

owners and this is what they have said. The new owners want the company to take a neutral position with regard to union organizing campaigns. We want you to know that California law gives you the right to decide if you want to join or support any union organization effort, and we generally respect that right.

We need more of that attitude out there in the corporate world.

UPDATING THE JONES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Am I allowed to whistle, Mr. Speaker, in the Chamber to get everybody's attention?

The SPEAKER pro tempore (Mr. COOKSEY). No. The Chair will get order with the gavel.

Mr. SMITH of Michigan. Mr. Speaker, today we are introducing a bill that changes the law that was passed in 1920 that is now disrupting commerce, that is now putting Americans out of jobs and out of business, that is making American consumers pay much more for their products than they otherwise might pay. That law in 1920 was passed in order to get the United States of America going in terms of building our sea fleet, our ships, in terms of getting a crew of sailors that were trained that could help this country in time of war, in time of commerce. That bill is known as the Jones Act.

That Jones Act bill does several things. It said that one has to have a U.S.-owned ship, that it has to be built in the United States, all the component parts and everything else built in the United States, that it has to be American sailors that pay taxes in this country.

I say some of that is good, but let me tell my colleagues what has happened to this bill as we have lost 60 percent of our fleet that goes from U.S. port to U.S. port in this country. We are forcing sailors out of jobs; we are forcing businesses out of business. I will give my colleagues a couple of examples.

Right now in Michigan, wheat can be purchased from Canada, the same priced wheat, and shipped to other ports through the seaways at a cheaper price than they can buy it much closer in United States ports. I would like to get the gentleman from Maryland [Mr. GILCHREST] to give me the case, because I cannot remember what that was.

Mr. GILCHREST. Mr. Speaker, I thank the gentleman for yielding. I am not going to take a position on the Jones Act, but what I would like to describe to the gentleman from Michigan is that there was a ship in Baltimore that was loading cargo, helicopters. One of the helicopter blades that was just loaded onto the ship fell and was damaged. The only place to replace those helicopter blades was in Jacksonville, FL.

Now, the ship was a Norwegian-owned ship. The ship traveling from Baltimore to Florida could take on the new blade, but it could not exchange it for the old blade without a fairly significant fine, because of the Jones Act. We were able to work through this and mitigate that down, which is still in the process of being mitigated.

I think in instances where one can exchange parts under those circumstances, that probably ought to be accomplished.

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman. The problem is, what we do in this bill is we keep everything else the same. We say it has to be an American crew, it has to come under all American laws, pay all U.S. taxes. It has to be American owned. But in the cases where an international company can build that ship much cheaper than they can build in this United States, allow that bid to happen. Let us buy American, but where it is unreasonably high and right now the United States in our shipbuilding ports are not interested in building those ships for the Jones trade. They turned down Walt Disney. You might have seen that. They turn down cruise ships. What this bill does is it says that at least some of those component parts, that ship can now be built in another country.

If we want to expand our seaways and our ships, then I think we have to face up to the fact that we are losing jobs in this country.

I yield to the gentleman from Colorado [Mr. SCHAFFER], who has worked a long time on this issue.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I thank the gentleman from Michigan for bringing this issue forward and for his leadership in the effort.

In the conference that we had yesterday to announce the bill, of course we were joined by many people from the agriculture industry, as well as the steel industry, and many individuals, many industries represented that shipping and goods and services throughout the country, and the Jones agent, back in the 1920's is the age on this thing, was described as an act which increases the cost of goods and services to consumers.

Now, I come from a State where we produce a lot of wheat, an awful lot of corn, a lot of cattle, and a lot of pork, and so on, and shipping is an incredibly important mode of transportation for these goods that need to get to market. The wheat farmers, as one example, in Colorado tell me that the cost of a bushel of wheat is increased by upward of \$1 per bushel because of the regulatory impact of the Jones Act.

I commend the gentleman from Michigan for bringing this issue forward. By deregulating this particular industry, we stand a chance of turning these numbers around, actually increasing the number of ships produced in the United States, the number of people employed in the industry by ap-

pealing to the benefits of the free market, and in the long run, reduce the cost for consumers throughout the country and strengthen our global and competitive position.

Mr. SMITH of Michigan. I thank the gentleman very much.

Mr. Speaker, if I can prove to my colleagues that we are going to end up with more American jobs, that our national security is going to be enhanced by the increased number of ships, will my colleagues support this bill? It is dramatic. Look at it, study it. I would suggest to my colleagues that we do not have this kind of requirement for our trucks, our trains, our airplanes or anything else.

If we had done this to the American automobile industry and shut off any imports coming into this country, we would not have the quality of cars. Today, we have the highest quality, the best price, the best deal car in the world because there is competition.

I would suggest to my colleagues, Mr. Speaker, that we have to face up to the fact that we have an antiquated law that needs to have competition brought into this industry. We are dropping the bill tonight.

ORDER OF BUSINESS

Mr. PASCRELL. Mr. Speaker, I ask unanimous consent to claim the time of the gentlewoman from California [Ms. WOOLSEY].

The SPEAKER pro tempore [Mr. COOKSEY]. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CHINA MOST-FAVORED NATION STATUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PASCRELL] is recognized for 5 minutes.

Mr. PASCRELL. Mr. Speaker, over the course of the next few days, the Members of this august body will be forced to weigh a great deal of information, withstand a tremendous lobbying effort from both sides of the issue, and eventually cast one of the most critical votes that we will take in this Congress.

I am referring to the vote on extending most-favored-trade status to China. The outcome of this vote, Mr. Speaker, will say as much about where our priorities lie as any other dozen votes we will cast in the Congress, the 105th Congress.

I am certain that there will be those who will take to this well over the next few days and claim that this vote is not really about anything exceptional. They will no doubt argue that we are already simply extending the same trade status to China that we do to 160 other nations. Such an evaluation of this debate is nothing short of sophomoric and fails to do little more than scratch the surface of the issue.

In reality, the China MFN debate is about nuclear proliferation. It is about human rights. It is about small business in America, and it is about American jobs. We may in fact afford most-favored-nation status to nearly every other country, Mr. Speaker, but China is not any other Nation. China is very different and poses a far different set of issues to deal with as a package than any of the nations with which we have MFN status.

China is one of the world's most dangerous proliferators of nuclear weapons. The Communist Chinese Government has, and is currently, engaged in the transfer of dangerous technology for nuclear weapons to rogue nations. The Chinese Government has provided Iran with advanced missile and chemical weapons technology. They have provided Iraq and Libya with materials used to produce nuclear weapons. They have provided missile-related components to Syria and given the Pakistanis the technology for nuclear weapons at the same time that Pakistanis get poorer and poorer. The Chinese Government has provided the nations with the least stable governments and that pose the greatest threat to the security of the Middle East, to our own security, with weapons of mass destruction.

A vote in favor of MFN for China is a vote to condone nuclear proliferation by China. A vote in favor of extending MFN to China is also a vote to condone China's deplorable record of human rights abuses.

The State Department Country Report on Human Rights for 1996 bluntly stated the Chinese Government continued to commit widespread and well-documented human rights abuses in violation of internationally accepted norms stemming from the authorities' intolerance of dissent, fear of unrest, in the absence or inadequacy of laws protecting very basic freedoms.

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Voting to extend most favored nation just days before China takes control of Hong Kong sends the wrong message, Mr. Speaker. Human rights, nuclear proliferation, these are important issues. But for thousands in my district in New Jersey, this is a debate about the future of their jobs. It is a debate about whether or not they will still have their jobs.

Part of the reason for the loss of those jobs, Mr. Speaker, has been the incredible trade imbalance we have cultivated with China, Communist China. In 1996, our trade deficit with China ballooned to a record \$40 billion. On the same rate, we will move to \$50 billion.

Where is the plus for the United States of America? Where is the plus for our families? We are on a path that will soon lead to China replacing Japan as the largest contributor to the overall U.S. merchandise trade deficit.

Renewing Chinese most-favored-nation status means renewing a status

quo in which the average Chinese tariff on U.S. goods is 35 percent compared to the United States tariff on Chinese goods as 2 percent. Is this what the State Department and those advocating MFN for China call engagement?

THE SHACKLEFORD BANKS WILD HORSES PROTECTION ACT

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, I rise tonight to share with my colleagues an important editorial from a newspaper in my district, the Carteret County News-Times. The editorial, titled "Listen Up, National Park Service," I submit for the RECORD demonstrates the importance of the Shackleford Banks Wild Horses Protection Act, a bill I have introduced to save a group of wild horses in North Carolina.

As the editorial says, the wild horses of Shackleford Banks are believed to be descendants of Spanish mustangs who swam ashore after Spanish galleons wrecked off the coast of North Carolina centuries ago. For years these beautiful horses freely roamed the 3,000 acre barrier islands without trouble until the North Carolina Park Service took control of the area to form the Cape Lookout National Seashore in the 1970's.

Today, the horses are threatened by the National Park Service, which seems to be more concerned with managing the vegetation on the island than the horses. They have already euthanized many of these beautiful animals for questionable reasons.

We must not allow the National Park Service to continue to destroy these horses. The National Park Service's management plan specifies that a representative herd of horses must be maintained, but I fear that this vague term does not sufficiently protect the horses. What is to keep the Park Service from reducing the horse population to a number that may not survive one of the many storms that passes over North Carolina's coast?

When the North Carolina Park Service first took control of the island, the horse population was 104. According to Dr. Dan Rubenstein, chairman of the Department of Ecological and Evolutionary Biology of Princeton University, this number of 104 is appropriate for the overall well-being of the island ecology and, most importantly, for the horses' survival.

Dr. Rubenstein has been studying the herd for more than 15 years. He is the expert on these horses for the Park Service. Even a genetic scientist hired by the Park Service believes that the herd should consist of at least 100 horses to remain a viable herd.

For this reason, my proposed legislation, the Shackleford Banks Wild Horses Protection Act, would require that the number of horses on the is-

lands be maintained at not less than 100 horses, and prohibits the removal of any horses unless their number exceeds 110. It also allows public input in the management of the horses through the nonprofit Foundation for Shackleford Horses, a group that truly cares about the horses and their future.

Mr. Speaker, the wild horses of Shackleford Banks were on this island long before people were. Clearly, they are a true historical treasure, one we must protect, just as we protect other national treasures such as the Grand Canyon.

The Shackleford Banks Wild Horses Protection Act is in the best interest of the horses and it is in the best interest of the visitors and residents who so enjoy viewing them in their natural setting.

As a Carteret County News-Times editorial reports, both Democratic Governor Jim Hunt and Democratic Secretary of North Carolina Department of Cultural Resources Betty McCAIN support this legislation. I urge my colleagues to do the same.

Let us protect the wild horses of Shackleford Banks for the children and the next generation, and let us save this national treasure.

Mr. Speaker, I include for the RECORD the article I referred to previously.

The article referred to is as follows:

[From the Carteret County News-Times, June 13, 1997]

LISTEN UP, NPS!

Some countians were skeptical when the National Park Service announced plans last year to test wild mustangs on Shackleford Banks for Equine Infectious Anemia, a debilitating disease of horses.

They believed the NPS's real agenda was to remove all the noble animals from the island, part of Cape Lookout National Seashore.

It appeared to many observers, including this newspaper, that those concerns were overblown, if not bordering on paranoia.

After all, it only made good sense to cull sick animals so that the healthy ones might thrive under improved conditions, without fear of contracting EIA from biting insects feeding off the sick horses. NPS said it had to cull the herd not so much because of the disease but because the horses were overpopulating and damaging vegetation, destroying the ecology of the island.

So the NPS plan went forward, euthanizing 76 of the 184 Shackleford horses who tests positive for the virus that weakens horses' immune systems, sometimes leading to death.

That left 108 health horses free to roam the 3,000-acre barrier island much like their descendants, Spanish mustangs who perhaps swam ashore after Spanish galleons wrecked off the coast centuries ago.

All seemed well, and fears of some countians dissipated while the NPS spoke neighborly about maintaining the remaining herd at about 100 or so members, chiefly through birth control measures.

To be on the safe side, however, Third District Congressman Walter Jones Jr., R-N.C., worked with Carteret County officials and horse lovers whose aim was to participate in managing the herd. It has always been and remains the wishes of countians, with support from the scientific community, to