

MESSAGES FROM THE HOUSE

At 4 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 497) to create the National Gambling Impact and Policy Commission.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3479. A communication from the Secretary of Defense, transmitting, the notice of a retirement; to the Committee on Armed Services.

EC-3480. A communication from the Secretary of the Department of Housing and Urban Development, transmitting, pursuant to law, a report entitled "Older Americans Home Security Act of 1996"; to the Committee on Banking, Housing, and Urban Development.

EC-3481. A communication from the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report relative to the Full Employment and Balanced Growth Act of 1978; to the Committee on Banking, Housing, and Urban Affairs.

EC-3482. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to direct spending or receipts legislation; to the Committee on the Budget.

EC-3483. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to direct spending or receipts legislation; to the Committee on the Budget.

EC-3484. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to direct spending or receipts legislation; to the Committee on the Budget.

EC-3485. A communication from the General Counsel, Department of Transportation, transmitting, pursuant to law, the report of four rules entitled "Amendment to Definition of Substance Abuse Professional," (RIN2105-AC33, 2105-AC37, 2115-AA97, 2127-AC25) received on July 18, 1996; to the Committee on Commerce, Science, and Transportation.

EC-3486. A communication from the General Counsel, Department of Transportation, transmitting, pursuant to law, the report of seven rules entitled "Airworthiness Directives," (RIN2120-AA64, 2120-AA66, 2120-AA63) received on July 18, 1996; to the Committee on Commerce, Science, and Transportation.

EC-3487. A communication from the Secretary of Energy, transmitting, pursuant to law, the report of the Demonstration and Commercial Application of Renewable Energy and Energy Efficiency Technologies Program for calendar year 1995; to the Committee on Energy and Natural Resources.

EC-3488. A communication from the Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a report relative to the Bradbury Dam, Cachuma Project, California; to the Committee on Energy and Natural Resources.

EC-3489. A communication from the Director of the Office of Surface Mining (Reclamation and Enforcement), Department of the

Interior, transmitting, pursuant to law, a rule concerning the West Virginia Regulatory Program, (WV075-FOR) received on July 16, 1996; to the Committee on Energy and Natural Resources.

EC-3490. A communication from the Director of the Office of Surface Mining (Reclamation and Enforcement), Department of the Interior, transmitting, pursuant to law, the report of three rules including a rule concerning the Missouri Regulatory Program, (OK018-FOR) received on July 18, 1996; to the Committee on Energy and Natural Resources.

EC-3491. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of eight rules entitled "Clear Air Act Approval and Promulgation of Carbon Monoxide Implementation Plan for the State of Washington: Puget Sound Attainment Demonstration," (FRL5538-3, 5534-4, 5540-5, 5534-2, 5525-8, 5524-3, 5524-5, 5529-5) received on July 18, 1996; to the Committee on Environment and Public Works.

EC-3492. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "Amendment to the List of Proscribed Destinations," received on July 17, 1996; to the Committee on Foreign Relations.

EC-3493. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into the United States in the sixty day period prior to July 11, 1996; to the Committee on Foreign Relations.

EC-3494. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to assistance to Bosnia and Herzegovina; to the Committee on Foreign Relations.

EC-3495. A communication from the Chairman of the National Endowment For the Arts, transmitting, pursuant to law, the report under the Freedom of Information Act for calendar year 1995; to the Committee on the Judiciary.

EC-3496. A communication from the Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the rule entitled "Removal of Form I-151," (RIN1115-AD87) received on July 16, 1996; to the Committee on the Judiciary.

EC-3497. A communication from the Assistant Attorney General (Office of Legislative Affairs), transmitting, a draft of proposed legislation entitled "Forfeiture Act of 1996"; to the Committee on the Judiciary.

EC-3498. A communication from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, a report relative to the Indicators of Equal Employment Opportunity-Status and Trends; to the Committee on Labor and Human Resources.

EC-3499. A communication from the Director of the Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Antibiotic Drugs: Clarithromycin Granules for Oral Suspension," received on July 17, 1996; to the Committee on Labor and Human Resources.

EC-3500. A communication from the Director of the Office of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the report of a rule entitled "Elementary-Secondary Staff Information Report,"

received on July 17, 1996; to the Committee on Labor and Human Resources.

EC-3501. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated July 1, 1996; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Armed Services, and to the Committee on Governmental Affairs.

EC-3502. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of the Mid-Session Review of the 1997 Budget; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, and to the Committee on the Budget.

EC-3503. A communication from the Administrator of the U.S. Small Business Administration, transmitting, a draft of proposed legislation concerning the Federal budget for fiscal year 1997; to the Committee on Small Business.

EC-3504. A communication from the Under Secretary for Domestic Finance, Department of the Treasury, transmitting, pursuant to law, a notice concerning Treasury's outstanding debt; to the Committee on Governmental Affairs.

EC-3505. A communication from the Acting Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "1996 Federal Financial Management Status Report and Five-Year Plan"; to the Committee on Governmental Affairs.

EC-3506. A communication from the District of Columbia Auditor, transmitting, pursuant to law, the report entitled "Performance Review of Contract Appeals Process"; to the Committee on Governmental Affairs.

EC-3507. A communication from the Deputy Independent Counsel, transmitting, pursuant to law, the annual report of the Independent Counsel; to the Committee on Governmental Affairs.

EC-3508. A communication from Chair of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

EC-3509. A communication from the Executive Director for the Committee for Purchase from People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule entitled "Additions to the Procurement List," received on July 15, 1996; to the Committee on Governmental Affairs.

EC-3510. A communication from the Deputy Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems," (RIN3206-AH54) received on July 15, 1996; to the Committee on Governmental Affairs.

EC-3511. A communication from the Director of Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement," received on July 18, 1996; to the Committee on Governmental Affairs.

EC-3512. A communication from the Director of the U.S. Office of Personnel Management, transmitting, pursuant to law, a report concerning the Federal Employees

Health Benefits Program, (RIN3206-AG66) received on July 17, 1996; to the Committee on Governmental Affairs.

EC-3513. A communication from the Deputy Associate Administrator for Acquisition Policy, Office of Policy, Planning and Evaluation, General Services Administration, transmitting, pursuant to law, the report of fifteen rules entitled "Federal Acquisition Circular 90-40," received on July 18, 1996; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 1839. A bill to authorize appropriations for fiscal year 1997 to the National Aeronautics and Space Administration for human space flight; science, aeronautics, and technology; mission support; and Inspector General; and for other purposes (Rept. No. 104-327).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1734. A bill to prohibit false statements to Congress, to clarify congressional authority to obtain truthful testimony, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DORGAN (for himself and Mr. BYRD):

S. 1978. A bill to establish an Emergency Commission To End the Trade Deficit; to the Committee on Finance.

By Mr. JEFFORDS:

S. 1979. A bill to amend the Social Security Act to help disabled individuals become economically self-sufficient and eligible for health care coverage through work incentives and a medicare buy-in program, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 1980. A bill to prohibit the public carrying of a handgun, with appropriate exceptions for law enforcement officials and others; to the Committee on the Judiciary.

By Mr. CRAIG:

S. 1981. A bill to establish a Joint United States-Canada Commission on Cattle and Beef to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the countries with respect to the production, processing, and sale of cattle and beef, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN (for himself and Mr. BYRD):

S. 1978. A bill to establish an Emergency Commission To End the Trade Deficit; to the Committee on Finance.

THE END THE TRADE DEFICIT ACT

Mr. DORGAN. Mr. President, I am pleased today to come to the floor with my colleague and friend, Senator BYRD from West Virginia, to introduce a

piece of legislation that we feel is important and timely. It is a piece of legislation that we have discussed for many months and are now prepared to introduce in the hope that we would be able to do the things necessary to allow it to become law between now and the end of this legislative session.

Simply put, this piece of legislation deals with a deficit. There has been a great deal of discussion in the Congress in recent years about deficits, almost all of it dealing with the question of budget deficits. Those deficits are a problem and have been a problem, and we have tried in a number of ways, both on the Democratic side and on the Republican side, in different kinds of approaches, to bring down the budget deficit.

I am pleased to say a substantial amount has been accomplished. The budget deficit has been reduced almost in half in the last 3 to 4 years. The budget deficit is down and is coming down. In fact, a report just last week by the Congressional Budget Office was an extraordinarily optimistic report about further reductions in the budget deficit.

However, there is another deficit that almost no one speaks about. It is called the merchandise trade deficit, and it is growing and getting larger. We are going to introduce a piece of legislation today that establishes a commission. It asks that an emergency commission to end the trade deficit be impaneled to review economic and trade policies, tax and investment laws and other incentive and restrictions that affect trade, with the hope that recommendations can be made that Congress will be able to embrace to not only reduce this trade deficit but also to end the trade deficit.

I will offer a couple of charts to show my colleagues what has happened with respect to the trade deficit. We have had 20 consecutive years of trade deficits, totaling \$1.8 trillion. Last year, we had the largest negative trade balance in history. This chart shows, and the red demonstrates, the merchandise trade deficit.

These are troublesome because trade deficits must be repaid with a lower standard of living in the United States. You can make a more direct case on national budget deficits. That is money people owe to themselves, and except for the maldistribution of the debt, it is not such a big deal. I do not make that case on the trade deficit, but some economists might. Nobody can make a case with respect to the trade deficit, except this: Trade deficits must be and will be repaid by a lower standard of living in this country. And they must be repaid someday.

This chart shows what has happened to the trade deficits. There has been very little discussion in the Congress about what is causing the trade deficit, in what direction it is headed, and how to begin to develop some policies to address it.

The trade deficit also represents some other underlying problems. These

deficits mean that we are buying more from abroad than we are selling to other countries. It means that jobs that normally would have been created in our country are created elsewhere. It means jobs are moving from our country to foreign countries. Less opportunity here, more opportunity abroad.

When you see these kinds of policies that inherently weaken our manufacturing base and sap our economic strength, you have to be prepared to say that this is a serious problem for this country. We must address it. Just as we have been addressing the other deficit, the budget deficit, so, too, we must address this issue of 20 years of growing merchandise trade deficits.

The next chart is a chart that shows that projections by econometric firms and forecasting firms tell us that the trend line by Data Resources indicates that the merchandise trade deficit will reach over \$330 billion by the year 2006, 10 years from now. Wharton Econometrics projects a doubling of the trade deficit by the year 2010.

These are the forecasting groups who say, "Here is what we think will happen to the merchandise trade deficit." They see a doubling of the trade deficit. This is Data Resources: \$331 billion by the year 2006. Clearly, that is a course that this country should not accept. Clearly, we ought to do something about it.

The next chart. The United States, in a very few short years, has moved from being in the position of the world's largest creditor Nation to being the world's largest debtor Nation. That has happened in a very short period of time. This is an astounding change in our country's economic position.

Now, think of this as a neighborhood, and you look at one house over near a driveway with very nice shutters, a manicured lawn, a pretty home, with five or six cars sitting outside in the driveway. You think to yourself, gee, that person is really doing well—except the person is very close to going under, because it is all borrowed money. That is what is happening with our merchandise trade deficit, and why we are going from the largest creditor Nation in the world to being the largest debtor Nation in the world.

The next chart I want to show describes our trade deficit by country. You will see the largest trade deficit, by far, is with Japan. We have had this for a long while. It is continuing and abiding and does not seem to change. It was nearly \$60 billion last year. China was \$34 billion. Canada and Mexico together were about \$33 billion. A very substantial problem. Six countries make up 94 percent of our country's trade deficit.

Now, part of the problem is that these countries have not completely opened up their borders to our goods. Yet, they ship their goods to our country in wholesale quantities. When we want to move goods into their countries, we are told that we are doing better. But we are not doing good enough