million in wheat sales. Who do you think won this battle?

It's not just past experience, it's also the commonsense notion that we can't expect foreign nations to purchase our major exports like farm products, if we unfairly and unilaterally cut back on their major exports.

The textile and apparel industry operated at 95 percent capacity in the first quarter of 1987. In fact, domestic textile production has increased 10 percent in 1986. Agriculture will idle 70 million out of 300 planted acres this year. This tremendous undercapacity has taken its toll not just on farmers, but rural businesses across the board.

Does it make sense to give more protection to an industry running at nearly full capacity and pay for it out of sales from an industry like agriculture whose exports are barely limping along?

There are a lot of people afraid about losing their jobs in this industry, and I couldn't be more sensitive to these concerns. Nobody wants more jobs lost. But from January to July of this year, employment in this industry went up by 25,000.

In my own State of Nebraska, employment has held steady since the early seventies. There are about 2,000 Nebraskans employed in this sector during 1987. That is above the 1,900 jobs the industry provided in 1970. While the levels have fluctuated during the period, there hasn't been the wholesale decline in employment and capacity that agriculture has seen.

It isn't as if the industry doesn't have protection: it has over 1,500 quotas covering 80 percent of all low-priced imports and at 18 percent, a tariff rate far above the 3 percent for all other industries.

Ambassador Yeutter's opinion is that this bill violates the GATT and the multi-fiber agreement. We are trying to get agriculture on a fast track in the new GATT round—that is, completed first—to avoid a brewing ag trade subsidy war.

Does anybody think that foreign nations will cooperate in trade liberalization efforts under a new GATT round if we are violating the existing one?

I urge rejection of the bill.

Madam Chairman, I include with my remarks the following letter from the National Association of Wheat Growers:

NATIONAL ASSOCIATION OF WHEAT  
GROWERS,

Washington, DC, July 16, 1987.

DEAR CONGRESSMAN: You will soon be voting on legislation that, if enacted, will be detrimental to a large segment of U.S. agriculture. That legislation, which we strongly oppose, is the Textile and Apparel Trade Act of 1987 (H.R. 1154).

Congressional and other national trade leaders should recognize that this bill is not an export-oriented piece of legislation. Nor is there any assertion that the imports it would restrict are being unfairly traded.

Furthermore, contrary to statements made by several supporters of this bill, it would not help us sell farm products abroad; instead, it would seriously undercut our ability to carry on tough and market-expanding multilateral trade negotiations in the Uruguay Round, reduce the ability of many developing countries to buy our products and bring prompt retaliation against U.S. farm exports by many of our trading partners.

The trade-restrictive thrust of H.R. 1154 would result in retaliatory and counter-retaliatory actions which would seriously disrupt the world trading system and threaten to trigger a world economic crisis. U.S. trading policy should be directed toward greater export and trade growth. It would be counter-productive for the United States to go beyond the import-restrictive Multi-Fiber Agreement (MFA) of 1986, as these bills propose, greatly increasing the risk of bringing on a world-wide recession. Instead, the United States should continue to regulate textile and apparel trade through the internationally accepted multilateral and bilateral processes now being used.

When H.R. 1154 is brought up for consideration, we encourage you to vote against this unduly trade-restrictive proposal, which would damage U.S. farmers, other exporters, consumers and our long-term national interest.

Sincerely,

American Soybean Association,  
National Association of Wheat Growers,  
National Soybean Processors Association,  
Millers National Federation National  
Grange.

□ 1555

Mr. FRENZEL. Madam Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Madam Chairman, I thank the gentleman for yielding me this time.

Here we go again, or, as like Yogi Berra said, "This is like *deja vu* all over again."

We are talking about the same bill, old wine and new bottles, that we had the last session. Many of the Members from the industrial Midwest are a little put out that those who represent States with unemployment levels at least half of what we have in Ohio, Michigan, Pennsylvania, Indiana and others would come to the floor again with this same proposal that would invite retaliation against our agricultural districts, would invite retaliation against some of the other areas of our economy. For what reason, I frankly do not understand.

We had a letter recently delivered to all of our offices, and I would like to quote a couple of things from that letter sent jointly by Clayton Yeutter, the U.S. Trade Representative, the Secretary of State, George Shultz, and the Acting Secretary of Commerce, Bruce Smart.

They say the following:

The European Community has already indicated that it will take countermeasures if this legislation is passed, and others are likely to follow. Some of our most sensitive and competitive export industries, such as agriculture and high technology, would be

likely targets for retaliation. This is not an idle threat; it will happen. The compensation provisions of this bill (a ten percent duty reduction from, say, 18 percent to 16.2 percent over a five-year period) are grossly inadequate to remedy the damage or avoid retaliation by our trading partners.

In sum, this bill is nothing more than pure protectionism for a couple of special-interest groups with seemingly insatiable appetites for limiting competition from abroad.

If a Member represents any agriculture whatsoever, or if that Member represents any of the other groups that could potentially be victims of this retaliation, then there is no choice, it seems to me, but to reject this legislation.

Some people say this bill is another exercise in futility. It is a freebie, and you can vote for it, because we know the President is going to veto it and perhaps there will be no attempt to override.

We do not have to have long memories to remember the last time this came up and the efforts were almost successful.

It was six or eight votes that spelled the difference. We have a chance now to kill this monster in the cradle where it belongs, and not have it pass on to the other body.

I ask the Members to take a close look at this protectionist legislation, defeat it once and for all.

Mr. GIBBONS. Madam Chairman, I yield 4 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Madam Chairman, I thank the gentleman for yielding me this time.

I rise in reluctant but deeply felt opposition to this legislation.

To me this bill really is a battle between the heart and the mind. The heart says vote for it.

In my district we have apparel workers. We have textile workers. They have come to see me. They are working people. They are good people.

They are people set adrift by powerful economic forces that they do not comprehend, but they know that their jobs are on the line, and one looks into their eyes and feels a great deal of sympathy, sympathy that I know the Members have, sympathy that says vote for this legislation; but my mind says do not vote for this legislation.

Do not vote for it, because this is a different America we are in. We are in the throes of great economic change.

This is a new world of competition. We can no longer ignore the rest of the world.

What happens in far parts of this Earth, in Brazil, in Japan or Germany affects us very deeply, and to build up walls is simply an admission that we cannot compete.

Now, some maintain the illusion that the walls will only be one-way walls, that perhaps we can keep goods out,

but we can continue to export. That is not going to happen.

Common sense tells us it is not going to happen, and history tells us that it is not going to happen.

You cannot build a one-way wall, and so we have a choice. Is America going to become a self-contained unit?

If we do that, our standard of living will plummet. Or is America going to rise to the new challenge of international competition and say we can compete, we can win?

Can we win on every item we produce? No. That is not how it is going to be, no matter what we do; but if we buckle down, if we meet the new challenges of the world, we can win.

To pass this bill is an admission of defeat. It is saying America cannot be the leading economic power in the world, because smaller countries that have far fewer resources than we do can beat us.

I do not think we should admit defeat. We must do everything we can for displaced workers, everything we can with the exception of building those walls that will not hurt their colleagues in other industries, but will ultimately hurt them and their families, though they do not see that today.

In this new sea-changed world, if we reduce the alluring temptation to build those walls, and if we force ourselves to keep to the grindstone and compete, I am convinced that America will remain the leading economic power in the world.

The choice is ours, the choice of difficulty and struggling but of prevailing, or the choice of turning our back on that struggle, running away and admitting defeat.

I urge the Members to vote against this bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentlewoman from South Carolina [Mrs. PATTERSON].

Mrs. PATTERSON. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, during this week of bicentennial celebrations, it is important to remember that in just a few years, the American textile industry will celebrate its bicentennial. This industry has been producing products that were crafted with pride in the U.S.A. since George Washington was President.

Yet, there are those who argue that it is not in the best interests of the United States to insure that our textile industry can compete fairly with other nations. I don't agree!

I don't agree that it was in the best interests of the United States to lose 400,000 American jobs since 1980, over 33,000 of those in my State of South Carolina.

I don't agree that it was in the best interests of the United States to have

1,000 textile and apparel plants close their doors in the past 7 years, 88 of them in South Carolina.

I don't agree that it is in the best interests of the United States to have a textile and apparel trade deficit this year that is 21 percent greater than last year's.

I don't agree that it is in our best interest for the administration to fail to aggressively enforce existing agreements.

And I certainly don't agree that it is in the best interests of the United States to be importing textile goods from Iran at the same time that nation is threatening American sailors in the Persian Gulf.

Madam Chairman, American textile producers are as good as any in the world. Through innovation, hard work and a commitment to quality, they produce exceptional products at a reasonable price. All they ask in return is that their own Government give them a chance to compete fairly against foreign competitors with heavy government subsidies and closed markets. I urge my colleagues to give them that chance by passing H.R. 1154.

Mr. DUNCAN. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Madam Chairman, I thank the gentleman for yielding me this time.

Most of my life I have been a businessman. I know the importance of trade. I know the importance of open trade, and I realize the importance of the economy base of this country.

I am well aware that this country could produce a knee-jerk reaction to try to solve the trade gap in the wrong way.

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Furthermore, I have felt for many years that the concept of the level playing field was right, meaning, of course, that Americans can compete with anyone anywhere in the world, given a reasonable break and given the same rules.

At the same time, there are variations on that theme, the most important being time; but the buck changes and currency values change, country practices for a variety of economic actions, one industry in one country might need something special to give it a boost, to give it, if you will, time.

To use the umbrella ideology of free trade or protectionism in cases like this, of course, to me is wrong.

So it is with the textile industry. The textile bill is not perfect. I wish the conditions that prompt it did not exist, but they do, and this is not a perfect world, but put side by side with the alternatives, I am going to support this bill.

We can philosophize about trade. We should not shackle it. We need

trade for others to be able to pay their debts. We do not want to go back to the old days of the Smoot-Hawley debacle and certainly there are temporary economic surges in sales and employment, if not in our profits in the textile industry, along with shouts of greed; but they are temporary and intellectual arguments.

The real world says that the industry is slowly slipping away. The problem is very simple. There are three parts. There is the fiber, the textile, and the apparel. The fiber and the textile are highly technical and lead any other industry similar to it in any part of the world. The apparel industry is not that way. It is very labor intensive.

So in theory you could say let the apparel industry go. The problem is that you and I are not members of the apparel industry, and also, who are going to be our customers?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DUNCAN. Madam Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. HOUGHTON. Madam Chairman, the very people who flood our markets with apparel from abroad in many cases will not permit the imports of our fiber and our textiles; so the textile industry, two-thirds of which is more advanced than any in the world, says, "Help us for a period of time. Don't cut back imports. Let them grow, but give us a chance to adapt."

So I say, why not? Why are we afraid to watch out for our own interests as other people watch out for their interests? As a citizen, as a Member of this body and as a former businessman, I ask, why is this wrong?

Mr. FRENZEL. Madam Chairman, I yield 1 minute to the distinguished gentleman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Madam Chairman, I rise in strong opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987.

Since last session's debate on the textile bill, I was surprised to learn that the 11 textile makers in the Fortune 500 offered their shareholders a 36 percent total return on investment in 1986. For the same period, apparel manufacturers returned their shareholders 21 percent. July employment in the textile industry is up by 30,000 jobs over the last year, while apparel employment is up by 24,000 jobs. At the same time, average weekly earnings in textiles are up a whopping 8.6 percent over last year's, compared with a national average earnings gain of 2.7 percent. These figures prove that the textile and apparel industry is already among the most protected and profitable of all American industries.

I am concerned, Madam Chairman, that this bill puts at risk recent gains and further expected growth in export earnings for the American farmer. Today, our farm exports are beginning to rebound from 5 consecutive years of decline. The forecast for 1987 is for an increase in export volume of 16 percent from 1986. This is still below past export levels. However, we cannot hope to regain export markets by expanding our trade barriers—which this bill does.

Our farmers have gone through the adjustments necessary to make themselves competitive again in world markets. It makes no sense for us now to throw up a trade barrier inviting retaliation against U.S. agricultural exports, especially when it is one sector of our economy that is contributing positively to the Nation's trade balance.

If you don't believe these countries will retaliate against our agricultural exports, just recall when we restricted \$37 million in textile imports from China. That country canceled \$500 million in U.S. wheat purchases.

The textile and apparel bill previously considered by the House in the 99th Congress affected countries representing 40 percent of our overseas agricultural markets. Now, the 40 or so countries that would be affected by the textile quotas of this bill represent over 70 percent of U.S. agricultural exports. Obviously, with this kind of exposure, American agriculture will make a very attractive and likely target from these countries for retaliation.

Some have said this legislation is more reasonable than the bill passed by the last Congress. They claim it provides for import growth, treats all suppliers equally, and has a compensation provision. This is simply not the case. This bill, like its predecessor, violates our international obligations by arbitrarily restricting imports; our trading partners do not consider this bill reasonable and they will likely retaliate.

In addition, I am concerned that the passage of this bill would open the door to other industries to seek import relief through Congress rather than through the normal injury investigation procedure. Most of such efforts would come from the manufacturing sector at the expense of agricultural exports.

In my home State of Nebraska, one out of every three farm acres is dedicated to production for export. Thus, it is hard to overemphasize the importance of overseas trade to farm and ranch income.

Moreover, economists estimate each 1 billion dollars' worth of farm exports creates agricultural jobs for as many as 35,000 workers.

An additional 60,000 nonfarm jobs are created with each \$1 billion in

farm export sales, proving that the entire economy has a stake in agricultural trade.

What worries me is that we might become the victims of U.S. trade policies that are actually directed at other nations. Should agriculture be asked to bear economic hardship so that textiles can reap more benefits? Let us find a way to build markets for those commodities, and other U.S. exports, before we throw barbed wire up on our shores.

I strongly urge my colleagues to defeat this measure.

Mr. GIBBONS. Madam Chairman, I yield myself such time as I may use.

The question has arisen about who is opposed to this bill and what kind of economic retaliation do we face if this bill becomes law?

I have received personal statements from the Government of India, the Government of China, and we have received written communications from Bromidi, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

Now, people will ask, well, who is Thailand? Thailand is a huge market. We are celebrating our 200th anniversary today and the Thais were the first Asian nation to recognize the United States. They have stood by us in every war, including the one that is now going on. They are a poor nation, but they are our friends.

In addition, to that, we have received written threats to retaliate from Antigua and Barbadoes, from the Commonwealth of the Bahamas, from Bermuda, from Belize, from Costa Rica, from the Dominican Republic, from San Salvador, and from Grenada. You remember Grenada. We just liberated Grenada from the Cubans or the Russians or somebody.

We have heard from Guatemala, from Haiti, from Honduras, from Jamaica, from Panama, from Saint Kitts and Saint Lucia, from Trinidad, from our finest trading partner, Canada, our biggest trading partner; the European Community, our third largest trading partner, from our ally, the Republic of Turkey, from all of the Nordic countries, including Finland, Norway, and Sweden.

The only people we have not heard from are the Japanese and they are probably sitting back laughing, because they are going to pick up all the markets we lose.

We have not heard from the Russians, because they realize we are shooting ourselves in the head, not the foot.

Mr. FRENZEL. Madam Chairman, I yield such time as he may consume to the distinguished gentleman from Ohio [Mr. GRADISON], a member of the committee.

Mr. GRADISON. Madam Chairman, I rise in opposition to H.R. 1154, the domestic textile and apparel industry's

latest effort to protect itself at the expense of the American consumer. Apparently not content with taxing American consumers at the rate of \$27 billion a year, the industry wants an additional \$25 to \$27 billion over the next 5 years. According to the Chairman of the Council of Economic Advisers, the bill will increase the cost of living of every family in the country by \$280 to \$420 over the next 5 years. Surely the time has come to say, "Enough is enough."

Let's look at how this bill hurts our constituents. First, as a result of the restrictions that will be imposed, many products simply will no longer be available. Domestic manufacturers either cannot or will not be able to fill this void. I understand that the availability of lower priced children's wear and budget department items in particular will be substantially reduced.

Second, as foreign manufacturers change their product mix to adjust to the new quota limits, they will increasingly concentrate on producing higher priced items. As a result, many lower priced items will not be available and those that will be available will cost much more. That will hit our poorest constituents hardest.

Finally, reduced supply and higher prices will generate inflationary pressures. In the past year alone, import prices have increased substantially as the market has felt the full force of recently imposed quotas. Enactment of H.R. 1154 will only compound the problem.

I've heard it said that consumers won't suffer. Allegedly, it's the retail community that profits at the expense of consumers by buying foreign goods. Nothing could be further from the truth. Retailing is one of the most fiercely competitive industries we have in the United States. Price is dictated by consumers. No retailer can afford to try and make an extra buck in the way proponents of this legislation assert. Indeed, a study prepared for the domestic industry in 1984 showed that there is little difference in the actual profit earned on domestic and imported women's sweaters. In fact, retailers often found domestic sweaters more profitable to sell.

We as a nation cannot afford to provide further relief to what is already one of our most protected industries. Consumers already pay enough and shouldn't be forced to stretch their budgets further merely to accommodate the appetite of the domestic textile and apparel industry. For the sake of consumers, our constituents, vote "no."

Mr. FRENZEL. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the 1987 textile/apparel protection bill, while different from last year's vetoed version in that it does not contain rollbacks, is just as

harmful to the United States and just as likely to provoke retaliation by our trading partners.

The bill seeks further protection for the most heavily protected industry we have at a time when the industry is racking up record profits—an increase of 46 percent in 1986 for textiles. Capacity utilization in the industry is far higher than all manufacturing industries, 92 percent for textiles and 90 percent for apparel in 1987.

Even though unemployment in the textile industry has decreased from 9.9 percent in 1985 to 4.9 percent the first half of 1987, and a corresponding 1 percent unemployment decline for the apparel industry, the industry only knows one battle cry, "more protection". Unemployment in the textile states is lower than the national average. Employment increased by over 30,000 in the textile industry during the last year. In July alone, apparel employment increased by 20,000 jobs.

The Institute for International Economics predicts that even with lower tariffs and a phase out of quotas, the annual employment reduction rate would be 2 percent for textiles, and 2.5 percent for apparel, which equals the retirement rate in the industry. This does not appear to be a dying industry to me. It is easy to see why industries in states suffering far greater unemployment have sought similar protection or have opposed this bill.

While it is regrettable that so many textile/apparel workers have lost their jobs, it was inevitable that the industry had to be restructured to become competitive. All U.S. industries have had to face this fact, particularly after the 1982 recession, and the high value of the dollar in the mid-1980's.

In a global economy, no U.S. industry can insulate itself from competition from abroad. Most job losses in the industry were due to plant modernization, productivity improvements, and the strength of the dollar rather than imports. In my judgment, we should work with the States to develop higher paying jobs for unemployed textile workers, such as those established in the North Carolina Research Triangle. In fact, the latter is working so well that one chief executive officer of a textile company in North Carolina complains that there are not enough people to fill jobs created by a new textile plant.

The U.S. industry has done quite well finding market niches for itself. However, it has also forced many U.S. customers offshore by inability or refusal to manufacture certain items, or by constantly ignoring shipping deadlines. While exports have increased in 1986-13 percent for textiles and 22 percent for apparel, exports would have been greater in the cotton yarn industry, but that industry is too busy supplying the domestic market.

When reviewing the footwear industry which is also covered in this bill, there is even less reason for protection under this bill. A high voluntary labor turnover of 30 percent has permitted adjustment without forced layoffs. The industry is profitable on high priced footwear where it can compete. Quotas could force more higher priced footwear imports which would displace U.S. production.

Cost to consumers is one of the major reasons for opposing this legislation. CEA estimates \$25 to 37 billion consumer cost over 5 years for textiles/apparel. Institute for International Economics estimates \$7.1 billion consumer cost for each of the first 10 years of the bill.

International Business and Economics Research Corp. estimates a \$10 billion annual cost and loss of over 52,000 retail jobs, a net job loss of 5000. Consumer cost per job would be \$223,000 for jobs paying less than \$15,000 per year. For footwear, a \$52,000 cost per job. This consumer cost is on top of the current \$20 billion per year for textile/apparel protection.

H.R. 1154 violates the MFA, our bilateral agreements, and the GATT. It would install global quotas without a finding of market disruption by product, it would not permit the consultation and negotiation required under the MFA, and it does not provide favorable treatment to developing countries. It violates GATT article XIX (safeguards), by ignoring the requirements that serious injury must be found on a particular item, that relief should be temporary and that adequate compensation must be granted. The bill arbitrarily assigns an unsubstantiated finding of injury on all textile/apparel imports, it does not have an expiration date and it does not grant adequate compensation. It would also violate our Uruguay round standstill agreement, and would probably end those negotiations.

Let's give the 1986 extension of the MFA a chance to work. Nearly all fibers are now included. Bilaterals for our major suppliers have an average growth rate of 1 percent, and in actual rollback for Taiwan. New calls and quotas are being made constantly on categories that threaten market disruption. There are over 1,500 quotas now; 200 were issued in 1986.

The system works, if we give it a chance.

The textile/apparel industry has been protected since 1961 in what was to be temporary protection. Successor agreements have continued until today's MFA. There is enough criticism of our textile/apparel restrictions globally now. This bill would definitely result in retaliation by our trading partners, some of which has already been announced.

The textile/apparel industry is thriving. It receives far more protection than other industries, including the highest tariffs we have. To further compensate this industry is a slap in the face to other industries far more deserving. I urge my colleagues to oppose this bill.

Mr. DUNCAN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the Philippines were referred to by one of my colleagues awhile ago, I am not sure which one, but according to the information that I have from the State Department, the Philippines has a 50-percent average tariff on apparel and a 40-percent average tariff on fabrics.

Korea has a 35-percent average tariff on apparel and a 22-percent average tariff on fabrics.

Peru, they do not allow any imports to come in.

Thailand, which has nice people and is a good ally, they have a 60-percent average tariff on apparel and textiles.

Colombia has 60 to 70 percent, and China has a 65- to 120-percent tariff on apparel, 30- to 90-percent tariff on textiles.

I represent a diversified district. The people I represent are sophisticated and well educated in many ways. I have some who are not; but even the most uneducated person in my district knows what being fair is, and when you tell him that a country can sell 50 or 60 percent of their exports into our country and that we have these high tariffs, then he knows that is not fair, and so do I.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Madam Chairman, I thank the distinguished gentleman from Georgia for yielding me this time.

Madam Chairman, I just want to rise and add my voice and take just a minute to make this brief statement in support of H.R. 1154, the Textile and Apparel Trade Act of 1987, which is a measure that is merited and timely. With nearly 250 cosponsors, it is clear that this legislation has broad support across this country and that a desired policy direction is clear.

Only Monday, Treasury Secretary James Baker said that the administration was "a little late" in addressing our tremendous trade deficit. Madam Chairman, it is far better to be late in action, than not to take any action at all. Let Congress take the lead in correcting the disastrous effects of the administration's inaction which has meant an average industry job loss of 17-percent per year since 1981 in the textile and apparel industries.

I do not believe we are taking a protectionist position in support of this bill, but rather correcting a flaw in our international trade mechanics and op-

erating structure. The elements of the textile bill are indeed GATT compatible, and provides the administration with provisions to reduce tariffs in compensation for the effects of the imposed quotas, a provision which should please the administration.

Madam Chairman, too many U.S. jobs have been lost within the Southeast and a major U.S. industry suffers. I am proud to be a cosponsor of this bill and urge my colleagues to dismiss the protectionist rumors and vote yes on the passage of the textile bill.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Madam Chairman, I rise today as a cosponsor and strong supporter of the Textile and Apparel Act.

The State of Maine has lost more than 7,000 jobs since 1980 in the textile and apparel industry.

I have received boxes full of photographs from mill workers in Maine, standing proudly by their press, their lathe, or their cutting board. This Nation's trade policies are not abstract to these hard-working men and women. They have watched the rise in shoe imports from 50 percent in 1981 to over 80 percent today eliminate their jobs. They urge me to support this legislation to help save those jobs that are left.

I believe this measure represents a practical approach to managing the tide of imports that threaten employment and communities.

It does not call for a rollback nor a reduction of current import levels, nor does it discriminate against any nation.

It gives the President flexibility to negotiate a reduction of any tariff on a country-by-country basis.

I am familiar with the arguments of those who oppose the bill—that it is protectionist—that it will cause retaliation—that this industry is booming and doesn't need any more support.

The fact is that U.S. trade competitors in the textile and apparel business carefully regulate their markets. It is estimated that tariffs on textiles in some countries range from 25 to 70. The fact is that more efficiency alone cannot ensure the survival of America's manufacturers—not when the shoe-making competition pays an hourly wage of 72 cents—like in Brazil.

The choice we face is simple:

We can responsibly manage our trade with other nations, or we can pay millions of dollars in unemployment compensation.

President Reagan recently visited a Harley Davidson plant where he supported trade relief to help the motorcycle industry.

I submit, Madam Chairman, that shoes and textiles are certainly as important as motorcycles.

If we can help the motorcycle industry, I believe we can help the shoe and clothing industries.

I urge you to join me in supporting this bill.

Mr. JENKINS. Madam Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987.

It's clear that the U.S. textile industry is bearing the brunt of unfair trade practices. Unbalanced trade agreements, passive enforcement of bilateral arrangements, and artificial barriers to free trade are ravaging our industry and putting Americas out of work.

Madam Chairman, the U.S. textile industry work force has declined from 848,000 workers in 1980 to 727,000 workers today. Combined textile apparel, and related industry job losses since 1980 are more than 300,000. Import penetration of the U.S. market increased during that 6-year period from about 28 percent to over 50 percent, and the annual trade deficit in textiles and apparel has passed the \$18 billion mark. In my State of North Carolina alone, more than 45,000 textile industry employees have lost their jobs since 1980.

This alarming trend is not the fault of the American textile industry. Indeed, our industry is one of the most productive in the world. It reinvests 80 to 85 percent of its retained earnings and leads the world in modernization. But even with great strides toward increased productivity, employment figures and market share continue to decline.

To a large extent, Madam Chairman, the culprit is our own administration. It has refused to enforce the bilateral textile and apparel agreements negotiated during the late 1970's. And while many foreign nations take advantage of America's open borders, many continue to erect barriers to U.S. products, creating a double disadvantage for American textile workers.

Madam Chairman, my preference is always free trade, but the fact is, trade in textiles and apparel is manipulated throughout the world. Trade in textiles and apparel is not free and our failure to recognize this reality and respond appropriately has been very costly for our country.

H.R. 1154 is a much better bill than the textile bill this House passed by an overwhelming vote in the 99th Congress. I strongly support H.R. 1154 and I urge the Members of this House to vote for it.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia, Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, America's textile and apparel industries have taken a severe beating. The effect of cheaply made foreign imports on this industry has been devastating.

In my home State of Georgia, the textiles and apparel industry is the largest manufacturing employer in the State. It is literally the manufacturing backbone of our State. Over the past 5 years, Georgia has lost more than 20,000 jobs in this sector of our economy.

Opponents of this legislation point to statistics showing that the textile industry has increased its profits and is in better shape. At first glance, this may sound convincing. However, upon closer inspection, we find that this does not hold water.

When labor costs are decreased through layoffs and capacity is increased by plant closings, the situation can be made to look a lot better than is actually the case. While remaining plants may be more profitable this "downsizing" is economically unhealthy. The fact remains that the industry cannot compete under current conditions.

Additionally, profits rise and fall due to the cyclical nature of this industry. If you want to look at statistics, the latest Department of Commerce figures show that textile profits are down 12 percent for the second quarter of this year from 1986 levels.

Madam Chairman, this is a bill that is consistent with the General Agreements on Tariffs and Trade [GATT]. Let's act now to insure that stability of this industry and the many hardworking Americans who depend on it for their livelihood. Vote "yes" on H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. DANIEL].

Mr. DANIEL. Madam Chairman, I rise in strong support of the pending legislation.

As many of you know, textiles and footwear are both significant industries in the district I represent, but even if this were not so, even if not one individual who resides within the Fifth District of Virginia were affected, I would still stand for passage.

There is a basic issue of equitability here. The American people have seen industry after industry swallowed alive by foreign manufacturers, primarily in the Pacific rim area. The textile, apparel and footwear workers, and the companies which employ them, have fought with every weapon available to them to maintain their jobs and to insure that American consumers have available to them American-made wearing apparel. Management has invested billions of dollars in new plant and equipment, in design and technology, and employees have cooperated in every conceivable way.

It is now time for the Congress to recognize this, and to accord to the textile, apparel, and footwear industries additional tools to make certain that these products do not join the long list of others which no longer are made in this country.

At the end of this week, the largest manufacturer of footwear in my district will close its doors. Hopefully, a way can be found to reopen them, but in the meantime hundreds of workers in these plants face a bleak time.

This Nation does not need a continuing cycle of plant closings and local economic depressions, and it no longer can afford to see such wholesale layoffs.

I urge all Members of this body to support H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Madam Chairman, we have heard much debate from the opponents of this legislation. They have charged that it will be costly to consumers. They have said it is GATT illegal and will violate bilateral agreements. They have said it will evoke retaliation.

We also hear a lot about huge profits for the industry, but figures from the Department of Commerce reveal that profits are down for the second quarter by 12 percent from the second quarter of 1986.

And any profits for the period January to June 1987 are less for textiles as compared to all manufacturing—3.3 percent for textiles/apparel and 4.8 percent for all manufacturing. And they also tell the real truth of what has happened to the domestic textile industry. The few manufacturers that are left would be expected to make a little profit when numerous others have closed their doors due to imports. These profits cannot make up for the tremendous losses in jobs and productivity for the U.S. economy.

But I don't need to elaborate on profits and GATT and retaliation. These issues are already being addressed very well by other very illustrious Members of this body.

However, I would like to say to this House that unless this country makes courageous decisions on this Nation's enormous trade deficit, the standard of living for our children and grandchildren will be seriously and irreparably reduced.

This administration says it is slowing textile import growth. If that is the case, why is the textile/apparel trade deficit up 21.4 percent over July 1986?

Why is the administration allowing more textile imports from Communist countries, in 1987 alone up 17 percent from the People's Republic of China, 127 percent from Hungary, and over 8,000 percent from the Soviet Union?

And why in the name of heaven are we standing still for import surges in

textiles from Iran? Indeed, why are we importing anything from Iran, and why do we continue to extend most-favored-nation status. If the administration does not act on its authority to revoke MFN, the Congress should do so.

We are financing Iran's war effort while spending millions of dollars to protect shipping in the Persian Gulf against the tyranny of this government. This is an absolutely ludicrous situation and it is time to put a stop to the ineffective implementation of textile and apparel trade policy by this administration.

Because of these policies our marketplaces are being deluged with foreign imports, our domestic manufacturing base is eroding at alarming rates and, even more alarming, our industry is increasingly owned by foreign investors.

In 5 years, we have gone from being the world's No. 1 creditor to being the world's No. 1 debtor.

While foreign investment is not responsible for the trade deficit, it is indicative of our growing dependence on foreign productivity and not our own.

While the rest of the major industrialized countries of the world subsidize their industries and erect trade barriers which shut out U.S. exports, we continue to espouse policies which allow our trading partners to flood our markets, often with illegal shipments or through other means that undermine even those restrictions that are on the books with regard to trade.

Madam Chairman, we cannot afford "free trade." In reality it does not exist. In the words of noted international economist John Culbertson,

By sacrificing our home market on the altar of free trade, we are condemning ourselves and our children to a future of fewer competitive businesses, fewer good jobs, less opportunity, and a lower standard of living.

I join Mr. Culbertson in his assessment that it is time to rethink this issue and insist on a mutually beneficial and balanced international trade.

I strongly urge the passage of this legislation.

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Madam Chairman, we cannot afford free trade. In reality it does not exist.

In the words of noted international economist John Culbertson, by sacrificing our home market on the altar of free trade we are condemning ourselves and our children to a future of noncompetitive businesses, fewer jobs, less opportunity, and a lower standard of living.

I would join Mr. Culbertson in his assessment that it is time to rethink this issue and insist on a mutually beneficial and balanced international fair trade to protect our folks that want to work so hard and produce to do these

things that they so sorely need for their families.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Madam Chairman, protectionism is bad policy. It is nothing more than an economic Maginot Line, a 20th-century Great Wall. It is the politics of scarcity, in a growing world economy.

Here in this country prosperity has been enjoyed by investors and managers and workers alike because our policies have not only accommodated, but encouraged growth.

Protectionism is the opposite of a policy of growth. It is a policy of surrender: a signal to the world that we can't compete. The message to the rest of the world is that even though our consumers want your goods, you can't sell them here. Your goods aren't welcome, and we don't care to explore your markets.

But, Madam Chairman, this bill is worse than protectionism. It seeks to protect industries that don't need help. It is not only a bad bill, it provides a bad solution to a problem that doesn't even exist.

Business in the domestic textile industry is so good that producers can't keep up with the demand. The textile industry isn't marketing its products overseas because it is overextended.

For instance, in July an industry executive testified before a hearing in the other body that import quotas have cut off any further supply of foreign rayon, while domestic mills have indicated to buyers that they are fully booked on production of rayon through 1987 and into 1988.

In the meantime, prices have risen roughly 50 to 60 percent in 6 to 8 months.

We've received similar reports about shortages in cotton.

According to Charles E. Battaglia, president of Yarn Sales,

Business is so strong, and cotton supply so tight, we can't take on any new customers for cotton yarns . . . . We would like to export more, but . . . we are too busy supplying the domestic market.

A representative of Nike, Inc. testified that his company would like to expand its domestic apparel production, but has been forced to take its business offshore.

Here's what he said:

Price is not the controlling factor that has caused Nike, Inc. to seek production sources in foreign countries.

If price isn't the reason, what is? Again, in the words of Carl Davis:

All too often we have found American apparel manufacturers to be inflexible in their production and unable to meet production deadlines. We would like to expand our purchases of apparel in the United States, but unfortunately cannot risk doing so.

Trade barriers in the form of more restrictive quotas would only enhance these problems as the domestic production facilities

found themselves with increased orders. In the long run, the ones who will suffer will be the American consumers.

Madam Chairman, there are many reasons to oppose this bill, but surely one of the most important is that it will inhibit, not expand, trade. And it simply isn't needed.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Madam Chairman, I would like to respond to several of my colleagues today. Most of them seem to be from the Far West. I do not understand why they have information that is so different from ours.

The last speaker, the gentleman from Washington [Mr. CHANDLER], seems to indicate that the textile and footwear industry in this country is in such good shape that we do not need any protection and we cannot really fulfill the orders.

I have to extend an invitation to my friends from the West and from the other areas of the country that do not have this problem in their districts, to come and visit Pennsylvania and northeastern Pennsylvania in particular, and see what the problem is.

I would like to respond to another colleague from the West, from the State of Oregon, who earlier today referred to the athletic footwear industry and he said there is not any athletic footwear produced in the United States.

I was really shocked when I heard this statement this afternoon. And I can assure you that the 400 workers I visited over the weekend who were manufacturing athletic footwear were really surprised to learn that we had discharged them from their jobs. I assured them they had not been discharged and there is a great deal of misinformation brought to the House of Representatives. But I want to assure my friend from Oregon that there are 400 workers in the 11th District of Pennsylvania working today manufacturing athletic footwear.

If anyone else tells the Members of the House that that is not true, that is just pure mistaken fact.

Madam Chairman, today is an important day in the life of our Nation, for today we celebrate the 200th anniversary of the Constitution of the United States.

Article I, section 8 of the Constitution gives the Congress the right and the responsibility to "regulate commerce with foreign nations" and to "lay and collect taxes, duties, imposts and excises."

Today the House of Representatives will honor the Constitution by passing H.R. 1154, the Textile and Apparel Trade Act of 1987, which I am proud to be a cosponsor of. In passing H.R. 1154 the House will be exercising its responsibilities under article I, section 8 to protect the future of two industries which are as old as the Constitution itself and vital to the American economy: the American shoe and textile industries.

Madam Chairman, in recent years hundreds of thousands of American shoe and textile workers, including tens of thousands in northeastern Pennsylvania, have lost their jobs as a result of a flood of foreign imports made in countries that subsidize their industries, pay slave labor wages, and which have little or no health, safety, labor or environmental protection laws. If we do not take action now to make our trade laws fairer to American workers, we risk losing these entire industries. We also cannot expect American exports to increase if we do not use our trade laws to encourage other nations to pay their workers a living wage.

The case for this legislation is clear. Employment in the industries is way down. Profits are down 12 percent in the last year alone. The trade deficit is up to record levels, \$16.5 billion in 1 month alone, and shoe and textile imports make up a full 16 percent of that deficit. The bill is compatible with our international trade obligations under GATT and it gives the President all the flexibility he needs to comply with bilateral agreements.

Last month the United States imported 1.25 billion square yards of textiles and apparel. That is roughly enough to make 500 million pairs of pants—enough to give every man, woman, and child in the United States two new pairs of pants every month.

Madam Chairman, we cannot allow foreign manufacturers who pay their workers as little as 18 cents an hour to take American shoe and textile workers to the cleaners. As their elected representatives we have the responsibility under the Constitution to provide for the general welfare by making sure that our trade laws give American workers a chance to earn a decent living.

Madam Chairman, my home State, Pennsylvania is proud to be the birthplace of the U.S. Constitution and one of the largest shoe and textile producing States in the Nation. We Pennsylvanians are proud of our workers, and their heritage, and we know that if they are given a chance to compete on an even basis they will win. I intend to enthusiastically vote for this bill which will give them that chance.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to my colleagues the gentleman from Georgia [Mr. RAY].

Mr. RAY. Madam Chairman, I respect the views of my friends who oppose restrictions on trade, but I do not understand their thinking, particularly when we have a \$165 billion trade deficit. This morning's report indicated that we have broken all records in the last quarter with a \$41 billion trade deficit. It has been said that for each of these billions of dollars, 5,000 U.S. jobs are lost.

We are not just talking about textile jobs, my colleagues. We are also talking about hundreds of other categories of goods. Many industries are gone and are out of business. But there is one industry which has lost 50 percent of its manufacturers and does have the gumption and intestinal fortitude to fight for its life. That is the textile industry. Steel, shoes, gloves, automobiles, certain high tech and electronics

industries and others have already lost out.

Another reason why many of us are concerned about our industries and our jobs is that we have lost confidence in our Commerce Department, our State Department, trading negotiators, and those who advocate free trade.

Contributing to our dismay is the fact that we continue to do business with Iran under the most-favored-nation status, despite the destruction of our Embassy in Lebanon, which took about 7 lives, and the suicide truck bombing of our marine barracks that killed 241 of our young American marines. Iran recently dumped 600,000 square yards of cloth with a low cost and low tariff on this Nation that they often refer to as the Great Satan.

The Soviet Union, after buying our submarine technology from the Toshiba Co.—which by the way has taken thousands of American jobs and transferred them to foreign countries—dumped 12,000 square yards of cloth on American markets at 43 cents per square yard plus a tariff of only 3 cents. American prices for similar cloth is 73 cents per square yard.

I suppose, Madam Chairman, that this was done with the consent of many of our people in the State Department.

Despite the interest of this country in trying to keep its markets open, we have to work to protect those markets in certain areas, such as the textile industry. I urge my colleagues to vote for this bill.

Madam Chairman, I rise today in strong support of the textile bill. This legislation will establish import quotas on each category of textiles and textile products from all exporting nations. These quotas would be based on the level of imports from each nation for the year 1986 and would create no rollback of trade.

The legislation we are considering today will not discriminate among countries. It will set global limits which would not single out a specific producer, but it will send a strong signal that at last one segment of our industrial base has the courage and the intestinal fortitude to say enough is enough. The textile bill will give the administration full flexibility within prescribed global limits and will be consistent with present trade arrangements.

To illustrate the need for such trade support, I would like to draw your attention to a situation involving textiles from Iran—which the Commerce Department, the administration and the so-called free traders have ignored.

Since January of this year, 600,000 square yards of fabric at a cutrate price have been shipped here from Iran. Not only are they dumping textiles on our markets, but they are doing it with most-favored-nation trade status negotiated with the Shah of Iran. Can you imagine the delight of the Ayatollah knowing they are dumping their goods on the markets of a nation that they consider to be the great Satan.

It is unbelievable that we continue to offer them these trade terms when we know with-

out question that Iran engineered the bombing of our Embassy in Beirut and destroyed our marine quarters there killing 242 young marines and are presently creating mischief in the Persian Gulf.

It's bad enough when the administration will not slow down the textile imports from our allies and trading partners, such as Hong Kong, Taiwan, South Korea, the Philippines, and Central America and others. But it is beyond belief to think they would allow our worst enemies to undercut our own producers.

This type of carelessness and disregard has caused the need for such legislation as H.R. 1154.

I, along with Congressman JENKINS, will this week, introduce a bill to strip away Iran's most-favored-nation status and we already have 50 cosponsors. Iran, through its terrorist tactics, has kidnapped Americans, killed Americans, and unless we take away their most-favored-nation status, they will take away more and more American jobs—which by the way represents 5,000 jobs for each billion dollars of trade deficit.

To further illustrate the need for textile trade protection, I would like to draw your attention to textile imports from the Soviet Union.

The Soviets are the cheapest producers of cotton sheeting in the world. American producers are now selling their cotton sheeting at 73 cents per yard. The Soviets are able, with heavy subsidies, to produce and ship their sheeting to the United States at a cost of 33 cents per yard. Our import duties add only 3 cents to the cost allowing the Soviets to undercut our goods by 40 cents per square yard—a price at which no American producer is able to compete.

Last year the Soviets began exporting a small amount of cotton sheeting into the United States. Beginning in March they increased their exports by 2 million square yards. In the months that followed, the Soviets doubled their exports each month.

The American textile industry petitioned for the implementation of the textile agreement as early as May 26 of this year and again on June 4. The administration had the authority to curb these imports. However, no action was taken. The attitude of the administration was summed up by one official who was quoted as saying, "We can wait and negotiate with them and then take action."

When the exports exceeded 12 million square yards, the administration finally took action—it called for negotiations.

The subsequent negotiations in Washington were a complete failure. Since no pressure had been placed on the Soviets they came to the negotiations with outrageous demands and no desire to reach common ground.

With no agreement from the Soviets, the administration imposed a 4.4-million-square yard limit of cotton sheeting from the U.S.S.R. for the coming year. This did nothing to protect our producers from the 12 million yards that the Soviets had already dumped on our market.

The Soviets are also mounting a campaign to join Western trade and financial agreements. Last year the Soviet Union tried to join the 54-member Multifiber Arrangement which is administered by the General Agreement on Tariffs and Trade. Their membership was

blocked by the administration largely from pressure by the Pentagon.

Within the administration there is a battle concerning the use of trade with the Soviet Union as a bargaining chip. The State Department has argued that the best road to an arms agreement is through stronger economic ties with the Soviets. It appears that this argument is winning the debate. At an East-West forum, Deputy Secretary of State John C. Whitehead replied when asked about Soviet membership, "We would like to see the Soviet Union become a member of all these international bodies."

Apparently the Toshiba incident, whereby U.S. Navy submarine technology was sold to the Soviets, has been forgotten, even though \$30 billion invested in our submarine fleet has been compromised.

Madam Chairman, how can we continue to allow nations such as Iran and the Soviet Union to flood our markets and undercut our own producers. The time for action is now. I urge my colleagues to support the textile bill.

Mr. SCHULZE. Madam, Chairman, I am happy to yield 3 minutes to the gentlewoman from Maryland [Mrs. BENTLEY], one who is very much concerned about this topic.

(Mrs. BENTLEY asked and was given permission to revise and extend her remarks.)

Mrs. BENTLEY. Madam Chairman, we hear the many rationales for "giving away the American market" to every foreign manufacturer under the Sun—and in the process to give away those American jobs—which I see as a constitutional birthright celebrated today. Once again we are told how much more it will cost American consumers to save these jobs.

Why are we not told the hidden costs to every American for the loss of these jobs? No matter how much the lobbyists for free trade push the idea that foreign manufacturers are somehow doing us a favor with cheap products, the statistics on the cost of unemployment to every American prove it's just not so.

ICF Inc., in a recent study, estimates that enacting H.R. 1154, the Congress will enable the Federal Government to save as much as \$500 million in reduced outlays to unemployed workers in the second year.

This estimate is based on the costs to unemployment insurance and other unemployment-sensitive programs plus reduced Federal interest costs that would result from cutting the deficit by these amounts.

There are many communities across the country—where well-paying manufacturing jobs have been lost to foreign imports—who could tell us on this floor of the costs in human suffering and the many tragedies which spin out of the cruel numbers of a balance-of-payments deficit.

The officials of these States and communities could also tell of losses to

their tax rolls and to their services from the loss of these jobs.

You want to peddle cheap blue jeans on this floor today? There'll be markets aplenty among the unemployed—they'll need them, if this bill does not pass—if they make enough on unemployment compensation to buy them.

There's another aspect to this: national security. Any military force needs uniforms for its troops. When we were briefed by Pentagon officials last year, I was stunned when the admiral agreed that the United States did not have an industrial base equal to that which it had at the beginning of World War II, after which even the U.S.S.R. had credited our industrial base for its victory.

He added the United States could not buy in this country today what it could in 1941 and proceeded to list military uniforms among those items. Isn't it frightening that our military may have to fight in an emergency inadequately uniformed—because we can't get product here.

When I challenged the admiral about buying boots overseas rather than from a boot factory on the edge of my district, he responded they were cheaper in Korea.

My retort was that Navy admirals also are cheaper in Korea.

But more importantly, the workers in the Korean boot plant do not contribute to our tax base, do not help pay to keep the Pentagon in operation.

The overseas workers do not help reduce our operating deficit.

One more point that I want made in this debate—on the day we celebrate our great Constitution's birthday—what about the plight of the foreign workers in all the textile sweatshops being operated in these poor nations to supply our consumers with cheap products? Is that what we want to perpetuate?

Have we lost all conscience in this country? Is it OK for women and children to work 7 days a week to supply our runaway consumerism? Does any one of you on this floor suggest that our own workers could compete with these poor exploited people? You have said they must be more competitive. And for what? Are we a nation of peacocks?

There are other questions, too—on paying for all of this—since we have a large balance-of-payments deficit, maybe—just in order to cut our borrowing from the world to pay for consumer products is justification enough to support this bill.

Look at us. Look at what we are doing to ourselves. We go in debt to buy goods which are worn out or out of fashion before the bill for them is ever paid.

We put our own workers out of jobs in order to buy the goods and then, in all too many cases, we are supporting

the exploitation of women and children in order to get the cheap products.

And every day we move deeper and deeper into the position of being a colony.

I urge you all today to vote for a stronger America. Vote for H.R. 1154—save our jobs. Save our money. Save this country.

Mr. GIBBONS. Madam Chairman, I yield myself 9 minutes.

Madam Chairman, first of all I would like to rebut the gentlewoman about being prepared. That young admiral that she quoted was not even in the Service when World War II began. I can assure her that having been a soldier before Pearl Harbor and at Pearl Harbor time, I wore World War I uniforms, I fired World War I ammunition, and World War I rifles. I carried those weapons all the way through the war.

Some of our stuff that we fought with in World War II actually came from the Spanish American War.

Today, however, we are very much better prepared. There is enough law now on the books that if there is any shortage of ability to meet our wartime needs, all kinds of drastic things can be levied against foreign industry and foreign imports.

That is a bunch of hokum and the admiral that said that either ought to be retired or demoted.

Madam Chairman, let us look at where we are today and what is happening in America. I hear these cries of gloom and doom and the facts just do not support them.

□ 1635

What nation on Earth exceeded all other nations, all other industrialized nations on Earth in growth between 1982 and 1986? Would somebody want to answer that?

It was our United States of America. The OECD figures, the official world figures show that industrial production grew faster in the United States than it did in any other industrialized country on Earth, including Japan, Canada, all of Europe, all of the other nations.

Now what has that got to do with this debate? We are talking about textiles, we are talking about garments. If you examine the economic figures and the employment figures in these industries as compared to the rest of American industries you will find that as far as profits are concerned, as far as stock value is concerned, as far as return on equity is concerned, that the textile industry and the garment industry is doing real well.

Here are the figures. These are not industry figures. These are official figures of this Government.

The profits in the textile industry increased by 62-percent last year to more than \$1.7 billion, its highest level

of profit in a decade. And on top of that 62 percent increase last year which is phenomenal and cannot be sustained, during the first quarter, which is as close as we can measure this year, in addition to the 62 percent the profits went up another 12 percent.

Now is that a sick and dying industry? That is the textile industry.

In the textile and apparel industry employment went up 25,000 jobs this year from January 1 to June 1, 1987, versus the same period in 1986.

Now is that a dying industry? No it is not a dying industry.

Now I admit that overall employment in the textile and garment industry has gone down, not by the drastic figures that you see or hear here, which have been heard on the floor, but they have gone down and why have they gone down? Because the textile and apparel industry have modernized.

That is what modernization is all about; you get greater production out of fewer people and therefore you become more efficient and you become more profitable.

If anyone could go into a modern textile mill today, and we have some in this country, versus some antiquated ones and we have a few of those left too, you would notice that the difference between what a spinning machine can do, what a modern spinning machine can do and what an antiquated one, post-World War II technology can do. There is no comparison. The total number of people required to spin the same amount of thread is vastly different.

If you go into the weaving end of the textile business where the cloth is put together from thread and you look at the old post-World War II, some American machines but mainly European machines, you will find the old shuttles working back and forth. But you go into the very modern plants and I was privileged to do in South Carolina and North Carolina, you will find the water jet loom and the air jet loom weaving cloth at 10 times as fast and with far less defects than the old machinery. So certainly the employment rate in these areas to produce the same amount of goods is going to be far down. But overall the industry is profitable.

Now there are some, I believe 15,000 to 18,000 individual business units in this industry, these two industries together. And in those there are going to be some eliminations.

Some of them are going to be because of obsolescence, some of them are going to be because of poor management and some of them are going to be by foreign competition.

But let us remember that the highest official figures of penetration that we have are in the garment area and

they have finally reached about 33 percent.

Now I am not a stand pat fellow. We are not talking about free trade. We have heard that thrown around here. This is not free trade that I am even defending here. I am just asking us not to go further.

Estimates are that it will cost \$20 billion, a \$20 billion tax out of the American economy if we adopt this program. The current program of protection that we have already is costing \$20 billion which means we are costing every household in the United States about \$300 per household. This program will increase that to \$600 per household.

Now we are not talking about free trade. There has not been any such thing as free trade in the textile industry ever in the United States. The protection began really in earnest in 1957 and it has escalated up so that now we have not only a multifiber arrangement with all the world but we have 41 different separate bilateral trade agreements going into 1991 around the world covering almost every product, 140 different categories of products, that you can think of.

We are not talking about free trade. We are already talking about the industry that has the highest protective tariff in the United States on an average 18 percent. We are talking about an industry that is doing relatively well compared to its fellow American industries.

When you look at American industry, I have already cited OECD figures that showed that American industry has grown faster than any other industrial country in the world in the last 5 years.

Now what are we belly-aching about? We just want more. It is impossible. No country on Earth has ever been able to raise its standard of living, and that is what we are talking about here. The American standard of living, by closing its markets. It never has happened in 6,500 years of recorded history and it is not going to happen now. It is impossible. You cannot do it.

Now all that is going to happen is that we are going to lose other markets to the Canadians, to the Europeans, to the Japanese, to the Russians, if we pass this legislation. We are going to hurt ourselves.

Mr. JENKINS. Madam Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. In answer to what Mr. GIBBONS has said, I will also tell him that in 6,500 years no country has ever increased their prosperity by giving away one of their basic industries. And these figures that we have been arguing about all afternoon, that Mr. McMILLAN said earlier, the 53-percent penetration versus the 33-percent penetration.

Mr. GIBBONS. Madam Chairman, will the gentleman yield to me for a minute? I will yield additional time to the gentleman later.

Madam Chairman, will the gentleman yield to me for 1 minute?

Mr. DERRICK. I certainly will yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Madam Chairman, I am not talking about giving away our industry.

We already have agreements with all of the textile producing nations on Earth and we are already protecting that industry and we have made commitments and they have made commitments that go to 1991. I just think that to renege on those commitments now, to say we have got to have more is, first of all, not the way to do business, and, second, it is not going to hurt our country.

I am not asking for free trade, I am asking though that we do live up to our commitments.

Madam Chairman, I yield 1 additional minute to the gentleman from South Carolina.

Mr. DERRICK. Mr. GIBBONS, either you or I, one, is missing the whole point of this argument.

Mr. GIBBONS. I know you are.

Mr. DERRICK. The point of it is this: Sure, we have all these agreements, of course we do. But the point of the whole legislation is that we are not enforcing them, we are not enforcing them. Now you talk about the penetration figure. If we were enforcing our Multifiber Agreements we would not be standing here this afternoon.

Now you talk about a 33-percent penetration versus a 53-percent penetration. Mr. GIBBONS, I respect you as being one of the better minds of the House and you know as well as I do that you are both using different facts. You are using dollars, Mr. McMILLAN was using yardage.

Mr. GIBBONS. No.

Mr. DERRICK. And it is done in two different ways. The fact of the matter is that whatever figures you use, if you use the yardage it is increased from 30 percent in 1980 to 53 percent.

Now let me tell you, we hear a lot about protection. Well, so what? You know why I am sent to Washington? I was sent to protect, as one of the things that I have been sent to do is to protect the living standard and the ability of the people that I represent to make a living. We have lost 350,000 jobs in the textile apparel industry and we have lost approximately 700,000 job opportunities.

My State has been particularly hard-hit by the loss of some 35,000 jobs.

Now are you going to stand there and tell me that I do not have a right to get up here and to try to hold these jobs for my constituents? Of course not. I know you are not.

I think it was Brock who was reported on the floor earlier who said that the textile and apparel and fiber industry is second only to the steel industry and our defense needs. What are we going to do if we continue to give away these basic industries? The gentleman was down in South Carolina and, you know, we were delighted to have you down there. We would like to have you back. We might have to get a bulletproof car when you come back but we still would like to have you. We will provide it.

We would love to have you come back—I am being facetious of course—we would love to have you come back and we will treat you I hope with the same cordial hospitality that you received before.

You know, you need to remember those towns that you went through that were just so bleak and grey because jobs that had been there for 100 years were no longer there.

So you know my suggestion is let us go ahead and pass this bill. If there is anything, any bill that I have seen that we can really help our country, not only in our defense needs but in our standard of living, it is this bill. I would like to see us go ahead and pass it. And maybe get enough to have a veto override.

Madam Chairman, the following members were inadvertently excluded from the cosponsor list of H.R. 1154: HERBERT BATEMAN of Virginia, LARRY HOPKINS of Kentucky, BUDDY ROEMER of Louisiana, and LAMAR SMITH of Texas.

Mr. JENKINS. Madam Chairman, I yield 1½ minutes to the gentleman from North Carolina [Mr. LANCASTER].

Mr. LANCASTER. I thank the gentleman for yielding time to me.

Madam Chairman, among the most fallacious arguments against the Textile and Trade Act is the constant wimpering about fear of retaliation. What kind of retaliation is going to be more harmful to America than the record U.S. trade deficits; closed textile mills and idle shoe factories, once the pride of the Northeast? What kind of retaliation, adopted at the discretion of the administration, can worsen the plight of the unemployed textile workers in my district?

Madam Chairman, can it be that this same policy, dictated by some fear of retaliation, is the reason why Iran keeps its most-favored-nation trading status with the United States? As my colleague from Georgia pointed out, our textile imports from Iran soar while we spend millions to protect shipping in the Persian Gulf from Iranian missiles, torpedo boats, and aircraft. The Iranian trade situation seems to be indicative of a general fear and lack of backbone to take meaningful action on the economic front when our cause is just.

H.R. 1154 is a reasonable and orderly approach to a very real and costly problem that is going to get worse, much worse, if we refuse to act because of a lack of backbone. For the past 30 months the drumbeat from the administration has been, "the trend is to lower the trade deficit." However, the trade deficit continues to rise alarmingly with the administration blaming other nations' economic mistakes, bad weather, unreliable statistics, and Congress. Other nations have always made mistakes; we've always had bad weather, unreliable statistics, and Congress.

The remedies are contained in this bill. The policy so far has resulted in 300,000 lost American jobs since 1981; a fourfold increase in the trade deficit from \$40 billion in 1981 to nearly \$170 billion now. Despite the claims of opponents of import relief—the facts are that profits continue to fall for the once mighty U.S. textile industry.

I urge my colleagues to support H.R. 1154, a reasonable, moderate tool to help restore our balance of trade and put American manufacturers back in business and American workers back on the job.

□ 1650

The CHAIRMAN. The Chair wishes to indicate that the gentleman from Georgia [Mr. JENKINS] has 9 minutes remaining, the gentleman from Florida [Mr. GIBBONS] has 9 minutes remaining, the gentleman from Pennsylvania [Mr. SCHULZE] has 13 minutes remaining, and the gentleman from Illinois [Mr. CRANE] has 18 minutes remaining.

Mr. SCHULZE. Madam Chairman, I yield 4 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, this bill insists on nothing more than a fair fight. It recognizes that the sweatshops of the world are flooding the United States with two-thirds of the world's output, and we are expected to hold our own against that flood tide while complying with the humane work requirements that the U.S. law and regulations require, something that is not required in most of the sweatshops of the world where these products are manufactured.

I will make three points. First, there is a serious textile import problem in this country. It was serious last year when we voted strongly to revamp our textile trade policy. It was serious in each of the 5 years before today, formative years in terms of our textile problems, because during that period of time textile imports actually doubled.

Second, the textile and apparel industry is not brimming with health. Oh, some few companies may be, but I

am talking about the hundreds of companies that no longer exist, companies whose statistics will not show up in our records because they have gone bankrupt and their plants have closed. And if Members do not believe that, they can come and take a trip with me sometime in my district and around my State and around the South, and we will show them the hulks sitting there empty. Those people cannot speak now in the statistical battles because they statistically do not exist.

We hear all this talk from both sides on the subject of profit margins, capacity utilization, productivity, and the like, and I have to say that the American textile industry as a whole is apparently doing somewhat better as a general rule, with a few big companies. It is an industry that is lurching back, though, from a coma. Some large companies are doing well, but many, many small companies are not, and many have gone out of existence. The industry is over 1,000 plants smaller than it was in just 1980 and nearly 300,000 jobs smaller than it was in 1980 because of imports.

Our textile and apparel trade deficit has increased many times over since 1980, and it shows not one sign of slowing down, meaning we will see the eventual complete erosion of this industry in this country.

It is estimated that nearly half of the clothing purchased in this country comes from China or Korea or Brazil or other countries of the world. So try telling our remaining workers that things are finally on the mend and things are better. They are unemployed. They disagree with you.

This is the third point: The fundamental problem plaguing American textiles and apparel is not whether our industry has failed to take competitive steps. No matter how hard our workers work or how much we improve our productivity, no matter how many millions our industry pours into our retooling efforts and the like, we cannot compete against the sweatshops in the Far East that are paying hardly any wages, that are working children in places where the electric wires bristle on the floor, with no air-conditioning and hardly any ventilation. You have been there. So have I. We do not allow that in this country, nor should we. Yet we cannot compete against that kind of competition without some sort of protection.

Our textile trade policies have left our people to the wolves. It is short and simple. Since the early 1970's almost all textile and apparel trade has operated under the multilateral textile trade agreement, which states among other things that individual countries should not make it subject to import surges that disrupt the markets, and also, last but not least,

import growth of textiles should be expected but at moderate levels.

In essence, the MFA is unique. It acknowledges that we should allow imports, but it allows us to protect our industry and its workers.

Madam Chairman, I ask the Members to stand up for American workers and support this bill. If we do not, if this bill does not pass, I have great fears that the American textile and apparel industry will disappear.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I have heard a lot of talk about rapid growth recently in the textile and shoe industry. I say to the Members, if you have been cut off down to the ankles and you have grown back to the knees, I guess you are looking OK, but you are still far, far away from being at eye level.

That is exactly the situation we have in this country. I want to talk about real jobs lost, not about projected jobs lost. I want to talk about the Kinney shoe plant in Glenville, WV, just about 2 months ago, with 250 textile workers. I had the sad experience of going to that community meeting to organize some plan as to how we would try to get trade adjustment assistance benefits.

This was not a high-paying plant. They were low wages, barely above minimum wages, but with high productivity because they took pride, and yet because 80 percent of the shoes sold in this country are foreign and because they cannot sell their shoes abroad like anyone else can sell their shoes in this country, they lost their jobs and the plant.

We are trying to find a new buyer, but it is pretty tough when they know that there is 80 percent of the market lost already and nothing better to come. This bill will not save those Kinney workers today, but it may put a buyer in that plant. It may guarantee that others will not have the same sad experience that we had recently.

Madam Chairman, I urge the Members to support this legislation.

Mr. JENKINS. Madam Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Madam Chairman, since December 1986, over 10.6 million square yards the equivalent of textile and apparel exports from South Africa—worth over \$6.6 billion—have been admitted for consumption into the United States in violation of law—Public Law 99-440. Although the sanctions the Congress legislated on South Africa last session prohibited textile imports from that country, for South African exporters, United States importers, American

textile workers, and the Reagan administration, it has been a case of "business as usual."

Madam Chairman, the U.S. Trade Representative has written to me opposing H.R. 1154, the Textile and Apparel Trade Act. He writes, "the administration has already done an enormous amount in recent months to assist the U.S. textile and apparel industries." I disagree. I would suggest that compliance with U.S. law would be a good place to begin and that passage of H.R. 1154, the Textile and Apparel Trade Act, is a necessary action to protect American textile jobs.

I urge my colleagues to support H.R. 1154.

Mr. SCHULZE. Madam Chairman, I yield 1 minute to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Madam Chairman, I rise today in strong support of the Textile and Apparel Trade Act of 1987—and I do so as one who is also a strong supporter of fair and open trade policies.

All across the country, and particularly in areas such as my own State of Missouri, tens of thousands of shoe and textile workers are watching anxiously today to see if we in this body will turn our backs on them, or if we will grant them the temporary import relief they so desperately need—and deserve.

Last year alone, 70 nonrubber footwear factories in the United States closed their doors. Five of those factories were in Missouri, and I can tell you that the communities who are losing those jobs are rural communities in which every paycheck counts, and in which other jobs are few and far between.

Why are these jobs being lost? In 1968, only 1 in 5 pairs of shoes worn in the United States were made overseas. Today, only 1 in 5 pairs of shoes bought by Americans is not made overseas. This disastrous trend is the direct consequence of the kind of unfair trade practices we all profess to condemn. While our own market has remained wide open to foreign-made shoes, virtually all other major shoe-producing nations in the world have closed their markets and done everything possible to shut out imported footwear. The result: we have long been the best target anywhere for the shoe salesmen of other countries. Those nations, as we all know, have no qualms about providing whatever subsidies are necessary to claim an ever-greater share of the U.S. market.

We have here crafted a bill that is reasonable, responsible, and effective. I urge my colleagues to support H.R. 1154, and by so doing, give thousands of American workers a real chance to revive an industry that is a vital part of our economy.

Mr. SCHULZE. Madam Chairman, I yield such time as he may consume to

the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Madam Chairman, I rise in strong opposition to H.R. 1154.

Madam Chairman, this Member cannot support H.R. 1154 as it is reported to the floor today by the Ways and Means Committee.

As I promised my constituents who have asked me to support H.R. 1154, I have taken considerable time studying the information concerning this legislation. I had hoped that in substance the bill would be an improvement over previous textile legislation that has been considered by Congress.

In some instances the bill is an improvement. For instance, H.R. 1154 discriminates against specific countries less than previous legislation, and it does allow for modest growth in imports which it is argued, would lessen the likelihood of retaliation by other countries.

In other respects, however, H.R. 1154 is as bad, if not worse, than the textile legislation considered by Congress in 1986. The following are a few of the major reasons why I believe that H.R. 1154 is not in the best interests of most of my constituents, or the Nation:

#### ACTIONS HAVE ALREADY BEEN TAKEN TO HELP THE U.S. TEXTILE AND APPAREL INDUSTRY

Major steps have already been taken to strengthen the position of the U.S. textile apparel industries. The American textile and apparel industry has experienced the greatest level of protection afforded any industry, as evidenced by the recently extended coverage of the Multifiber Agreement [MFA], the tightening of our major bilateral textile agreements, and the continually increasing volume of restraints on new and midlevel supplies.

The Multifiber Agreement has been renegotiated to extend coverage to virtually every type of fiber. Many of our bilateral agreements have also been renegotiated to restrict annual import growth to only 1 percent, from major suppliers, and 6 percent from other suppliers. In 1986 alone, the United States negotiated or imposed more than 200 quotas. These agreements and quotas should limit imports of most products to nominal growth in 1987.

In addition to strict quotas, the textile and apparel industries benefit from tariffs that average 18 percent, compared to 3 percent for other manufacturing industries.

#### ECONOMIC CONDITION OF THE TEXTILE AND APPAREL INDUSTRY

Contrary to statements we have read, production and profit levels are increasing and employment levels of the textile and apparel industry are stabilizing.

Profits of textile companies increased 97 percent during the first three quarters of 1986. Capacity utilization was 95 percent through December. Domestic production and exports increased and inventories decreased in 1986.

The unemployment rate of textile and apparel workers combined has dropped from 14.6 percent in 1982 to a low of 6.7 percent in June 1987. Unemployment in the textile sector alone in June 1987 was 3.5 percent—the lowest rate recorded in recent history, and considerably below the national average.

Most of the recent loss in textile and apparel employment has resulted not from import competition but from management decisions

on the part of the industry reflecting improved productivity and competitiveness.

#### RETALIATORY IMPACT ON OTHER U.S. EXPORTING INDUSTRIES

Because of the tight quota restrictions of H.R. 1154, we can expect significant retaliation from our trading partners, especially from the European Community and Canada, which in effect were not affected by the last bill.

H.R. 1154 would have an especially heavy impact on American agriculture. The countries supplying textiles to the United States were the markets for almost three-quarters of our total agricultural exports in 1986. Because H.R. 1154 affects all textile supplying countries, it will adversely affect countries that together comprise more than 70 percent of our agricultural export markets; the bill previously passed by Congress only affected countries representing 40 percent of our overseas agricultural markets.

The bill H.R. 1154 would put at risk the recent gains and further expected growth in export earnings for the American farmer. U.S. agricultural exports are increasing in both volume and value. Compared with 1986, U.S. agricultural exports are expected to climb 16 percent in volume to 127.5 million tons, and 5 percent in value to \$27.5 billion.

#### IMPACT ON U.S. CONSUMERS

By restricting textile, apparel, and shoe imports, H.R. 1154 would raise clothing costs for consumers. Low- and middle-income citizens would be particularly affected.

The Council of Economic Advisers is quoted as estimating that the restrictions imposed by the bill would raise wholesale textile and apparel costs by up to \$37 billion over 5 years. Costs ultimately paid by consumers at the retail level would raise by an even larger amount.

#### IMPACT ON CURRENT TRADE NEGOTIATIONS AFFECTING THE GENERAL AGREEMENT ON TARIFFS AND TRADE

Finally, H.R. 1154 would damage, if not destroy, chances for a successful round of GATT negotiations. Those negotiations, just now beginning in Geneva, Switzerland, represent our best chance to increase United States exports and the sale of services. By strengthening the system of rules and disciplines that govern trade. Violating the MFA and the GATT at this point would flagrantly undermine U.S. credibility in these negotiations and compromise our efforts to use the talks to eliminate unfair trade practices and open foreign markets for U.S. exports. We cannot ask others to open their markets when we are closing our own, or to effectively negotiate new commitments when we are busily breaking existing ones.

Mr. GIBBONS. Madam Chairman, I yield such time as he may consume to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Madam Chairman, I rise in opposition to H.R. 1154.

Madam Chairman, I am in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. Although this measure differs substantially from the bill passed by this body last year, the adverse consequences of this legislation upon the Hawaii textile industry remain unchanged.

In Hawaii, more than 3,350 people are employed in 145 textile and apparel manufacturing companies. The textile and apparel industry is my State's second largest manufacturing concern behind agriculture, experiencing a 1986 growth rate exceeding 13 percent.

The proposal of separate global quotas for each Department of Commerce textile category, permitting 1 percent annual growth rate in each textile and apparel classification, could be devastating to Hawaii industries. Implementation and distribution of quota allotments and growth allowances would be entirely at the discretion of the administration. This proposal creates a situation of great unpredictability for Hawaii's small, specialized manufacturers. Most of the fabrics utilized in the Hawaiian textile and apparel industry are impossible to procure from American mills. Dependent upon foreign textile companies for small orders and intricate, detailed, multicolored prints, any administration reduction or freeze in the quota allocated a specific nation could eliminate Hawaiian access to these specialized fabrics, decimating a flourishing industry and eliminating needed jobs.

Additionally, confronted by a restrictive growth quota, Asian, and other suppliers, could refuse the relatively small, costly orders of Hawaii manufacturers, opting instead to satisfy the more profitable demands of larger customers. Small American textile and apparel industries, including Hawaii businesses, may fall victim to larger orders if forced to compete in a restrictive market with large firms.

I share my colleagues concern over the serious trade difficulties experienced by the United States. However, Congress needs to address these concerns in a manner that strengthens the U.S. economy, increases American industrial competitiveness, and benefits the American worker and consumer. Unfortunately this bill falls short on these goals. For these reasons, I must oppose H.R. 1154.

Mr. SCHULZE. Madam Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Madam Chairman, I thank my distinguished colleague for yielding this time to me.

Madam Chairman, it is ironic that while competitiveness is the theme of the 100th Congress, we consider this legislation, H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill will damage our exports abroad and shelter our domestic industries from the competition they ultimately must meet.

The bill will limit the growth of textile imports to 1 percent above a 1986 base. While this might sound like fair protection to our important textile industry, the use of import quotas in this fashion once again demonstrates trade policy formulated in a vacuum. Countries which are struggling to enhance their own democracies and which generally support American foreign policy will now have their growth in the U.S. textile market limited to just 1 percent annually.

The Philippine Government of Corason Aquino, which is struggling with Communist insurgents and whose ex-

ports have grown to \$441 million last year, or 11 percent, under this bill will face the prospects of growth limited to just 1 percent. Like the ill-advised Sugar Program of 1985, these quotas are not just economically unwise, they will thwart attempts to earn foreign exchange necessary to meet debt obligations and stunt the prospects for growth in many countries like the Philippines fighting for democracy.

Proponents of the bill claim it will reduce unemployment in the industry and thus reduce government unemployment outlays. But their figures are based on the assumption that displaced workers never get rehired, and they ignore the additional costs that consumers will pay as a result of higher prices. In fact, the Council of Economic Advisers estimates consumers would pay an additional \$25 to \$37 billion over 5 years. Tragically, lower income consumers would pay the heaviest penalty as product upgrading will reduce the availability of less expensive merchandise.

In addition, as the gentleman from Minnesota [Mr. FRENZEL] has so accurately stated, this bill violates existing trade agreements, including the General Agreement on Tariffs and Trade [GATT] and the Multifiber Agreement [MFA] in at least seven different instances. How can our negotiators in Europe and Asia seek to pry open foreign markets while we continue to erect new barriers here at home?

Madam Chairman, the danger of this bill, as well as other trade legislation, is that it diverts attention away from the true ills of our economy. We suffer today from a government which continues to spend without constraint. Our budget deficit undermines our negotiators in Bonn and Tokyo, makes financial markets unstable, and threatens the future of the next generation of young Americans. Passage of this legislation will send yet another signal to the world that our country prefers to raise new walls against the outside, rather than doing some necessary housecleaning here at home.

Mr. CRANE. Madam Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MORRISON].

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Mr. MORRISON of Washington. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise today in strong opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. During the 99th Congress, I voted against similar legislation as well as supported the President's veto of the bill. Nothing has significantly changed in the last year that has convinced me to change my mind this time around.

In fact, the domestic textile industry seems to be doing relatively well. Employment is up—profits are up—wages are up—compared to last year's levels.

The United States has also completed its bilateral negotiations, under the Multifiber Agreement, with its Far Eastern trading partners—Korea, Taiwan, and Hong Kong. Compared to the struggle my constituents face in a district so dependent on agriculture, I would have a difficult time supporting legislation designed to further protect an industry that seems to be in relatively good health.

More importantly, passage of this bill sends a dangerous political message to our trading partners in the world who will be encouraged to retaliate by closing their markets. U.S. agricultural exports will be the first to feel the doors shutting. U.S. agriculture, not to mention the U.S. economy, cannot afford this—especially since export markets provide a potentially profitable future for U.S. farmers if expanded and developed.

For Washington State especially, retaliation signals a devastating future. The Fourth District in Washington, which I represent, has been increasingly dependent on foreign markets for their exports. Our Pacific Rim trading partners, as a result of our farmers' marketing efforts, have demonstrated a committed interest in opening their markets to our products. Protectionist legislation at this point of the cycle would have a costly effect, damaging positive and progressive efforts targeted at adjustment to the international economy of the future. Washington State provides a demonstration of the success in store if our export markets are allowed to respond to market forces in a fair trade environment.

Apple, potato, Timothy Hay, and wheat growers are a few examples of the commodity groups that have been very successful at educating consumers in the Pacific Rim of the quality of Washington State agricultural products. These markets have grown, and continue to grow. The success in developing these markets overseas has served as a model for the future of American agriculture and has been allowed to prosper in an environment where international trade has been encouraged.

In Washington State, agriculture is the No. 1 industry, worth \$3.3 billion to the economy. Since many of our products are grown specifically for the export market, the Northwest has grown crucially dependent on international trade. Commodities totaling \$1.2 billion move through Washington State ports, creating many agriculture-related as well as ag-dependent jobs. Finally, 5 billion dollars' worth of processed foods are exported abroad. Together these efforts have made 1 in 5 jobs in Washington State dependent on international trade. The textile bill threatens this profitability.

I think it's time that the United States take on the challenge the international economy brings rather than continue to protect domestic industries for historic, political, and emotional reasons. Washington State agriculture has met this challenge face on and can serve as a model to the rest of the Nation. This is much more positive for the U.S. economy in the long run.

Closing markets has never been a productive or efficient answer, as history taught us in the 1930's. If we pass the textile bill today, we do so at the direct cost of farmers, consumers, and America's economic health. I urge my colleagues to reject the move in this direction and vote against H.R. 1154.

Mr. JENKINS. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I have heard repeatedly on the floor of the House, "I was doing other things, I could not be here."

There is a supposition and a principle involved here that we have to modernize American industry, because they cannot compete internationally; and forget about unfair subsidization, border taxes, and equalization taxes, the suits that we have had.

There has been repeated fining, substantial fines at one time or another, never collected, though, foreign countries being fined for evading reasonable requirements under the international agreements, dumping into this country, the whole lot of things which we on the steel caucus have lived with over the last 10, 12, 15 years.

I see the same thing happening to the textile, apparel, and the footwear business that this particular legislation is trying to help.

Let me make this one point. It has been said that we have to modernize. Everybody knows, and this is true from the Nixon administration all the way through President Ford and through President Carter, and up until the present President, who has extended limitations on specialty steel coming into this country, all those Presidents have done that.

We have been respected internationally as the most modern specialty steel industry in the world, no question about it. Yet, they cannot compete, and every one of those Presidents had to put a limitation on imports coming in. There is a reason for it.

The specialty steel industry has modernized. Japan recognizes it; everybody does. Yet that most modern industry cannot compete internationally. Why? Because there are unfair trading practices going on.

I just want that particular point to be clear on record, and that is a bunch of baloney, for want of another term,

that we are not modern. Yes, sure we have nonmodern and nonrefurbished mills in existence. That does happen, but that is not the principle involved, and that is not the answer.

I wish I had more time, and I urge my colleagues to support this bill. It is very important or the textile people and the footwear people and apparel people will follow what the steel industry has done, and that is to cut their production in half.

I have lost 30,000 steelworkers in my district and a lot of other places have, too.

Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. I believe that Congress needs to control textile, apparel, and nonrubber footwear imports to prevent further disruption and job losses in these important U.S. industries.

I know about the negative impact of imports. I know that imports cost workers' jobs and disrupt industry, and I have seen the effects of uncontrolled steel imports on America's steel industry.

In my district near Pittsburgh, 40,000 steelworkers have lost their jobs in the last 10 years, and my hometown of McKeesport is still suffering from an unemployment rate of over 9 percent—3 percent higher than the national average.

As the chairman and a founder of the Congressional Steel Caucus, I know that the Pittsburgh steel industry isn't the only one that's suffering from low-priced foreign steel. Whenever Americans make steel, they are affected by the flood of foreign steel, which now captures about 23 percent of our domestic market.

And, like the steel industry, imports are now battering the U.S. textile, apparel, and footwear industries.

The most recent trade figures show record-breaking levels of imports, including a 7-month trade deficit in textiles and apparels of \$16.8 billion.

Last year, these imports also contributed over \$21 billion to the U.S. trade deficit, and this year's figures will be even worse.

Imported footwear captures an incredible 81 percent of the U.S. market, and Taiwan alone manufactures 37 percent of all of the footwear sold in the United States.

Last month I was in Taiwan and I learned a great deal about why their businesses are so successful. The Taiwanese Government offers very special privileges to their exporters, including duty-free importation of raw materials and manufacturing equipment as well as reduced tax rates. In addition, Taiwanese workers don't enjoy the freedom to bargain collectively, and so their wages are much lower than those of their counterparts in the United States.

Madam Chairman, the same unfair trading practices which have hurt the U.S. steel industry are about to eliminate our textile, apparel, and footwear industries. I urge all of my colleagues to control the damage before it's too late. I urge you to support H.R. 1154.

Mr. SCHUETTE. Madam Chairman, today the House is considering the second major piece of trade legislation to come before this Chamber in this session of Congress. I will

support H.R. 1154, because I believe it is a reasonable and measured response designed to put the lid on an ever rising tide of foreign textile, apparel, and footwear products into this country. Since 1980, imports in these industries have more than doubled, and I urge my colleagues to join with me and the more than 250 cosponsors of H.R. 1154 to support this important measure.

I do so because this legislation involves much more than a simple esoteric question about what to do to address our Nation's burgeoning trade deficit. It is about dealing with a national tragedy that has robbed an estimated 400,000 Americans and their families who once worked in these industries of their livelihoods.

In my district, I have 400 reasons in Big Rapids, MI, to vote for this bill. It is a vote for 400 people and their families who receive their daily bread from a footwear manufacturing facility in that city. Unfortunately, for the people of Ithaca, MI, this bill comes too late. Last year, 1986, marked the end of a 3-year tragedy of a plant closing that cost more than 250 10th District residents their jobs. It robbed the fragile farm economy of Gratiot County of an almost \$350,000 annual payroll, and cost the people the benefit of services bought with \$35,000 in property taxes.

In many ways, those workers, their families and their neighbors know firsthand what many of us are speaking about here today. I for one believe these hard-working Americans deserve a chance to compete and earn a living. I ask that my colleagues to give full consideration to the nearly 2 million Americans, their families and their communities who today depend on these industries. Having done so, the only choice is to vote for fairness and reciprocity in world markets on behalf of these industries.

If the House fails to pass this bill, I believe we will be turning our backs on these deserving Americans. We will be ignoring Americans and their families in difference to modern sweat shops in far away lands where workers earn only a very small fraction of what is considered a barely livable wage by our Nation's standards.

Make no mistake, the question of what to do about our soaring trade deficit and how to reduce the increasingly dangerous loss of U.S. jobs to overseas producers is a highly complex, often times confusing matter. Particularly difficult is the unenviable balancing act of accepting the challenge of addressing the job-robbing increase textile, apparel and footwear imports without crossing the always unclear line of protectionism. Indeed, this effort represents an exercise in deft policymaking of the highest order for this body.

Because of these complexities, there can be no doubt that H.R. 1154 is far from a perfect bill. I personally have reservations about many provisions and aspects of this bill. In particular, we must recognize that the enormous trade deficit is a product of more than just unfair trade practices. Other factors that can be directly traced to job losses include a strong U.S. dollar—largely because of macroeconomic policies and international economic developments—and an unprecedented

amount of investment in automation by these industries.

Therefore, leveling the playing field through the passage of H.R. 1154—perhaps in combination with H.R. 3—will at best provide only temporary and partial relief. In a broader sense, this legislative effort must also be accompanied by a thoughtful change in our country's fiscal and monetary policies, designed to both reduce the Federal budget deficit and promote stability in international monetary exchange rates, if we are to be successful in meeting our policy goals.

I also am concerned by the possibility that this measure will substantially reduce customs duty revenues—by an estimated \$3.9 billion over the next 5 years—and that this bill may provoke retaliation on the part of our trading partners. This possibility is particularly worrisome from the standpoint of our Nation's agricultural producers and exporters. Far too often, our Nation's farmers have been punished in international export markets as this Nation pursues other nonagricultural policy goals.

Not surprisingly, H.R. 1154—like H.R. 3 before it—is a very emotional issue. It has often been the subject to misinformation. On one side, the textile and apparel industries are once again seeking "temporary" restrictions on imports, despite almost three decades of protection. At the same time, it is misleading to portray this industry as a coddled industry, one that is a picture of economic health because it is experiencing record profits and is operating at 90-plus percent of capacity.

The fact of the matter is that I take little comfort in the fact that more than 50 percent of our domestic textile and apparel demand is served by manufacturers located abroad. In addition, reports that U.S. producers are utilizing nearly all of their capacity, fails to properly take into consideration that this industry's capacity has been reduced by nearly 10 percent—in part due to numerous plant closings—over just the past 5 years.

It is ludicrous to suggest that "free trade" exists today in the global textile and apparel industry. Few, if any, of the roughly 170 countries who export to the United States engage in "fair trade," much less free trade. Those who suggest that there is reciprocity in these industries, are at best, selectively filtering the facts. At worst, they are intentionally looking the other way. I for one do not intend to look the other way when it comes to American textile and apparel workers.

Perhaps the most overlooked aspect of H.R. 1154, however, is the crisis in our Nation's footwear industry. A total of 9,600 jobs were lost in the footwear industry in 1986 under the pressure of the never ending onslaught of foreign imports. Production fell by 9 percent as we imported a record 941 million pairs of nonrubber shoes. As a percentage of the U.S. market, imports claimed more than 80 percent of U.S. footwear demand, and most importantly, 70 communities around this Nation—1 of which was Ithaca, MI—had to endure the tragedy of a footwear plant closing its doors forever under the pressure of these imports.

Moreover, these alarming figures show no signs of ebbing. Through the first 6 months of 1987, another 19 factories have closed, and

production has fallen by 11 percent. Nonrubber footwear imports have risen by 3 percent so far this year over last year's record level, and foreigners now claim almost 83 percent of the U.S. market.

With H.R. 1154, we are telling our trading partners that enough is enough. We are saying that more than half of our textile market and 83 percent of our footwear market is all that we can afford to have go overseas. It is about putting an end to the lack of reciprocity and unfair trading practices that are so pervasive in these industries around the world today.

Given an even playing field, America can compete. H.R. 1154 gives the American textile, apparel, and footwear industries a total of 10 years to become competitive. The industry says it can compete, if only given a fair and reasonable opportunity to do so. I for one take them at their word and want to give them a chance.

But perhaps even more important than giving these victimized companies a chance is the question of giving the hard-working Americans and their families who derive their livelihoods in these and dependent industries a chance. I want to be on record as saying that they deserve nothing less than the opportunity afforded under this bill. I, therefore, urge my colleagues to support H.R. 1154, and pass this urgent measure into law during the current session of Congress.

Mr. FAWELL. Madam Chairman, the textile and apparel industries do not need the protection provided under H.R. 1154. Several factors exist which do not merit the establishment of global import quotas on textiles, apparel products, and nonrubber imports.

The textile industry has made great economic strides during the past few years. Contrary to what proponents of H.R. 1154 would have us believe, the textile industry is not on the brink of economic ruin. Domestic textile and apparel production increased by 10 percent and 3 percent, respectively, in 1986. Textile industry profits dramatically rose by 67 percent in 1986. On the trade front, textile exports increased 13 percent in 1986 and apparel exports increased 18 percent.

Capacity utilization, a good indicator of any industry's economic performance, was a remarkable 95 percent in the first quarter of 1987—well above the 81-percent capacity utilization for all other industries. Textile and apparel employment is also up. During the period of January through July of this year, employment increased by 25,000 over the same period last year.

The unemployment rate in the textile and apparel industry is about 3 percent—the lowest level since 1968. A major problem today in the textile industry is not unemployment, but labor shortages. The Journal of Commerce recently reported that North and South Carolina textile firms are having a difficult time filling jobs. According to the Journal:

Plants that once limped along on three- or four-day-a-week schedules are now bursting at the seams with orders. Practically all segments of the industry—denim, fleece, and yarn—are enjoying healthy sales.

The Journal also reported:

The search for workers can be frustrating in areas like Gaston County, North Caroli-

na. In Gaston, which leads the state in textile employment, the jobless rate is low (4%), and mills are competing with other thriving industries for workers.

Why then does the textile and apparel industry clamor for import protection? Unfortunately, this is not clear. What is clear, however, is that someone else will foot the bill for the tremendous costs associated with quotas on textile and apparel. That someone, of course, is the American consumer.

The International Business & Economic Research Corp. [IBERC] estimates that H.R. 1154 would add \$10.4 billion annually to consumer costs at the retail level. According to the Institute for International Economics, this cost increase is on top of the \$27 billion consumers already pay each year to protect the textile, apparel, and footwear industries.

If H.R. 1154 is approved, a family of four would pay \$617 annually for the cost of protecting the textile, apparel, and footwear industries. These costs would fall hardest on low-income families. Textile and apparel protection already costs the poorest 20 percent of American families 3.6 percent of their income, compared to 1 percent for middle-income families. Emptying the pockets of consumers to protect industries which are economically quite robust is insidious.

Consumers, however, are not the only losers under this quota bill. The IBERC estimates that 52,000 retail jobs would be lost due to decreased consumer spending on textile products, apparel, and footwear whose prices would be inflated by quotas. Incredibly, 5,000 more jobs would be lost in the retail sector than would supposedly be "saved" in the textile and apparel industries.

Often overlooked in the debate on this legislation is the Government protection already provided to the textile and apparel industries. In fact, these industries are the most heavily protected of all American industries. The multilateral agreement, which was supposed to be temporary, has been renewed three times since its enactment in 1974. The most recent extension, agreed to in 1986 among 53 countries, is the most restrictive MFA ever negotiated. The 1986 renewal extended the MFA to cover practically all fibers, such as ramie, linen, and silk blends.

The administration has also negotiated tough bilateral agreements that are more restrictive than the MFA. Bilateral agreements with Hong Kong, Taiwan, South Korea, and Japan limit their import growth to 1 percent annually. Agreements reached with smaller suppliers, such as India, Pakistan, and Malaysia, limit their textile and apparel exports to 6 percent annual growth.

When will the textile and apparel industries be satisfied with what they already have? One thousand five hundred quotas cover 80 percent of all low-priced exports. Tariffs on textile and apparel imports average 18.6 percent—much higher than the 3.6-percent tariff on all other imported products.

Congress must also take into account the effect this legislation would have on our trade relations. According to the U.S. Trade Representative, H.R. 1154 would: "violate the MFA by unilaterally imposing global quotas. It would breach the safeguard provisions of GATT by

indiscriminately granting permanent protection to a huge array of textile and footwear products without a product-specific determination of serious injury. And the bill would set global quotas at levels that would force us to abrogate a host of bilateral agreements. What better way to destroy our international credibility."

This quota bill obliterates U.S. obligations under existing trade laws in such a way that will no doubt result in retaliation. In Illinois, where manufacturing and agricultural exports are vital to the State's economy, retaliation will be painfully felt. Furthermore, our efforts to seek GATT reforms at the Uruguay round of trade negotiations will be undermined if we enact GATT-illegal legislation such as H.R. 1154.

Finally, H.R. 1154 is not cost-free to the Government. Because the United States will have to compensate trading partners for import restrictions which adversely affect them, the bill reduces tariffs on textile and apparel imports by 10 percent. These tariff reductions will cost the U.S. Treasury \$3.9 billion over 5 years.

Our trade laws should only be used to remedy unfair trade and prevent serious injury to domestic industries. The textile and apparel industries, presently enjoying robust growth, have not demonstrated that they have been seriously injured by increased exports. My colleagues should reject attempts by advocates of H.R. 1154 to manipulate our trade laws to provide even greater protection to the heavily protected textile and apparel industries.

Mr. DENNY SMITH. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. We can no longer afford to stand on the sidelines and hope that our record trade deficits will disappear on their own. We are moving into a new era of world trade, and we must do what we can to guarantee free and fair trade for everyone.

My decision to cosponsor and support this measure was a difficult one. I voted against similar legislation during the 99th Congress, and I voted against H.R. 3, the "omnibus trade bill," because many of their provisions were counterproductive to the problem. I also voted against these measures, in large part, because of assurances by the administration and our trading partners that they would do better in enforcing our bilateral and multilateral agreements. We were told that everything possible was being done to open foreign markets to our goods and services, much in the same way that we have operated for years.

But what we have seen over the past few weeks are new records being set in our quarterly trade deficits. We can not get Oregon potatoes into Korea, or Oregon beef into Japan. Today, in Japan, a major exposition of new audio and viewing systems to be sold in the United States has opened. The Soviet Union is transshipping textiles into this country in increasing numbers. And Sri Lanka, located in the balmy Indian Ocean, has become one of the leading exporters of sweaters to this country. We seem to have lost control of our trade situation in much the same way that the Congress has lost control of the budget process, and we will pay an enormous price unless something is done.

H.R. 1154 is not a perfect bill, and it was a difficult decision on my part to support it. There is a great deal of pressure to oppose this legislation.

But when I ask the opponents of this legislation what their alternatives are, they don't say much. I hear of our multilateral and bilateral agreements and ongoing negotiations. Yet, these agreements have been, and continue to be, violated on a regular basis. I heard from the administration that we would resolve this problem if we were able to bring down the value of the dollar. We now hear that any further drop in the value of the dollar threatens our own economy. I keep hearing on the floor of the House that we will reduce our budget deficits. But CBO and OMB have just said that our inability to control spending will cause a dramatic increase in our deficit over the next 2 years. I hear of the fear of retaliation against our products. I don't think that our trading partners will be so quick to turn their backs on their best customers.

Madam Chairman, we can no longer afford to wait for more broken promises. No matter what trade legislation comes before the House, there will be the threat of retaliation. While we must be wary of that threat, we can not let that fear dictate our policy or bully us into inaction. If we are to address our trade deficits, then we must do it by taking actions, not relying on others. We have to address all of the causes of the problem, including unfair practices.

This legislation is GATT and MFA legal in that it does not target countries like the Gephardt amendment. It allows for an increase in imports of textiles and apparel in accordance with signed agreements. It allows the President to compensate those countries that may be hurt as a result of our actions.

Most importantly, it sends a message to the administration and our trading partners that the time for talk has passed. We can no longer stand by and let rhetoric dictate policy. Our trading partners must live up to the agreements they signed after negotiations. The White House must use the regulations already legal under GATT and MFA to look out for U.S. interests at home and abroad.

H.R. 1154 is not a perfect bill; no trade bill is. People on both sides of this issue have come up with widely conflicting numbers to prove their point. But if more of these individuals would turn their attention and efforts toward addressing the problem than belittling the possible cures, then perhaps the problem could be solved.

Mr. LIGHTFOOT. Madam Chairman, today we are being asked to enact a global quota on imports of virtually all textile products. A number of arguments have been raised in support of such a quota, including the need to save American jobs, the need to preserve our manufacturing base for national security, and need to halt the loss in revenue caused by imports displacing domestic production. I am not unsympathetic to these concerns. But while restricting imports may seem a remedy, I cannot help but believe that such protection is shortsighted. This legislation does not solve our trade deficit problems.

The textile industry currently has more quotas on imports than any other domestic industry—there currently are over 1,400 quotas

in place covering approximately 80 percent of the textile industry. Tariffs and quotas now raise imports costs by 25 percent for textiles and, in some cases, 50 percent or more for apparel.

Meanwhile, textile and apparel industries, according to William Cline, a senior fellow at the Institute for International Economics, "have not experienced major declines in production. Profits relative to capital have been consistently high in apparel, and profit rates were above the manufacturing average in textiles in 1986 as well."

Also of concern to me are the provisions of H.R. 1154 which would violate our existing trade agreements. According to my respected colleague, the gentleman from Florida who is the chairman of the House Ways and Means Subcommittee on Trade, in a letter to Members of the House of Representatives, "This bill will flagrantly violate U.S. obligations under various international agreements." Many of the 40 or more bilateral agreements we have with other countries would be violated if we enact H.R. 1154.

The August 7, 1987, Wall Street Journal, in its quarterly survey of industry earnings began its report on the textile industry stating,

\* \* \* profits were up an average of 33 percent in the second quarter of 1987 over the same period in 1986. This is the same industry in which profits soared by over 100 percent for the largest textile manufacturers in the first quarter of 1987 over the same year-earlier period.

This information was circulated the other day in a "Dear Colleague" letter from members of the House Ways and Means Committee.

As well, U.S. Labor Department statistics show that in July alone, apparel industry employment grew by more than 20,000 jobs over the previous month. In the textile production industry, 6,000 new jobs were created in July. Furthermore, an article in the Durham Sun newspaper in Charlotte, NC, cited a shortage in workers in the textile industry. The chairman of Stowe Mills in Gaston County, NC, was quoted as saying, "There's just more jobs than there are people \* \* \* we're running at 100 [percent] capacity."

As a representative of the second most rural congressional district in the country—a district heavily dependent upon agriculture and agricultural exports—I also must be concerned about the impact of reducing imports from our best agricultural trade customers. Those nations most severely affected by this bill are our largest customers of commodities. When their exports, and thus their earnings are reduced, they have less capability to purchase our exports.

Let me say once again: I am not unsympathetic to my constituents and others who are employed in the domestic textile and apparel production industry. I certainly understand that people want to keep their jobs. However, I can see nothing in this legislation that will, over the long term, preserve their jobs. It is a temporary restriction that does not prescribe a remedy for increased U.S. competitiveness in the international arena. In my view, H.R. 1154 would create more problems than it would

solve. I cannot in good conscience support the bill.

Mr. RAHALL. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act of 1987. There are those who argue that this bill is a protectionist measure; I would point out to them that the intent of the bill is to ensure the fair treatment of American workers who are victims of an international marketplace which is often neither free nor fair. How can we expect the U.S. textile, apparel, and shoe industries—among the most productive and efficient in the world—to compete against foreign nations that provide government subsidies to export industries, pay workers incredibly low wages and impose severe restrictions on imports from the United States? I feel that it past time to intervene on behalf of American workers—including many in my home State of West Virginia—who are steadily losing their jobs due to foreign imports while the products they make are excluded from foreign markets.

It is exceedingly clear that negotiations and bilateral treaties have been inadequate to deal with the problems caused by unfair foreign trade. The current administration has failed miserably to enforce the multifiber agreement and to respond to foreign violations in a timely manner. Although the MFA was intended to hold growth in imports from developing countries to 6 percent each year, since 1980 imports have grown an average of 17 percent every year. Additionally, the 1986 renegotiation of the MFA by the administration has proved no relief and, in fact, has allowed textile and apparel imports to increase.

The authors of H.R. 1154 have worked hard to ensure that the bill is nondiscriminatory and consistent with international trade laws and U.S. trade obligations. There have been four major changes made in the legislation to address concerns expressed last Congress. The bill sets global limits rather than country-specific limits to eliminate the possibility of discrimination against any individual country. The bill does not reduce imports but does reduce the rate of import increases. The bill authorizes the President to compensate foreign suppliers for the import restrictions by cutting tariffs on textiles, textile products, and footwear. The threat of foreign retaliation, therefore, has been eliminated with compensation directly provided for in the bill. Finally, this version of the bill provides the administration with greater flexibility: As long as a 1-percent growth level is maintained for each product category, the administration is completely free to determine how to apportion the quotas.

To reiterate, the U.S. textile, apparel, and footwear industries and workers desperately need this legislation. If steps are not taken to restrain imports, we will continue to lose out to foreign firms and this country will be left without a domestic textile and apparel industry. I urge my colleagues to support H.R. 1154 and to help the workers of this country who are desperately trying to hold onto their jobs and way of life.

Mr. ROEMER. Madam Chairman, I would like to make my constituents in Louisiana and my colleagues in the House of Representatives aware of my support for H.R. 1154, the Textile and Apparel Trade Act of 1987. I should have been listed on the bill as a co-

sponsor, but my name was inadvertently left off.

As you know, I voted for last year's version of this legislation which passed both Chambers of Congress but was vetoed by the President. Since then, we have had an opportunity to address some of the objections voiced last year and substantially clean up the textile and apparel bill. Three provisions of H.R. 1154 that make it more palatable are: First, it established global, not country-by-country, quotas; second, the limits would restrict the growth of textile and apparel imports to 1 percent per year and hold footwear imports to 1986 levels; and third, to protect other American industries and agriculture, it provides the administration with more flexibility and authority to compensate countries for these quotas by reducing tariffs on textiles and textile products.

Since 1981, the United States has experienced record trade deficits as a result of sharply rising imports and falling exports. In 1986 the trade deficit skyrocketed to about \$170 billion—four times the \$40 billion deficit in 1981.

The U.S. textile, apparel, and shoe industries and their workers are among the most productive and efficient in the world. But they cannot compete against foreign nations that provide government subsidies to export industries, pay workers as little as 16 cents per hour and impose severe restrictions on imports from the United States and other countries.

During the past 7 years, more than 350,000 Americans have lost their jobs to foreign textile and apparel imports, which now control 53.8 percent of the American market. Hundreds of thousands of workers employed in industries which supply and service the textile and apparel industry have also lost their jobs.

The passage of H.R. 1154 is crucial to the long-term economic health of our domestic economy as a whole, not just a specific industry. A recent study conducted by ICF Inc., an economic consulting firm, concluded that enactment of this bill could result in a net gain of 152,000 jobs over a 2-year period. In addition, the ICF study found that the bill would reduce Federal outlays of \$500 billion because of lower unemployment compensation, AFDC, food stamps, and Social Security payments and lower Federal interest payments. That's good news to a Congressman from a State that has the highest unemployment rate in the country.

H.R. 1154 is fair. It is fair to consumers, fair to importers, fair to industry and, perhaps most important, it's fair to American workers.

Mr. LAGOMARSINO. Madam Chairman, I rise today in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. This bill is opposed editorially by such diverse papers as the Wall Street Journal and the Washington Post, by members of the President's Cabinet, the chairman of the Council of Economic Advisors, the American Farm Bureau and the National Association of Wheat Growers.

This legislation is a blatant violation of U.S. commitments and obligations under the GATT and the fundamental principles of the multifiber agreement [MFA] and would put a new round of congressionally supported Uruguay multilateral trade negotiations in jeopardy. In addition, it will invite certain retaliation by

many of our free world allies threatening thousands of jobs in agriculture, aerospace and semiconductor parts. The United States is still the world's largest exporter and consequently we will have the most to lose in a trade war.

Madam Chairman, many of these countries are important U.S. foreign policy, military, and economic allies. The House should remember that Asia is our largest and fastest growing export market. However, the United States will be unable to sell our products overseas if other nations are denied export earnings. Also, some of these nations are deep in debt to U.S. banks and need to have a sound base for foreign exchange earnings or else increased U.S. foreign aid assistance may become necessary.

This bill will damage fledgling democracies in Central America and help to put in jeopardy our interests there.

This bill will raise the price of clothing and shoes by nearly \$37 billion at the retail level over the next 5 years. Low income families would be the ones most affected by the unavailability of low priced imports. Supporters of this legislation say that this is a way to save American jobs and prevent irreversible damage to the textile industry. Textile/apparel industry statistics tend to point in a different direction. Domestic textile production increased by 10 percent in 1986 and apparel production was up 3 percent. Factory utilization in textiles is at 95 percent in the first quarter of 1987. Finally, average unemployment in the main textile States is lower than the national average. It is interesting to note that stock prices of 7 of the largest textile companies were up 76 percent in 2 years.

The textile/apparel industry is already the most highly protected industry in the Nation. It has and will continue to benefit from the decline in the dollar and improved domestic productivity. I have always felt that it is better to negotiate than legislate and this administration already has negotiated favorable Multifiber Agreement with many of our textile supplier nations.

Madam Chairman, I would remind my colleagues who think that retaliation is not likely, to just ask our wheat farmers about the retaliation they suffered the last time we restricted Chinese textile exports or the computer products industry when we placed a stiff tariff on imported Canadian cedar shingles. I urge my colleagues to oppose this dangerous piece of legislation.

Mr. BORSKI. Madam Chairman, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Act.

Since 1980, foreign textile and apparel imports have more than doubled. Over 350,000 workers have lost their jobs and more than 1,000 plants have been closed. Two million more America textile workers face the unemployment lines unless the tide of imports is stopped.

The Reagan administration has taken little action to stem rising textile and apparel imports. It has not adequately enforced existing agreements or acted aggressively to get other countries to open up their textile markets.

Without the import restraints contained in H.R. 1154, the United States will continue to

lose out to foreign firms and this country will soon be left without a domestic textile and apparel industry.

The Textile and Apparel Trade Act establishes limits on overall imports on a wide range of textiles, apparel, and footwear. It would limit the growth of textile and apparel imports to 1 percent each year, and hold footwear imports to 1986 levels.

H.R. 1154 will send a strong message to our trading partners that we will no longer tolerate the steady erosion of American jobs, industry and economic prosperity. The time to insist on fair trade is long overdue; the time to approve the Textile and Apparel Trade Act is now.

Mr. LAFALCE. Madam Chairman, it is now almost 2 years since the House last voted on textile and apparel legislation. The issue is not going to go away, nor should it. American workers in these industries remain under serious pressure. I share their concerns about the fate of their companies and their own economic future. Despite these concerns, I must continue to oppose this legislation. I can only hope the bill's supporters will try to appreciate the sincere and serious reservations I continue to have about the approach they are advocating.

Proponents argue that the latest bill is substantially different from the one the House previously considered. The legislation's supporters have made a serious effort to address some specific problems. But, in fact, the bill is only superficially changed from the version vetoed by President Reagan more than a year ago. From a policy standpoint, its basic thrust is no less troublesome.

In my view, the solution that is being advanced will not ultimately solve those problems facing the industry or its workers. By papering over serious adjustment problems we cannot continue to evade, the bill puts other more competitive sectors of our economy at risk and places our trading relations with other countries in serious jeopardy.

Let us make no mistake about the kind of solution we are considering—additional protection for an industry that is already the most extensively protected of all American industries. Protection is a very dangerous weapon for us to wield; so dangerous that it must be applied, if at all, only with surgical precision. First of all, it must be a time-limited, short-term solution. Second, it must be designed to promote ultimate liberalization of the sector, either through revitalization or humane adjustment programs.

The protection afforded in this bill meets neither of these criteria. What the proponents offer is a continuing program of protection from competitive pressure with no prospect of either revitalization or ultimate liberalization. The bill provides only for a cursory review of the program by the Commerce Department after 10 years. Nothing in the bill would ensure that the industry will be in any better shape, or any better able to adjust, in 1997 than it is now.

Protection is a form of Government benefit. In exchange for that benefit, Government has a right to expect what it got under the Chrysler Loan Guarantee Program—industry action that will ultimately improve the competitive position of the industry and of the U.S. economy

as a whole. We will not get such action through this legislation. What we can expect in the future is what we have received to date—requests for more and more protection.

Many words and much paper have been expended on the issue of whether this bill is or is not "GATT-legal." As we might expect, a decent legal argument can be made on both sides of that issue. But legality is not finally the point. The issue is whether this bill is good public policy for the industry and the U.S. economy. I believe it is not.

There is no question that this industry has suffered severely, and will be under continuing pressure. The year 1985 was one of the worst years ever for the industry. It capped a 6-year period in which more than 1,000 plants were closed and hundreds of thousands of people were laid off.

But it is time we acknowledged that some such adjustment has to occur, and will never be easy. The textile and apparel industry is not alone. A wide variety of American industries, ranging from steel and auto parts to semiconductors and computers, are under serious competitive pressure. Such pressure is inevitable as many of our trading partners move up the scale of development.

If we are to compete in the changing world economy, the role of public policy must be to facilitate and reduce the pain of necessary adjustment, not to prevent it. This administration has been seriously remiss in this regard. It was the lax enforcement of the MFA that created the push for this legislation in the first place. This administration has done nothing to ease the transition to other jobs in other sectors through training and retraining programs or to secure health and pension benefits for the economically vulnerable. The "social dumping" by other countries in the form of poverty-level wage rates that make it impossible for us to compete have been given short shrift by our trade negotiators.

This indifference has created the problem. But the answer cannot be a program of protection designed to insulate the industry and ensure a certain number of positions in particular sectors.

#### THE POSITION OF THE INDUSTRY

It is difficult to argue that the textile and apparel industry is more deserving of protection than other hard-pressed U.S. industries. In many respects, it is actually in a stronger position and has received far more attention from the Government.

In 1985, I warned against the dangers of constructing permanent solutions under changing circumstances. Circumstances have changed for the industry, rather dramatically. Domestic textile production increased 10 percent in 1986, while apparel production was up 3 percent. U.S. textile exports were up 13 percent in 1986 and apparel exports increased 18 percent. Textile industry profits rose 67 percent in 1986. Capacity utilization reached 95 percent in the first quarter of 1987.

Textile and apparel employment has even risen somewhat. Employment figures from January to July 1987 represent an increase of 25,000 jobs over the same period last year. New textile and apparel plants are opening. In fact, the chief problem at the moment is not a flood of imports but rather supply shortages

caused by the inability of U.S. industry to keep up with demand for its production.

The U.S. textile and apparel industry now benefits from some 1,500 quotas, covering 80 percent of all low-priced imports, and tariffs averaging nearly 18 percent as compared with 3 percent from all other industries. This makes the industry by far the most protected in America.

When this legislation was under consideration 2 years ago, industry representatives raised legitimate complaints about the lax enforcement and inadequate coverage of the multifiber arrangement [MFA]. I believe that serious efforts have been made to address those concerns.

Last year our Government renegotiated the MFA to extend coverage to virtually all textile and apparel production by including previously-uncontrolled products. We also negotiated bilateral agreements with Hong Kong, Taiwan, Korea, and Japan—countries which supply 40 percent of our textile and apparel imports—which will limit their import growth to 1 percent annually. In addition, the United States concluded agreements with some of our mid-level suppliers, such as India, Pakistan, and Malaysia which limit their textile and apparel exports to the United States to approximately 6 percent annual growth.

We have barely begun to implement these agreements. Yet this legislation presumes their inadequacy and forces the United States into the position of breaching them.

#### IMPACT OF THE LEGISLATION

In fact, what I find most disturbing about this bill is its cavalier disregard for our international obligations.

Legalisms aside, I believe that common sense argues that this bill clearly violates the spirit of the GATT and the Multifiber Arrangement [MFA] which is itself an exception to the GATT designed to give the textile and apparel industry even greater protection.

It is true that the GATT does contain an "escape clause" provision allowing for protection in cases where a domestic industry is seriously injured by imports and requires time for adjustment. But there are key differences between what GATT would allow and what this bill would effect.

The GATT provision provides for temporary protection; the bill, for permanent, indefinite restrictions. GATT requires product-specific findings of serious injury; the bill covers a sweeping range of products in an array of industries without an injury finding. Import restrictions under GATT must be carefully tailored; the bill provides for the same, constant level of protection for an indefinite period, across product categories. GATT requires adequate compensation; the bill places arbitrary restrictions on the amount available. Under U.S. law, the method for implementing the GATT safeguard provision is a section 201 action. It is a remedy the industry is choosing to ignore.

But the MFA which governs textile trade is itself an exception to the GATT, a structure of protection, which has been negotiated in recognition of the special problems facing this industry. The MFA provides for the negotiation of bilateral import quotas. This bill would violate the MFA by unilaterally imposing global

quotas. And the bill would set those quotas at levels that would force us to abrogate a host of bilateral agreements already negotiated.

The European Community has already indicated that it will take counter measures if this legislation is passed, and others are likely to follow. Some of our most sensitive and competitive export industries, such as agriculture and high technology, would be likely targets for retaliation.

Passage of this bill would also undermine the Uruguay round of trade negotiations and compromise our efforts to use those negotiations to open foreign markets to our exports. Textiles and footwear are among the most important items in world trade—to our trading partners as well as ourselves. We cannot ask others to open their markets when we are closing our own, or to negotiate new commitments with us when we are busily breaking existing ones. We have achieved some hard-won concessions from the developing countries regarding the inclusion of services and investment in the new round, concessions very important to this country's economic future. We can expect the developing countries to take a second look at this issue if we pass this bill.

Finally, we cannot be indifferent to the tremendous impact of this bill on American consumers. Consumers pay \$20 billion annually in added costs as the result of higher import prices and induced increases in prices of domestically produced textiles and apparel. The cost amounts to some \$100,000 per job saved in the direct production of textiles and apparel. The net costs to the economy are approximately \$8 billion annually. The burden of this protection is borne disproportionately by the poor, since many imports are in the low price ranges.

#### CONCLUSION

In my view, neither the condition of the industry nor the policy goals we should be pursuing would justify enactment of this legislation. That is very regrettable. We have spent considerable time on this issue over the last several years. Yet, while the industry and its workers continue to feel the pain of international competition, we are no closer to a real program of adjustment.

This legislation has failed before, and for good reasons. I believe it will fail again. When it does, I would welcome the opportunity to work closely with the industry to formulate a program that will be truly responsive to the concerns raised about the present proposal and that will work to the ultimate benefit of the industry, its workers, and our economy as a whole.

Mr. DICKINSON. Madam Chairman, I am concerned over the loss of 300,000 textile related jobs since 1980, thus I have cosponsored H.R. 1154 to fight the decline of the textile industry.

This new act is patterned after legislation introduced in the 99th Congress but is a more appealing measure as it complies with GATT rules. It sets quota levels on textile products from all countries, while tying the growth of future imports to the growth of America's domestic textile industry.

We should focus our debate on the importance of fair trade and the ability of American industry to compete with others on an equal

footing. In the area of textile and apparel imports, the footing as it exists today is not equal, and foreign nations have taken advantage of American generosity by abusing the provisions of international trade agreements to make raids into the American marketplace.

What is at stake are 4 million direct and indirect textile and apparel manufacturing jobs throughout the United States. The textile industry is a mainstay of the U.S. economy, representing over 5 percent of the total manufacturing work force in 36 States and 10 percent of total U.S. manufacturing employment.

In 1986, the textile and apparel trade deficit was over \$21 billion, or 12 percent of the overall merchandise trade deficit. In fact, imports of apparel and apparel fabrics have increased an average of 8 percent annually while the domestic market has increased an average of 1 percent annually since 1973. Since 1982, such imports have increased by 21 percent annually, nearly doubling the share of the domestic market captured by imports to 52 percent in 1986.

To counter the flood of imports, the textile bill fixes the import level of textiles and textile products from all countries at 1 percent over 1986 levels. Imports after 1987 are only allowed to increase by 1 percent each year. Enforcement of limits is assigned to the Secretary of Commerce, who is also required to enforce reasonable spacing of imports throughout each year. In addition, the President is required to report to Congress annually on the administration of the act. Ten years after the act becomes law, the Secretary of Commerce is instructed to begin a review of its operation and report his findings to Congress within 6 months.

This legislation will help the textile industry survive, which will help save jobs and promote economic growth for our own country.

Mr. TOWNS. Madam Chairman, today we again have an opportunity to protect the American labor force. It has been projected that 550,000 more textile and apparel workers will lose their jobs in the next 6 years. These unemployed workers would be in addition to the 300,000 who have become unemployed since 1980. We had an opportunity, today, Madam Chairman, to preserve these jobs for American workers.

The 2 million workers in this industry are largely women and minorities—one-third black, 17 percent hispanic, and 8 percent Asian American. In an industry where 67 percent of the workers are women, we are talking about jobs which support children and families. If imports are allowed to continue unabated, it is fairly clear that these jobs will cease to exist. In the face of last year's agreement to expand South African textile imports and the recent revelations about imports from Iran, we can hardly expect the administration to negotiate stronger bilateral textile agreements difficult to accept the notion that the administration is serious about protecting the interests of our domestic textile and apparel industry.

Where will these workers, these women and men, who represent the working poor in this Nation, find alternative employment? The answer is: There is little chance of entry level jobs replacing the employment offered by the textile and apparel industry.

Madam Chairman, today I hope that we will look beyond regionalism. This is not a bill for the special interests of the Northeast and Southeast; this is a bill for the American worker. Just as many of us consider the family farmer to be a national treasure, I hope that we will view the domestic textile and apparel industry in the same vein. I urge my colleagues, regardless of the local industries' interest, to support H.R. 1154 and protect the jobs of these American workers.

Mr. SUNDQUIST. Madam Chairman, relief for the textile and footwear industries is long overdue. I applaud the House leadership's tenacity in bringing this important legislation to the floor today.

Madam Chairman, hundreds and hundreds of jobs have been lost in west Tennessee and middle Tennessee in textiles and footwear. And hopefully this legislation will preserve the remaining jobs that are currently in jeopardy—and might revitalize the industries so that those who have lost jobs can return to work.

As chairman of the Republican Task Force on International Trade, I take no pleasure in fighting the President on this issue. I agree with the President's goal of free and open trade. But unfortunately the administration has not aggressively enforced existing trade laws to prevent unfair practices and assist with temporary import relief.

We have lost 37 percent of our footwear jobs since 1981—and the unemployment rate in the industry averaged 15.4 percent—almost three times the national average! Imported footwear currently holds 81 percent of the total domestic market, compared to 51 percent in 1981. We've lost a whopping 30 percent of marketshare in just a few years to foreigners. Because of this, 308 shoe factories have shut their doors in the past 6 years—70 of these in the last year. Half the footwear factories in my district alone have been closed.

Nonetheless, the President made a decision in 1985 to decline relief for the industry, even though there was a unanimous injury determination by the ITC. Clearly the trade law system on the books is not working for American footwear and textile workers.

After countless efforts—the textile industry filed 21 antidumping and countervailing duty petitions—without one positive finding in their favor.

Since the system is not working, it is totally appropriate for this body to intervene with H.R. 1154—to make our own injury determinations for footwear and textiles, and grant the relief that the administration has refused. H.R. 1154 is completely consistent and justified according to the trade laws that have existed for 13 years.

In 1974 Congress passed, and the President signed into law, the trade laws under which U.S. trade policy has since been operating. For the last 13 years, we have had a law on the books—section 201—which sets guidelines for import relief under certain injury findings.

Specifically, section 201 states that its purpose is "for import relief for the purpose of facilitating orderly adjustment to import competition \* \* \* which may include such objectives as facilitating the orderly transfer of resources

to alternative uses and other means of adjustment to new conditions of competition."

For some unknown reason, the administration has chosen not to enforce or apply this law—as it was intended—in the cases of footwear and textiles. Therefore, this body is justified in making an injury determination on its own—it is our responsibility to enforce the intent of the trade laws where the administration has failed to.

Footwear is the most blatant example of this administration's refusal to apply section 201. The 201 system was brought to its knees with the President's choice to overrule the ITC's 4-to-1 decision for relief. What is the point of having the relief language if it is never going to be used? What is the point of having the 201 system if it can be overturned on a whim after the judicial process?

I submit to this body that had our original trade laws been enforced to their fullest and proper extent—we would not be facing the trade crisis we are today.

Of the 65 201 petitions which have been initiated since 1974 only 12 have been granted relief. I can only wonder why the executive branch is so reluctant to provide temporary breathing space—which is entirely within the legal context of GATT and the intent of the law—when other countries are so blatant with their unfair trade practices. This is not a question of carrying a big stick, or protectionism, or even fair trade—it's a question of enforcing the laws of this country!

It is not necessarily important to argue any more why the footwear and textile industries are in trouble—or who is at fault. What is important is to grant fair and reasonable—and long overdue relief. It is critical that this body implement the intent of the law by passing the Textile and Apparel Trade Act of 1987 today.

Mr. EDWARDS of California. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987 and urge our colleagues to vote in favor of it. I commend the distinguished gentleman from South Carolina, BUTLER DERRICK, for his leadership on this important issue.

Madam Chairman, the solution to the trade problem we find ourselves in requires leadership and hard work. H.R. 1154 embodies those tools necessary to make the tough decisions to attack this very difficult issue.

H.R. 1154 represents fairness. The 2 million American workers in the textile industry need a fair chance to make a decent living for their families. They deserve the right to know that hard work and productivity will translate into job stability.

H.R. 1154 does not single out specific countries. It sets global limitations in a nondiscriminatory manner. This comprehensive, generic approach reintroduces fair trade in the relationship between domestic manufacturers and our trading partners.

This measure is consistent with our international treaties and compacts, fulfilling our obligations both at home and to other nations.

Madam Chairman, I reiterate my strong support for H.R. 1154 and urge my colleagues to give this legislation their full support.

Mr. COURTER. Madam Chairman, Congress is once again being asked to consider legislation that would address the textile and apparel import problem. This year's bill con-

tains very few changes from last year's highly protectionist measure. There are numerous reasons why I cannot support this latest bill. First, during the 1980's, New Jersey has added 179,000 jobs in the trade sector. There are a total of 859,000 trade jobs, which makes trade the second largest job sector in my State's economy. The New Jersey area has become a major distribution center for both domestic and imported apparel, textile, and footwear products. This important and growing job sector would be threatened by a wave of protectionism that legislation such as this would certainly unleash.

Second, 33 percent of all U.S. textiles, apparel, and footwear imports passed through the New York-New Jersey region's gateway in 1986, 13 percent of the region's total sea and air import trade are textile, apparel, and footwear products, and 25,200 jobs and over \$1 billion of the gross regional product is generated by this aspect of our trade. While reduced imports would have a positive but limited impact on the region's apparel, textile, and footwear manufacturers, a reduction in imports would likely undermine the wholesaling position of the region and likely lead to a loss of employment in the apparel and textile wholesaling industry. Further, of the region's 10 leading trading partners, including both Asia and European nations, 9 are among the largest exporters of textiles, apparel, and footwear to the region.

Third, restrictions on imports will lead to higher costs to regional consumers. Census estimates indicate that in 1986 regional retail sales of apparel and shoe stores amounted to approximately \$7 billion or 9.2 percent of national retail sales of apparel and shoe stores. Between 1980 and 1986, as the value of the dollar rose, the total national CPI rose by 33 percent while the prices of apparel commodities increased by only 12 percent. Finally, in the New York-New Jersey region over the same time period, while the total CPI grew by almost 37 percent, the prices of apparel commodities grew by less than 6 percent.

In real terms, prices for apparel commodities in the region dropped by 30 percent, as the strong dollar led to increased imports of foreign apparel.

Mr. FIELDS. Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987.

I do not oppose the textile bill because I am insensitive or uncaring. I care about the textile workers in this country. But, I also care about the families struggling to feed, clothe, and educate their children. Many families simply cannot afford the higher clothing and shoe prices the textile bill will bring.

I care about the chemical workers in the 8th District of Texas. The textile bill's global import quotas are in clear violation of the General Agreement on Trade and Tariffs. If the textile bill becomes law, foreign nations will retaliate and chemicals will be a target of that retaliation.

In 1986, chemicals topped the list of United States exports to Europe, Canada, China, Taiwan, South Korea, Hong Kong, Japan, Mexico, and many other nations. The chemical industry is one of the few major industries in which the United States still has a positive trade balance worldwide. My district and much

of the Texas gulf coast area depend heavily on the chemical industry. Neither Texas nor the Nation, as a whole, can afford to lose chemical markets abroad.

Chemical workers will not be alone in feeling the effects of foreign retaliation. Dock workers at the Port of Houston, which I represent, will feel the sting of foreign retaliation, too. Organic chemicals, in dollar value, are the top exports through the Port of Houston.

Grain and grain products rank third in dollar value and first in tonnage among items exported through the port. Agricultural products will certainly be targets of foreign retaliation, too. American farmers along with dock workers, railroad workers, and others whose jobs are linked to farm products will suffer.

Does the condition of the textile industry merit the costly protection contained in this legislation? I believe the answer is clearly, "no." The textile industry is already the most protected industry in the United States. Tariffs on textile products average 18 percent compared with a 3-percent average for other industries' products. Eighty percent of all textile imports are covered by an incredible 1,500 textile and apparel quota agreements. Textile quotas already cost the consumer \$27 billion per year. This legislation would force consumers to pay another \$10 billion per year.

Unfortunately, many textile workers lost jobs in the early 1980's. However, modernization shared the blame with foreign competition as a major culprit in those textile job losses. Despite the difficult years of the early 1980's the textile industry began to improve in 1985. In 1986, domestic textile production rose 10 percent. Unemployment among textile workers fell from 9.9 percent to 7.5 percent. Capacity utilization rose from 84 percent in 1985 to 91.4 percent in 1986; textile profits skyrocketed 67 percent.

In the first quarter of 1987, textile capacity utilization rose, again, to 95 percent. Twenty thousand new textile jobs were created and unemployment fell to 6.9 percent. First quarter 1987 profits for the major textile manufacturers soared 100 percent over 1986 first quarter profits.

I cannot vote for legislation which would force American families to pay billions more to clothe their families while textile industry profits are soaring. I cannot vote for legislation which could cost the jobs of chemical workers, of farmers, of railroad workers, of dock workers, and many others when jobs in the textile industry are increasing, not decreasing.

Madam Chairman, the textile bill is the wrong solution at the wrong time. I urge my colleagues to vote against this unwarranted protectionism.

Mr. GILMAN. Madam Chairman, I rise in support of H.R. 1154, the Textile and Apparel Trade Act of 1987. I thank the gentleman from South Carolina [Mr. DERRICK] for introducing this necessary legislation and for his fine work as chairman of the Congressional Textile Caucus, of which I am a member. I would also like to thank the Textile Caucus vice chairman, my distinguished colleague from New York, Mr. HORTON, for his tireless efforts to preserve the vitality of domestic textile industries both in our home State of New York and throughout the Nation. Finally,

Madam Chairman, I commend the distinguished gentleman from Massachusetts [Mr. MOAKLEY] who, as chairman of the House Footwear Caucus, has skillfully lead the effort to assist that manufacturing community which is so important to the economies of the North-eastern States.

H.R. 1154 has been characterized by its opponents as benefiting only a small particular special interest. Madam Chairman, the facts do not bear out this argument. H.R. 1154 is fully endorsed by groups as diverse as the United Auto Workers and the National Farmers Union. Legislation similar to the one before us now was passed by the Congress last year. The current version of H.R. 1154 has been amended to conform with objections raised at that time, and I believe that it is a better bill than the one we passed a year ago. The support of 242 of my colleagues, all of whom have joined me in cosponsoring H.R. 1154, attests to the support for this legislation not only throughout the Congress but also throughout the country.

Textile industries are highly important to our economy. In recent years, these industries have been under attack from the rising surge of foreign imports. In the domestic footwear industry, for example, production of non-rubber footwear has fallen to an 18-year low of 241 pairs per year. Imports to the United States have meanwhile risen to an 18-year high of 941 million pairs per year, enough to capture 80 percent of the U.S. nonrubber footwear market. In 1985 alone, 58 nonrubber footwear factories closed throughout the country. At least one of these factories, Middletown Footwear, Inc., was in my own 22d Congressional District. In 1986 the number rose to 70 closings, and there were another 19 during just the first half of this year. The Congress cannot permit this process to continue. It may be too late for the 15 production workers at Middletown Footwear, but it is not too late for the 6,000 footwear employees throughout New York, and the more than 80,000 employees throughout the Nation.

Madam Chairman, I have described the detrimental effects of excessive foreign imports only in one segment of the textile industry. My colleagues will undoubtedly furnish examples from other segments of the market and their own congressional districts. Suffice it to say that it is well past time for Congress to recognize the inherent inequities which smother productivity in our domestic textile industries. It is past time for Congress to ensure effective competition in the world marketplace. It is past time for Congress to enact the Textile and Apparel Trade Act. Accordingly, I urge my colleagues to vote in favor of this legislation.

Mr. TALLON. Madam Chairman, recently I was shocked and dismayed to learn that our Nation continues to grant most-favored-nation status to Iran. And that same morning headlines reported yet another mining incident further jeopardizing our soldiers in the Persian Gulf. The irony is bitter and inescapable.

We must put an end to this crazy sequence. It's quite possible that Iranian ships bringing into this country have literally steamed past United States warships filled with United States servicemen headed to the Persian Gulf to protect access to the Western world. Now who is the greater fool?

I believe it is high time we came to our senses. That is why I am joining in support of legislation introduced by Congressman RICHARD RAY and ED JENKINS to revoke Iran's most-favored-nation status.

Last year, Iran exported \$611.6 million worth of goods into the United States, while the United States, we exported only \$34.1 million. With most-favored-nation status, Iran has also been able to flood our markets with goods that are half the cost of those produced by our domestic manufacturers. In 1987, we handed over \$612 million to Iran to pay for textiles, carpets, pistachio nuts, caviar, and crude oil. The pace continues full tilt this year, with Iranian textile imports soaring. Last year, Iran exported 15,000 square yards of textiles into this country. By August of this year, they had exported 600,000 square yards.

Meanwhile, the American textile and apparel industry is fighting for its life against a flood of cheap imports. In South Carolina, we are seeing entire towns shut down in the face of the textile deficit, leaving families jobless and hopeless.

Madam Chairman, I don't understand it. We know for certain that Iran has been responsible for the kidnapping of our citizens, the bombing of our Embassy in Beirut, and the suicide truck bombing of our Marine barracks in Lebanon which killed 241 marines. And, as I speak, American lives are in danger from mines and attacks in the Persian Gulf.

I urge all my colleagues to join in support of this legislation so that Iran, the most fatal nation, is no longer ranked as a most favored nation.

Mr. PANETTA. Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Act of 1987. While I share in the frustration of my colleagues with regard to the \$170 billion merchandise trade deficit that is draining America's economy, this legislation is no solution to the problem. We must resist the temptation to apply quick-fixes to a situation which demands a comprehensive, long-term approach. While the time is clearly overdue for action on trade, this is just as certainly the wrong action.

Trade has become a dominant issue on Capitol Hill and around this Nation as constituents have focused on the devastating economic and social impact of this enormous trade deficit. Industries which cannot compete in the world market are forced to close down, battered by foreign imports and unfair trade practices and haunted by a \$160 billion budget deficit which creates an overvalued dollar and makes U.S. exports prohibitively expensive abroad. Thousands of Americans are losing their jobs each month. Few in our Nation are left untouched.

With this scenario, both Houses have done something very constructive on the trade crisis facing us today. After both bodies passed comprehensive trade bills in the last few months, scores of Members are furiously working on a compromise package. Whatever the merits of the two different bills, they reflect legitimate frustration with the trade deficit and with the Reagan administration's apparent indifference to the problem. Unfortunately, it appears that many of the administration's recent trade initiatives were simply a reaction

to congressional determination to take the lead on trade.

Although there are many factors contributing to the rising trade deficit, the No. 1 culprit is the overvalued dollar. How are we to expect our products to compete with foreign goods when they are marketed with a price tag that reflects an inflated dollar figure? We are, in effect, slapping a surcharge on every product that is in competition with a foreign-made counterpart, both here and abroad. The textile bill proposes to restore the competitiveness of our industry by limiting the number of imports that enter our borders in an attempt to reduce foreign competition.

This approach simply will not work. First, such an action constitutes an open invitation for retaliation. Members of the European Economic Community as well as Canada have explicitly proclaimed that upon enactment of this proposed law they will commence in-kind action against our agricultural exports. Other nations will certainly follow suit. Who would profit by such an escalation of trade war? Certainly not the consumer, nor the American family and especially our lower and middle income citizens. Only the rich may be able to afford the increased prices when goods are even available.

Another concern of mine is that this legislation would severely undercut the Uruguay Round of GATT negotiations to extend and confirm existing agreements. It would violate the safeguard provisions of GATT by indiscriminately granting permanent protection to a huge array of products. Countless existing bilateral agreements would be abrogated. It would also violate the multifiber arrangement by imposing unilateral, global quotas on all textile products. We must enter a new round of international trade negotiations from a position of strength, able to persuade our trading partners to open up their markets as we have opened ours.

The cost of this bill to American consumers has been estimated at over \$20 billion with the possibility of inviting retaliation of up to \$29 billion of U.S. exports. While approximately 46,000 would be saved through this added protection, 58,000 jobs would be eliminated in the retail industry, thereby resulting in a net loss of 5,700 jobs. Furthermore, some segments of the industry currently enjoys a tariff rate of 22 percent as compared with an average of 5 percent for all other domestic industries. There are over 1,000 quotas already in place for textile and textile products.

Instead of providing further protection for this industry, I believe we must concentrate our efforts on sending a comprehensive trade bill to the President to relieve our current trade crisis. With the House passing H.R. 3, the Trade and Economic Policy Reform Act of 1987, on April 30, 1987, and the Senate passed S. 1420, the Omnibus Trade and Competitiveness Act of 1987, on July 21, 1987, the Congress has developed two very strong and viable comprehensive trade bills. The Reagan administration has proposed minimal changes in U.S. trade laws and has lead our Nation down the road of trade disaster having inherited a trade deficit of \$34 billion in 1981 to \$170 billion over 6 years. Currently, the administration's most important

goal in trade legislation is to persuade Congress to extend authority for the President to enter into international trade agreements. The President needs an extension of negotiating authority to complete successfully the ongoing negotiations in GATT. Since the administration needs congressional cooperation to carry out its trade agenda, it will be forced to compromise on congressional initiatives for trade reform.

The House and Senate bills, while similar in their basic thrusts, have many important differences. There are, for example, significant differences in their provisions regarding trade remedies and authority for trade negotiations. Also, each bill has provisions that have not been addressed in the other House. Consequently, the conference committee has the complex task in reconciling the two bills. Between 150 to 200 legislators will represent the 9 Senate committees and 13 committees of the House that have some jurisdiction over the issues.

My greatest concern is that the work of the conference committee is further complicated by administrative threats to veto legislation containing certain controversial provisions in the House and Senate bills. In late July of this year, President Reagan stated that if either bill came to him in present form, he would have no choice but to veto it. It is precisely this continued uncooperative and unrealistic attitude that would allow me to join my House colleagues in supporting the override of an anticipated Presidential veto of the textile bill when it passes later today.

For too long I have seen this administration simply give lip service to working with Congress on important legislative matters facing our Nation. The facts are that whether we are formulating a solution to our budget problems or the trade deficit, the administration takes on the role of tattle-tale running to the American people to claim that the Congress is the enemy of this or that when the fact is the President and his administration take no part of forging compromises on important issues. The President either wants it all his way or else he'll take his toys home and play by himself.

My first goal remains passage of a strong, comprehensive trade bill this year, not a piece-meal trade bill for various industries. However, should the administration continue to thwart the work of Congress on a trade package, I will then join my colleagues in passing this textile bill over the alternative of no trade bill at all.

Madam Chairman, the trade crisis we are facing will not be resolved by the President alone nor the Congress by itself, but rather bipartisan leadership to push the final compromise trade bill over the hump to enactment into law. If the President continues to be the roadblock to arriving this year on a comprehensive strategy to relieve the trade crisis, then I look forward to supporting the override of the certain Presidential veto of this legislation.

I am under no illusions that this prescription is an easy one to follow. However, the trade situation in our Nation has so deteriorated that there simply are no painless solutions, neither for the affected industries and their workers,

nor for the politicians called upon to solve the problem overnight.

We must not attack the trade crisis on a piece-meal basis. America is best-served by a comprehensive policy designed to place our Nation's manufacturers and industries back on a sound economic footing. Glossing over the problem by applying another coat of industry-specific protectionism will hurt all of us in the long run.

I urge my colleagues to vote "no" on H.R. 1154, but carefully monitor the administration's actions on a possible veto of this legislation and more importantly, the administration's cooperation on passing a comprehensive trade bill this year.

Mr. CRANE. Madam Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL], a member of the Subcommittee on Trade.

Mr. FRENZEL. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, we have an interesting debate here. Unfortunately, we are restricted to 3 hours. On the other hand, we have had much discussion among ourselves through the medium of "Dear Colleague" letters and through committee hearings, so that the subject has been rather fully aired.

Despite the full discussion, it is my opinion that our discussion is still dominated by myths. We have the proponents of H.R. 1154 telling us that this is a very sick industry, that there are regions of the country which have been badly hurt.

I think many of the Members would agree that that has been the case in the past, but I think, it has been quite clearly shown that we have a very healthy textile industry, that its rate of return on investment is greater than that of manufacturing in general, and that it is enjoying its third straight very wonderful year.

We have also been told that the American concept of free trade does not work with respect to textiles; and therefore, we must get protectionist.

May I say that there is no industry in the United States more protected than textiles, and it has never been subjected to free trade, at least in my lifetime.

We have the highest tariffs in the industrialized world, and I will refer the Members to some other writings in the committee hearings with respect to the number of protocols, and our quotas, and our bilateral arrangements with our trading partners.

With respect to unemployment, I am told that the July figure for the Nation is 6.1. The three textile-producing States who are telling the Members how down on their luck they are, South Carolina with 5.5, and that is 10 percent under the national rate; North Carolina with 4.7, 20 percent under the national rate; and Georgia with 5.1, somewhere in between, but well

under the national rate, a little less than 10 percent under.

If one is to look at the shoe States like Maine and Massachusetts, one finds even lower unemployment rates, 2.6 in Massachusetts, 4.9 in Maine, while in the industrial heartland of Illinois, Michigan, and Ohio, we have unemployment rates of 7.1, 8.8, and 6.7; and the perpetrators of this bill would tell us that those States with high unemployment should pay for the bad luck of those who have low unemployment.

That is a little hard sell to make, I think, to rational people in this day and age. We have been told that import penetration is skyrocketing. The import penetration in textiles is 13.3 percent. In 1986 it will be about the same, maybe a little less in 1987.

The apparel penetration is 33 percent. It is a high number, but the surge that is occurring now is occurring by reason of people being afraid this bill is going to be passed, and they are trying to get in under the wire.

We have been told that somehow we will help the consumers if we ask them to pay a couple hundred bucks more per family than they are now paying. They are now paying \$300 per family additionally because of tariff and quota protections already in place for textiles.

The Chairman of the Council of Economic Advisers says the cost to consumers is \$25 billion, \$37 billion over the next 5 years. That doubles the protection already in effect.

If we look at GATT, we have been told that there is some sort of myth circulating, that this is in accordance with the GATT.

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It is clearly violative of article 19 of the GATT, which calls for restrictions when used to be temporary and to be phased out, caused by serious injury, that they be limited to the amount necessary for the remedy, and that there be compensation to trading partners to equal the restrictions. In every one of those categories, this bill falls short and violates article 19.

In addition, it violates 41 bilateral agreements and would ruin the MFA and throw that into shambles internationally.

It would hurt our friends in the Caribbean Basin, particularly Haiti, Costa Rica, and the poorest nations in the world that we are trying to help now by rolling back 30 percent what they are shipping into the country. The same is true in the Far East.

The retaliation, of course, would fall on those industries which have done a good job, agriculture, high tech, airframes, computers, chemicals, papers, those industries that have worked hard and are exporting, they are the ones that would be hurt. The success-

ful industries will have to pay for the unsuccessful.

If there was ever a time for such a bill, this not it. I have not given up on America. I do not think the textile industry is a cripple. I do not think Americans are nonproductive. I believe that we can compete in the world without the necessity of the extra crutch, the extra wheelchair, and the extra iron lung. I do not think we have to cry poor for an industry that is enjoying better profits than the rest of manufacturing generally.

I think we need to beat this bill. There is a feeling, as a previous speaker indicated, that you can give a vote to the labor unions today and the bill will go away because it is obvious that the industry is in such good condition that the bill will never find its way to the President. If this bill gets two-thirds of the votes of this House today, I guarantee that we will be voting on it again and again, once on a conference report and once on a veto message.

The place to stop this bill is here and now. The vote is "nay."

Mr. CRANE. Madam Chairman, I have one final request for time. I yield 1 minute to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act of 1987. I do not want to get bogged down in a discussion of all the trade violations contained in this bill, nor do I want to list the startling figures on industry productivity and increased profits over the past 2 years. Many of my colleagues have made these arguments against H.R. 1154 very succinctly, and I believe very convincingly.

The bottom line is that the domestic textile and apparel industries are experiencing a strong comeback. Just consider that textile manufacturers' profits rose 67 percent in 1986 over last year and then rose nearly 12 percent in the first quarter of 1987. In addition, these industries have mounted a successful consumer awareness campaign which has American consumers paying more attention to the origin of the finished products they purchase. However, while enjoying the greatest level of protection afforded any industry, these manufacturers are asking for tougher sanctions against their foreign competitors.

Unfortunately, our trading partners—especially those in the developing world—will not be easily convinced that these American industries are still on the verge of collapse. We have just recently reached new bilateral trade agreements concerning these products with four of our major trading partners. Should H.R. 1154 be en-

acted, these same countries would surely retaliate.

The major problem with H.R. 1154 is that it provides protection for jobs in one industry at the expense of workers in other activities. For example, workers in agriculture, aerospace, high technology electronics, chemicals, and pharmaceuticals would be the first to feel the retaliatory backlash. However, the damaging effects would soon be felt by every American in the form of lost jobs, higher prices, and shrinking economic growth.

While I am sympathetic to the situation of many workers who have lost their jobs in these industries, I feel H.R. 1154 takes the exact opposite approach to furthering our trade objectives. For several years now we have stressed job creation, competitiveness, and negotiations to open markets in other countries for American goods. I am convinced that enactment of H.R. 1154 will destroy jobs, inhibit innovations in these industries, and close existing and potential export markets.

Mr. JENKINS. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, I yield to the gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Madam Chairman, I thank the gentleman for yielding to me.

Briefly, I would like to say that our good colleague, the gentleman from Oregon [Mr. AUCOIN] said that there were no domestic manufacturers of athletic footwear in the United States. I just want the record to show that in my district there are 2,000 hard working people in the Converse plant that make a very high quality canvas sneaker.

Madam Chairman, I would like the record to show that I support this legislation and I urge my colleagues to vote for H.R. 1154.

Mr. JENKINS. Madam Chairman, I thank my colleague.

Let me say very briefly that I wish that it were not necessary that I reappear today, because we have had a vote before that was ultimately vetoed that would have given us some relief.

The industry has attempted to be responsible and reasonable. Last time you indicated that there were real problems with this bill, that it discriminated against certain countries. The industry and the members of the textile caucus headed by my friend, the gentleman from South Carolina, Mr. BUTLER DERRICK addressed that issue.

We said, "All right, if that concerns you, we will make it apply to everyone."

Now, my friend, the gentleman from Florida, does not like that, but it would not make any difference what

type of a textile bill we ever brought before this House, the gentleman would never support any of them. I have served on the gentleman's committee for 10 years and I can assure you of that.

Now, many Members did not like the fact that last year's bill was directed primarily to the major producers. We addressed that issue. We attempted to do so in a responsible way.

Who are we trying to fool by saying that suddenly we are a protectionist industry? We have had quotas in this industry. This is nothing new. We have had them for over 20 years. We are attempting to make a set of quotas work.

Whom are you trying to help? Where are the increases coming from? Certainly we have bilateral agreements with some of the major producers. Let me name a few of them that you are trying to protect.

The increase from Bulgaria, 126,000 square yards in 1980, to 1,895,000 square yards last year. Is that whom you are trying to protect?

Cambodia, Czechoslovakia, let me give you this figure: 2,359,000 square yards in 1980, up to this year 4,019,000.

Do you want to help Hungary? It went from 2,200,000 in 1980 to 18,600,000 square yards last year.

The People's Republic of China that we have heard a great deal of talk about, 324 million square yards to 1 billion 739 thousand square yards.

Is your concern about Romania? That goes from 19 million square yards in 1980, to 63 million square yards in 1986.

Now, I understand that if the administration or this Congress, or whoever it may be, wants to trade, which I happen to support, I have no objection to trading with Communist countries, that is one way to try to resolve a lot of difficulties; but if you are concerned, according to the last figures, that we may penalize Bulgaria, Czechoslovakia, Hungary, the People's Republic of China, Poland, Romania, the Soviet Union that has gone from 19 million to 63 million square yards in the last 10 years, is that our concern?

And yes, there was a considerable number of imports from Iran.

Now, I would like to be reasonable in this as anyone else. Intellectually, I would like to be for free trade totally.

My friends, if you think you are going to rely upon services to get us out of this trouble, we have lost 8 of the 10 largest banks. We are no longer even in that category.

The largest insurance company, you want to sell insurance around the world and make up the trade deficit, we no longer have the largest insurance company in the world.

You see data processing, high technology, agriculture, where are you going to move to?

Unfortunately, as much as we intellectually want to be for free trade, if we are realistic with ourselves, if we are honest with ourselves, we know it is not working.

You said if we devalued the dollar, if the dollar was decreased in value in the international financial market, it would change. It has gone down over 40 percent against most currencies in the last 2 years. Our deficit goes up.

You say the industry is profitable. Let me tell you something. If you eliminate 20 percent of the market, the other 80 percent is going to do fairly well for a little while, and then we will ultimately be right back in the same situation.

I know that no debate is going to change anyone's vote. I recognize that, but all of you people who feel very confident from the port areas of Washington and other States, you will be down here and my industry will have moved offshore because they will have to do so in order to compete. I think that is a mistake for America.

Mr. SCHULZE. Madam Chairman, I urge an affirmative vote on the question about to be put, and I yield back the balance of my time.

Mr. GIBBONS. Madam Chairman, I yield all our remaining time to the gentleman from Illinois [Mr. ROSTENKOWSKI], the chairman of the Ways and Means Committee, to close debate.

Mr. ROSTENKOWSKI. Madam Chairman, this month the Congress embarks on the final leg of a 3-year effort to reform U.S. trade policy. When the conference on the omnibus trade bill begins its work, a desire for real reform will guide our deliberations.

Many important themes are emerging from that legislative effort. But among them, the most basic is the view that the United States must take a firm stand against the artificial trade barriers of other nations. That has become the rallying cry of the 100th Congress! We want the governments of the world to break down their trade restraints. And we want all nations to play by the rules. This is a lofty goal, which can only be achieved if the United States maintains a strong commitment to free and fair trade.

Today, we face a vote which tests whether the push for fair trade is real or just political hype. The bill we are now considering establishes permanent restrictions on all textile and footwear imports. It invokes the very kind of trade policy we find so offensive in other nations. If it becomes law, we are, in effect, notifying the world that we aren't really serious about fair trade.

I think each of us should ask a basic question about this textile quota bill.

What underlying principle of fairness does it uphold? If other nations were to follow suit, what system of trade rules would emerge from the multitude of bitter recriminations which would inevitably occur in its wake? I believe the answers to these questions are clear.

Many Members have voted for this bill because it "sends a message" that we are unhappy with our trading partners and this administration. But I think many of us know that if it ever became law the message to the world would be "every man for himself."

A few months ago, we voted on the Gephardt amendment. I sat and listened as Member after Member took to the well to condemn the protectionist policies of Japan, Taiwan, Korea and other nations. "Its time to get tough," they said. The House endorsed their arguments and passed the amendment.

But how does one square this bill with the Gephardt amendment? The Gephardt amendment speaks of reciprocity, fairness, and tough negotiations. The textile bill speaks of plain, old-fashioned protection for a few selected industries.

I know America's workers have been severely injured by our own inept trade policies. But the solution is not to single out one group for protection. The solution is to have overall policies which assert our long-term interests.

So I urge my colleagues—let's stop voting for ill-advised trade bills just to send messages. Let's get serious about this country's trade problems and start crafting an omnibus trade bill which has some sound principles behind it. That's the right thing to do! Until we stop advocating politically popular but unrealistic trade measures and start developing sensible legislation that has a chance of becoming law, Congress is not going to be viewed as a serious player in the effort to stabilize world trade.

I urge you to vote no on this legislation.

Mr. WEISS. Madam Chairman, as a cosponsor, I rise in strong support of the Textile and Apparel Trade Act of 1987 (H.R. 1154).

There is a lot of controversy about the effect of this bill, which has been condemned as a protectionist evil by its opponents.

To get to the truth of the matter, I think it is necessary to view this bill in the context of the overall economic situation in this country today.

The current state of the American economy is cause for serious concern. Joblessness remains at epidemic levels. The Nation's infrastructure is in disrepair. We are accumulating unprecedented debt at all levels of our society—personal, corporate, Federal, and international. The Federal deficit remains at astounding levels, contributing to a trade deficit that is out of control—it grew by \$16.5 billion in July alone. We are facing the decline and collapse of basic industries and a long-term decline in national productivity.

By now the reasons for these failures are well known. Ronald Reagan campaigned for office by promising to balance the budget in his first term. Instead, he borrowed more heavily than all previous Presidents combined. This opened up a huge trade imbalance with our trading partners and made us a debtor nation. As a result, basic domestic industries have suffered from decline and collapse. And the workers in those industries have been thrown out of work or forced to live with less.

With 1 year left in his administration, President Reagan is probably thinking more and more about his place in history. One thing can be certain: The term "Reaganomics" will almost certainly become synonymous with neglect, decline, and failure. The rosy predictions of the White House notwithstanding, President Reagan's chickens will come home to roost. Who will pay the price? We will; our children will; and their children will.

The Reagan administration's record on trade is abysmal. Since 1981, the trade deficit has more than quadrupled—from \$40 billion to nearly \$170 billion. The administration has said little and done less in response to a flood of imports and a sharp decline in exports. It has stood by as entire industries have been imperiled.

Do we need the Textile and Apparel Trade Act?

Textile and apparel imports have risen 17 percent a year since 1981—400,000 jobs have been lost.

In 1981, we imported 376 million pairs of footwear. In 1986, the figure was 941 million pairs—57,000 jobs have been lost.

The textile, apparel and footwear industries are efficient and productive. They have spent billions to modernize. But they simply cannot compete against the unfair trading practices, including government subsidies, extraordinarily low wages, and import restrictions that bar U.S. products. The result is that imports account for a larger and larger share of the domestic market for these goods.

The Reagan administration simply has not responded to this problem as it should have. Under the Multi-Fiber Agreement, growth in imports from developing nations was to be limited to 6 percent a year. Yet actual growth has far exceeded this level. The administration has failed to enforce existing agreements, and it has failed to pressure other nations to open their markets to U.S. goods.

There is a recourse. The Textile and Apparel Trade Act will help the textile, apparel and footwear industries compete in the world market. And its provisions have been carefully drawn to meet the objections that were raised about earlier versions of this legislation.

The bill restricts the growth in textile and apparel imports to 1 percent a year, and it restricts footwear imports to 1986 levels. However, the bill will permit the administration to apportion these quotas among all nations instead of discriminating against specific nations.

In addition, the bill gives the administration the authority to enter into agreements to reduce tariffs on these products in order to compensate foreign nations for the effect of the quotas. Thus, the likelihood of retaliation will be minimized.

Finally, the bill requires yearly reports to Congress and permits Congress to remove these quotas at any time.

In short, this bill will do what the Reagan administration has consistently failed to do: it will improve our economy. The bill will help preserve basic American industries in the face of unfair trading practices. It provides fair treatment to American workers, and it will actually increase overall employment. And it will reduce Government outlays.

Most important, this bill will be a major step forward in the fight to get our Nation's trade deficit under control. And that, in turn, will be a major step toward economic revitalization of our overall economy.

Our Nation's civilian economy has always been one of our greatest assets. We cannot stand by as it is destroyed through neglect and failed policies. The Textile and Apparel Trade Act will make a real contribution at a time when a contribution is sorely needed.

I urge all of my colleagues to support this bill and to pledge to take whatever other actions prove necessary to get our trade deficit down and our economy back on track.

□ 1730

Mr. GIBBONS. Madam Chairman, I yield back the balance of my time.

Mr. CRANE. Madam Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 1154, as amended, is as follows:

#### HR. 1154

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Textile and Apparel Trade Act of 1987".*

#### SEC. 2. POLICY.

The policy of this Act is to—

(1) relate the growth of textile and clothing imports to the growth of the domestic market in order to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and clothing manufacturers, and loss of job opportunities for United States textile and clothing workers; and

(2) maintain a viable United States nonrubber footwear industry by preventing further damage to United States nonrubber footwear manufacturers and loss of job opportunities for United States nonrubber footwear workers.

#### SEC. 3. FINDINGS AND DETERMINATIONS.

(a) FINDINGS.—The Congress finds that—

(1) with respect to textiles and textile products—

(A) the current level of imports of textiles and textile products from all sources, more than one hundred and sixty-five countries, reached nearly 12.7 billion square yard equivalents in 1986, an increase of 17 per centum over 1985 imports; this level of imports is 2.5 times the level of imports in 1980, a rate of increase that was not foreseen when the United States granted trade concessions benefiting foreign suppliers of textiles and textile products, and represents over 1.2 million job opportunities lost to United States workers;

(B) imported textiles and textile products contain four million bales of cotton which is equivalent to 39 per centum of annual cotton production in the United States; eight out of every ten bales of cotton contained in imported textiles and clothing are foreign grown cotton; sustained massive increases in imports of cotton textile and clothing products are causing a declining market share for domestic cotton producers, depressed prices, and an average annual market revenue loss of over \$1,000,000,000; another result is that a market development program voluntarily funded by United States cotton producers actually benefits foreign growers; finally, as imports of textiles and clothing increase, domestic cotton acreage is shifted to produce other agricultural products which are already in oversupply thereby adding to the problems of United States agriculture;

(C) imports of textiles and textile products made of wool have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; because import penetration in the domestic wool textile and clothing market is nearly 70 per centum, it is critical that action be taken to halt further erosion of the domestic industry's market share;

(D) imports of textiles and textile products made of manmade fiber and competing fibers, other than cotton or wool, have more than doubled since 1980 resulting in substantial reductions in domestic manmade fiber production capacity and job losses;

(E) the textile and clothing trade deficit of the United States exceeded \$21,000,000,000 in 1986, an increase of 18 per centum over 1985, and accounted for 12 per centum of the Nation's overall merchandise trade deficit;

(F) import growth of clothing and clothing fabrics has averaged 8 per centum annually since 1973; over that same period, the domestic market for clothing and clothing fabrics has grown only 1 per centum annually; import growth has recently accelerated and, since 1982, has averaged 21 per centum annually; the result is that import penetration in the domestic clothing and clothing fabric market has nearly doubled in the last six years, reaching a level of 52 per centum in 1986;

(G) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products competitive with those imported have been seriously damaged, many of them have been forced out of business, many have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to the Federal and local governments;

(H) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring new measures;

(I) unless the import growth rate of textiles and textile products is slowed to the long term rate of growth of the United States market, plant closings and job losses will continue to accelerate, leaving the United States with reduced competition benefiting domestic consumers and leaving the Nation in a less competitive international position;

(J) a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States; and

(K) actions taken by the United States under the Arrangement Regarding International Trade in Textiles of December 20, 1973, as extended (commonly referred to as the "Multi Fiber Arrangement" or "MFA") have failed to avoid disruptive effects in the textiles and textile products markets in the United States; and

(2) with respect to nonrubber footwear—

(A) nonrubber footwear imports in 1986 reached a record level of nine hundred and forty-one million pairs; this volume of imports is 2.5 times that of 1981, the year that import relief for the nonrubber footwear industry terminated, and is 11.6 per centum above 1985 levels, the year in which the International Trade Commission issued its third finding that the domestic nonrubber footwear industry has been seriously injured by increased imports;

(B) since 1981, import growth of nonrubber footwear has averaged more than 20 per centum per year, gaining market share at the expense of the domestic industry; in 1981, import penetration of the domestic nonrubber footwear market was 51 per centum; by 1986, import penetration reached an unprecedented 80.7 per centum;

(C) as a direct result of imports, domestic nonrubber footwear production has declined every year since 1978, reaching two hundred thirty-four million pairs in 1986, a production level matched only during the Great Depression in the 1930's;

(D) domestic nonrubber footwear employment has steadily declined every year since 1981, and is down 37 per centum from 1981 levels and 7.3 per centum from 1985 levels; unemployment in the nonrubber footwear industry averaged 15.4 per centum in 1986, more than double the national average; and

(E) domestic nonrubber footwear production facilities are closing at an alarming rate, with three hundred and eight factory closings since 1981 and seventy closings in 1986 alone.

(b) DETERMINATIONS.—Congress determines that, for the foregoing reasons—

(1) textiles and textile products are being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of textiles and textile products in the United States, and

(2) nonrubber footwear is being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of nonrubber footwear in the United States,

within the meaning of article XIX of the General Agreement on Tariffs and Trade.

#### SEC. 4. LIMITS ON IMPORTS.

(a) CALENDAR YEAR 1987.—Notwithstanding any other provision of law—

(1) the aggregate quantity of textiles and textile products, from all countries, classified under a category that is entered during calendar year 1987 shall not exceed an amount equal to 101 per centum of the aggregate quantity of such products classified under such category, from all countries, that entered during calendar year 1986, and

(2) the aggregate quantity of nonrubber footwear, from all countries, classified under a nonrubber footwear category that is entered during calendar year 1987, and during each calendar year thereafter, shall not exceed an amount equal to—

(A) the aggregate quantity of nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986, and

(B) in the case of low priced nonrubber footwear, notwithstanding subparagraph (A), the aggregate quantity of low priced nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986.

(b) **GROWTH ADJUSTMENT.**—For calendar years after 1987, the aggregate quantity of textiles and textile products, from all countries, classified under each category that may be entered during each such calendar year shall be increased by an amount equal to 1 per centum of the aggregate quantity that could be entered under such category during the preceding calendar year. If the aggregate quantity that could be entered under a category for a calendar year after 1987 is reduced under section 9(b), then, in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 9(b) in previous calendar years.

(c) **EXCEPTIONS.**—

(1) The limitations in this Act on the aggregate quantity of articles of textiles and textile products and nonrubber footwear that may be entered during any calendar year do not apply to articles of that kind that are the product of any insular possession of the United States if the articles are—

(A) exempt from duty under general headnote 3(a) of the Tariff Schedules of the United States (19 U.S.C. 1202); and

(B) manufactured or produced in such possession by individuals who are either—

- (i) United States citizens;
- (ii) United States nationals; or
- (iii) permanent residents of such possession in accordance with its laws.

(2) Notwithstanding any other provision of law, the aggregate quantity of sweaters that are—

(A) made of cotton, wool, or manmade fibers; and

(B) assembled in Guam from otherwise completed knit-to-shape component parts; and that may be entered—

(i) during calendar year 1987, may not exceed 163,216 dozen; and

(ii) during any calendar year after 1987, may not exceed the aggregate quantity that is authorized to be entered under this paragraph during the preceding calendar year, increased by 1 per centum.

(d) **ENFORCEMENT.**—The Secretary of Commerce shall prescribe such regulations as may be necessary or appropriate for the efficient and fair administration of the provisions of this Act, including regulations governing entry, or withdrawal from warehouse, for consumption of the products covered by this Act. Such regulations shall provide for reasonable spacing of imports over the calendar year.

**SEC. 5. TARIFF COMPENSATION.**

(a) **COMPENSATION.**—

(1) The President may (A) enter into trade agreements with foreign countries or instrumentalities to grant new concessions as compensation, to the extent required under international trade agreements of the United States, for the import limits imposed under section 4 of this Act to maintain the general level of reciprocal and mutually advantageous concessions under such agreements; and (B) proclaim such modification or continuance of any existing duty on textiles and textile products and on nonrubber

footwear as he determines to be required or appropriate to carry out such agreements.

(2) No proclamation shall be made under paragraph (1) decreasing any rate of duty to a rate of duty which is less than 90 per centum of the existing rate of duty.

(3) Before entering into any trade agreement under this subsection with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(b) **STAGING REQUIREMENTS.**—The aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to subsection (a) shall not exceed the aggregate reduction which would have been in effect on such day if a reduction of one-fifth of the total reduction under subsection (a) had taken effect on the effective date of the first reduction proclaimed to carry out such trade agreement, and at one-year intervals after such effective date.

(c) **PROHIBITION.**—Except as provided in subsection (a) and notwithstanding any other provision of law, the President may not enter into trade negotiations with any foreign country or instrumentality with respect to duties on textiles and textile products and on nonrubber footwear and may not decrease, or propose a decrease, in any such duty by any means, including an implementing bill under section 151 of the Trade Act of 1974 or a proclamation.

**SEC. 6. ANNUAL REPORT.**

Not later than March 15, 1988, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 4. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

**SEC. 7. REVIEW.**

The Secretary of Commerce shall commence ten years after the date of enactment of this Act a review of the operation of this Act. The Secretary shall consult representatives of workers and companies in the textile and textile products and nonrubber footwear industries, the United States Trade Representative, the Secretary of Labor, and other appropriate government officials. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings.

**SEC. 8. DEFINITIONS.**

For purposes of this Act—

(1) The term "textiles and textile products" includes, but is not limited to, all articles covered by a category;

(2) The term "nonrubber footwear" means nonrubber footwear articles classified under items 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95 of the Tariff Schedules of the United States (19 U.S.C. § 1202) (as in effect on January 1, 1987) and includes, but is not limited to, all articles covered by a footwear category;

(3) The term "category" means each of the following—

(A) each category identified by a three-digit number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated", dated January 1987, and in any amendments to such

publication correcting clerical errors or omissions;

(B) each subdivision of a category described in subparagraph (A) with respect to which the United States has (i) an agreement with any country on the date of enactment of this Act limiting exports of textiles and textile products to the United States that includes a specific limit on such subdivision, or (ii) taken unilateral action to limit products from any country entered under such subdivision; and

(C) a category consisting of the manmade fiber products not covered by a category described in subparagraph A and classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States.

The Secretary of Commerce shall determine, after consultations with the United States Trade Representative and the United States International Trade Commission, whether comparable subdivisions described in subparagraph (B) are consistently defined; if the Secretary determines that such subdivisions are not consistently defined, then the Secretary shall prescribe by regulation an appropriate definition of the category covering such comparable subdivisions;

(4) The term "nonrubber footwear category" means each of the following—

- (A) men's leather;
- (B) men's vinyl/plastic;
- (C) men's other;
- (D) women's leather;
- (E) women's vinyl/plastic;
- (F) women's other;
- (G) juvenile leather;
- (H) juvenile vinyl/plastic;
- (I) juvenile other;
- (J) athletic leather;
- (K) athletic vinyl/plastic;
- (L) leather work footwear;
- (M) other leather footwear;
- (N) miscellaneous vinyl/plastic; and
- (O) miscellaneous other.

(5) The term "low priced nonrubber footwear" means nonrubber footwear with a customs value of \$2.50, or less, per pair.

(6) The term "country" means a foreign country, a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship, political entity or foreign trade zone, whether affiliated with the United States or not, that is outside the customs territory of the United States;

(7) The term "duty" includes the rate and form of any import duty, including but not limited to tariff-rate quotas;

(8) The term "existing" means the non-preferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of Schedules 1 through 7 of the Tariff Schedules of the United States (or the comparable rate of duty set forth in any law that may supersede such Traffic Schedules) existing on the day before the date of enactment of this Act; and

(9) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

**SEC. 9. EFFECTIVE DATE.**

(a) **IN GENERAL.**—Except as provided in subsection (b), the provisions of this Act shall apply to textiles and textile products and to nonrubber footwear entered, or withdrawn from warehouse, for consumption on and after the date of enactment of this Act.

(b) **CALENDAR YEARS 1987 AND 1988.**—The Secretary of Commerce shall prescribe by

regulation the aggregate quantity, if any, of textiles and textile products and of nonrubber footwear that may be entered under section 4(a) under each category and each nonrubber footwear category during the period beginning on the date of enactment of this Act and ending on December 31, 1987. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products or of nonrubber footwear entered under a category or nonrubber footwear category after December 31, 1986, and before the date of enactment of this Act exceeds the quantity permitted entry for such products under such category during calendar year 1987 under section 4(a), then the limit that would otherwise apply under section 4(b), in the case of textiles or textile products, or under section 4(a), in the case of nonrubber footwear, for such category for calendar year 1988 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 4(b), or section 4(a), as appropriate, for such category for calendar year 1988, then the limit for such category for calendar years after 1988 shall be reduced until such excess is accounted for.

The CHAIRMAN. No amendments to the bill are in order except the amendments recommended by the Committee on Ways and Means now printed in the reported bill, which are considered as having been adopted in the House and in the Committee of the Whole.

Under the rule, the Committee rises. Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Ms. KAPTUR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports, pursuant to House Resolution 256, she reported the bill back to the House with sundry amendments printed in the reported bill adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The amendments printed in the reported bill are considered as having been adopted in the House.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SCHULZE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 263, nays 156, answered "present" 1, not voting 15, as follows:

## [Roll No. 319]

## YEAS—263

Ackerman	Gekas	Obey
Alexander	Gephardt	Olin
Andrews	Gilman	Ortiz
Annunzio	Gingrich	Owens (NY)
Anthony	Gonzalez	Parris
Applegate	Goodling	Pashayan
Aspin	Gordon	Patterson
Atkins	Grant	Pelosi
Baker	Gray (IL)	Pepper
Ballenger	Gray (PA)	Perkins
Barnard	Gregg	Pickett
Bateman	Guarini	Price (IL)
Bentley	Gunderson	Price (NC)
Bevill	Hall (OH)	Quillen
Bilbray	Hall (TX)	Rahall
Billey	Hamilton	Ravenel
Boehlert	Hammerschmidt	Ray
Boggs	Harris	Regula
Boland	Hatcher	Richardson
Boner (TN)	Hawkins	Ridge
Bonior (MI)	Hayes (IL)	Rinaldo
Borski	Hayes (LA)	Ritter
Boucher	Hefner	Robinson
Brennan	Henry	Rodino
Brooks	Hertel	Roe
Brown (CA)	Hochbrueckner	Rogers
Bruce	Holloway	Rose
Bryant	Hopkins	Roukema
Buechner	Horton	Rowland (GA)
Bustamante	Houghton	Russo
Byron	Howard	Sabo
Callahan	Hoyer	Savage
Campbell	Hubbard	Schneider
Cardin	Huckaby	Schuetz
Carper	Hughes	Sharp
Carr	Hunter	Shays
Chapman	Hutto	Shuster
Chappell	Jacobs	Sikorski
Clarke	Jeffords	Sisisky
Clinger	Jenkins	Skeen
Coble	Johnson (SD)	Slaughter (NY)
Coelho	Jones (NC)	Slaughter (VA)
Coleman (MO)	Jones (TN)	Smith (FL)
Combest	Jontz	Smith (NJ)
Conte	Kanjorski	Smith (TX)
Conyers	Kaptur	Smith, Denny
Cooper	Kastenmeier	(OR)
Coughlin	Kennedy	Smith, Robert
Coyne	Kildee	(NH)
Daniel	Kolter	Snowe
Darden	Kostmayer	Solomon
Davis (IL)	Lancaster	Spratt
Davis (MI)	Lantos	St. Germain
de la Garza	Leath (TX)	Stagers
Dellums	Lehman (CA)	Stenholm
Derrick	Lehman (FL)	Stokes
Dickinson	Leland	Stratton
Dingell	Levin (MI)	Studds
DioGuardi	Lewis (GA)	Sundquist
Dixon	Lipinski	Sweeney
Donnelly	Lott	Swindall
Dowdy	Madigan	Tallon
Duncan	Manton	Taylor
Durbin	Markey	Thomas (CA)
Dwyer	Martin (NY)	Thomas (GA)
Dymally	Mavroules	Torres
Dyson	McCloskey	Torricelli
Early	McDade	Towns
Eckart	McGrath	Traficant
Edwards (CA)	McMillan (NC)	Traxler
Emerson	McMillen (MD)	Valentine
Erdreich	Mfume	Vento
Espy	Miller (OH)	Visclosky
Evans	Mineta	Volkmer
Fascell	Moakley	Walgren
Fazio	Mollohan	Watkins
Feighan	Montgomery	Weiss
Fish	Moody	Wheat
Flake	Morrison (CT)	Whitten
Flippo	Mrazek	Williams
Florio	Murphy	Wilson
Foglietta	Murtha	Wise
Ford (MI)	Nagle	Wolpe
Ford (TN)	Natcher	Wright
Frank	Neal	Yates
Frost	Nichols	Yatron
Garcia	Nowak	Young (AK)
Gaydos	Oakar	
Gejdenson	Oberstar	

## NAYS—156

Akaka	Hefley	Packard
Anderson	Heger	Panetta
Archer	Hiler	Pease
Armey	Hyde	Penny
AuCoin	Inhofe	Petri
Badham	Ireland	Pickle
Bartlett	Johnson (CT)	Porter
Barton	Kasich	Pursell
Bates	Kennelly	Rhodes
Bellenson	Klecza	Roberts
Bennett	Kolbe	Rostenkowski
Bereuter	Konnyu	Roth
Berman	Kyl	Rowland (CT)
Billirakis	LaFalce	Roybal
Bonker	Lagomarsino	Saiki
Bosco	Leach (IA)	Sawyer
Boulter	Lent	Saxton
Boxer	Levine (CA)	Schaefer
Broomfield	Lewis (CA)	Scheuer
Brown (CO)	Lewis (FL)	Schulze
Bunning	Lightfoot	Schumer
Burton	Livingston	Sensenbrenner
Chandler	Lowery (CA)	Shaw
Cheney	Lowry (WA)	Shumway
Coats	Lujan	Skaggs
Craig	Lukens, Thomas	Slattery
Crane	Lukens, Donald	Smith (IA)
Crockett	Lungren	Smith (NE)
Dannemeyer	Mack	Smith, Robert
Daub	MacKay	(OR)
DeFazio	Marlenee	Solarz
DeLay	Martin (IL)	Stallings
DeWine	Matsui	Stangeland
Dicks	Mazzoli	Stark
Dorgan (ND)	McCandless	Stump
Dornan (CA)	McCollum	Swift
Downey	McCurdy	Synar
Dreier	McEwen	Tauke
Edwards (OK)	McHugh	Udall
English	Meyers	Upton
Fawell	Mica	Vander Jagt
Fields	Michel	Vucanovich
Foley	Miller (CA)	Walker
Frenzel	Miller (WA)	Waxman
Galleghy	Molinaro	Weber
Gallo	Moorhead	Whittaker
Gibbons	Morella	Wolf
Glickman	Morrison (WA)	Wortley
Gradison	Myers	Wyden
Grandy	Nelson	Wylie
Green	Nielson	Young (FL)
Hansen	Owens (UT)	
Hastert	Oxley	

## ANSWERED "PRESENT"—1

Martinez

## NOT VOTING—15

Biaggi	Kemp	Schroeder
Clay	Latta	Skelton
Coleman (TX)	Lloyd	Spence
Collins	Rangel	Tauzin
Courter	Roemer	Weldon

□ 1745

The Clerk announced the following pair:

On this vote:

Mr. Spence for, with Mr. Courter against.

Mr. MICA changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Florida? There was no objection.

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2260

Mr. PETRI. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2260.

The SPEAKER pro tempore (Mr. LEHMAN of California). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 5 minutes.

[Mr. LIVINGSTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### THE NUCLEAR ENERGY REORGANIZATION ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 5 minutes.

Mr. UDALL. Mr. Speaker, today I am introducing the Nuclear Energy Reorganization Act of 1987, which will improve the effectiveness of nuclear safety regulation by restructuring the Nuclear Regulatory Commission [NRC] and establishing both an Inspector General within the NRC and an independent Nuclear Safety Board.

Title I of my bill would replace the Commission with the Nuclear Energy Regulatory Agency (Agency) headed by a single administrator who would be appointed by the President with the advice and consent of the Senate.

In the aftermath of the accident at Three Mile Island both the Rogovin and Kemeny investigations into the accident recommended replacing the Commission with a single administrator. I know that there are those who believe that the Commission structure provides advantages over the single administrator, but I have come to believe that the Commission's effectiveness as a safety regulator—its primary function—is hampered by the Commission structure itself. I believe that a single administrator would more efficiently manage the agency and more effectively regulate the nuclear industry.

Title II of my bill would establish an Office of Inspector General within the Agency. Inspectors general are a common feature in nearly all executive departments. Although the NRC has established an Office of Inspector and Auditor [OIA] within the Commission, the director of OIA is appointed by the Commission rather than the President and it does not report to Congress on its activities or deficiencies in NRC programs.

The OIA's track record does not inspire confidence in its ability to perform the duties of an inspector general. Both the current director and her predecessor have been investigated for alleged wrongdoings. In 1981 the

General Accounting Office issues a report critical of OIA's management and independence and recommended that Congress consider establishing a statutory Office of Inspector General.

Mr. Speaker, we are all aware of the current allegations of misconduct within the NRC. I have long believed that public confidence in the safety of nuclear power depends upon the integrity of the NRC. A statutory inspector general is necessary to restore credibility to and insure the integrity of the Commission.

Finally, Mr. Speaker, title III of my bill would establish an independent Nuclear Safety Board [NSB] composed of three members appointed by the President with the advice and consent of the Senate. The Board would have broad duties and authority regarding the safety of nuclear facilities and activities.

The idea for an NSB gained attention in 1979, in the aftermath of the accident at Three Mile Island when investigations into the accident uncovered disturbing facts. The investigations showed that prior to March 28, 1979 a series of seemingly modest mishaps at TMI and other Babcock & Wilcox [B&W] reactors had resulted from significant weaknesses in the B&W design. Had these events been properly investigated and if the lessons learned had been acted upon, the March 28 accident would not have occurred. TMI thus demonstrated the need to assure comprehensive inquiries into relatively innocuous reactor malfunctions.

Hal Lewis, a physics professor at the University of California at Santa Barbara and an early and articulate supporter of the NSB concept, proposed that an NSB be established to fulfill the need for improved investigations. Our colleague MICKEY EDWARDS, displaying his usual wisdom and foresight, saw the merits of the concept and he enlisted Professor Lewis to work with him in converting it into a legislative proposal.

The underlying rationale for setting up an independent agency was that the NRC, the agency responsible for licensing nuclear facilities and assuring compliance with regulations, could not be fully objective in assessing the causes of reactor malfunctions and accidents. At the same time it seemed to many of our colleagues that the argument for an NSB was not so overwhelming as to warrant setting up a separate agency.

As a compromise between a fully independent agency and reliance for investigations upon NRC line staff, the Commission established the Office for Analysis and Evaluation of Operational Data [OAEOD] within the NRC. Although the OAEOD has served a useful purpose it has not been accorded the stature necessary to assure that the lessons of reactor malfunctions will be incorporated into the Commission's regulations. Potentially dangerous events have continued to occur at operating reactors and the efforts of the OAEOD and other Commission investigating groups have left unanswered the important question as to why neither utilities nor the NRC had detected and corrected beforehand the weak links in the safety chain that caused these events. I believe that an independent nuclear safety board would fulfill this function.

Some of the Nuclear Safety Board's functions would be analogous to the National

Transportation Safety Board, which investigates transportation accidents independent of the Department of Transportation [DOT] and recommends corrective measures to DOT. The Board would also assess the adequacy of Federal laws and standards relating to nuclear safety and make recommendations to the Agency and DOE as to specific safety measures which should be adopted.

Mr. Speaker, the time has come to make much needed changes in the NRC so that those responsible for regulating nuclear facilities and activities can concentrate on safety first. My bill, establishing the Nuclear Energy Regulatory Agency, an Office of Inspector General and an independent Nuclear Safety Board, would go a long way toward achieving effective nuclear safety regulation.

I will include in the RECORD a brief summary of the bill.

#### NUCLEAR ENERGY REORGANIZATION ACT OF 1987 SECTION-BY-SECTION SUMMARY, SEPTEMBER 9, 1987

Section 1 entitles the bill the "Nuclear Energy Reorganization Act of 1987."

Section 2 declares that the purpose of the bill is to enhance the effectiveness of nuclear safety regulation.

Section 3 contains the definitions for terms used in the Act.

#### TITLE I—NUCLEAR ENERGY REGULATORY AGENCY

Section 101 is the Table of Contents for Title I.

##### ESTABLISHMENT

Section 102 would establish the Nuclear Energy Regulatory Agency (Agency) as an independent regulatory agency to replace the Nuclear Regulatory Commission (NRC), and to assume all of its functions except for those reserved to the Inspector General in section 207 and the Nuclear Safety Board in Section 312.

##### OFFICERS

Section 103 would mandate a single Administrator to head the Agency, along with one Deputy Administrator and six Assistant Administrators whose functions the Administrator would prescribe. The Administrator, as well as the Deputy and Assistant Administrators, would be appointed by the President with the advice and consent of the Senate.

##### ABOLITION OF NRC

Section 104 would abolish the NRC.

##### TRANSFER OF APPROPRIATIONS, PERSONNEL AND INCIDENTAL TRANSFERS

Sections 105 and 106 would transfer the employees and assets, liabilities and property of the NRC to the Agency, while protecting the salaries of the affected employees.

Section 107 would provide for determinations of incidental transfers of NRC functions and disposition of assets by the Office of Management and Budget.

##### SAVINGS PROVISIONS

Section 108 would cause all effective orders, regulations, permits, licenses, etc. issued by the NRC to remain effective according to their terms.

This section would also (i) establish that this Act would not affect pending proceedings or actions commenced prior to its effective date, (ii) provide for appropriate substitution of parties in such actions, and (iii) subject the Administrator's actions to judicial review to the same extent as NRC actions.

## REFERENCES TO NRC

Section 109 would establish that all references to the NRC in laws, rules, regulations, etc., regarding functions transferred to the Agency, would be deemed to refer to the Agency or Administrator.

## TITLE II—OFFICE OF INSPECTOR GENERAL

Section 201 is the Table of Contents for Title II.

## ESTABLISHMENT

Section 202 would establish an Office of Inspector General within the Agency, to be headed by an Inspector General (IG) appointed by the President with the advice and consent of the Senate. The IG would report to the Administrator or the Deputy Administrator, who could not interfere with the conduct of any audit or investigation undertaken by the IG. The IG may be removed by the President for cause.

Section 202 would also provide for Assistant Inspectors General for Auditing and Investigations.

Section 202(e) would place restrictions on the Inspectors General and Assistant Inspector General, prior to and during their terms, regarding certain financial or employment relationships with businesses involved in the generation of nuclear power.

## DUTIES AND RESPONSIBILITIES

Section 203 would establish the duties and responsibilities for the IG, including:

To provide policy direction for and to conduct audits and investigations relating to programs and operations of the Agency;

To review existing and proposed legislation and regulations and to make recommendations as to their impact on the efficiency of the Agency's programs and operations, and to prevent and detect fraud and abuse in those programs and operations;

To recommend policies to improve efficiency or to prevent and detect fraud and abuse within the Agency;

To act as a liaison between the Agency and other governmental and nongovernmental entities in matters relating to efficiency or detecting fraud and abuse;

To keep the Administrator and Congress fully informed concerning its activities and investigations and to recommend corrective action.

Section 203 would also require that audits be conducted in conformance with the standards established by the Comptroller General of the U.S., and that the IG report to the Attorney General when he has reasonable grounds to believe there has been a violation of Federal criminal law.

## REPORTS

Section 204 would require the IG to prepare reports summarizing the activities of the Office every 6 months. Each report must include: significant problems and abuses discovered; recommendations for corrective action; updates as to implementation of previous corrective action recommendations; a summary of prosecutions referred to authorities and resulting convictions; a summary of reports to the Administrator under section 204; and a listing of every audit report completed.

The reports would be furnished to the Administrator and the Nuclear Safety Board by April 30 and October 31 of each year and transmitted by the Administrator to the appropriate Congressional Committees within 30 days, along with the Administrator's comments.

The reports would be available to the public on request within 60 days after transmittal to Congress.

Section 204 would also require the IG to report immediately to the Administrator those problems, abuses or deficiencies which are "particularly serious or flagrant." The Administrator would be required to transmit such a report to Congress within 7 calendar days, along with the Administrator's comments.

## INVESTIGATIVE AUTHORITY

Section 205(a) would provide that the IG, in carrying out his functions: have access to all relevant documents and materials available to the Agency; investigate, make reports and request information and assistance from other governmental agencies as necessary; have subpoena power (enforceable by court order) to require production of documents and information; have direct and prompt access to the Agency; select and employ such people as necessary; and enter into contracts in amounts provided for in advance in appropriation Acts.

Section 205(b) would require the cooperation or assistance of other Federal agencies upon the IG's request.

Section 205(c) would provide for appropriate office space and equipment at the Agency's offices.

## EMPLOYEE COMPLAINTS

Section 206(a) would allow the IG to receive and investigate employee complaints or information regarding illegal activities, fraud, waste, mismanagement, abuse of authority and specific danger to the public health and safety.

Sections 206 (b) and (c) would protect the confidentiality of the employee(s) providing such information or complaints and protect such employee(s) from reprisals unless their actions were made with knowledge of the falsity of information or willful disregard for its truth or falsity.

## TRANSFER OF FUNCTIONS

Section 207 would transfer the present NRC Office of Inspector and Auditor to the Office of Inspector General, along with any other functions or duties the Administrator may determine are appropriate, except for any program operating responsibilities.

## TITLE III—NUCLEAR SAFETY BOARD

Section 301 is the Table of Contents for Title III.

## ESTABLISHMENT AND COMPOSITION

Section 302 would establish the Nuclear Safety Board (Board) as an independent agency. The Board would be composed of 3 members appointed by the President, with the advice and consent of the Senate, with no more than 2 members from the same political party.

Section 302(b) would place restrictions on Board members, prior to and during their terms, regarding certain financial or employment relationships with businesses involved in the generation of nuclear power or businesses involved in nuclear activities under contract to the Department of Energy.

Section 302(c) would require the President to name a Chairman as chief executive officer of the Board, with organizational and administrative duties. The Chairman would name an Acting Chairman to act in the Chairman's absence.

Section 302(d) would establish terms of 6 years for Board members (with the first Board serving staggered 2, 4 and 6 year terms). All members may be reappointed

and may be removed by the President for cause.

Section 302(e) would provide that two members constitute a quorum of the Board and that actions of the Board would be determined by majority vote. Any number of Board members would have the authority to hold hearings.

## GENERAL DUTIES AND AUTHORITY OF THE BOARD

Section 303 would give the Board broad duties and authority including:

Reporting to the President and Congress on the safety of nuclear facilities and activities, including legislative proposals;

Assessing the adequacy and effectiveness of Federal laws, regulations and standards relating to nuclear safety, including reports to the President and Congress;

Investigating events at nuclear facilities, or involving nuclear material, which the Board determines to be significant in terms of potential effects on public health and safety. This would include the power to request the Administrator of the Nuclear Energy Regulatory Agency (Agency) or the Secretary of Energy to investigate such events and report findings to the Board for analysis and recommendations;

Analyzing operational data from any nuclear facility for potential safety implications;

Conducting studies or evaluating suggestions pertaining to nuclear safety;

Making recommendations to the Agency or DOE as to specific safety measures which should be adopted;

Establishing reporting requirements binding on those who are involved with nuclear facilities or nuclear material regulated by the Agency; and

Reviewing and reporting on safety studies and facility license applications referred to it.

## SPECIFIC POWERS OF THE BOARD

Section 304 would allow the Board to hold hearings, take testimony and other evidence, summon witnesses, issue subpoenas, conduct inspections of facilities or property where a significant event (see section 303) has occurred, obtain autopsies and other medical information about deaths occurring as a result of a nuclear accident, and seek enforcement of its subpoenas or other orders in Federal court.

Section 304(f) would prevent any report of the Board relating to a nuclear accident or investigation of the Board from being used as evidence in any action for damages arising from matters mentioned in the report.

## GENERAL ADMINISTRATIVE POWERS OF THE BOARD

Section 305 would allow the Board to obtain official data from other federal agencies or instrumentalities, including material classified or protected from disclosure under the Atomic Energy Act of 1954. This section would also allow the Board to require federal, state or local governmental agencies, or any person engaged in interstate commerce, to respond to requests for information.

Section 305 also would authorize the Board to delegate its authority to employees or agents of the Board, to enter into contracts, to establish liaison with other agencies, to appoint advisory committees and to establish rules and regulations necessary to the exercise of its functions.

## PUBLIC ACCESS TO INFORMATION

Section 306 would require the Board to make all information it receives available to the public, except trade secrets, safe-guards

or classified material, or other information protected from disclosure by law.

#### RESPONSE TO BOARD RECOMMENDATIONS

Section 307 would require the Administrator of the Agency or the Secretary of Energy to respond in writing to each Board recommendation regarding nuclear safety within 90 days of receiving the recommendation. Such responses would have to describe the procedures to be used to implement the recommendation or contain a detailed explanation as to why the recommendation was not being adopted. The recommendation and responses would be available to the public.

#### CIVIL PENALTIES

Section 308 would require the Board to impose civil penalties for violations of reporting requirements (established under section 303), after written notice and an opportunity for hearing.

#### JUDICIAL REVIEW

Section 309 would subject all Board orders to judicial review if appealed within 60 days.

#### ANNUAL REPORT

Section 310 would require the Board to submit an annual report to Congress, including:

Finding required under section 303(1) and (2);

A summary of investigations conducted and recommendations made;

An evaluation of Agency and DOE efforts to investigate and prevent nuclear events affecting the public health and safety;

Recommendations for legislative and administrative actions regarding nuclear safety.

#### STAFF AND SUPPORT SERVICES

Section 311 would allow the Board to hire a staff of not more than 50 full-time equivalent officers and employees and to employ up to the equivalent of 12 full-time experts or consultants. This section also would allow the Board to borrow, on a reimbursable basis, personnel, facilities, and equipment from other government agencies, and to use the mails like other federal agencies.

Section 311 also would allow the Board to accept donations of services, money or property.

#### TRANSFER OF NRC FUNCTIONS

Section 312 would transfer to the Board the functions of the NRC Office for Analysis and Evaluation of Operational Data, and other functions the Administrator deems appropriate except for program operating responsibilities, and the functions of the Advisory Committee on Reactor Safeguards. The Advisory Committee on Reactor Safeguards would be abolished by Section 312.

#### TITLE IV—CONFORMING AMENDMENTS AND EFFECTIVE DATE COMPENSATION

Section 401 would amend federal executive compensation schedules to provide compensation of the Administrator, Deputy Administrators and Assistant Administrators of the Agency, the Inspector General and the members of the Nuclear Safety Board.

#### EFFECTIVE DATE

Section 402 would make the Act effective 120 days after the date of enactment, or on an earlier date if the President so prescribes and publishes in the Federal Register.

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

[Mr. LUNGREN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### REFORM OF McCARRAN-WALTER

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, today I am introducing, by request, and executive branch proposal to revise the ideological grounds of exclusion of the Immigration and Nationality Act.

My introduction should not be construed as total support, but it is the first step by this administration to recognize that the exclusion provisions of the McCarran-Walter Act are outmoded and in urgent need of revision.

Congressman FRANK has also proposed legislation to revamp the 33 grounds of exclusion (H.R. 1119), including the grounds covered by this bill. His legislation was the subject of hearings by the Subcommittee on Immigration, Refugees, and International Law in 1984 and again this year.

The administration bill will be an important component in the processing of remedial legislation. The Select Commission on Immigration and Refugee Policy in 1981 also recommended comprehensive revision of the grounds of exclusion.

I am pleased to see this significant step by the administration and I look forward to their continued cooperation as the Congress considers necessary changes in this area.

#### SAN BENITO LITTLE LEAGUE ALL-STARS HAVE BANNER SEASON

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the marvelous baseball season recently completed by the San Benito Little League All-Stars, who represent San Benito County, CA, in the 16th Congressional District.

The San Benito All-Stars were 1987 champions of northern California and came within one game of going to the Little League World Series in Williamsport, PA. Only a loss to Northwood Little League of Irvine, CA, in the final of the Western Regionals at San Bernardino prevented them from going all the way to the World Series, but not before the San Benito team had defeated squads from Colorado, Montana, and Hawaii to set up their appearance in the regional final.

The team members are Fred Avalli, Anthony Bautista, Jose Castillo, Eddie DeLuna, Anthony Escamilla, Abram Pasillas, Joey Pena, Felipe Quintero, Mikey Razo, Mondo Razo, Mark Salcido, Bryan Smith, Randy Solano,

and Chad Stevens. The team manager is Beto Ramirez, and the coach is Alan Thomas.

I would like to include in the RECORD a news article from the Hollister Free Lance which provides some additional background on the San Benito All-Stars' exciting season. I hope my colleagues will find it interesting, and I know they join me in extending heartfelt congratulations to the team.

#### THE DREAM SEASON

(By Greg Rudder)

The dream for San Benito Little League's All-Stars is over, but not before 21 games of memories and emotions that will be talked about for years were played.

The Hollister stars finished 17-4, champions of District 9, Section 4 and Northern California. No Hollister team has ever accomplished what the 1987 all-star club did in finishing second in the 14-team, 13-state Western Region of the United States.

In last week's Western Regionals at San Bernardino, SBLL lost 15-0 to Northwood LI, of Irvine in the final before a crowd of 10,000 people. The winner earned a spot as the West representative in the 8-team Little League World Series in Williamsport, Pa.

Manager Beto Ramirez' club matched solid, balanced hitting with three top hurlers. The club was labeled "San Burrito" by some misguided opposing fans at the sectionals in Mission San Jose and the "Eliminators" after coming back from the losers' bracket to win the NorCal crown. All in all, the stars were made of a lot beef.

The squad of 13 12-year-olds and one 11-year-old buried the ghost of the 1983 SBLL All-Star team, which lost in the NorCal final.

Not only did the boys learn a lot more about themselves and baseball from the tournament exposure, but they also were able to visit Disneyland, go to a professional baseball game at Angels Stadium and live life on the road away from home for about two weeks. They meet many new friends.

During all-star play, SBLL ripped 23 homers and relied on the pitching of Jose Castillo, who was 7-1 on the mound, Mikey Razo (6-2) and Anthony Bautista (4-1). Ironically, in the end, the Hollister stars—wary and tired form an active pressure-filled slate of games including nine in nine days at one point—ran out of pitchers for the regional final.

Right fielder Mondo Razo ripped seven homers in the tourneys and smacked three roundtrippers against Billings Heights National LL of Montana at the Western Regionals. Third baseman Abram Pasillas smacked four homers.

Through each step and level of the all-stars' play, there always emerged a new hero, Castillo pitched four straight complete games through the hardest part of the rise. Mondo Razo ripped the three homers in one game. Catcher Anthony Escamilla won two games with thrilling late-in-the-game homers. First baseman Chad Stevens knocked home a winning run and injected adrenalin into a "flat" Hollister team at the NorCal tourney. Mikey Rizo hit a homer and was one walk from a perfect game in the Western Regional opener. The list can go on.

It was a season of highs—peaks that were almost obscured by how often and many games the stars had to play and win—culminating with the club finishing just one 6-inning win short of a trip to the Little League World Series.

**REPORT ON TESTIMONY HEARD  
JULY 27 IN MIAMI, FL, BY THE  
COMMITTEE ON EDUCATION  
AND LABOR**

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Indiana [Mr. JONTZ] is recognized for 60 minutes.

Mr. JONTZ. Mr. Speaker, I have requested this special order so that my colleagues and I might come before the House to report on the testimony we heard last July 27 at a hearing held by the Education and Labor Committee in Miami, FL. Representative OWENS of New York, Representative HAYES of Illinois, and I traveled to Miami to hear testimony from average working people: telephone workers, airline pilots, flight attendants, airline mechanics, bus drivers, and construction workers. The common element connecting their stories was that they were all, in one way or another the victims of the economic policies of our Federal Government.

Now we have often heard over the past several years about victims of Federal Government policy. We have heard most often about the businessmen, the corporate citizens, overwhelmed by Government forms or plagued with Government requirements. No doubt some of those victims deserved relief. However, the victims we heard from in Miami were different. They were the average working people who have suffered the brunt of the administration's policy. And they deserve help too.

In 1981 when President Reagan took the helm, he began instituting a wide range of policies designed to release American business from the fetters of Government regulation. The President's theory was to get the Government out of the way of business and let the free market work.

The administration's approach rested on three major tenets: deregulation, privatization, and investment and regulatory policies which allow and promote unrestrained mergers, buyouts, and acquisitions by corporate America. Last week in Miami, we heard evidence of the drastic effects that these policies have had on working people and the American public.

That testimony was helpful, first of all, in pointing out how the public suffers from the current climate with regard to working people in this country; how the public suffers from unsafe buildings and unsafe buses, from higher taxes, from delays and risks in the airline industry. There is no question that the public is paying a very high price for these policies which the Federal Government is now pursuing.

The testimony also pointed out how individual workers and their families pay a high price for these policies. The death of a construction worker, the stress put on an airline pilot, setbacks

for Hispanic and black employees: It is clear that the individual worker is bearing much more of the burden than should be the case.

Those testifying perhaps emphasized less the economic cost than some other kinds of costs that workers are paying; which is good because it is all too easy for us to put these things in solely economic terms. But it seems to me, coming from the Midwest, that when you have a loss of good jobs, when you have a two-tiered compensation system for flight attendants, when you have layoffs and people working only part time, that we all pay a great deal from the perspective of our national economy.

In my district we produce lots of things, from popcorn to automobiles. Probably anyone who has bought an American-made car has a part in it coming from my district. When people who live and work in Miami are not earning a good income, that diminishes their capacity to purchase those products.

On the other hand, when we lose those good jobs in Indiana—and we have lost about 150,000 manufacturing jobs since the late 1970's—that reduces our ability to get on an airplane and travel to Florida and contribute to the economy there. So the entire country suffers when a worker is set back anywhere. When a worker is laid off or hired at a lower wage or when an experienced worker quits his job because of stress and takes another job at a lower wage, the entire country suffers.

Our country needs good jobs. We do not need workers and their families subjected to the stress and the difficulties we heard described in Miami. I would not describe those jobs as good jobs. I think we should have a system politically and economically in this country where Americans have a chance to work hard at a good job.

One of the major subjects of our Miami hearing was deregulation of the airline industry. Deregulation has brought low airfares for those people who live in the largest cities, who fly between 11 a.m. and 3 p.m., Tuesday through Thursday, stay over Saturday night, and buy their ticket in advance forfeiting any possibility of a refund. For many others deregulation means higher fares, cancellations, flight delays, lost luggage, and decreased safety.

For airline employees, deregulation has lengthened working hours, cut pay and benefits, canceled pension funds, and disrupted labor-management relations. Many employees have lost their jobs outright through layoffs, mergers, or lockouts. Many others have been stressed to the breaking point resulting in deteriorating health, breakup of their families and, in some cases, suicide.

We listened, in Miami, to the testimony of a flight attendant who was

disciplined for missing work after being assaulted, raped, and held hostage in her apartment.

We also heard an Eastern mechanic with 7 years seniority who lost his job because he missed work for 1 day and 5 minutes due to a diabetic condition.

Probably most disturbing of all, we learned of a pilot required to fly a plane he considered unsafe.

Texas Air's approach to labor relations at Eastern has resulted in a dramatic rise in employee grievances, disciplines, and terminations.

Texas Air is going after its Eastern employees through their pocketbooks too. Although Eastern has been profitable in the first two quarters of 1987, management is now planning to cut wages and benefits by \$490 million. This reduction is in addition to \$238 million in concessions already made by flight attendants, pilots, and other employees.

At the same time we should ask whether, even if the brunt of deregulation has fallen hardest on airline employees, does the public have a better, safer, cheaper air transportation system today? No Member of this body who depends on air transportation to and from their district will think twice about that answer.

Robert Crandall, chairman of American Airlines, has recently called on Congress to enact a "bill of rights" for employees in the airline industry. He reasons that such a law would prevent carriers from competing at the expense of their employee's wages, benefits, and job security. He specifically called on Congress to mandate pension programs and medical coverage for retirees. I agree with Mr. Crandall.

The second industry addressed at the Miami hearing was the telecommunications industry, in particular the divestiture of AT&T, and its effects on employees. Since divestiture, jobs in basic telephone service have been reduced at the rate of 5 percent a year, more than 53,000 jobs in an industry which is expanding. These reductions means a reduced commitment to quality telephone service. There are simply fewer telephone workers to take orders, test lines, perform repairs, answer billing questions, install new service, or do the other jobs necessary to the maintenance of quality service. At the same time, basic telephone service rates have escalated sharply.

The human toll of divestiture is not limited to lost jobs. A never ending program of job shifting and consolidation has made insecurity a way of life for telephone employees. We heard from Thomas Carrao, a 17-year employee at an AT&T Miami distribution facility. When the decision was made to close that facility, Mr. Carrao was denied transfer to a comparable job in Atlanta while other less senior and lower paid Miami employees were

transferred there. Mr. Carrao was instead offered the choice of a job in Orlando at half his current salary or layoff.

Unable to support a wife and four children at the lower paying job, Mr. Carrao was forced to look for work elsewhere. After weeks of frustration looking for a job at a decent wage, Mr. Carrao began drinking heavily, and his wife suffered a nervous breakdown.

Fortunately, he finally found a job with a company contracted to AT&T. Mr. Carrao was highly qualified for this work; it was the same job he'd worked before his layoff. The only difference was the salary was 25 percent less.

This kind of story has been repeated across the Nation. In my district, David Musall of Marion had 14 years with Indiana Bell at the time of the divestiture, and he was transferred to ATTIS—AT&T Information Services—in Fort Wayne. He sold his home and moved the 50 miles to Fort Wayne. Two months later he was laid off from the Fort Wayne job and offered a job in Carmel, IN, 100 miles in the other direction.

Again, a Federal policy promoting the unfettered decisions of corporate America made no provision for the devastation heaped on the lives of American workers.

Another of Federal policy we looked at was privatization, the transfer of traditional Government sector work to private industry.

Testimony we heard in Miami illustrates that contracting out work frequently costs more, not less than apparent savings are often an illusion because many real costs are not considered. A new layer of bureaucracy is created to deal with the bidding process, administering the contract, and monitoring results.

We heard testimony about the Metro-Dade Transit System where the push is on to contract out mechanical repair. Management says that in-house inventory costs are too high and turnaround time on repairs is too long. Yet, the employees testified that the high in-house costs result in large part from the necessity of reworking repair jobs returned from contractors.

Theoretically, it may be possible for Government to spend a similar amount of money to provide similar services either directly or through a contractor. However, when Government does the work itself, it is more likely to create a number of jobs for middle-class workers with the attendant fringe benefits. In the private sector, on the other hand, adequate salaries and fringe benefits will likely be sacrificed to provide greater profit for the contractor company. Jobs with lower wages and benefits are created, and middle-income jobs are eliminated.

When you come from the Midwest as I do, the economic problems we face often seem synonymous with those of the auto and steel industries, industries short on capital, long on outmoded capacity, and faced with growing international competition. I think, perhaps, when we see these problems we tend to look at the trade bill and say, well this is the answer. But, in fact, privatization, corporate mergers and acquisitions, and deregulation are affecting us too, and the Miami hearing certainly helped to broaden my perspective on the problems working people are facing.

I would like to put forward another idea as a way of looking at these problems. That is the idea that we ought to try to get Government back on the side of the average citizen. It seems to me that what we heard in Miami were stories of people who were quite willing to go out and put in a fair day's work to try to make a better life for themselves and their families, but who were thwarted—not because they were not willing to make the effort—but because the rules were stacked against them.

Under these circumstances, I think we have to ask is our Government functioning to help the average citizen, or is the Government standing in the way of the average citizen?

Clearly, in these cases, where we see the effects of deregulation and privatization, and the effects of a national labor relations system that is not working, and all of the other situations we heard testimony on, Government is not on the side of the little guy.

Maybe too often, Mr. Speaker, we get caught in the wrong debate when we try to move new legislation. Whether it is on plant closing, or family leave, or whatever, we get accused of trying to bring about more Government; that we are trying to increase the role of Government, and we know that that is not a popular thing.

I would suggest that what we ought to do is reframe these questions into a debate over whose side is the Government going to be on? Is our Government going to be on the side of the flight attendant? Is our Government going to be on the side of the mechanic? Or is this Government going to side with the vested interests, who certainly do not need another, extra, voice? They have plenty of means to get their point of view heard.

I think that one idea this country was founded on was the idea that the Government exists to further the rights and well-being of the average citizen. That when the average citizen does well, the country does well.

No, Mr. Speaker, the overall effect of deregulation, privatization, and merger mania has not been to revitalize American industry. The effect has been to degrade work in America. The

strength of America has always been vested in its middle-class working people, in their aspirations for a better future for themselves and their children. Today we are frustrating those aspirations, and in doing so we are gambling with our future.

We seem to have forgotten how much the well-being of our Nation depends on the strength and welfare of its working people. In the name of free enterprise, we have allowed the protections of our labor laws to lapse. We have adhered to a philosophy which praises the entrepreneurial spirit, but ignores the social cost. For our efforts we have reaped a stagnant economy where the gap between rich and poor is widening; an economy where the standard of living of the American worker is slipping backward, and where parents can no longer assume a better life for their children.

Thank you, Mr. Speaker.

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Mr. Speaker, I yield to the gentleman from Illinois [Mr. HAYES] for the gentleman's comments on our hearing.

Mr. HAYES of Illinois. Mr. Speaker, I thank the gentleman for yielding.

I rise today with my distinguished colleagues, MAJOR OWENS and JIM JONTZ, to share with all the Members of the House of Representatives a short summary of the Committee on Education and Labor's hearing in Miami, FL, on July 27, 1987.

The Industrial Union Department of the AFL-CIO coordinated "Jobs With Justice" campaign with the active participation of eight major affiliates. Their campaign is aimed at exposing and correcting growing corporate abuse of American labor law which has had very serious consequences for millions of American working people. The hearing explored and documented corporate threats to the employment security and existing living standards of working people. Some of the testimony focused on corporate America's offensive on the right of working people to organize to protect these fundamental rights.

The Miami hearing also focused on the impact of deregulation on working people, labor-movement relations, and the community. Many prominent union leaders and economists gave testimony on the impact of deregulation on their members, followed by individuals who shared their personal experiences and suffering as a result of deregulation in their industry. Among other things, the witnesses stated that:

While Texas Air and Eastern are spending hundreds of millions on takeovers, they have asked and received permission from the IRS to forego their \$70 million pension payment which they owe to their employees' pension funds. Why must retired

workers subsidize corporate profits for shareholders?

Deregulation has led to insignificant deterioration of labor relations, the quality of workers' lives, and threatens the economic welfare of the entire community.

Pilots at Continental are stripped of human dignity and are intimidated into signing documents stating that they are happy employees.

Black or Hispanic transit workers are forced to work 14-hour days without lunch—paid or unpaid—whose pay will be cut by \$6,000 per year as a result of privatization.

A Gainesville maintenance mechanic earned a middle-class living until his work was privatized. As a result, he continued in the same job, in the same work location, earning near minimum wage. The private contract experiment failed and the worker started as a public employee again at the bottom.

Middle-age telephone workers with 20 years' seniority are now facing uncertain futures as a result of deregulation.

Members of the Committee on Education and Labor and other Members of Congress have become increasingly aware of the recent negative impact of corporate mergers, acquisitions, buyouts, and sellouts, that have resulted in an increasing hostile environment for the working people in America.

Many of those who advocated deregulation of particular industries argue that deregulation would produce economic opportunities for more companies to participate in rewards and profits of American business. It was suggested that this greater corporate participation would increase the number of new jobs created and raise wages of working people.

Early in 1986, as part of the take over at Trans World Airlines [TWA], concessions were sought and agreed to with several of the unions, but the negotiations with the Independent Federation of Flight Attendants [IFFA] fell apart when twice as much in salary reductions and increased workloads were demanded. In a recent hearing held by the Subcommittee on Labor-Management Relations, Committee on Education and Labor, Victoria Frankovich, president of IFFA, stated that Mr. Icahn stated that "flight attendants did not need the money because they were 'second income' earners and not 'breadwinners' like the male employees." IFFA has about an 85-percent female work force and many are single-parent households. I find Mr. Icahn extremely insensitive to the needs of working women, in particular and working people in general.

I believe that it is a very important part of our oversight responsibility to be sure that the laws enacted by the Congress are being implemented in

the manner intended by the Congress. It was not our intent to create a business environment where the rights of working people to negotiate and bargain collectively with an employer would be eroded. These field hearings provided a focal point for the growing concerns and need of American working people.

The "Jobs With Justice" campaign asks for three simple opportunities:

The right to job security for all American workers, both union and unorganized;

The right to an adequate and fair standard of living; and

The right to organize on the job.

America is wealthy and powerful. There is enough opportunity for business and working people to prosper in this positive environment. But I am concerned by the increase of these negative incidents in the American business world. I want my colleagues and the American people to know that concerned Members of Congress are becoming increasingly aware of the plight of working people and we stand firm in our resolve to protect working peoples rights.

Mr. Speaker, in addition, I would like to include a copy of the Communications Workers of America, AFL-CIO, CWA News, "The Faces & Stories Behind Jobs With Justice" dated August 1987.

The article referred to follows:

[From CWA News, August 1987]

CWA, UNION LEADERS KICK OFF "JOBS WITH JUSTICE" CAMPAIGN

CWA President Morton Bahr and the leaders of some of the nation's largest labor unions held a news conference on June 23 to announce the kick-off of "Jobs with Justice: A Campaign for Workers' Rights."

The campaign, aimed at restoring workers' rights, will focus on local actions. Union members throughout the country will be circulating cards asking co-workers to pledge to participate in five workers' battles during the last year.

The unions are calling for the right to job security for all American workers, both union and unorganized; the right to an adequate and fair standard of living; and, the right to organize on the job.

"For far too long workers and their unions have been on the defensive," Bahr declared. "Well, today we draw the line and say, enough is enough."

"There are 15 million American workers organized in unions. We're asking these workers to sign a pledge, to make a commitment," Bahr explained. "The pledge is simple, it says, 'I'll Be There at least five times during the course of the next year to support other workers' battles for justice as well as my own.'"

United Auto Workers (UAW) President Owen Bieber said that the Jobs with Justice campaign is designed "to mobilize, agitate, and educate" the American public. He said, "The time is now to act against unfair trade competition, plant closings and corporate takeovers which devastate lives."

Bieber stressed that the goal of the campaign, which is being spearheaded by the Industrial Union Department (IUD) of the AFL-CIO, is to mobilize tens of thousands

of union members and all workers into a positive campaign to restore workers' rights.

International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers (IUE) President William Bywater said, "Corporate America is involved in an onslaught against working people. We have all witnessed and felt the erosion of workers' rights in this country over the last decade. But, the American people are waking up, there is a change of attitude."

By joining in these actions, union members and the general public "can demonstrate support for a positive vision of Americans' future for themselves and their children," noted Bywater.

The union leaders explained that the campaign would consist of a series of activities including rallies and congressional hearings, to build unity and support for workers' rights.

Richard Trumka, president of the United Mine Workers of America (UMW), added, "Our way of life will not be maintained by a national policy that decrees, by design or default, the destruction of millions of jobs in our basic industries, and their replacement by dead-end, minimum-wage employment that can only bring poverty to American working people."

Bahr emphasized the goals of the campaign:

To raise the issues important to working people to the front burner;

To mobilize tens of thousands of workers around the country through the "I'll Be There" pledge; and,

To call for a series of activities including rallies and congressional hearings throughout the country to help build unity and support for workers' rights.

In conjunction with the Washington, D.C., news conference, a Jobs with Justice rally, led by the International Association of Machinists (IAM), was held in Miami. The rally was called to demand congressional hearings into worker abuse and to draw public attention to the erosion of job security and the standard of living in Florida.

Over 3,500 union workers, in coalition with community and religious organizations, attended the noon demonstration at Eastern Airlines on June 23.

"I'm glad that Miami has been chosen as the launch site for this campaign. Good, secure jobs have been disappearing rapidly in that area of the country," said IAM President William Winpisinger. "Miami's economy is heavily dependent on the airline industry. Workers and communities all over South Florida have seen the devastating effect of opening our skies to pirates like (Eastern Chairman) Frank Lorenzo and the like."

Florida AFL-CIO President Dan Miller, addressing the press conference via telephone from the rally in Miami, reported, "There is something very powerful going on here. Today's action was great, but it is just the beginning."

Miller noted that 63 unions and 23 community, religious, women's and civil rights organizations were involved in the Florida rally. "We have touched a nerve among workers in this city," he declared.

The next action is also planned for Miami where a mass rally will be held on July 29 during CWA's annual convention.

Other unions supporting the campaign are: American Federation of State, County and Municipal Employees (AFSCME), Amalgamated Clothing and Textile Workers Union (ACTWU), Service Employees International Union (SEIU), Transport Workers

Union (TWU), United Food and Commercial Workers Union (UFCW), United Paperworkers International Union, and United Steel Workers of America (USW).

[From CWA News, August 1987]

**HARD HIT CWA MEMBERS TELL WHY WE NEED "JOBS WITH JUSTICE"**

**WE'RE READY TO FIGHT BACK**

Jobs with Justice demands:

The right to job security for all American workers, both union and unorganized;

The right to an adequate and fair standard of living;

The right to organize on the job.

CWA is part of "Jobs with Justice," a nationwide coalition of labor unions, religious, civil rights and women's organizations, community groups, elected officials, and other citizens working together to build unity and support for workers' rights in America.

As the following personal CWA members' stories demonstrate, no one is safe from today's management tactics, no matter what their age, years of service, or job status. Some workers are losing secure jobs through divestiture and deregulation. Others are seeing their jobs contracted out to lower-paying, non-union firms. Still others are facing continual employer pressure for contract concessions.

These stories are representative of the millions of workers whose living standards and ability to provide for their families are under attack by a new generation of corporate robber barons.

**AFTER DIVESTITURE: ONE WORKER'S ODYSSEY**

Tracy Stintzcum grew up in a Bell System family, with her mother and stepfather each having more than 25 years of service with Bell of Pennsylvania. So it was only natural that, in 1974, she went to work for that company as a storekeeper.

"I grew up with the idea that working for the phone company meant that you did a good job and in return you had some security," she said. "But with divestiture, that sure has changed."

For more than eight years, Stintzcum worked happily for Bell of Pennsylvania, enjoying the positive work atmosphere that strong union representation created. Then for personal reasons she moved to Arizona and her trouble began.

Despite her years of experience, Mountain Bell wouldn't hire her. "They said things were too uncertain because of divestiture coming," she recalled.

Eventually, she found a job with AT&T in Denver as a general clerk, sorting mail for customer billing. The company said it couldn't give her any wage credit for her past Bell System service, and that seniority credit for other purposes would not be added for five years.

"I had been making \$450 per week at Bell of Pennsylvania," Stintzcum said, "and now I was getting less than \$200 per week."

In December, 1984, she transferred to a Customer Service and Support Operations center, handling repair service calls. But AT&T soon closed the center and moved the work to Dallas.

"Since I was considered to be low in seniority, I didn't have many options for work in Denver, so I took a job with ATT-COM as an operator, with another pay cut of \$25 per week," she said.

Next, ATT-COM began to circulate papers for operators to transfer to Mountain Bell as part of the reorganization resulting from divestiture.

"After the papers were all signed, they told us we actually would be working for a new, unregulated subsidiary called Mountain Bell Service Link," Stintzcum said, "I also found out I was stuck with another pay cut." (Ed Note: CWA is protesting this pay cut.)

"It is not just the lower pay and the fact that if there is a layoff today I am considered to have three years seniority rather than fourteen. But, the whole attitude of management has changed a lot too."

Stintzcum's first job with AT&T in Denver was non-union, and she remembers working there as a "nightmare. There was no such thing as due process," she said. "Discipline was applied left and right without any sense of fairness."

Stintzcum helped organize the data center, and became an area representative after the election. "I can remember giving a grievance to a supervisor and having him ball it up and throw it in the trash," she said. "Another time I insisted that we get a relief period when we were working six hours of forced overtime, and they tried to put something in my file accusing me of starting a work slowdown."

"In a lot of cases the philosophy of 'treat people well and they'll work hard' seems to be gone," she added. "Even though out west here we're surrounded by right-to-work country, we have to take on the challenge of organizing people, because that's the only way we can protect ourselves."

**BATTLING RACISM AND "PRIVATIZATION"**

For 20 years, Jerlean Hunt has been serving the food for banquets at Stephen F. Austin University (SFA) in Nacogdoches, Texas. The typical banquet she serves is organized as a thank-you to people active in school or civic organizations.

But there is never a thank-you for Hunt and her co-workers. Instead, the university has contracted out their jobs. While they were able to work through CWA to win promises of continued employment, their pay has been cut and dozens of workers have been fired or forced to quit by management harassment tactics.

"When I first hired in at the cafeteria, I was young and I didn't know anything about my rights," Hunt remembers. "I was bringing home maybe \$100 a month, and that was that. Later on, some of the people filed a lawsuit over discrimination, and that brought a lot out into the open."

The lawsuit showed that black and female workers were not given promotional opportunities, but instead were used to train white males for higher paid positions.

University personnel officials even were told to circle the "n" in Stephen or Austin to indicate a "Negro" job applicant. Those applicants then were offered only low-paid jobs.

"I went to a meeting in November, 1983, where we decided to organize a committee of the Texas State Employees Union (an affiliate of CWA)," Hunt recalls. "TSEU helped us reach a settlement of the discrimination lawsuit and set up a system to enforce it."

The settlement is expected to bring the workers about \$15 million in back pay. Job openings must now be posted and career ladders developed.

Throughout 1984, TSEU committee members successfully gained the support of other workers and monitored management practices on the job. The university responded in January, 1985, by announcing that it would contract out the food service operation to ARA Services, a private firm,

even though the existing work force was generating up to \$1 million per year in revenue. This tactic of "Privatization" has become popular among public employers throughout the nation, threatening the jobs of many of CWA's 80,000 public worker members.

TSEU members responded with a grassroots campaign of lobbying university officials and the legislature, educating the news media, building a coalition with groups like the local NAACP and NOW chapters, and demonstrating solidarity on the job.

"Through the union, we were able to win an agreement that ARA would use the same people and preserve our pay and working conditions, but the university hasn't made them live up to it," Hunt reported.

"They kept my pay rate the same, but for most of us they cut our hours way back, and they did things like not paying us for breaks anymore, so my paycheck is about half what it used to be. I'm working another job too, as a maid in private homes, or my husband and I would really be in trouble," says Hunt.

ARA has cut the work force in half through a variety of tactics. Workers were fired for going on maternity leave or using their sick leave rights. Others were subjected to harassment that forced them to quit.

"As they started to cut back on the help, people were having to do the work of two or three jobs at a time," Hunt said. "My brother-in-law had his supervisor riding him all the time, saying 'you are going too slow.'"

"Then they cut his hours to about 12 hours a week, and he had to quit. He has a family with a bunch of kids, and he's been looking for another job now for a year and a half. They're just getting by on his wife's salary."

With the work contracted out, the university claimed that TSEU couldn't represent the workers because they weren't state employees. The workers then collected 124 out of 142 cards asking the National Labor Relations Board to hold an election so ARA would have to bargain with CWA. But ARA argued that the NLRB did not have jurisdiction, and the union's petition was tied up for nearly two years of NLRB proceedings.

Finally, the NLRB scheduled an election for July 15.

[EDITORS NOTE.—As the CWA News was going to press, the NLRB once again delayed the election for at least a month as a result of further management stalling efforts.]

"Since the election date was announced, we've been visiting everybody at home to talk about the union," Hunt said. "The first time I walked into somebody's house like that, I was kind of shy, but now I'm used to it and it's fun. People see that we've all got the same problems."

"We've given the university our best service for a long time, but they didn't appreciate it. No matter how long it takes us, we're going to keep working through the union until they start treating us right."

**BEATING UNION-BUSTERS "BY THE BOOK"**

On Monday morning, March 2, as the early morning sun rose on San Francisco Bay, Ken Collier and his fellow customer service technicians reported in for what they knew would be a very unusual work day.

To start with, their employer, PacTel InfoSystems, wasn't expecting to see them. With their contract having expired the previous Friday, the company thought it had provoked a strike and had replacements on the scene ready to work.

Ignoring the scabs. Collmer and the regular technicians prepared to do their normal duties—but with a difference. Always a highly committed, dedicated group of workers, the techs came to the job this day having decided to do only what was required . . . no more, no less. There would be no extra effort, no favors for the company, no shortcuts, no overtime.

"We had a more effective strategy than a strike in this situation," said Collmer, "and considering what the company was trying to pull on us, we had no choice but to do something."

The dispute began in November, 1986, when the Northern Telecom western sales and service operation, whose technicians were represented by CWA Local 9415, was purchased by Pacific Telesis.

Telesis, which employs more than 44,000 CWA members, bought the Northern Telecom operation through its unregulated subsidiary, PacTel InfoSystems (PTIS).

Telesis and its regulated subsidiary, PacBell, claim to be model employers with a philosophy of "cooperation" with workers and their unions. But when negotiations began on a new bargaining agreement to cover the PTIS technicians, management made demands which would destroy the union contract.

For example, their proposals would have given management near-total control over working conditions and work rules, essentially eliminated seniority rights for layoffs and job bidding, eliminated management's duty to provide specified training, and allowed individual workers to enjoy the benefits of union representation without paying dues.

"We wore buttons to work to show we were solidly against these kinds of changes, and two days before the contract expired we had a demonstration at Telesis headquarters," Collmer recalled. "The company saw that the strategy of beating us at the bargaining table wasn't going to work."

The next day, management broke off negotiations and filed a petition with the National Labor Relations Board, claiming that an election should be held to see if workers wanted CWA representation. The voters, in addition to the 92 technicians, would include more than 90 non-union service managers. A quick election involving service managers who had no previous contact with the union appeared to be a surefire way to eliminate CWA entirely.

"We had a membership meeting to discuss our options," said Collmer, who serves as a CWA steward. "The company seemed to want a strike, but we didn't think that would be in our best interest. So we came up with our CPR plan."

*First-Aid Against Union-Busting.*—CPR stood for "Creative Persistent Resistance," a program of non-cooperation with management.

"We stopped taking our trucks home at night, and instead made the company inventory everything at the end of each shift and again when we went out the next day," Collmer said.

"So if I had a job 80 miles away, by the time I actually got there it might be 11 o'clock, and then I'd have to stop at 2 o'clock to be back in time to return the truck."

Other elements of the CPR program included grieving every violation of the contract or past practice, refusing overtime, using personal days and vacation time, and refusing to do tasks which should be management responsibilities.

"This tactic of just going by the book was a new concept for us and it wasn't easy to do, believe me," Collmer said. "It puts a lot of stress on people, because everybody feels much more comfortable doing the best job they possibly can for the customer. But we realized that we couldn't serve the customers in the long run if our contract was destroyed."

In addition to the on-the-job pressure, the technicians organized support from other CWA locals throughout District 9. Unions in San Mateo County, for example, persuaded the county board of supervisors to hold up a \$40,000 contract with PacTel. A potential \$2.5 million job upgrading the county's communication system was also in jeopardy.

After an eight-week campaign, and just days before demonstrations were to take place at Pacific Telesis' annual shareholders meeting, management agreed to a settlement.

The technicians won an extension of their contract plus a retroactive wage increase. A union representation election involving the technicians and service managers was set for August, giving CWA members time to campaign. The company also agreed that it couldn't stack the voter list with new hires or make threats or promises to discourage unionization. A neutral third party was chosen to oversee the election.

CWA supporters like Ken Collmer are now busy visiting the service managers at home to discuss the need for unity.

"We're working hard at listening to them and giving them facts, because we figure that if Pacific Telesis can get rid of CWA on the deregulated side, the next step will be to go after the union on the regulated side as well," says Collmer. "We've got to show right now that CWA members are not going to accept that."

#### A CRUEL CHRISTMAS GREETING FROM MCI

Karen McJimpson had big plans for the holidays last Christmas. Earlier in the year, she and her 10-year-old son had finally moved into a house of their own after years of renting apartments around the Detroit area. It was going to be a special Christmas season, topped off with a trip to California to visit family.

Her income of about \$16,000 per year as a salesperson for MCI wasn't what she once made as an installer for Western Electric, but she had saved what she could.

Then, on Dec. 2, as she and several hundred co-workers were completing their work day, they were told to report the next morning to meeting rooms at one of six area motels. There, they were told that they were fired as of that moment.

"The meeting only took a few minutes," McJimpson recalled. "We'd been trying to get the union in so we'd have some rights, but without that there really wasn't much we could say."

About 3,000 MCI workers were fired in the Christmas Massacre. The company chose to include McJimpson and her telemarketing colleagues among their targets, only a few days after management had been notified by the National Labor Relations Board that the workers had filed enough cards to force an election for CWA representation.

McJimpson had been a strong supporter of the CWA organizing drive. "I had been a CWA member for three years at Western Electric, and during that time I found out what it means to have a union," she said.

#### Value of Union Representation

"When I was hired around 1979, there were very few women hired as installers,

and management gave us a very hard time. At one point, I was fired for refusing to do work that a doctor had said not to do because of a back injury I'd had on the job.

"For seven months I had no income, but the union got everything back—my job, my back pay, medical expenses, everything. We also had problems getting women promoted, and the union stepped in a number of times and won grievances on that."

After being laid off by Western Electric, McJimpson searched for three years for a job as an installer, making ends meet in the meantime by working at a department store, drug store, and similar jobs.

Then she heard that MCI was interviewing.

"They told me that if I was willing to start in telemarketing, in a few months they would move me to installation," she said. "That was the first of many promises they never kept."

Besides the lower pay and benefits, McJimpson was struck by the lack of enforceable rights in the non-union environment. "There were no guidelines, not even an employee handbook," she said. "There was a quota system for how many sales you had to make per month, but the quota changed whenever they felt like it. There was no set attendance policy, guidelines for promotion, or anything like that."

The union card-signing campaign forced the company to withdraw the quota system temporarily, but when it was reinstated, workers asked CWA to file for an NLRB-supervised election.

Then came the firings, and CWA officials launched efforts to assist the workers. They established a relief fund, made plans to arrange training and assist with job placement, and helped workers obtain unemployment benefits. The union filed NLRB charges over the firings, and drew national attention with a rally led by Rev. Jesse Jackson and U.S. Rep. John Conyers.

McJimpson and many of her coworkers have continued their connection with the union by signing up under CWA's new Associate program.

While on unemployment, McJimpson took classes in computer technology and attended more than 25 job interviews.

"The problem is that most of the jobs that are available these days are minimum wage or close to it, and you can't live on that," she said. "They keep looking at past jobs I've had and say, 'You realize that we're not going to pay you what you've been used to making.'"

"I can't understand this system of ours," she said. "It seems like for someone like me who wants to work and has some skills and experience, there ought to be a decent job."

#### ZURBRUGG: CASE STUDY IN UNION-BUSTING

At age 54, one of Betty Watson's big worries is that she will become a burden to her two grown children who live nearby in Burlington County, N.J.

She has been out of work since April, when she was fired from her \$5.14 per hour job servicing bathrooms at Zurbrugg Memorial Hospital.

"I was actively working to get people to sign cards so we could vote in the union," Watson said, "so management found a reason to get rid of me. Now it's a question of how long it will take the Labor Board to review the charge we've filed."

Watson went to her first CWA organizing meeting last year, shortly after management cancelled raises for workers with 10 or

more years of service and reduced pay increases for others.

"Someone had asked the company vice president how people with many years of seniority were supposed to live without any pay increase, and he said, 'They can always leave if they want to make more money,'" she recalled.

"That was the way we were treated—we were nobodies, and if there was a problem, it was never resolved in our favor."

Watson became convinced that she and her co-workers needed CWA representation.

"I tested CWA \* \* \* I watched to see if they lied to us, if they made promises they couldn't keep, because I know unions aren't necessarily perfect," she said.

Impressed with what she saw, Watson gave the campaign her full support. "I understood that a union is only as good as what the people themselves put into it," she said. "You can't sit at home, watch TV, stay silent, and expect things to change.

"There were a lot of times when I'd been working hard all day and I didn't feel like going to meetings, but I believed in what we were doing so I went."

To help coordinate its anti-union campaign, the company hired a \$200 per hour law firm.

Management threatened to close the hospital or lay off many of the workers, and even stooped to trying to stir up racial trouble to divide the work force, Watson said.

Despite the intimidation tactics, 300 workers voted for the union, but an identical number voted against. CWA supporters decided to circulate new cards to set up a second election.

"After we started getting new cards signed I went on vacation," Watson recalled. "When I got back, management said they didn't have the form they had signed giving permission for me to be gone, and they fired me."

While the National Labor Relations Board considers her case, Watson is continuing to actively support the organizing drive.

"You're not going to break me over a \$5 an hour job," she said. "I've been working since I was 12 years old and I've learned two things. One is that the only reason management is there is to make money. That's all they worry about.

"The second is that all the stuff about people in this country having 'freedom of this' and 'freedom of that' is just propaganda to keep the common people satisfied. The fact is that the only freedoms we have, the only rights we have, are the ones we organize for."

If she can't get her job back, Watson said, she and her husband will face a difficult decision. "I'd like to stay near my grandchildren, but we might have to move to Florida where my brothers and sister live," she said.

"But I can tell you this \* \* \* no matter where we go I'm going to be involved with the unions. They're all we have."

Mr. JONTZ. Mr. Speaker, I yield to the gentleman from New York [Mr. OWENS], a member of our Committee on Education and Labor, who was present at the hearing in Miami.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for yielding.

I would first like to commend the gentleman from Indiana [Mr. JONTZ] for coordinating this special order on Jobs with Justice.

The story needs to be told. The American people have no idea of what

our workers are going through; and this is only a prelude, only a preamble of what is to come.

Every American worker is threatened by the attitude of this administration, by the accepted norms of the business world.

We have entered a whole new phase in America. Today we voted on a bill related to textiles. We have had debate all afternoon with respect to the problem of the flight of jobs overseas, and the fact that our markets are open and being invaded constantly by products from overseas, while at the same time overseas markets of other countries are not open to ours. Jobs are being stolen. We have been swindled. Fair trade has become a gross swindle.

Here is a situation where most of the jobs that were discussed in the Miami hearing were jobs which cannot be exported, jobs which cannot be taken overseas. They were talking about jobs in transportation, jobs with the airlines. The airlines cannot pick up and go overseas.

We have routes here in this country that must be serviced. The most lucrative routes in the world are here in this country. Airline traffic is increasing. The business of the airlines is booming. Bus companies are going out of business.

There are fewer trains, but the one part of the transportation network that continues to grow is the airline traffic, and yet the workers for airlines, the people who work in the airlines industry, were among those who told the most horrifying tales at this hearing.

We have a situation where jobs in industries that are not threatened by overseas competition are also being put into a vise. Workers are being squeezed in order for better profits. We are into the economics of cruelty. We are into the economics of exploitation of workers, workers who have already been organized and have gone through the cycle, paid their union dues. They have fought for organization.

They have used collective bargaining for years, but now they find themselves in a squeeze where they are losing most of what they have gained, and cruelty reigns supreme.

All of the kind of cruelty that was prevalent in Europe for so many years that led to the upheavals in the European economy for so many years, they are here now.

There is a whole series of laws to protect their workers, and workers have a much better situation with respect to plant closings, occupational hazards, parental leave in Europe than we have. They have much better working conditions than our working conditions here.

The economics of cruelty and the economics of exploitation have come to

our shores. One of the people who is pushing a new movement, Jobs with Justice, what are they looking for? It is an organized counterattack against the economics of cruelty, against the economics of the Ronald Reagan administration which boasts that it has created hundreds of thousands of jobs. Hundreds of thousands of jobs have been created by this administration, but they are jobs which pay minimum wage, and even with two members of the family working, it is hard for a family of four to survive, given the minimum wage jobs that have been created.

Jobs with Justice wants to make certain that the good jobs that do exist and have for years continue. They want the right to job security. They want the right to an adequate and fair standard of living.

They want the right to organize on the job, and to be able to proceed with collective bargaining, to deal with conditions on the job. Those are not just union members. They have been joined by a coalition of religious groups and consumer rights groups.

Consumers feel that they have a lot to lose. I do not have to stretch anybody's imagination to tell you that an airline consumer and an airline worker have a common bond, a common interest.

We heard the tale of one airline worker in Florida who had gone through a situation when he was fired when Eastern and Continental merged. He was fired and squeezed out really, because when he was told he had to transfer, he decided yes, I will transfer and go to Atlanta. The people in Atlanta told the people in Miami that they did not have a job for him. He was squeezed out.

He found himself in a situation where for months he had no job. He went through a very serious situation with his family, and finally he came out, and he was given a job with the company, the company which Eastern Air Lines now contracts with to do their maintenance work.

Here is a man who is a mechanic, and he was working for a substantial wage plus fringe benefits, health plan, vacation, pension, all of that; and he lost his job, went back to the very same job at a wage rate that was half the wage rate he had before with no fringe benefits.

□ 1830

Now, what do you think this mechanic who day-by-day is involved in maintaining airplanes will do? I do not question the integrity of workers in the airline industry, but I do think that the man's mind has been impacted and affected. Through no deliberate sabotage, I suspect that workers who have been treated like that will forget to turn a screw until it is tight

enough or forget to put a bolt on sometimes or be careless about the job. I cannot see how they would not be bitter, how there would be some bitterness and how they would not be less concerned about their jobs.

As a consumer, as a person who rides airlines frequently and all the other consumers, we ought to be concerned with the security of those workers. We ought to be concerned with the mind set and the attitude of the workers. We ought to be concerned that they get a fair wage, that they have job security, that they are able to organize, that they are satisfied workers who will produce the very best every time they work on a part on an airplane, because once you get into the air if something goes wrong just because some small nut is not there or some bolt is missing or some screw is not tight, it is too late then. As consumers, we are all in a catastrophe that is unnecessary.

So consumers have united with the unions, with the religious groups and with the civil rights groups.

It is not only airlines in private industry that are part of the problem, although that is bad enough. We have a situation where the airline industry in the pursuit of mergers for the purpose of maximizing profits, and we read about the millions of dollars that are made on Wall Street by people who do no work at all, they just shift papers and frighten each other and badger each other back and forth and scare each other into deals and they end up making tremendous profits.

Well, somewhere the squeeze has to come so that somebody pays for those profits that are made and the squeeze is on the workers. The squeeze is on the workers in private industry.

But here we have a situation which extends beyond private industry. In the transportation industry at the local level, we found that we have another kind of exploitation. Again, transportation is one of those industries that we cannot blame Japan or Europe. We cannot blame anybody outside the country for having affected the workers and the workers' environment. We cannot blame them for stealing jobs. We have got to have bus service at the local level. We have got to have local transportation.

In Florida, as in a number of other places, the move is on to privatize, take the publicly operated transportation systems and hand them over to the private sector and let the private sector proceed to do with the local bus companies what the airlines are doing with the airline industry. Let them squeeze to get as much as they can out of them. Let them force the workers to their knees so that the same workers who worked in the bus companies as public employees will end up maybe getting their jobs back without fringe

benefits at a much lower wage or without the same working conditions.

You have wholesale contracting out of jobs that is promoted by the local government as a way of saving money.

It all comes out of the White House. Privatization is pushed from Washington. They even have some clauses in the contracts that are put out by the Department of Transportation which require that local transportation companies must consider privatization. They must move at least to consider privatization and they are rewarded by the Federal Government, the Department of Transportation, the one headed by Elizabeth Dole who just retired recently. They require that we must consider privatization at the local level.

The push starts in Washington. So that is another form of workers exploitation.

At the worker level there are people who would like to show some immediate gains in the political arena, so they rush to make the kind of deals that are going to show the biggest profit with the least amount of resources outlay by the taxpayers. They rush into these deals with private companies, and frequently it is a swindle. It is not cheaper.

In Dade County, FL, it bills itself as the most privatized county in the Nation. Dade County is proud of the fact they have followed the Reagan Administration push into privatization. It has continued to privatize and privatize; however, what has been the cost in savings to the taxpayer? The taxpayer has not found any reduction in the cost of government services. In fact, the opposite has been true.

In Dade County, FL, government services have gone up 30 percent over the last 3 years, 30 percent. I assure you the unions did not get it. I assure you the workers did not get it. Where is the money going? It is going to pay the profits of the privatized companies.

Once a company is privatized, I assure you it is not easy to make the transition back.

Private contractors cut every corner to make a buck. They give poorer service, and yet the service costs more.

Contracting out invites corruption as politicians seek to pay off their friends and supporters in reward for these contractors. Contracting out is another way of pushing patronage to a new level. Instead of those nickle and dime jobs that members of the other party do not care as much about, because their patronage exists on a higher level, they have to give out contracts for millions. So privatization has become a new form of patronage. Millions of dollars in patronage are being passed out not only at the local level, but also here in Washington. Privatization is an avenue for paying off friends.

Large numbers of jobs are lost and the jobs that remain are usually lower paying, lower skilled positions.

Career ladders are wiped out. They do not mind trapping workers at the bottom of the heap. In fact, they like that. The less a worker earns, the least amount of time the worker stays with the company, the better for them in terms of pensions and fringe benefits.

This has a devastating effect on minority women workers. The minority women workers have usually relied heavily on service careers in the public service. This has been the path of the middle class for large numbers of minority persons by working in the public sector where due to discrimination and prejudice they found it easier to get jobs and they found it easier to deal with organizing and improving their working conditions in those situations. All that goes out when privatization begins.

So the merger mania and privatization combined are taking place in two areas where we are not threatened at all by overseas competition, where nobody is going to steal our jobs by doing what is being done, using the almost slave labor wages of Hong Kong, Korea and other places, in order to steal the industrial jobs. They are going to wipe out the workers and take away the decent jobs, even in situations where we have to have the services here.

In the merger mania, Frank Lorenzo, the Texas air robber baron, has become obsessed with acquiring an airline monopoly. He is part of the problem, most of the problem in Miami, and in this hearing, of course, there was one story after another about the cruelty that has been inflicted on workers as they attempt to wring wage concessions and also destroy the working conditions of the workers.

The harassment and the dehumanization of workers that takes place is unbelievable. Lorenzo and his cohorts are trying to drive out the senior employees and replace them with lower paid new hires. Sick leave policy now is ridiculous. Workers are allowed to get sick only three times a year. If you are sick three times a year, after that you are fired.

The committee heard from a mechanic with diabetes who was fired after he had an attack. He blacked out as he was driving to work.

A mechanic with Lupus who suffered from severe headache attacks was reduced to hiding in the bathroom at work because he was afraid he would be fired if he stayed at home.

A flight attendant, we heard from a flight attendant who was disciplined after she missed work because she had been raped. They had a letter from the police and had the whole horrible story. The airline officials still dismissed her because she did not report

to work immediately after the grisly incident took place.

Then there is all kinds of petty harassment that is organized. Lorenzo had overloaded the grievance system. The grievance system still exists. You can always file for a grievance, but the way they have overloaded the system, you have to wait forever. You are fired and then you have to wait for months, sometimes years, before the case is heard.

This is all happening in America. This is all happening in the land that gave the best deal to the working people. This has all happened in a country that built its economy on creating a massive class of consumers, people who had good jobs and money to spend and some sense of security, who went out and bought products and built the market that is still the prize of the world. We are still the economic engine of the world. Our consumer economy still is what makes all the free world economies go, yet we are threatening that economy. We are threatening to destroy it. We are making our workers cannon fodder.

There is a process in motion now that will come to fruit. The chickens will come home to roost in a very terrible way. After we have wiped out those consumers, after we have created a class of very bitter workers, we are going to find our whole economy is going to grind to a standstill.

Again I commend the gentleman from Indiana for coordinating this special order. This is a story that has to be told. This is a story that is not told in the Wall Street Journal. This is a story that is not told properly in the New York Times or the Washington Post. The networks seem not to be able to find out the terrible things that are happening. They seem not to want to report them.

This is a story that must be told in a nation where the President says, "What are you worried about? If nine people are working and one is without a job, why should you worry? If one-tenth of the population is unemployed, why worry? If another tenth of the population is employed at wages which do not allow them to survive, why worry? If another tenth are employed in jobs that are being constantly harassed and being pushed about and threatened, and their sense of security is being lost, why worry?"

Well, we must worry. First of all, they are human beings. They are the secret ingredient of our economy.

Finally and most of all, they are the American citizens who made this country great. There are more workers than there are anybody else. These workers must not continue to be sacrificed in a process that makes the rich richer, that makes merger manias successful, that makes for a situation where millions and millions of dollars

are made each time the Wall Street people play their games. We think the workers deserve a better deal than they are getting. This is America. We have not only led the world in building a powerful industrial economy, we have led the world in fairness to our workers. We have led the world in building the largest labor unions, the best deals for workers. We need to retain that leadership. We need jobs with justice. We can have jobs with justice.

Mr. Speaker, I congratulate the gentleman for helping to push forward the fight for jobs with justice.

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from New York for his observations this afternoon and his summary of the testimony that our committee heard in Miami.

I think the gentleman from New York, again as the gentleman from Illinois, has a long record of being an able spokesman for the working people in this country and his observations are quite on the mark in my opinion in terms of the problems that the working people face.

Mr. Speaker, coming from the industrial heartland of our Nation, I look around at the many of the residents of my district and the problems we have had with plant closings and the difficulties people have getting good jobs, it is often easy to conclude that this economic growth that we hear a lot about has simply bypassed us in the Midwest and the industrial heartland and that somehow we have been the victim of economic policies that have not had the same effect on other parts of our country, and to some extent indeed that is true; but the testimony that we heard at Miami, traveling to the coast, traveling to an area of our country that is growing, very much convinced me that in fact working people in other parts of the country are suffering a great deal as well.

We can see the effects of privatization, of deregulation, of merger mania, on the average working people in Miami, and it was not a very pleasant picture that we saw.

My hope is that our Education and Labor Committee can listen to the voice of working people in other parts of our country and examine the policies that our Nation has pursued in these past few years and that we in the Congress can assume the responsibility that we should to speak up for the interests of the average people in this country, because as we said here his afternoon the well-being of our Nation really does depend on the well-being of our working people and the citizens that we heard from in Miami are not getting the sort of break from our Government which is their due.

□ 1845

#### HAITI NEEDS ASSISTANCE

The SPEAKER pro tempore. (Mr. LEHMAN of California). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 10 minutes.

Mr. OWENS of New York. Mr. Speaker, I rise to speak on an issue which I consider myself somewhat of an authority. I have the largest Haitian American constituency in this country in my district. There are more people of Haitian descent living in my district than anywhere else in the country. The second largest is in Miami, FL, but in Brooklyn in my district, the 12th Congressional District, we have the largest number of Haitian Americans and probably the largest number of Haitian refugees. These Haitians are in constant contact with their brothers and sisters and mothers and fathers and the people they left behind in Haiti. They know like nobody else knows what is happening in Haiti.

Mr. Speaker, they tell me daily of stories of terror and fear and they are worried about the process of democracy that is supposed to be going forward in Haiti. They have a lot to be proud of. The people of Haiti have a lot to be proud of. After several decades of exploitation of the worst kind, of terror of the worst kind, the people of Haiti rose up and they threw out the dictator Jean Claude Duvalier, who had succeeded his father, Francois Duvalier. They threw him out and then it was said there would be nothing but chaos. But the people of Haiti again showed that they understand far better than they have been given credit for what is at stake. The people of Haiti agree that for a group to write a Constitution and after that Constitution was written they turned out in an overwhelming turnout, 90 percent of them and they voted to support that Constitution. That Constitution was ratified by a large majority of the Haitian people.

In the Constitution there was a timetable for the election of officers at the local level, an assembly, for senators and finally at the conclusion of the electoral process timetable they would elect a President.

They also set up an election commission. It is written into the Constitution.

So the people, the majority, and I am talking about the majority of the people in Haiti, the overwhelming majority are on the right track. They love democracy, they know how to get democracy, but the great fear of the people who live in my district, the relatives of people who live in Haiti, is that terror and guns and the military will prevent the democratic process from going forward.

Mr. Speaker, they have good reason to be afraid. They have good reason to be afraid. Immediately after the Constitution was passed the military junta tried to abrogate the whole process. They wanted to obliterate the whole process and come in and take over the role of the election commission. The military junta, the people in charge, they wanted to be in charge of the election themselves and although they professed to have no ambitions with respect to being elected to public office it is clear that they do want to control the elections and decide who would be elected.

Only after the people of Haiti again rose up with demonstrations and strikes did the military junta back down and give the electoral process back to the election commission. But in the meantime hundreds of Haitians were slain not only in the demonstrations in the city but in the hillsides, in the provinces, hundreds of people were slain. Most of the time they were slain by terrorists, the old remnants of the Tontons Macoutes, a terrorist organization established by Francois Duvalier. The Tontons Macoutes hacked people to death while the Omnies stood by and did nothing.

The most grizzly example of what was going on was reported in most of the papers here in this country. That is that a politician campaigning for President on a sunny day in the middle of the day before a crowd of people was leaped upon, he and his assistants, by these Tontons Macoutes, hacked to death in front of the crowd, and they walked away and nobody still to this day has apprehended them.

That was a Presidential candidate, a person running for office who was hacked to death along with his assistant.

Under these conditions can democracy go forward? No. The people of Haiti need help. They have shown that they can do part of a job. It is up to us to give them the help to do the rest of the job. We must have peaceful intervention in Haiti. We must have intervention on the side of the majority. We must help the majority.

We have stood by all over the world, and we have seen the democratic processes go forward. We have seen governments elected by the people and then we have seen military outlaws come in and take over, declare that things are not running properly, and they come in and take over.

Something has to be done on the international level. Haiti is just 90 miles from our shores and I say we should do something first in Haiti.

There is no reason why the Organization of American States and the U.S. Government should stand by and allow the democratic process, which the majority of the people of Haiti want to go forward, to be taken over

by a band of thugs, military outlaws, and armed terrorists.

They are the ones that we have to fear.

I want to congratulate Arthur Schlesinger for an article which appeared on this subject in the New York Times on Wednesday, September 9, 1987. As we all know, Arthur Schlesinger is presently professor of humanities at City University of New York. We all know that Arthur Schlesinger, Jr., is one of the greatest historians alive, that he played a major role in shaping American policy for many years.

I want to thank Arthur Schlesinger for his brilliant article which states the case very well, and I would like to read it into the RECORD. It is entitled, "Yes, Washington, there is a Haiti."

I think every American ought to hear this and understand the kind of abandonment that we are guilty of. It is immoral to neglect Haiti the way we have neglected Haiti over the years and now we are into the same thing, we are neglecting Haiti at a crucial moment in the history of the country and allowing it to sink back into the morass of confusion and terror.

Mr. Schlesinger begins as follows:

What a collection of fakes we Americans are! We endlessly proclaim our devotion to democracy and human rights. We endlessly rebuke the rest of the world for falling short of the high standards of liberty and probity that we unflinchingly achieve ourselves (or do we?). And with our self-congratulatory habits of the heart and undaunted lack of self-knowledge, we overlook the fact, evident to others, that our concern for democracy is, to say the least, partial and selective.

So we block a peace settlement in Central America because of our alleged commitment to the future of democracy in Nicaragua—a commitment not visible to the naked eye when the Somozas ruled Nicaragua and hardly visible today in our policy toward, say, the Pinochet dictatorship in Chile. And we righteously denounce lapses from democratic purity in Angola, Mozambique and Yemen.

Our capacity to shed tears for oppression and misery in the Communist world appears unlimited. But we remain marvelously oblivious to the tragedy overtaking a forlorn country well within our own sphere of influence.

Haiti was once one of the most prosperous islands in the Antilles. It was once France's richest Western Hemisphere colony. It was the first country in the Americas after the United States to gain independence. But its history since independence has been pathetic—never more pathetic than today, after 30 years of misrule by first, the demonic "Papa Doc," Francois Duvalier, and then his feeble, luxury-loving son, "Baby Doc," Jean-Claude Duvalier.

The tyranny rested on terror and magic. Between Papa Doc's pretorian guard of official thugs, the notorious Tontons Macoutes, and his voodoo doctors, the Haitian people, already miserably poor, undernourished and demoralized, were reduced to almost hopeless passivity.

Mr. Speaker, I want to conclude by saying that Arthur Schlesinger con-

cluded his article with a call for intervention into Haiti, peaceful intervention on the side of democracy. We should heed the call of Arthur Schlesinger before it is too late now while the democratic process is going forward, while the candidates are campaigning, and the vote is to be taken on November 29, 1987.

We need peaceful intervention in Haiti.

#### THE SHULTZ/SHEVARDNARDZE SUMMIT AND SOVIET JEWRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STOKES] is recognized for 60 minutes.

Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleague, Mr. KEMP, for joining with me in reserving this time to discuss the issue of emigration for Soviet Jewry, on the occasion of meetings being held between Secretary of State George Shultz, and Soviet Foreign Minister Eduard Shevardnadze.

Mr. Speaker, I was privileged yesterday, to receive in my office, Irena and Michael Cara-Ivanov, who were previously refuseniks in the Soviet Union. Currently, Irena and Michael live in the State of Israel and they are visiting the United States on a special mission to meet with officials in our government. They are traveling with Avital Shcharansky. During their meeting with me they delivered a thoughtful and serious appeal for the release of Dr. Vladimir Dashevsky, a world-renowned astrophysicist, and the father of Irena Cara-Ivanov.

In very warm and moving terms, these young people, who had experienced life in the Soviet Union on a day-to-day basis, provided me with a very real example of how the Soviet system continues to make a mockery of human rights in its treatment of Jewish people seeking to emigrate. In Dr. Dashevsky's situation, we are offered in human terms, an illustration of how the Soviet bureaucratic machine relentlessly takes whatever steps it deems necessary to frustrate and prevent a Jewish citizen from exercising a fundamental human right—the right to freedom of movement.

As an astrophysicist, Dr. Vladimir Dashevsky has distinguished himself both in the Soviet Union, and throughout the world community. He has published numerous articles in respected scientific journals, and is one of only three Soviet scientists to be selected to serve in the American Astronomical Society.

Dr. Dashevsky began his distinguished career as a researcher at the Institute for Terrestrial Magnetism, located near the Soviet capital of Moscow. While conducting himself as a respectable citizen, contributing to

the good of the Soviet state through his scientific research, Dr. Dashevsky also continued to develop and pursue readings and activities which enhanced his understanding of his own unique culture. Dr. Dashevsky pursued this interest diligently, studying the works of the Jewish existential philosopher, Martin Buber, teaching himself Hebrew, and studying classical Aramaic and Hebrew texts in the original.

Reaching a point in his life that was both natural and understandable for any individual, Dr. Dashevsky developed a strong yearning for closer ties to his own culture and people which led him in 1976 to request an exit visa to the State of Israel.

It is unfortunate, however, that shortly after Dr. Dashevsky's request to emigrate, Soviet authorities responded in a manner that is all too familiar, and has been repeated all too often. Dr. Dashevsky was immediately forced to give up the prestigious position he had held at the Soviet Institute for Terrestrial Magnetism, and is now only able to make a living by tutoring high school students in physics.

Such a harsh response by the Soviet Government, however, has not succeeded in breaking Dr. Dashevsky's spirit. During the period following his first refusal, he became active in the refusenik movement, providing a role model for a large and growing group of young Jews, who, at the risk of being reprimanded by the Soviet Government, have chosen to gather together regularly, to study Jewish texts under the direction of Dr. Dashevsky.

In recent months, a great number of his most successful students, many of whom had assisted him with both the organizational and teaching responsibilities for Jewish cultural gatherings, have received permission to emigrate to Israel. This action has increased the burden facing Dr. Dashevsky, leaving him virtually alone to assume the teaching burden, and overall leadership for a great many young Jews in Moscow, who have committed themselves to pursuing the practices of their own unique culture. In addition to this great responsibility, Dr. Dashevsky must provide for his wife and three youngest children.

Because Dr. Dashevsky has chosen not only to dedicate his life to science, but to devote himself to his Jewish heritage as well, his group's activities have been disrupted by the KGB on repeated occasions, and he has been placed under constant and harassing surveillance.

In examining the rationale used by the Soviet Government in support of its refusal to grant Dr. Dashevsky an exit visa, we are presented with an active example of how an archaic and repressive system can bend to serve its own ends, instituting whatever policies it deems necessary to deny individual

freedom. The Soviet bureaucracy had developed the practice of denying Jews the right to emigrate to Israel and the West if they cannot produce signed statements from their relatives who are to remain in the Soviet Union proving that they will leave no outstanding debts nor obligations to the family members remaining.

This tactic intimidates relatives who will not be leaving the country, in that they are required to sign documents which support emigration, and which will be placed in the files of the KGB.

These statements are requested even though there is not a Soviet law on record which requires an individual to provide such a statement. Soviet authorities claim that their purpose for requiring such statements is to ensure that financial matters between emigrants and their relatives are settled expeditiously. Government authorities have refused, however, to consider affidavits indicating that an emigrant will assume full responsibilities for all outstanding financing obligations even where these have been notarized in accordance with Soviet law.

Another problem occurs when relatives refuse to provide these statements. Under Soviet law, Soviet authorities are obliged to demand necessary statements from relatives. The Soviet authorities, however, have refused to make such demands, and have in effect given an individual's relatives the power to veto his or her exit from the Soviet Union. Therefore, the situation facing Dr. Dashevsky and thousands of Jews seeking to emigrate, is a problem that stems not from faults in current internal Soviet law, but from the Government's refusal to implement its own regulations.

While General Secretary Gorbachev has announced a new policy of glasnost, and proclaimed to the world "the beginning of a new era of openness," the numbers of Jews being allowed to emigrate from the Soviet Union are still fewer than in previous times, and are certainly as yet not significant enough to proclaim a new era. In 1986, the emigration of Soviet Jews was at its lowest in 15 years.

Although approximately 260,000 Jews have been allowed to leave the Soviet Union since 1968, at least 400,000 more continue to fight for the fundamental right to relocate to a place of their choosing. In 1979, 51,320 Jews were permitted to emigrate from the U.S.S.R., while in 1982, only 2,688 were allowed to leave, more than 48,000 less than the 1979 figure. In 1986, the number of Jews allowed to emigrate was at its lowest in 15 years, with only 914 being allowed to leave.

These numbers are not idle figures. As the case of Dr. Dashevsky exemplifies, we're talking about human lives and the basic rights of freedom. It is time for the Soviet Union to stop treating the lives of Jewish people as a

tool of foreign policy, and end the game of treating the issue of Jewish emigration as a convenient political yo-yo, letting the numbers go up and down based solely on the political whims of the Soviet leadership.

Mr. Speaker, on August 1, 1975, the Soviet Union joined 34 other countries in the family of nations, in signing the Helsinki accords. This important document, committed signatory states to the pursuit of human rights—to opening the doors to free speech and movement, to family reunifications, to uninhibited religious expression, and to a toleration of individual ideas. By signing the accords, the Soviet Union placed its international credibility on the line, and the world continues to watch in the hopes that the Soviets will follow this agreement with substantive action.

Mr. Speaker, I call upon the Soviet Government to abide by the Helsinki accords, on the occasion of this week's very important meetings between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze, to end these intolerable practices, and to cease treating the issue of emigration for Soviet Jewry as a convenient political tool. As Dr. Dashevsky's situation clearly points out, the current methods being employed by Soviet authorities are arbitrary, and in violation of fundamental human rights that have been fully endorsed by the global community.

Mr. KEMP. Mr. Speaker, I would like to thank my colleague, the new co-chairman of the Congressional Coalition for Soviet Jewry, the gentleman from Ohio, LOU STOKES. I want to compliment him for the fine work he's done in taking the lead on the issue of Soviet Jewry, and on this special order in particular. The National Conference on Soviet Jewry must also be recognized here for their advice, support, and impressive coordination and energy.

Today, United States Secretary of State George Shultz and Foreign Minister Eduard Shevardnadze of the Soviet Union are meeting in Washington to discuss relations between our two countries. This seems like a good time to review the issue of Soviet Jewry under the much-acclaimed policy of glasnost, which should be one of the topics for discussion.

Is glasnost working? Let's look at how it's failed. The figures clearly indicate movement in the wrong direction. Under General Secretary Gorbachev, Jewish emigration is a mere one-tenth of what it was under Secretary Brezhnev in 1979. Without glasnost.

Let's look at some specific examples of glasnost at work.

Under glasnost Natan and Etya Tkach, an elderly couple in their seventies, continue to be refused permission to join their daughter, Klavdia Fridman, her husband Ezik, and their son, Leonid first in Israel, then in the United States. They have been denied 20 times. The reasons vary, but the results are the same;

this couple is in ill health and separated from their family for an unconscionably long time.

Glasnost permits emigre Leonard Terlitsky to return for a heartbreaking visit to the Soviet Union on his new American passport to visit his elderly mother, Fanya, and his brother Mark. Both say they will not last another 11 years in refusal.

Glasnost permits Inna Meiman to come to the U.S. for necessary medical treatment after more than two decades of outside pressure. Only the Soviets waited too long; tragically Inna died within 2 weeks of her arrival, surrounded by friends and separated from her family. Glasnost continues to keep her husband, Naum Meiman, 76, alone, a prisoner in the Soviet Union and a refusenik for 25 years.

Will glasnost permit former refusenik Leonid Feldman, now a rabbi, about to become a United States citizen, to return to his hometown in the Soviet Union to lead a congregation and teach Hebrew?

Will glasnost permit Ida Nudel, Vladimir and Maria Slepak, Alexei Magarik to join their families in Israel and the United States? Both Alexei and Ida are now out of jail, but how did glasnost permit them to be arrested and sentenced in the first place?

What of new applications, encouraged by the vast publicity surrounding glasnost and the recent emigration of small numbers of well-known refuseniks? Well, there aren't many to speak of. Not because people haven't applied, but because the government will not accept their applications and therefore can say "We have no new applications." Is this glasnost at work?

Yes, under Secretary Gorbachev and his policy of glasnost, a few friends for whose release we have been fighting have recently been informed that they will be permitted to emigrate; the Beguns, the Brailovskys, the Siedels, the Landsmans, and four others. Rumours flew for years that pianist Vladimir Feltsman and his family would be released, only to have it happen last month, after an 8 year wait. But these are barely a dozen people out of nearly half a million.

Each visa should not be an event of international importance. Emigration of Soviet Jews should be a daily occurrence. By international treaties, signed by the Soviet Union, citizens of the Soviet Union are guaranteed the right of free travel, of cultural exchange, of family reunification. Jewish, and other, emigration from the Soviet Union should be treated as the right which it is, under the law of God and the laws of man, and not the miracle it has become.

Why should there be a classless class called "refuseniks?" A class of people created and defined solely by the fact of their having applied to emigrate and been refused, thereby sentencing them to social and economic purgatory. Why should applicants have to wait at all to emigrate? Why should anyone have to produce an invitation from an immediate relative outside the Soviet Union? If there is a country, such as Israel or the United States, willing to open our arms and make these people welcome, absorb them fully into the fabric of their own society, why should the Soviet Union prohibit this reunification, repatriation, or simple emigration? These are rights guaranteed by the Helsinki accords, and other

international agreements to which the Soviet Union is a party. Glasnost working would mean complete freedom of movement, and compliance with agreements to which the Soviet Union is a party.

And if the Soviets so consistently violate agreements which they have already signed, should we be entering into new ones without indication that they are complying with existing agreements? We must seek some assurance that they will not extract an additional high price for compliance.

I believe in free trade, but until these questions are favorably answered, until compliance is assured, the United States should be more restrictive in its commercial negotiations with the Soviet Union. United States banks should be discouraged from lending vast sums of money in untied, unrestricted, unsupervised loans to the Soviet Union.

Glasnost cannot be deemed as anything more than a public relations success. Until there is some substantive movement in the area human rights and Soviet Jewry, our two nations cannot come to a real understanding in a true spirit of cooperation. Substantive improvement is necessary. The policy—the placebo—of glasnost is not enough.

Our strongest moral weapons are our will, our system of democracy, our unshakeable belief in individual freedoms as guaranteed by our Constitution, which has been our governing document for 200 years, and the Bill of Rights, which sets forth the inalienable rights of all men and women. It is our responsibility as freedom-loving people, to ensure that others share our blessing of freedom. Our refusenik and dissident friends in the Soviet Union know that they can continue to count on us to exercise our strength in their behalf.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. STOKES. Mr. Speaker, I am happy to yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I would like to thank my colleague from New York, Mr. KEMP, and the gentleman from Ohio [Mr. STOKES] who, as co-chairs of the Congressional Coalition for Soviet Jews, have arranged today's special order. Their leadership on behalf of the National Conference on Soviet Jewry, which sponsors the Congressional Coalition, is highly appreciated on this important human rights matter.

By now, everyone has become familiar with the term "glasnost" as openness, which has come to symbolize the new Soviet reforms and attitudes. We do not yet know the full scope of this glasnost, nor its duration. And its impact on Soviet Jews, and their lives and their rights, continues to remain clouded.

With the visit this week in Washington of Soviet Foreign Minister Eduard Shevardnadze have come discussions of many issues. Paramount among these is the current and future status of Soviet Jews, thousands of whom remain in refusal. That certain prominent individuals have been given permission to leave is indeed a welcome

sign, yet contradictions continue to surface.

We appreciate and applaud the permission granted to Josef Begun, Lev Elbert, Col. Lev Ovsishcher, and several other long-term refuseniks. We hear that refusals based on secrecy matters are being reconsidered, in view of the fact that the vast majority of individuals categorized in this manner have not been involved in any kind of secret work for a decade or more. It is only right and proper that these individuals be allowed to be reunified with their families, pursuant to the principles set forth in the Helsinki final act. So it is compliance that we seek, and compliance that we acknowledge when it occurs.

Yet what we are witnessing at this time, Mr. Speaker, is not full compliance with either the letter or the spirit of the Helsinki accords. In the past several months I have been informed of a number of disturbing situations which I would like to bring to the attention of my colleagues.

Cases where all but one member of the family is given permission, thereby separating families.

Numerous reports of individuals whose applications to emigrate are not even being accepted by the OVIR office, thereby creating a subgroup of Soviet Jews who cannot even be refused.

Manifestation of a new situation whereby initial reasons for refusal are removed, while new bureaucratic obstacles imposed.

Although 4,700 Soviet Jews have emigrated through August of this year, there remain many thousands and thousands more whose long-term refusal status lingers on. Ida Nudel and the Slepaks are just two of the more prominent cases. Not as well known is the plight of the Terlitsky family, the Dashevsky family, the Khassin, the Chernobils, and Lev and Lean Shapiro, to name just a few. Each of these Soviet Jews has a legitimate right to family reunification under the Helsinki final act, but are thwarted repeatedly in their efforts to claim that right. We in Congress remain committed to their cause for religious and cultural freedom and human dignity. We must continue to press forward on behalf of these individuals, and the many hundreds of thousands of other Soviet Jews who have indicated the desire to exercise their rights under international agreements.

Mr. Speaker, Soviet Foreign Minister Shevardnadze has been welcomed to this country. We hope his meetings here are fruitful and productive. Progress seems to have been made in recent months, and we look forward to an eventual summit meeting between our two heads of state. Yet, we cannot rest until family reunification permis-

ision is granted to all who seek it, and full compliance with the Helsinki accords is achieved. The new excuses for denying emigration and the posturing taking place at OVIR offices all across the Soviet Union must be quelled, and an honest and forthright position assumed instead.

□ 1900

Mr. Speaker, I thank the gentleman for yielding this time and commend him for his continued efforts in this human rights battle.

Mr. STOKES. I thank my distinguished colleague from New York for his excellent statement here this evening. In turn I want to express my appreciation to him for the stalwart manner in which he has continued to fight on behalf of Soviet Jews.

Mr. Speaker, I also want to commend the National Conference on Soviet Jewry for the excellent work that they do on behalf of those who seek to emigrate from the Soviet Union. I worked with them for a number of years now and I am deeply moved by the commitment and deep sincerity with which that organization works on behalf of those who desire to leave the Soviet Union.

Mr. Speaker, at this time I would like to yield to the distinguished gentleman from Ohio [Mr. THOMAS A. LUKEN].

Mr. THOMAS A. LUKEN. I thank the gentleman for yielding. I congratulate the gentleman for this special order and compliment those other Members who have shown their dedication to the cause of the refuseniks, those patriots in Russia who continue to be oppressed despite some of the favorable reports which come out.

I think the purpose of this special order is to distinguish between the good and the bad which is emanating from Russia and from the international meeting.

Mr. Speaker, the meeting between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze provides a wonderful opportunity to raise the issue of human rights in the Soviet Union. The movement on behalf of Soviet Jewry is a unique struggle for emigration in the context of a tradition of 4,000 years. It is the struggle to reunite and redeem one-sixth of world Jewry, the remnant of east European Jewry after the Holocaust. It fits within the tradition of the people who have returned to the land of Israel from exodus, exile, and dispersion. Since 1968, there have been approximately 644,000 requests for emigration by Soviet Jews. Understandably, only the bravest risk the perils of repeated requests. During this period of glasnost, it is imperative for the Congress to maintain its commitment to the issue of Soviet Jewry. Despite the fact that several well-known refuseniks have recently re-

ceived permission to emigrate, scores of other Jews continue to wait for permission, many of whom have suffered the anguish of family separation and religious and cultural harassment for a decade or more.

While we are gratified that former prisoners of conscience and refuseniks will now be allowed to emigrate, we must remember that there still remain in the Soviet Union other former prisoners and long-term refuseniks, as well as thousands of other Jews who wish to exercise their basic human right of freedom of emigration.

While it is our hope that the Shultz-Shevardnadze arms talks will be successful, we send a message to the Soviet leadership and the Jewish minority that our concern for human rights has not waivered and our support will remain ever strong. I urge my colleagues to continue to work together to secure human dignity and human rights throughout the world.

Again, I thank the gentleman from Ohio [Mr. STOKES], who is always in the forefront in worthy causes of this kind.

Mr. STOKES. I thank my distinguished colleague from Ohio for his excellent contribution to this special order. I am pleased at this time to yield to my distinguished colleague from the State of Washington [Mr. MILLER].

Mr. MILLER of Washington. I thank the gentleman.

I first want to express, Mr. Speaker, to the distinguished Congressman from Ohio my appreciation for his leadership in the cause of human rights and in the cause of human rights behind the Iron Curtain.

There are many Jews in the Soviet Union today who know of Congressman Stokes' efforts. I think it is especially appropriate that we have this special order tonight. One reason it is especially appropriate is that the Union of Councils for Soviet Jews is holding its annual meeting in Washington, DC, this week. I have been privileged to cochair along with Congresswoman COLLINS of Illinois the union's congressional call to conscience this year.

There is a second reason why this special order is appropriate and that is the presence of Foreign Minister Shevardnadze in the United States.

We welcome Mr. Shevardnadze. I know that we all hope that his talks with Secretary of State Shultz will be most productive. But we must also express to the Soviet Foreign Minister our deep concern over the lack of real movement on Jewish emigration and religious freedom in his country.

We appreciate the release of several leading refuseniks. I am especially gratified to hear this week from Vladimir Magarik who visited me in Seattle this past spring. I learned this week that his son, Alexei, has returned from

labor camp to Moscow. However, I was saddened to hear from Khaya Beinus, who lives in the Seattle area that her daughter has now received her 21st refusal to emigrate, her 21st refusal over 13 years. That family still remains divided.

Mr. Speaker, there are more than 150,000 Jews in the United States with relatives inside the Soviet Union. These families have suffered long enough the torment of separation from their loved ones. It is time for the immediate reunification of such divided families.

While there has been a slight increase in the number of Jews leaving, there are still 400,000 Jews in the Soviet Union who wish to emigrate. They languish without jobs, without protection, without freedom to live fully as Jews. We ask for consistent emigration procedures. We ask for the abandonment of the emigration decree of January 1, 1987. We ask for the removal of fabricated "state secret" refusals. We ask for an increase in emigration figures to at least match the 1979 figures. We ask for freedom of choice of destination, and last but not least we ask for a dramatic upswing in freedom of Jewish study and expression inside the Soviet Union.

Mr. Speaker, I hope the Soviets will put this nagging issue behind them. I hope that Secretary Gorbachev, Foreign Minister Shevardnadze will in the spirit of glasnost put this issue behind them. For it is time for them to live up to international law, it is time for the gates to open so that Jews can be free.

Until the Soviet Union releases those who are trapped against their will, it will be very difficult for our Government and our citizens to increase trade and cultural contacts with the Soviet Union.

Mr. Speaker, I thank the distinguished Congressman from Ohio for yielding and am happy to turn the floor back over to him.

Mr. STOKES. I thank the gentleman for yielding back and thank him for his participation in the special order this evening. He has certainly made an articulate and eloquent statement.

I am sure that not only do I appreciate his participation but these human beings who are caught behind the curtain in the Soviet Union are indebted to him for his contribution here this evening.

Mrs. MORELLA. Mr. Speaker, my recent trip to the Soviet Union brought me face-to-face with both the positive significance and also the limits of the new openness or glasnost. I met with most of the top leadership of the Soviet Jewish refusenik movement, with Soviet officials, and with a group of divided spouses.

Among the refuseniks I met with are Lev Shapiro, Vladimir Slepak, Ida Nudel, and Arkady, and Helen Mai. I also met with the

Deputy Chief of Human and Cultural Affairs at the Soviet Ministry of Foreign Affairs, Mr. Yuri Reshetov, and the First Deputy Director of the Soviet Customs Administration, Mr. Vitaliy Boyarov. As a member of the House Post Office and Civil Service Committee, I focused in my discussions with Mr. Boyarov on Soviet interception of mail to and from the West.

My 8-day stay in the Soviet Union convinced me that refuseniks have become pawns of Soviet foreign policy, the most famous among them to be set free only when the Soviets wish to sweeten the atmosphere before a high-level meeting. Last week's releases are clearly tied to this week's discussions between Secretary of State Shultz and Soviet Foreign Minister Shevardnadze.

I was reminded that efforts on behalf of Soviet Jewry are not limited to their role in reminding both ourselves and the world of the essential differences between the Soviet system and our own. Those activities are both a carrot and a stick with which to encourage better treatment of Soviet Jews and a concomitant freeing up of the general atmosphere in the Soviet Union.

I am reminded of the words of Vladimir Slepak, who I met during my stay. Vladimir Slepak is a refusenik who still waits. Waits, as he has waited for 17 years now, to be free. To be free to practice his religion and to teach it to his children. To be free to speak his conscience and to write it. Vladimir Slepak has said to us, his friends in America, "If you turn your eyes from us, even for a moment, we will cease to exist." Mr. Slepak makes it clear that the fate of Soviet Jewry is tied to Western pressure. I share his assessment.

There has been talk of the priority of rescuing those 12,000 Soviet Jews who are, like Mr. Slepak, refuseniks. These people have, by definition, been repeatedly refused an exit visa, many for 10 years or longer. I am concerned that the Soviets will let these 12,000 go and then shut the gates. This concern is heightened by rumors that Jews who are now visiting Soviet visa offices for the first time have been turned away without being allowed to apply.

We must be concerned with not only the 370,000 who have at great risk already taken the first step toward leaving, but also the estimated 2 million Jews who remain in the Soviet Union. By preventing these people both from freely practicing their religion and from teaching it to their children, the Soviet Government is subjecting these Soviet Jews to cultural genocide. One can only wonder how many of these 2 million would leave if the gates were opened wide and they could ask for visas without fear. We must work to give them that chance.

We must continue to stress, through letters, phone calls, and demonstrations, that we will not rest until the Soviet Union frees all who wish to live in freedom. The struggle for Soviet Jewry is far from over.

Mr. DURBIN. Mr. Speaker, the recent release of 15 refuseniks from the Soviet Union is cause for much joy for those released and their families. That joy, however, is tempered by two important facts.

First, while these 15 refuseniks and their families rejoice today, their release follows years of suffering in the Soviet Union, waiting

and hoping that they might be released. All those released have been waiting for exit visas for at least a decade. In addition, they leave behind tens of thousands of refuseniks who are still denied permission to emigrate. Soviet officials have allowed 4,700 Jews to emigrate this year, a figure much higher than the 1,000 exit visas approved annually in recent years. However, 51,000 were allowed to leave in 1979.

Second, their release comes only days before Secretary Schultz is to meet with Foreign Minister Shevardnadze in Washington. As such, it is unlikely to signal any kind of genuine change in Soviet emigration policy. Instead, it appears to be a diplomatic gesture, trying to generate good will in the upcoming talks and in the possible United States-Soviet arms control summit.

How should we respond to the Soviet Union's gesture? I believe it demonstrates the value of pressuring Moscow to adhere to the fundamental principles of human rights. If the release to refuseniks was not important to the West, then the Soviets would not have released them in order to generate a feeling of good will. There can be no doubt in their minds about the importance of the release of refuseniks and its impact on public opinion in the West.

We must not delude ourselves that the Soviets have had a change of heart and have decided to adopt more humanitarian emigration policies. Instead, we should see these gestures for what they are—carefully thought out steps designed to achieve an explicit goal. We must continue to exercise the leverage we have by exerting steady pressure on the Soviet Government to release refuseniks through letters, telegrams, et cetera, in order to achieve these limited responses and offer hope to those still awaiting release.

Mr. LEVIN of Michigan. Mr. Speaker, first of all I want to commend my colleagues LOU STOKES and JACK KEMP for initiating this special order and to the rest of my colleagues who agreed to participate. The only thing worse than losing one's freedom of movement is losing one's voice, and our brothers and sisters in the Soviet Union have lost both. So we must be their voice.

Clearly, there has been some progress made in sheer numbers of emigration—from a few dozen a month to a few hundred. But this is not nearly enough. The only number that matters is 100-percent emigration for those who seek it.

Just yesterday I spoke on the phone with Alexi Bronshtein who lives in Leningrad and has been refused an exit visa. Alexi is also a divided spouse who was married last year to a Swedish woman in an official Soviet ceremony. His wish is to be reunited with his wife so they may perhaps settle in Israel where he has family.

When Alexi requested permission to leave he was dismissed from medical school where he had already completed 4 years of study. He now faces the threat of conscription. Alexi told me yesterday that he had just returned from Moscow to speak with emigration officials about his status. Every time he goes, Alexi talks with a different Soviet official, but yesterday, as in each previous attempt, he was told nothing of substance.

We've heard much about glasnost these last few months but this is unassailable evidence that thus far glasnost has meant a great deal as a marketing tool, but has had limited practical application.

When I asked Alexi what more we could do, he said we need to keep sending letters. He said we must do everything in our power to make the Soviets aware that the United States will not stop fighting for him.

And we will press on; not just on behalf of the 400,000 Soviet Jews who have applied for and been refused exit visas, but on behalf of those countless prisoners of conscience who have been locked up, and often beaten, humiliated, and tortured.

Soviet Foreign Minister Eduard Shevardnadze is in Washington this week to negotiate a new arms control treaty. Above all, an arms treaty arms reduction depends on faith in each other's respect for the most basic human right, the right to exist.

Every step toward respect for other basic human rights—freedom of religion, association, speech, and travel, to name a few—directly increases our confidence in each other's respect for this fundamental human right of survival. In this context, it's doubly imperative that we stress in all our negotiations with the Soviets the need for a completely open human rights policy.

That policy, of course, includes the right for people like Alexi Bronshtein to live and work where they choose, and how they choose.

Mr. TRAFICANT. Mr. Speaker, in light of the ongoing meetings between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze, I would like to recognize the opportunity for negotiation in the sensitive areas of arms control and human rights. I believe that the 3-day session between the leaders will produce concrete negotiations and hopefully a decision to convene a summit scheduled for a future date.

In addition to the optimism for and energy expended on behalf of a nuclear arms resolution between the United States and the Soviet Union, I would also like to draw attention to the continually hedged issue of human rights. During this period of glasnost, it is particularly important that we stress the need to improve the plight of Soviet Jewry. I am not negating the fact that refusenik releases have increased during the past year—3,092 as of June, compared to 914 during all of 1986—however these figures cannot compare to 28,864 in 1978, or 51,320 releases in 1979. We must not overlook the fact that human rights policies under Gorbachev remain bleak, and we in Congress must reaffirm our efforts to work toward eliminating the tragic abuse of human dignity under the Communist Soviet regime.

Mr. Speaker, as Americans we recognize and enjoy the benefits of living in a free and democratic nation. As we commemorate the 200th anniversary of the signing of our Constitution, let us not forget the situation of those who are denied freedoms associated with basic human rights. I hope my colleagues will join me today in recognizing the importance of human rights negotiations during the Shultz-Shevardnadze humanitarian standards within the Soviet Union.

Mr. MOLINARI. Mr. Speaker, I rise to commend the gentlemen from Ohio [Mr. STOKES] and from New York [Mr. KEMP] for reserving this special order dealing with the plight of Soviet Jewry. The timing of this special order is particularly appropriate since it coincides with the visit of Soviet Foreign Minister Eduard Shevardnadze. What better time to raise the plight of Soviet Jews than when our Secretary of State and Soviet Foreign Minister are talking about agreements in the arms control area. We must constantly remind the Soviets that we will not ignore their violations of international human rights agreements. Such violations, as Natan Sharansky rightly notes, raises the question of their credibility.

The Soviets not only violate the human rights of well-known dissidents and refuseniks such as Ida Nudel, Vladimir Slepak, and my own adopted refusenik Aleksandr Paritsky of Kharkov, but even those of elderly sick couples like Natan Tkach and his wife Etya of Moscow.

Aleksandr Paritsky and his wife, Polina and daughters, Dorina and Anna, first applied to exit visas to Israel in 1976 in order to be reunited with Aleksandr's brother Itzhak. Most recently, in May, Aleksandr and his family were again denied permission to emigrate.

Aleksandr and his family have been continually harassed for their quest to emigrate. Aleksandr was even jailed—resulting in a heart condition—because of his wish to emigrate. In 1981, Aleksandr was arrested, tried, and sentenced to 3 years in a labor camp for allegedly circulating fabrications known to be false which defame the Soviet state and social system.

But the Soviets not only harass those that are outspoken about their desires to emigrate but even afflict the frail, elderly, and sick. Natan and Etya Tkach first applied for permission to leave the Soviet Union over 10 years ago. Since then they have been refused 20 times, most recently on March 23, 1987.

For many years the Soviets gave no reason for their refusal other than it was not advisable. The reasons given for refusal in the last few years, however, were for the alleged security risk of Natan. Even if at one time Natan was a security risk, and that is doubtful since he worked as a manual labor distributing overalls in a machine factory, he retired over 15 years ago. Today, it is sad to report, Natan, 75 years old, is almost completely deaf, very ill, and going senile. Security risk is obviously not the reason for their denial.

The health of Etya is also a great concern to the family. The Tkach's daughter, Klavdia Fridman, a U.S. citizen residing in my district on Staten Island, NY, has related to me that her mother suffers from myocardial ischemia and pancreatitis. She further reports that Etya has undergone surgery several times and has been in and out of the hospital most of this year. Both Etya and Natan need the warmth and care of their family here in the United States.

The Tkach's situation is truly a case of family reunification. For without this family being reunited, I am afraid that the hope of this elderly sick couple will run out shortly. It is bad enough to be kept in a country against one's will. It is even worse when one's medical condition is fragile and one's family is not

around to provide the psychological and physical assistance needed to carry on. We must remind the Soviets that reunification of families is one of the paramount purposes of the Helsinki accords to which they are a signatory and we expect them to fully abide by that agreement.

I am encouraged by the recent Soviet increase in Jewish emigration and the announced release of several prominent refuseniks. I am also heartened by the fact that Dorina Paritsky, Aleksandr's eldest daughter, has recently received permission to emigrate. We must not halt, however, in our insistence that all of those that wish to emigrate be granted such permission. We will not tolerate the Soviets disregard for basic human rights or their misuse of alleged security risks as a reason for denial of emigration. Until the Soviets allow the over 400,000 Soviet Jews who have indicated their desire to emigrate permission to do so we can not and will not be still.

Mr. MANTON. Mr. Speaker, I would like to commend the leaders of the Congressional Coalition for Soviet Jews for organizing today's special order. Today is an appropriate occasion to call attention to the plight of Soviet Jews because Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze are meeting in Washington. While there are many important topics to be discussed during their meetings, none are more important than the Soviet Union's emigration policies.

We have all been encouraged by the recent release of many prominent refuseniks and prisoners of conscience, but we must not let these cases overshadow the fact that there are still approximately 400,000 Jews who wish to leave the Soviet Union. It is still extremely dangerous for the Jewish people of the Soviet Union to learn Hebrew and to practice their religion. Rabbinical training, essential to the future of Judaism, is still forbidden. Furthermore, to even apply for emigration in the Soviet Union is to invite demotion or dismissal from one's job, the loss of academic degrees, and other acts of harassment. Recent changes in the Soviet Union's emigration laws have also made it more difficult for Jews to receive permission to emigrate.

Mr. Speaker, while many prominent refuseniks have been allowed to leave the Soviet Union, there are too many unknowns who remain. Secretary General Gorbachev recently told a congressional delegation that denying an exit visa on the basis the applicant has been in possession of state secrets should be a relevant concern for only 5 or 10 years. In 1977, one of my constituents was forced to divorce her husband so that she and her son could emigrate. Her husband was not allowed to emigrate because of his supposed access to sensitive information. Although his employment and supposed access ended 14 years ago, his requests for an exit visa have been repeatedly denied.

Mr. Speaker, the United States must continue to press the Soviet Government to reform their emigration policies. I am hopeful that Secretary Shultz and Foreign Minister Shevardnadze will discuss these issues and come to a favorable resolution. The Soviet Union must understand that while the United States will not allow Soviet Jews to be used as

pawns, neither will we cease our efforts on their behalf.

Mr. BUSTAMANTE. Mr. Speaker, I want to thank Congressmen STOKES and KEMP for sponsoring this special order on behalf of Soviet Jews on occasion of the Shultz-Shevardnadze meetings.

As the United States and the Soviet Union have been moving closer to an arms control agreement on medium-range nuclear weapons and a summit is in the offing, the Soviet Union has acted to resolve a few well publicized human rights cases. The Soviet Union has continually used these goodwill gestures to show their good faith efforts at promoting world peace and freedom. However, when these cosmetic moves are seen in proper context, they prove to be calculated and ominous. The case of Yosef Begun, whose recent permission to emigrate was announced with much fanfare before Mr. Shevardnadze's meetings with Secretary Shultz, illustrates the Soviets' cynical approach to human rights. After a 16-year struggle to emigrate and to maintain his Jewish culture and religion, ex-prisoner of Zion Begun has become a hostage of détente, a pawn to be used by the Soviet leadership to project an image of openness to the West. The reality that Yosef Begun embodies is that of the Soviets' denial of cultural rights which their Constitution purports to protect and their noncompliance with international agreements guaranteeing free emigration.

We in the West yearn to see a real opening in the Soviet Union and a genuine respect for human rights since totalitarian regimes pose the greatest threat to freedom loving people. Therefore, if Mr. Gorbachev is serious about political reform his policies should reflect a positive departure with the past. Releasing celebrated human rights victims before summit meetings in exchange for American political concessions does not represent real Soviet political reform, it merely reflects a calculated move to project a positive image in the West.

Mr. Speaker, is Gorbachev's glasnost real or is it wishful thinking on our part? It is best to compare today's glasnost with previous attempts at Soviet political reform. Under Nikita Khrushchev hundreds of thousands were released from the gulag, exonerated and rehabilitated. Artists and writers were allowed to travel abroad and to express themselves in an unprecedented manner. In comparison, today's reforms are meager. Despite the spectacular releases of celebrated prisoners, the Soviet authorities have not repudiated the policy that created the modern day gulag. Moreover, Gorbachev has not exonerated and rehabilitated the few political prisoners that have been released. Many still linger in prisons and psychiatric wards. Cultural exchanges with the West are still tightly controlled by Soviet authorities who determine whether Soviet artists are reliable to appear in the West and who chose who from the West is acceptable for Soviet audiences. The emigration of Jews has increased from less than 100 a month in recent years to 500, but it is still a fraction of the annual rate of 50,000 under Brezhnev. When the actual numbers of Soviet Jewish emigration are measured against the demand by 400,000 Soviet Jews to leave, one

can appreciate that the Soviets are only allowing a trickle to leave. To make matters worse, the Soviets promulgated a new emigration law which would exclude 90 percent of the Jews who have indicated their desire to leave from emigrating. In addition, Soviet authorities are not even accepting applications to emigrate, thereby eliminating the need to refuse applications and thereby eliminating future refuseniks. As the record shows the freeing of Yosef Begun cannot hide the paltry reality that glasnost is so far. Mr. Gorbachev has still a long way to go until he can demonstrate concrete political reform in the Soviet Union.

Mr. Speaker, Mr. Shevardnadze should convey the following message to Mr. Gorbachev: The American people have heard your rhetoric of openness or glasnost, they are waiting for you to act on your promises. They want to see significant improvements in human rights and, at least, similar levels of Jewish emigration which were achieved in the late seventies. Failing that you will forfeit the trust necessary for significant change in superpower relations.

Mr. WEISS. Mr. Speaker, I am pleased to participate today in the special order, sponsored by the Congressional Coalition for Soviet Jews, to address the issue of human rights and Jewish emigration in the Soviet Union.

It is particularly appropriate to speak about this issue at this time—for not only does it coincide with the much-awaited visit of Soviet Foreign Minister Eduard Shevardnadze, it also coincides with the celebration of the 200th anniversary of the U.S. Constitution. Thanks to the Constitution, American citizens are guaranteed basic human rights—rights which are systematically denied to Soviet citizens by their government.

The introduction of the glasnost policy by General Secretary Gorbachev has been accompanied by encouraging progress in United States-Soviet relations. The two governments are near to reaching an agreement to eliminate short and intermediate-range nuclear weapons. Soviet authorities are allowing unprecedented educational exchanges with the United States. There is even diplomatic cooperation between the United States and the Soviet Union, as in the recent U.N. Security Council resolution calling for a ceasefire in the Iran-Iraq War.

Within the Soviet Union, issues previously considered off-limits are now openly being debated. Countless prisoners of conscience have been released, and a number of prominent refuseniks have received permission to emigrate.

While these steps taken by the Soviet Government are indeed encouraging, they are not enough. The Soviet Government continues to unjustly detain too many of its citizens. Soviet Jews are still subject to religious discrimination. Although the rate of emigration has increased in comparison to the last 2 years, it is not nearly what it should be.

Since January 1, 1987, approximately 4,700 Soviet Jews have been allowed to emigrate. At the current rate, a total of 10,000 to 20,000 Jews will be given permission to leave the Soviet Union in 1987. But there are an estimated 350,000 to 400,000 Jews left in the Soviet Union who have indicated that they

want to emigrate. In 1979, approximately 51,000 Jews were allowed to leave. A return to such levels would be a significant sign that the Soviet Government is committed to improving its treatment of Soviet Jews.

After much fanfare about a new, supposedly more liberal policy of emigration, the Soviet Union enacted a new highly restrictive emigration decree, in effect since January 1, 1987. The decree limits letters of invitation to emigrate to individuals who have close relatives in other nations. It thus effectively excludes thousands of Jews wanting to leave the Soviet Union.

Lastly, there is an apparent increase in the number of emigration visas refused by Soviet authorities on the basis that the individuals involved were privy to "state secrets." Such claims are absurd—one woman was refused a visa because she had worked part-time studying low-temperature refrigeration in a chemical institute!

In short, despite glasnost, the Soviet Government has yet to fulfill its obligations to preserve the basic human rights of its citizens—obligations which is voluntarily accepted when it signed the 1948 Universal Declaration of Human Rights and the 1975 Helsinki Final Act.

I ask my colleagues today to join me in sending a strong message to Foreign Minister Shevardnadze that we will not cease in our demands that the Soviet Government take further steps toward the fulfillment of its obligations to protect human rights. We must make Secretary Gorbachev realize that further improvements in United States-Soviet relations—improvements which are desired by the peoples of both our countries—cannot be divorced from a fundamental commitment to human rights.

Today, when we celebrate an American tradition of upholding human rights let us rededicate ourselves to the cause of improving human rights around the world. Let us loudly declare our belief that human beings have a right to think and speak freely, to live with dignity and to observe their religious beliefs without interference by the State. History—American history in particular—has shown that persistence and passion in pursuing a just cause can shake the most powerful nations in the world.

Mr. FIELDS. Mr. Speaker, I thank my colleagues in the Congressional Coalition for Soviet Jews for their leadership in the issue of human rights in the Soviet Union, and for providing the Members of Congress with the opportunity to talk about human rights and Jewish emigration in the Soviet Union during the meetings between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze.

Recently brought to my attention was the plight of a Soviet refusenik, Abram Kagan who has been denied permission to emigrate from the Soviet Union. Abram is an internationally known statistician who has received several invitations to scientific meetings outside the U.S.S.R., he has never been able to attend these seminars or to emigrate to Israel, although he and his family have been in refusal for more than 10 years. He has consistently been denied permission to emigrate because of secrecy, despite the fact that his employers

at the Steklov Institute of Mathematics have led him to believe that there was no reason for him to be denied permission to emigrate. In actuality, Abram never had any contact with State secrets, having worked only as a theoretical mathematician whose papers have all appeared in the open scientific press. Just recently, the Soviet authorities granted permission to emigrate to everyone in his family, with the exception of Abram. To separate this loving father from his wife and two children is the ultimate cruelty of the Soviet Government.

Sometimes the story of a single person or family can tell more about a system of government than all the statistics in the world. Abram Kagan is only one of thousands of people who have been victims of anti-Semitism in the Soviet Union.

Until the end of June 1987 it seemed to be better for Soviet Jewry than the recent past. However, it should be noted that while Jewish emigration increased significantly in the first 6 months of 1987, the following situation remained: If Jewish emigration this year would continue at the current rate, the year's total would reach only 7,000—less than one-seventh of the peak year of 1979 when 51,320 Jews arrived in Vienna, almost all of those granted permission are drawn from a list of 11,000 documented refuseniks, with little evident breakthrough concerning the thousands of others who are known to seek to emigrate, very few applicants are being approved, or even processed, and virtually no one who lacks first degree relatives abroad, whether parents or siblings, can get new applications accepted.

General Secretary Mikhail Gorbachev has been seeking to project an image of openness and flexibility on human rights issues. He has taken some dramatic steps to demonstrate that the Soviet regime's policies on these matters are changing. He has released several prominent refuseniks. This is welcome news. Yet, for most Soviet citizens, there has been no general improvement in Soviet human rights practices under Gorbachev.

During his recent visit to West Berlin, President Reagan challenged the Soviets by calling for the dismantling of the Berlin Wall. In anticipation of another meeting between President Reagan and General Secretary Gorbachev, we must implore the Soviet Union to dismantle another wall, a wall which surrounds the Soviet Union by denying Soviet Jews a chance for freedom.

Mr. Speaker, it is our duty as freedom-loving people to throw the public spotlight of international concern on Soviet human rights performance. For the thousands of Soviet refuseniks, we remain their only hope.

Mr. GREEN. I would like to thank Representatives KEMP and STOKES, the House co-chairs of the Congressional Coalition for Soviet Jews, for organizing this special order.

This special order comes at a very special time. Not only is Soviet Foreign Minister Shevardnadze now meeting with Secretary Shultz, but just yesterday I had a visit from Vladimir Magarik, father of Prisoner of Conscience Alexei Magarik. Magarik met me with the happy news that Alexei had just Monday been freed from a Soviet labor camp. Vladimir referred to himself as the joyful father of a

"newborn son" and said he attributed his son's release, a year and a half early, to pressure from the West.

Also, this month we have had word that a dozen well-known refuseniks, including Iosif and Inna Begun, Victor and Irina Brailovsky, Lev Sud, and others have been given permission to emigrate. These same people had been told just a few months ago that their cases would never be considered and that they would never be allowed to emigrate.

The numbers, too, are encouraging. In the first half of 1987, 3,092 Soviet Jews were allowed to emigrate. Just last month, 782 Jews left the Soviet Union. Those are startling numbers considering that in all of 1986 only 914 Soviet Jews were given exist visas.

And yet our work is far from over and our vigilance cannot yet be relaxed. Alexei Margarik, who first applied to emigrate in 1983, is still in the Soviet Union and not in Israel with his father. Lev Elbert, who is one of the well-known refuseniks, expected to be given an exist visa with the Beguns and Brailovskys, still has not officially heard that he will be allowed to leave. Ida Nudel, the Guardian Angel of Refuseniks, is still in internal exile and kept from her ever hopeful sister in Israel. Semyon Gluzman, a psychiatrist and former prisoner of conscience whom I first adopted 9 years ago, is still waiting in Kiev.

So while the Soviets have allowed for increased emigration and the miraculous releases of the now-famous refuseniks, for which we are grateful, the Soviets have still not outlined a clear and consistent policy. Immigration and compliance with the Helsinki Agreements cannot be on an ad hoc basis. The Soviet Government must adopt a well-defined and consistent review process for handling emigration requests. That review process must include, for instance, a responsible definition of what constitutes "access to state secrets" and must produce a clear guideline for documentation from family.

The Soviets must be made to understand that such a change in immigration policy would not go unrewarded, that such actions would inevitably lead to better trade relations and ultimately even to MFN status.

Next week is the Jewish New Year, Rosh Hashanah. What better time to push for these new and hopeful policies than now as Jews all over the world prepare to celebrate freedom and new beginnings.

Mr. HUGHES. Mr. Speaker, I want to commend the gentleman from Ohio, Mr. Stokes, for organizing today's special order on the plight of Russian refuseniks. In light of the current visit of Soviet Foreign Minister Shevardnadze, this special order is particularly timely. I hope we can convince the Soviet leadership that, even though the attention of our country is concentrated on the prospect of an arms agreement, we still mean business when it comes to respect for fundamental human rights.

I would like to take just a moment to mention the situation of a Russian family that is of particular interest to the people of my own Second District of New Jersey. Alexander and Rosa Joffe, Russian citizens who wish to start their lives over again in another country, have been denied the right to leave the Soviet Union and be reunited their family. The Board

of Chosen Freeholders of Cumberland County, NJ, have taken notice of the Joffe family's ordeal, and have taken it upon themselves to adopt the Joffe family's cause as their own. As part of their worthy campaign to bring the Joffes to the world's notice, the members of the Cumberland County board have asked me to use this special order to spotlight the Joffes' fight to emigrate.

Of course it is entirely proper to focus this special order on the plight of individual families, such as the Joffes, in their quest for freedom. But while we draw attention to the Joffes, we must not ignore the fact that they represent more than just one family—they are a symbol for all oppressed persons who seek to exercise their rights as human beings to emigrate.

I implore General Secretary Gorbachev to review the Joffe family's case in the spirit of glasnost, and allow these people to be reunited with their loved ones. If Mr. Gorbachev really means to take his country in a new direction, he should start by exercising his sense of compassion and statesmanship and breaking the bonds that hold the Joffes, and tens of thousands like them, as virtual prisoners in their native land.

Mr. CLARKE. Mr. Speaker, much attention is rightly focused on Soviet Foreign Minister Shevardnadze's visit to Washington this week. I hope very much that Secretary of State Shultz placed human rights high on the agenda of his talks with Mr. Shevardnadze, and that our Government will continue to insist on observance of basic human rights in the Soviet Union in accordance with international agreements. I welcome recent Soviet gestures in releasing a few refuseniks, and I hope we will see a great deal of further progress. For those not already familiar with the problem of Jewish emigration from the Soviet Union, it may be useful to review the background of the issue.

It is not difficult for free Americans to imagine why anyone would want to emigrate from the Soviet Union, despite the hardship of leaving friends and relatives behind and starting over in a foreign country. We should remember, however, that Soviet Jews have special reasons for leaving, in part because they are singled out for special treatment.

Jews are officially considered as a nationality in the Soviet Union, like Russians and Lithuanians and Uzbeks. Jews were even given an artificial national homeland in the Soviet far east. Like all Soviet citizens over 16, Jews must carry their internal passports everywhere they go. Each passport gives the bearer's nationality. That means that in every contact with the police, bureaucrats, housing officials, and employers, a Jew is not just a citizen, but a Jewish citizen. This is not as blatant as sewing yellow stars of David on people's clothes, but in a country with a long tradition of anti-Semitism, it is harsh.

What does anti-Semitism mean today in the Soviet Union? Cossacks no longer slaughter Jewish villagers, and even Stalin's chillingly clear references to "cosmopolitan elements" have not been officially encouraged in recent years. Present-day Soviet anti-Semitism is usually more subtle. One Moscow woman has spent her life reading and translating American literature. Her real passion, however, is

the great classical literature of her own country. When in her youth she told university officials she wanted to major in that area, they said it would be inappropriate for a Jew to be an expert in Russian literature and firmly suggested American studies instead. It is no accident that Jews, although they tend to be more urban and educated than others in the U.S.S.R., are hard to find in Moscow's most prestigious professional and graduate schools. Prejudice shows its face at all levels, from playgrounds to the Kremlin.

In view of the discrimination and occasional hostility they face, Mr. Speaker, it is hardly surprising that some Jews try to assimilate to Soviet society and forget their Jewish heritage. Indeed the Soviet propaganda campaign against Zionism, as they define it, means in essence that the only good Jew is one who has lost all his Jewishness. It is clear that the average Russian knows that Zionism is a code word for Judaism. He therefore understands the real message of the television programs, newspaper articles, and books, condemning Zionism and Israel. Any Jew who asserts his heritage, or—worse still—decides he must emigrate to be free to assert it, immediately steps into the prepared role of Zionist and traitor.

The chief instrument of this official campaign is the state Anti-Zionist Committee. Among its members is Moscow's only rabbi. Little wonder that the city's 100,000 or more Jews regard him as the state's representative, not their own. Yet any Jews who seek religious life together but avoid the official synagogue risk breaking laws against belonging to unregistered religious bodies. Teaching Hebrew is not illegal, but many Hebrew teachers have been imprisoned on trumped-up charges like possession of drugs. Hebrew teacher Leonid (Ari) Volvovsky was sent to a labor camp in part for owning a copy of the novel "Exodus."

All this takes place, Mr. Speaker, in a totalitarian society where there is no effective way to appeal actions of state and party officials. We see potential in Gorbachev's policies for eventual basis improvements, but meanwhile glasnost has helped encourage a Russian nationalist movement which apparently has influence very high in the Kremlin. A central element of this movement is anti-Semitism.

Our policy, therefore, should be to maintain the pressure on the Soviet Government to do two things: First, to allow Jews and other Soviet citizens the right to practice their religion and cherish their heritage free of state interference; and second, to fulfill the U.S.S.R.'s international obligation to pose no barriers to free emigration.

Mr. SMITH of Florida. Mr. Speaker, as Secretary Shultz and Soviet Foreign Minister Eduard Shevardnadze begin their scheduled talks, I am hopeful that the plight of human rights and Jewish emigration will be discussed. With this in mind, I rise today to highlight the case of my adopted Soviet refusenik, Yakov Rabinovich. Mikhail Gorbachev's glasnost policies recently have been credited with an array of new reforms. Although the Soviet Union is rapidly progressing in many domestic aspects, the question of Soviet Jewry still remains unresolved. Unlike all citizens in our

American democracy, Soviet Jewish refuseniks live with uncertainty, harassment, and intimidation, and they are treated brutally by the Soviet system. Their only crime is their desire to live as Jews and to emigrate to Israel.

Gorbachev has been credited with the release of a number of Jews and political prisoners. Unfortunately, 400,000 known Jews still seek freedom from the Soviet Union. Their attempt is a long and tedious process which is usually culminated with denial. These individuals then lose their citizenship, residence, and even their occupations. Furthermore, they are often separated from their spouses and children.

One case, in particular, involves my adopted refusenik, Yakov Rabinovich, who first applied for permission to emigrate with his family in 1978. Three years after he first requested a visa, permission was granted to only his wife and two children. Rabinovich encouraged them to leave in the hope that he would soon follow. Since 1980, he has been denied permission to emigrate by an arbitrary Soviet bureaucracy, that unjustly accused him as having access to state secrets.

Probably the most tragic aspect of his torture is his forced separation from his wife and family. Rabinovich was advised to divorce his wife in order to make the emigration process easier for one of them. While he unwillingly remained in the Soviet Union, his son graduated from Brandeis University in 1985. Even their communication has been limited; often phone calls from Rabinovich's wife and children have been withheld.

Rabinovich now resides in Leningrad. Not only does he lead a dismal and lonely life, but he also has been cruelly deprived of his professional career and livelihood. Once a shipbuilding engineer, Rabinovich now works in a shoe factory earning a mere 130 to 150 rubles a month—equivalent to \$130 to \$150 in the United States. He must deal with the professional and personal humiliation of a pay decrease of 100 rubles from his once prestigious career.

The Soviets justify this treatment by accusing Rabinovich of having access to state secrets. In reality, the ships which Rabinovich helped design travel worldwide. Obviously, this Soviet citizen, as well as 11,000 others, is being denied an emigration visa only because he is a Jew. This bureaucracy can refuse him his freedom, but it cannot deny his Jewish identity. He will never forget his studies, or his heritage, regardless of his forced separation from his family.

The Soviet Government can isolate him, but even they are unable to restrict his religious convictions. As he patiently awaits a reunion with his family, Rabinovich serves as an active member of the Leningrad refusenik community where he studies Hebrew and Jewish culture. He is unafraid to stand up for what he believes and is dedicated to helping others. Rabinovich is an individual who actively seeks knowledge of Judaism as well as the freedoms found in our great democracy.

The primary dilemma is that the Soviets refuse to admit that there is a Jewish problem. With glasnost, Gorbachev is modernizing many internal policies, yet he does not necessarily intend to improve his position on the human rights issue. The Soviet Jewry question

cannot be overlooked by this welcomed and much needed openness. Gorbachev may be trying to initiate an economic revolution, but we must be skeptical of his underlying intentions. As far as I am concerned, this is just an attempt to appease us and ignore the true problem at hand. As American citizens, we must continue to administer to the dire needs of the Soviet Jews which they are denied while living in this hostile country.

According to the Soviet Government, everyone who wants to leave has done so. Therefore, the family reunification provisions of the Helsinki Final Act are no longer needed. On the contrary, their services are seriously needed. Emigration statistics have never been so low. Gorbachev has addressed this topic, but thus far no substantial action has been taken.

As this public relations game persists, basic human rights are being violated. The only way to force the Soviets to release the Jewish refuseniks and to incorporate human rights is through a unified front. We cannot remain on the sidelines and passively watch this injustice. Families are separated and innocent citizens are treated as prisoners. We must put an end to Soviet religious persecution.

The United States must continue to press the relaxation of harsh Soviet emigration policies to allow refuseniks such as Yakov Rabinovich the freedom to emigrate. As Members of Congress, it is our responsibility to take the initiative and pressure the Soviet officials until all dissidents are released. Soviet Jews must be granted their freedom and be protected from Soviet persecution and separation from their loved ones. The only hope for the Soviet Jewish refuseniks is the Western efforts, such as the congressional call to conscience vigil for Soviet Jews, sponsored by the Union of Councils of Soviet Jews. I am pleased that my colleagues have set time aside today to continue to speak out on behalf of the denial of human rights, so that the Soviets will realize Soviet Jewish emigration is a priority and a commitment of the United States, not a propaganda tool.

Mr. RICHARDSON. Mr. Speaker, the meetings currently taking place between Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze provide a unique opportunity to raise the issue of human rights in the Soviet Union. As a member of the Helsinki Commission, I would like to express my concerns about the new Soviet emigration legislation and the plight of the Soviet Jew.

#### NEW SOVIET EMIGRATION LEGISLATION

We welcome the publication of your new regulations on entry into and exit from the U.S.S.R. and some of the provisions which are geared toward speeding up the decision-making process on applications for exit visas. Nevertheless, many Americans are troubled by other provisions, including the requirement that the invitations from abroad necessary for application can only come from close family members. We are concerned that the definition of family is so narrow as to exclude many who would like to emigrate. We are also concerned about the requirement that family members must grant approval of close relatives' emigration requests.

The new Soviet emigration policy merely creates some possibility for limited numbers of

people to leave. The regulation makes no mention of emigration as a right, and continues to leave Soviet authorities with absolute power to reject applications for emigration.

The regulation, citing formal new rules on who may leave, essentially codifies existing restrictive practices in effect since 1980. These practices allowed departure on the basis of family reunification only, rather than as a fundamental human right.

The decree continues the Soviet practice of withholding permission from those who have "knowledge of state secrets." While a state may have legitimate security concerns, and limit exit permission to those exposed to military secrets, the decree does not define the term and has no ceiling on time.

The decree also spells out eight other reasons for denying requests for emigration, including a catch-all provision that gives Soviet authorities the right to reject applications on grounds of "insuring the protection of social order, health, or the morals of the population."

The publication of this decree can be seen as a positive step. However, it should be kept in mind that the regulation disregards provisions of various international documents, particularly the international covenant of Civil and Political Rights, which guarantee the right to leave one's country.

#### JEWISH EMIGRATION

Since the signing of the Helsinki Final Act, the level of Jewish emigration, after an initial and marked increase, has declined rapidly.

In the 1980's, emigration declined to a low of 896 in 1984, 1,140 in 1985, and 914 in 1986. However, the number of Jews permitted to emigrate in March of 1987, 470, represents the highest monthly level since late 1981.

It is estimated that 383,000 Soviet Jews are in possession of a Vyzov—invitation to emigrate. While it is not known how many have actually applied or would apply if given the opportunity, it is probable that many are awaiting a more favorable climate before taking the risk to emigrate.

There are over 11,000 known Jewish refuseniks, although some estimates run as high as 20,000. Over 1,000 have been waiting to emigrate for more than 10 years.

We welcome the increase in emigration so far this year and are encouraged by indications that emigration will continue to increase substantially. However, hundreds of religious believers of all faiths are imprisoned, exiled, or incarcerated in psychiatric hospitals for attempting to practice their faith. Thousands of evangelical Protestants in the Soviet Union have expressed the intention to emigrate from the U.S.S.R. to escape religious persecution.

The release of all these religious prisoners of conscience would demonstrate that the Soviet Government really intends to live up to its international human rights obligations. We would urge your Government to permit all citizens, regardless of ethnic or religious origin, to emigrate if they wish to do so.

Mr. GRADISON. Mr. Speaker, in recent weeks, a number of well-known Soviet Jewish refuseniks have received notice from the Soviet Government that they have been granted or will be given permission to emigrate. For example, long-term refuseniks, such as Iosif

Begun and Victor Brailovsky, have been alerted that they may immigrate to Israel.

Overall, there has been a substantial increase in Jewish emigration from the U.S.S.R. In 1986, 914 Jews were allowed to leave the Soviet Union while 4,699 Jews had emigrated as of August 1987.

These statistics, as well as reports that some of the more famous refusenik cases will be resolved, have raised hopes that the Soviet Government may be changing its policy toward Jews who have expressed a desire to leave the Soviet Union. Indeed, United States State Department officials and United States negotiators who have brought up human rights cases with the U.S.S.R. recently report that the Soviet Government has been willing to discuss this issue, a noticeable change from previous years.

Nevertheless, administration officials and human rights experts caution that it is too soon to tell whether Soviet policy is undergoing a fundamental change. It is widely believed that the Soviets have been receptive to resolving cases of concern to the West in order to improve agreement prospects for the Soviets in other areas, whether it be on INF or trade.

Without question, Soviet advances on human rights issues should be applauded and encouraged. But, progress and continued improvement in the rate of Soviet Jewish emigration can only be ensured through persistent effort. If meaningful change in the treatment of Jews in the Soviet Union is to occur, Soviet Jewry activists, human rights supporters, and Congress must continue to publicize human rights issues and press the Soviet Government for reforms.

#### GENERAL LEAVE

Mr. STOKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. LEHMAN of California). Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LLOYD (at the request of Mr. FOLEY), for today and the balance of the week, on account of illness.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ARMEY) to revise and extend their remarks and include extraneous material:)

Mr. LUNGREN, for 5 minutes, today.

(The following Members (at the request of Mr. GLICKMAN) to revise and

extend their remarks and include extraneous material:)

Mr. UDALL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROBINO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, on September 22.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WEISS, to revise and extend his remarks just prior to the vote on final passage on H.R. 1154 in the House today.

(The following Members (at the request of Mr. ARMEY) and to include extraneous matter:)

Mr. GREEN in two instances.

Mr. McGRATH in two instances.

Mr. GALLO.

Mr. RITTER.

Mr. SOLOMON in three instances.

Mr. WORTLEY in two instances.

Mr. DAUB in two instances.

Mr. MICHEL in two instances.

Mr. BURTON of Indiana.

Mr. SAXTON.

Mr. FIELDS.

Mr. WELDON.

Mr. CRANE.

Mr. INHOFE.

Mr. CONTE.

Mr. ROTH.

Mr. LIGHTFOOT.

Mr. DENNY SMITH.

Mr. LEWIS of Florida.

Mr. COURTER.

(The following Members (at the request of Mr. GLICKMAN) and to include extraneous matter:)

Mrs. BOXER.

Mr. HOWARD.

Mr. TALLON.

Mr. FASCELL in two instances.

Mr. VENTO in two instances.

Mr. HOYER.

Mr. KLECZKA.

Mr. MURTHA.

Mr. RANGEL.

Mr. EVANS.

Mr. FRANK.

Mr. MACKAY.

Mr. MORRISON of Connecticut.

Mr. MONTGOMERY.

Mr. HAMILTON.

Mr. PEPPER.

Mr. COLEMAN of Texas.

Mr. HERTEL.

Mr. YATRON in two instances.

Mr. ACKERMAN.

Mr. LIPINSKI.

Mr. DINGELL.

Mr. MILLER of California.

Mr. DORGAN of North Dakota.

Mr. KOLTER.

Mr. DWYER of New Jersey.

Mr. BRUCE.

#### SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 1596. An act to extend the period for waivers of State eligibility requirements to enable certain States to qualify for child abuses and neglect assistance;

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; and

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month."

#### ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Thursday, September 17, 1987, at 10 a.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2099. A letter from the Secretary of Agriculture, transmitting the Department's views concerning H.R. 3030, the Agricultural Credit Act of 1987; to the Committee on Agriculture.

2100. A letter from the Secretary of the Interior, transmitting a report of the Department's progress in negotiating an agreement for the redevelopment of the southern end of Ellis Island, pursuant to section 5 of the Department of the Interior fiscal year 1987 Appropriations Act as contained in Public Law 99-591 (100 Stat. 3341-251); to the Committee on Appropriations.

2101. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of September 1, 1987, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-106); to the Committee on Appropriations and ordered to be printed.

2102. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting a list of Navy functions which will be the subject of cost studies under the Commercial Activities [CA] Program pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2103. A letter from the General Council, Department of the Treasury, transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act; to the Committee on Banking, Finance and Urban Affairs.

2104. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the annual report of the Bank's operations for fiscal year 1986, pursuant to 12 U.S.C. 635g(a); to the Committee on Banking Finance and Urban Affairs.

2105. A letter from the Auditor, district of Columbia, a report entitled "Review of the Procedures, Utilized by the Baseball Com-

mission, for the Receipt, Disbursement and Accounting of Funds," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

2106. A letter from the Secretary of Education, transmitting a copy of final regulations for secondary and transitional services for handicapped Your Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2107. A letter from the Chairman, Railroad Accounting Principles Board, transmitting the Board's final report on recommendations for integrating cost accounting principles and the cost accounting system certification process into existing rail carrier rate regulation under title 49 of the U.S. Code, pursuant to 49 U.S.C. 11167; to the Committee on Energy and Commerce.

2108. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of transmittal No. B-87 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 86-28 of 8 April 1986, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710, 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

2109. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. A-87 which relates to enhancements or upgrades from the level of sensitivity of technology or capability described in section 36(b)(1), AECA certification 84-20 of 26 January 1984, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

2110. A letter from the Acting Director, Defense Security Assistance Agency, transmitting an addendum to the listing of all outstanding Letters of Offer to sell any major defense equipment for \$1,000,000 or more, and an addendum to the Listing of all Letters of Offer that were accepted, as of June 30, 1987, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

2111. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of certain FMS quarterly reports for the third quarter of fiscal year 1987, April 1, 1987 to June 30, 1987, pursuant to AECA, sections 36(a) and 26(b) the March 24, 1979 report by the Committee on Foreign Affairs and the seventh report by the Committee on Government Operations; to the Committee on Foreign Affairs.

2112. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting the Department's notice of proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2113. A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting the Department's notice of a proposed new record system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2114. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2115. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification

of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2116. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the Council's annual report for fiscal year 1986, pursuant to 16 U.S.C. 470(b); to the Committee on Insular Affairs.

2117. A letter from the Comptroller General of the United States, transmitting a report on the proposed guidelines of the U.S. Sentencing Commission, pursuant to Public Law 98-473, Section 235(a)(1)(B)(ii)(II) (98 Stat. 2032); jointly, to the Committee on Government Operations and the Judiciary.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLAND: Committee on Appropriations. Supplemental report on H.R. 2783 (Rept. 100-189, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 263. Resolution providing for the consideration of H.R. 442, a bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians (Rept. 100-301). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. Report on subdivision of budget totals agreed to in the Concurrent Resolution on the budget (H. Con. Res. 93) for Fiscal Year 1988 (Rept. 100-302). Referred to the Committee of the Whole House on the State of the Union.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JACOBS:

H.R. 3280. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the overtime requirements of that act certain individuals employed in the cleaning of carpets or fabrics; to the Committee on Education and Labor.

By Mr. KLECZKA (for himself, Mr. ST GERMAIN, Mr. SCHUMER, Mr. LAFALCE, Mr. KANJORSKI, Mr. PETRI, Mrs. COLLINS, Mr. OWENS of Utah, and Mr. SMITH of Florida):

H.R. 3281. A bill to amend section 235 of the National Housing Act to encourage the refinancing of mortgages, loans, and advances of credit for which assistance payments are provided under the lower income homeownership program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. NELSON of Florida:

H.R. 3282. A bill to reform the laws relating to former Presidents; jointly, to the Committees on Post Office and Civil Service and the Judiciary.

By Mr. PEPPER:

H.R. 3283. A bill to allow the obsolete submarine United States ship Turbot to be transferred to Dade County, FL, before the expiration of the otherwise applicable 60-

day congressional review period; to the Committee on Armed Services.

By Mr. RITTER:

H.R. 3284. A bill to direct the Secretary of Transportation to carry out a highway demonstration project to extend Pennsylvania State Route 33 to provide a limited access highway to connect Interstate Routes I-78 and I-80; to the Committee on Public Works and Transportation.

By Mr. UDALL:

H.R. 3285. A bill to amend the Atomic Energy Act of 1954 to reorganize the functions of the Nuclear Regulatory Commission by abolishing the Commission and in its place establishing the Nuclear Energy Regulatory Agency, an inspector general thereof, and a Nuclear Safety Board in order to promote safer and more effective and efficient nuclear regulation, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

H.R. 3286. A bill to amend the Carl D. Perkins Vocational Education Act to clarify the distribution of assistance under such act to single parents and single pregnant woman; to the Committee on Education and Labor.

By Mr. WORTLEY (for himself, Mr. LAGOMARSINO, Mr. SCHULZE, Mr. PETRI, Mr. McGRATH, Mr. HUGHES, Mr. DONALD E. LUKENS, Mr. COURTER, Mr. HANSEN, Mr. DWYER of New Jersey, Mr. DIOGUARDI, and Mr. SPENCE):

H.R. 3287. A bill to amend the Ethics in Government Act of 1978 to require legislative branch employees who are cleared for access to classified information to file an annual financial disclosure statement; to the Committee on Rules.

By Mr. BRUCE (for himself, Mr. MARKEY, Mr. BRYANT, Mr. LELAND, Mr. SWIFT, and Mrs. COLLINS):

H.R. 3288. A bill to require the Federal Communications Commission to reinstate restrictions on advertising during children's television, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GARCIA (for himself and Mr. LEACH of Iowa):

H.R. 3289. A bill to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEWIS of Florida:

H.R. 3290. A bill to settle Seminole Indian land claims within the State of Florida, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER (for himself and Mr. WYDEN):

H.R. 3291. A bill to amend title XVIII of the Social Security Act to limit the rate of increase of the part B Medicare premium to the rate of increase in Social Security benefits; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RANGEL (for himself, Mr. GILMAN, Mr. ACKERMAN, Mr. AKAKA, Mr. BIAGGI, Mr. CONYERS, Mr. CROCKETT, Mr. DE LUGO, Mr. FASCELL, Mr. FAUNTROY, Mr. FLAKE, Mr. FRANK, Mr. FUSTER, Mr. GUARINI, Mr. KILDEE, Mr. LEVIN of Michigan, Mr. MATSUI, Mr. PEPPER, Mr. RODINO, Mr. STARK, Mr. STOKES, Mr. SUNIA, Mr. TOWNS, Mr. TRAFICANT, and Mr. WEISS):

H.R. 3292. A bill to establish certain grant programs relating to acquired immune deficiency syndrome among intravenous substance abusers, and for other purposes; to the Committee on Energy and Commerce.

By Mr. RODINO (by request):

H.R. 3293. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. WHITTAKER (for himself, Mr. BATES, Mr. SYNAR, Mr. SCHEUER, Mr. RITTER, and Mr. WYDEN):

H.R. 3294. A bill to amend the Federal Food, Drug, and Cosmetic Act to regulate the sale and distribution of tobacco products containing tar, nicotine, additives, carbon monoxide, and other potentially harmful constituents, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JACOBS:

H.J. Res. 358. Joint resolution proposing an amendment to the Constitution of the United States permitting the President to grant a pardon to an individual only after such individual has been convicted; to the Committee on the Judiciary.

By Mr. RICHARDSON (for himself, Mr. LUJAN, Mr. ORTIZ, Mr. TORRES, Mr. BUSTAMANTE, Mr. ROYBAL, Mr. FUSTER, Mr. GARCIA, Mr. DE LA GARZA, and Mr. MARTINEZ):

H.J. Res. 359. Joint resolution designating April 8, 1988, as "Senator Dennis Chavez Day"; to the Committee on Post Office and Civil Service.

By Mr. SHUSTER:

H.J. Res. 360. Joint resolution designating October 1988 as "Pregnancy and Infant Loss Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. WATKINS (for himself, Mr. TOWNS, Mr. EVANS, Mr. ENGLISH, Mr. HORTON, Mr. DYSON, Mr. UDALL, Mr. VOLKMER, Mr. HUGHES, Mr. COELHO, and Mr. CHAPMAN):

H.J. Res. 361. Joint resolution recognizing, encouraging, and supporting the National Rural Crisis Response Center; to the Committee on Post Office and Civil Service.

By Mr. CONYERS (for himself, Mr. WOLPE, Mr. CROCKETT, Mr. GRAY of Pennsylvania, Mr. CONTE, Mr. DYMALLY, Mr. UDALL, Mr. LELAND, Mrs. SCHROEDER, Mr. DELLUMS, Mr. MAVROULES, and Mr. EDWARDS of California):

H. Con. Res. 189. Concurrent resolution condemning the indiscriminate killing of innocent and unarmed civilians and other acts of sabotage committed by the Mozambique National Resistance [RENAMO] and urging President Reagan to continue to recognize the Mozambican Government; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H. Con. Res. 190. Concurrent resolution condemning the use of rapid decompression as a method of animal euthanasia; to the Committee on Agriculture.

### PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHLERT:

H.R. 3295. A bill for the relief of Nancy L. Brady; to the Committee on the Judiciary.

By Mr. WYLIE:

H. Res. 264. Resolution to commemorate the 25 years of service of the Reverend Father Anthony P. Sarris as priest of the Annunciation Greek Orthodox Church of Columbus and its parish; to the Committee on Post Office and Civil Service.

### ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. JACOBS, Mr. TRAFICANT, Mr. SAWYER, and Mr. WALGREN.

H.R. 190: Mr. WORTLEY, Mr. FOGLIETTA, and Ms. SLAUGHTER of New York.

H.R. 245: Mr. BAKER, Mr. CARDIN, and Mr. MARTINEZ.

H.R. 372: Mr. MARLENEE.

H.R. 514: Mr. FOGLIETTA and Mr. TORRICELLI.

H.R. 592: Mr. BILIRAKIS, Mr. GOODLING, and Mr. MACKEY.

H.R. 594: Mr. DANIEL, Mr. BLAZ, Mr. HOWARD, and Mr. IRELAND.

H.R. 622: Mr. KLECZKA.

H.R. 666: Mr. BARTON of Texas.

H.R. 782: Ms. PELOSI.

H.R. 791: Mr. CONTE.

H.R. 807: Mr. CARR.

H.R. 906: Mr. FORD of Tennessee.

H.R. 907: Mr. EDWARDS of Oklahoma, Mr. AKAKA, Mr. MARTINEZ, and Mr. TORRICELLI.

H.R. 1036: Mr. OXLEY and Mr. PASHAYAN.

H.R. 1082: Mr. MOLLOHAN.

H.R. 1093: Mr. HAYES of Louisiana, Mr. STAGGERS, Mr. ROBINSON, Mr. MONTGOMERY, Mr. OXLEY, Mr. FROST, Mr. McEWEN, Mr. CLINGER, Mr. CHAPPELL, Mr. DOWDY of Mississippi, Mr. CHENEY, Mr. HALL of Ohio, Mr. STOKES, Mr. SCHUETTE, Mr. BUSTAMANTE, Mr. NEAL, Mr. MILLER of Ohio, Mr. BEREUTER, Mr. FISH, Mr. TAUKE, Mr. WORTLEY, Mr. BURTON of Indiana, Mr. DYSON, Mr. HANSEN, Mr. YATRON, Mrs. SMITH of Nebraska, Mr. GREGG, Mr. JENKINS, Mr. SKEEN, Mr. WISE, Mr. HOYER, Mr. KANJORSKI, Mr. PERKINS, Mr. ARMEY, Mr. RAVENEL, Mr. GUNDERSON, Mr. McMILLEN of Maryland, Mrs. VUCANOVICH, Mr. WILSON, Mr. DE LA GARZA, Mr. EVANS, Mr. HASTERT, Mr. ENGLISH, Mr. LEATH of Texas, Mr. DICKS, Mr. BUNNING, Mr. BRENNAN, Mrs. PATTERSON, Mr. MADIGAN, Mr. TOWNS, Mr. McCLOSKEY, and Mr. DERRICK.

H.R. 1115: Mr. GREGG, Mr. McEWEN, Mr. SMITH of New Jersey, and Mr. WELDON.

H.R. 1442: Mrs. BENTLEY.

H.R. 1481: Mr. NEAL.

H.R. 1495: Mr. DERRICK and Mrs. PATTERSON.

H.R. 1694: Mr. PURSELL.

H.R. 1707: Mr. BADHAM, Mr. RODINO, Mr. FAZIO, Mrs. BOGGS, Mr. DAUB, Mr. PRICE of Illinois, Mr. LEHMAN of California, and Mr. GORDON.

H.R. 1709: Mr. BLILEY.

H.R. 1770: Mr. STARK.

H.R. 1782: Mr. LOTT, Mr. THOMAS of Georgia, and Mr. GEJDENSON.

H.R. 1987: Mr. NICHOLS.

H.R. 2041: Mr. RAHALL.

H.R. 2091: Mr. FOGLIETTA and Mr. McMILLEN of Maryland.

H.R. 2168: Mr. FAUNTROY and Mr. GEJDENSON.

H.R. 2171: Mr. OWENS of New York and Mr. LEVINE of California.

H.R. 2183: Mr. HAYES of Louisiana, Mr. COOPER, Mr. EVANS, Mr. CARR, and Mr. ESPY.

H.R. 2248: Mr. MRAZEK, Mr. LEVIN of Michigan, Mr. QUILLEN, Mr. VOLKMER, and Mr. DAUB.

H.R. 2260: Mr. BENNETT, Mr. GRANT, Mr. TORRES, Mr. GORDON, Mr. EVANS, Mr. BEREUTER, Mr. ROTH, Mr. ROBERTS, Mr. TAUZIN, Mr. ENGLISH, Mr. FISH, Mr. LANCASTER, Mr. BATES, Mr. FORD of Tennessee, Ms. KAPTUR, Mr. LOTT, and Mr. JONES of Tennessee.

H.R. 2276: Mr. SCHEUER, Ms. PELOSI, Mr. OWENS of New York, and Mr. BERMAN.

H.R. 2423: Mr. SOLARZ, Mr. LANTOS, Mr. DYMALLY, Mr. SAVAGE, Mrs. BOXER, Ms. PELOSI, Mr. LEVINE of California, Mr. ATKINS, Mr. OWENS of New York, Mr. MORRISON of Connecticut, and Mr. DEFazio.

H.R. 2487: Mr. DORNAN of California, Mr. BATES, Mr. McCLOSKEY, Mr. FOGLIETTA, Mr. VENTO, Mr. ATKINS, Mr. GREGG, Mr. BONER of Tennessee, and Mr. LEHMAN of California.

H.R. 2510: Mr. ATKINS.

H.R. 2585: Mr. LOWERY of California and Mr. YATES.

H.R. 2641: Mr. PETRI, Mrs. MORELLA, Mr. ATKINS, Mr. MRAZEK, Mr. CONTE, and Mr. STUDDS.

H.R. 2675: Mr. SHAW, Ms. KAPTUR, and Mrs. BENTLEY.

H.R. 2676: Mr. ATKINS.

H.R. 2692: Mr. FORD of Michigan, Mr. LELAND, Mr. CONTE, Mr. FLORIO, Mr. DONNELLY, Mr. MAVROULES, and Mr. LEVINE of California.

H.R. 2699: Mr. DUNCAN and Mr. BARNARD.

H.R. 2776: Mr. BIAGGI, Mr. OBEY, Mr. GRANDY, Mr. DAUB, Mr. BUSTAMANTE, Mr. MARLENEE, and Mr. FOGLIETTA.

H.R. 2791: Mr. RINALDO.

H.R. 2844: Mr. BONTOR of Michigan and Mr. GEJDENSON.

H.R. 2878: Mr. STAGGERS.

H.R. 2883: Mr. FEIGHAN, Mr. GREGG, Mr. BONKER, Mr. AKAKA, Mr. YOUNG of Florida, Mr. MFUME, Mr. GRAY of Pennsylvania, Mr. ECKART, and Mr. COUGHLIN.

H.R. 2911: Mr. LEVIN of Michigan.

H.R. 2922: Mr. NEAL and Ms. OAKAR.

H.R. 2977: Mr. ANDREWS, Mr. LIVINGSTON, Mr. DONNELLY, Mr. GRANDY, Mr. NOWAK, Mr. LEACH of Iowa, Mrs. MORELLA, Mr. COBLE, Mr. BALLENGER, Mr. DOWDY of Mississippi, Mr. JONES of North Carolina, Mr. BOEHLERT, Mr. VENTO, Mr. PRICE of North Carolina, Mr. CONTE, Mr. SHUMWAY, Mr. HAWKINS, Mr. TORRICELLI, Mr. WALKER, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. YATRON, Mr. NATCHER, Mr. McDADE, Mr. GORDON, Mr. DERRICK, Mr. MONTGOMERY, Mr. MFUME, Ms. OAKAR, Mrs. BYRON, Mr. JACOBS, Mr. ANDERSON, Mr. BARTLETT, Mr. COMBEST, Mr. HEFNER, Mr. WISE, Mr. DENNY SMITH, Mr. BUECHNER, Mr. OXLEY, Mr. SAWYER, Mr. ROEMER, Mr. RINALDO, Mr. SAXTON, Mr. GILMAN, Mr. ESPY, Mr. ARMEY, Mr. HEFLEY, Mr. ROE, Mr. DURBIN, Mr. BORSKI, Mr. McEWEN, Mr. RAVENEL, Mr. LOTT, Mr. SHARP, Mr. COUGHLIN, Mr. BADHAM, Mr. McCLOSKEY, Mr. LEVIN of Michigan, and Mr. BARTON of Texas.

H.R. 2983: Mr. BARTLETT, Mr. MINETA, Mr. DEWINE, Mr. LAGOMARSINO, Mr. MRAZEK, Mr. NIELSON of Utah, Mr. DiOGUARDI, Mr. WYDEN, Mr. FROST, Mr. WORTLEY, Mr. FAZIO, Mr. ATKINS, and Mr. WALGREN.

H.R. 2985: Mr. STOKES and Mr. PEPPER.

H.R. 3011: Ms. SLAUGHTER of New York, Mr. HUGHES, Mr. DWYER of New Jersey, Mrs. ROUKEMA, Mr. ATKINS, Mr. VENTO, and Mr. HOWARD.

H.R. 3021: Mr. LANCASTER.

H.R. 3026: Mr. BURTON of Indiana, Mr. BEVILL, Mr. DAVIS of Illinois, Mr. OXLEY, Mr. HENRY, Mr. MARTINEZ, Mr. McEWEN, Mr. BROWN of Colorado, Mr. GREGG, Mr. FROST, Mr. FAWELL, Mr. SMITH of Florida, Mr. LAGOMARSINO, and Mr. SCHUETTE.

H.R. 3069: Mr. MADIGAN.

H.R. 3101: Mr. SMITH of Florida, Mr. AL-EXANDER, Mr. SHUMWAY, Mr. BERMAN, Mr. OWENS of New York, Mr. ESPY, and Mr. BLAZ.

H.R. 3161: Mr. BILIRAKIS.

H.R. 3169: Mr. LANCASTER.

H.R. 3175: Mr. BEILENSON, Mr. OXLEY, and Mr. PENNY.

H.R. 3176: Mr. BEILENSEN and Mr. OXLEY.  
H.R. 3179: Mr. HOWARD, Mr. HORTON, Mr. MFUME, Mr. TOWNS, Mr. FISH, Mr. HOCHBRUECKNER, Mr. GEJDENSON, and Mr. FAUN-ROY.

H.R. 3229: Mr. LAGOMARSINO.  
H.J. Res. 144: Mr. HASTERT, Mr. HERTEL, Mr. FOLEY, Mr. MINETA, and Mr. LOWRY of Washington.

H.J. Res. 234: Mr. WYLIE, Mr. GRANDY, Mr. HOLLOWAY, Mr. DONALD E. LUKENS, Mr. FAUNTROY, Mr. CHAPPELL, Mr. HAMMER-SCHMIDT, Mr. HUBBARD, Mr. BLILEY, Mr. DIO-GUARDI, Mr. STOKES, Mr. KEMP, Mr. MOLIN-ARI, Mr. MACKEY, Mr. DICKS, Mr. REGULA, Mr. WATKINS, Mr. BILIRAKIS, Mr. CARDIN, Mr. GRANT, Mr. STARK, Mr. APPEGATE, Mr. MOLLOHAN, Mr. ST GERMAIN, Mr. PURSELL, Mr. CHANDLER, Mr. MARKEY, Mr. KENNEDY, Mr. BOUCHER, Mr. BERMAN, Mr. WILSON, Mr. ANDERSON, Mr. BOSCO, Mr. SYNAR, Mrs. LLOYD, Mr. WISE, Mr. YATES, Mr. GUNDER-SON, Mr. LANTOS, Mr. GEJDENSON, Mr. DENNY SMITH, Mr. JEFFORDS, Mr. SOLOMON, Mr. PETRI, Ms. KAPTUR, Mr. HOYER, Mr. GUARINI, Mr. DUNCAN, Mr. JONES of North Carolina, Mr. FRANK, Mr. BATEMAN, Mr. CONYERS, and Mr. SWINDALL.

H.J. Res. 260: Mr. McDADE, Mr. MADIGAN, Mr. LAGOMARSINO, Mr. FAZIO, Mr. BONER of Tennessee, Mr. DIXON, Mr. LIPINSKI, Mr. HORTON, Mr. VOLKMER, Mr. ATKINS, Ms. OAKAR, Mr. ROBERT F. SMITH, Mr. ANDERSON, Mr. TORRICELLI, Mr. FIELDS, Mr. MRAZEK, Mr. DE LUGO, Mr. PEPPER, Mr. DENNY SMITH, Mr. GRAY of Illinois, Mr. KOSTMAYER, Mr. MARTINEZ, Mr. LIVINGSTON, Mr. KENNEDY, Mr. FISH, and Mr. MOAKLEY.

H.J. Res. 272: Mr. STRATTON, Mr. BATEMAN, Mr. NELSON of Florida, Mr. MATSUI, Mr. HAYES of Louisiana, Mr. SABO, Mr. WYDEN, and Mrs. VUCANOVICH.

H.J. Res. 287: Mr. BENNETT, Mr. CONTE, and Mr. CHANDLER.

H.J. Res. 315: Mr. EMERSON.  
H. Con. Res. 97: Mr. FOGLETTA.

H. Con. Res. 101: Mr. WEISS, Mr. MOLLO-HAN, Mr. CROCKETT, Mr. SUNIA, and Mr. SCHUETTE.

H. Res. 114: Mr. MARLENEE and Mr. NIEL-SON of Utah.

H. Res. 188: Mr. RAVENEL, Mr. BARNARD, and Mr. MOORHEAD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLU-TIONS

Under clause 4 of rule XXII, spon-sors were deleted from public bills and resolutions as follows:

H.R. 2260: Mr. PETRI.

PETITIONS, ETC.

Under clause 1 of rule XXII, peti-tions and papers were laid on the Clerk's desk and referred as follows:

72. By the SPEAKER: Petition of Harry E. and Ruth B. Saxton, Lorimor, IA, relative to medical assistance to cattle; to the Com-mittee on the Judiciary.

73. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to the Endangered Species Act and western water projects; to the Committee on Mer-chant Marine and Fisheries.

74. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to dams with safety problems; to the Com-mittee on Public Works and Transportation.

75. Also, petition of the Western States Water Council, Salt Lake City, UT, relative to water quality certification; jointly, to the Committee on Public Works and Transpor-tation and Energy and Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, pro-posed amendments were submitted as follows:

H.R. 3030

By Mr. BROWN of Colorado:

—At the end of Sec. 109 insert the follow-ing:

(h) Section 1.9 (12 U.S.C. 2017) is amend-ed—

(1) by striking out "85" and inserting in lieu thereof "80".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to loans applied for and made after the date of en-actment of this Act.

H.R. 3030

By Mr. DINGELL:

—Page 144, beginning on line 10, strike out all of title III of the bill through page 177,

line 19, and redesignate the succeeding title and sections and conform the table of con-tents accordingly.

H.R. 3030

By Mr. JEFFORDS:

—Page 170 on line 4, strike the close quotes and period at the end of the sentence and insert the following after line 4:

"Sec. 5.92. BORROWER RIGHTS.—The provi-sions of section 4.13, as amended by the Ag-ricultural Credit Act of 1987, and sections 4.14A, 4.14C through 4.14F, 4.21, and 4.22 as added by such Act shall apply to any loan that is originated by a non-Farm Credit System institution and that is subject to this title to the same extent that such provi-sions would apply to such loan had it origi-nated with an institution of the Farm Credit System under regulations prescribed by the Farm Credit Administration".

—Page 170, line 20: strike all after "TITLE IV—REORGANIZATION OF THE FARM CREDIT SYSTEM" through page 181, line 16.

—Strike Subsection 6.3(b) and insert in lieu thereof the following:

Sub(b):  
Within 90 days after the creation of the bank for cooperatives, borrowers which were stockholders of the district banks for cooperatives operating under title III on the date of the enactment of this Act shall vote either to remain part of the bank for coop-eratives or to have the Service Bank located in the same regional area as such stockhold-ers retain the authorities of a bank for co-operatives as provided under title III.

Sub(c):  
A majority vote of stockholders and con-tributors to guaranty funds described in title III shall be required for each Service Bank regional area in order for the Service Bank in that regional area to retain the au-thorities of a bank for cooperatives as pro-vided under title III. The majority vote shall be required based on both (1) the one-man one-vote provisions of section 5.2(c) and (2) a majority of the total equity inter-ests (not including unallocated surplus and reserves) held by voting stockholders and contributors to guaranty funds in the dis-trict bank(s) for cooperatives covered by each Service Bank regional area.