

York will be able to maintain its highway and transit construction program over the short term.

I am concerned, however, that come May, the House and Senate will still not be close to agreement and we will face the need to pass another short-term measure. It is essential that the process for passing any future ISTEA extensions be inclusive and address the needs of the transit program, which, unlike highways, will have almost no unobligated balances by May. ISTEA's goal was to create an intermodal transportation system and I will fight any attempt to divorce highway needs from transit needs.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAST-TRACK LEGISLATION

Mr. FORD. Mr. President, the Senate is in the process of considering fast-track legislation—a take-it-or-leave-it procedure for any trade agreements the administration sends to the Congress for approval. This procedure, created back in 1974, prevents Congress from taking any steps to improve trade agreements, even if there is unanimous agreement to do so.

While it has only been used five times since its creation, Americans need to understand that it amounts to an abdication of Congress' power, granted under article I, section 8 of the Constitution: "to regulate commerce with foreign nations."

Fast track does not provide the President with negotiating authority. The President already has that authority. Agreements are then submitted to Congress for its approval.

In fact, this President has concluded over 200 trade agreements since taking office, only 2 of which were approved by Congress under fast-track procedures.

Mr. President, much is at stake in this debate. The issue today is how we can best ensure that all Americans—corporate chiefs, shareholders, and workers—can benefit from expanded trade.

Supporters of fast-track legislation are misleading the American public when they claim our economic leadership is at stake. Last month's turmoil in the financial markets provided new evidence that the entire world takes its economic cues largely from what happens here in America.

This is also not a battle that pits free traders versus protectionists. With exports a key part of the U.S. economy, no one is discounting our economy's global nature. But the fact remains that this Nation is already the most

open market on the Earth. And no one opposing fast track today is seeking to raise a tariff wall against goods from other nations.

The real issue is what America's trade policy should be for the 21st century. Do we continue doing things the way we have been doing them for the last 20 years? Or do we find the courage to develop a trade policy that benefits all Americans, from the corporate office to the assembly line to the storefront. And do we finally forge a true partnership between the executive and legislative branch to develop trade policy?

Fast-track supporters maintain that, without the fast-track procedure, Congress will simply amend any trade agreement to death. They say trade agreements involve too many players, are too complicated, and are too delicate to risk bringing before a Congress where most Members didn't have direct involvement in the negotiations.

This is nonsense. There are many, very complicated and delicate issues passed by Congress through the normal legislative process. This year's budget deal is a prime example. There were many players involved. The subject matter was broad and complex. Most Members did not play a direct role in the negotiations. And the final resolution involved a delicate compromise that could have easily fallen apart.

But Congress took up the entire package and passed it. The President signed it and we are now on our way to a balanced budget. I believe the same model could be applied to trade talks.

Mr. President, aside from the basic philosophical differences over how this Nation should approach trade policy, the fast-track bill reported by the Finance Committee forces the President to negotiate trade agreements in a vacuum. Under this legislation, the President is forced to ignore the lack of fair labor standards or adequate environmental standards in other countries.

We should not simply accept the premise that labor and environmental standards have nothing to do with trade. Any business in America recognizes that labor and environmental policy is, in fact, competitiveness policy. If they didn't believe it, they wouldn't oppose even modest increases in the minimum wage. If they didn't believe it, they wouldn't be concerned about new EPA regulations on clean air.

But the fact is, they do believe it. And so should Congress when it comes to the labor and environmental policies of our trading partners. They make a difference wherever goods are made, bought, or sold.

My colleagues should also be aware that the committee bill requires the President to ignore environmental and labor policy, while at the same time requiring him to negotiate on several other nontrade areas.

Patent and copyright law. Monetary policy. Food safety issues. Government procurement policies. All of these are included in the bill's principal nego-

tiating objectives because the committee recognizes that these nontrade areas have an impact on trade.

We do use trade agreements to promote more consistent and more equitable regulatory systems around the world. And we need to recognize, once and for all, that the nonenforcement—or nonexistence—of labor and environmental standards jeopardizes American jobs and industry just as much as the nonenforcement and nonexistence of intellectual property laws.

One of the first agreements that would come before the Senate under fast track would be the accession of Chile to the NAFTA. So, it's fair to ask how well this agreement, negotiated and adopted under fast-track procedures, has operated for our country.

One year before the implementation of NAFTA, the United States had a trade surplus with Mexico of about \$2 billion. Last year, the United States had a trade deficit with Mexico of nearly \$17 billion—a \$19 billion shift in trade over a 3-year period. The administration claims that 120,000 to 160,000 jobs have been created as a result of NAFTA. But the Labor Department's NAFTA Trade Adjustment Assistance Program has certified 136,000 workers as having lost their jobs as a result of NAFTA. Other estimates, including a recent one by the Economic Policy Institute, put the number at 400,000 jobs lost.

By far, the hardest hit has been the apparel sector, which has lost 158,000 workers in the last 28 months as apparel imports from Mexico have doubled.

NAFTA certainly has been a success—for Mexico. Unfortunately, America has fared much worse under the agreement.

Fast-track supporters argue that if we don't act now to expand the NAFTA to include Chile, and, ultimately, other South American countries, we will cede our leadership and fall behind to other trading partners.

But listen to what the pro-NAFTA 20th Century Fund has to say about the cost of not expanding NAFTA:

What are the costs to the United States if NAFTA is not expanded? . . . Despite the growth of intraregional trade outside the NAFTA, the costs to the United States of failing to expand NAFTA are not high in strictly economic terms. Whatever occurs on the trade front, the United States will remain the region's dominant economy. NAFTA represents 75% of trade in the hemisphere. . . And NAFTA's exports and imports are more than ten times those of Mercosur, the next largest regional organization.

And the facts bear out what the 20th Century Fund says. In the past year, without fast track and without new trade agreements, our trade surplus with South America has doubled, to \$3.6 billion.

As bad as the national numbers are, they are still worse for my own State of Kentucky. Exports to Mexico account for just 3 percent of all Kentucky's exports and support just 950 jobs, according to the pro-NAFTA

Council of the Americas. NAFTA resulted in an increase of just 4 million dollars' worth of exports to Mexico from Kentucky.

Unfortunately, the other side of the equation—imports from Mexico—has had a much more immediate and devastating impact on Kentucky. In 1993, over 30,000 Kentuckians worked in the apparel industry. Today, there are just 25,000 Kentucky apparel workers. The layoffs began soon after NAFTA passed and continue to this day. Just this past August, a major apparel manufacturer in my State laid off 2,000 workers.

When these jobs are lost and plants close, it is simply devastating to whole communities in Kentucky. I'd like to share with my colleagues an account of the plant closings we've suffered in Kentucky.

An August 8 story in the Louisville Courier-Journal talked about the latest blow to Kentucky's garment industry. Layoffs by Fruit of the Loom of 2,000 workers represents the latest loss to what the paper described as the "hemorrhaging garment-industry" in Kentucky. "At Fruit of the Loom alone, employment will have fallen from 11,000 2 years ago to 5,000 by the time the latest round of layoffs is completed * * *."

The vice president of Fruit of the Loom was blunt in his assessment. "We're being impacted by global competition resulting from international trade barriers. We can do the same work cheaper somewhere else."

Bill Parsons, executive director of the Lake Cumberland Area Development District where Fruit of the Loom is located, agrees.

Why would any good businessman want to stay in the U.S., where its going to cost \$8.48 an hour to make a garment you can make for 48 cents somewhere else? It makes a lot of business sense when you're looking at the bottom line.

David and NaDena Agee know firsthand about the bottom-line. Another Courier-Journal story tells how they "have a mortgage on a house they bought two years ago when they were both making good salaries at the Fruit of the Loom Plant in Campbellsville. They also have a 19-month-old son who is growing up fast. But after October 8, neither David nor NaDena will have a job because of continuing layoffs at the plant. They are worried about how they will provide for their son."

Instead of telling hardworking Americans like the Agees how fast track will assure them of a stable future, supporters of fast track are simply looking the other way.

Mr. President, I understand that international trade is not just confined to NAFTA. But proponents of fast track won't find a convincing argument on the other side of the world either.

Our trade deficit is enormous and growing. In 1995, our trade deficit rang in at \$105 billion. Last year's deficit was still higher—\$114 billion. And this year we are on our way to our fourth

consecutive year of record high trade deficits. The monthly trade deficit has increased each month this year except June.

Why do we have such enormous deficit? In the past, the experts have chalked it up to our persistent and large budget deficits. But now that we are in our fifth year of declining budget deficits and on our way to a balanced budget, that explanation has fallen out of favor.

Now, the experts are prepared to tell us the reason is a low savings rate compared to other countries—even though many of those other countries with higher savings rates don't have a Social Security system, as we do.

It seems any explanation of a trade deficit will do, so long as it has no connection to our trade policy. But that, in this Senator's mind, is where the problem is: our trade policy seems too often to be crafted for the benefit of other nations.

Month after month, I receive letters from Kentucky businesses asking for an end to a trade barrier an international trade agreement was supposed to resolve. This year, for example, I have received letters that: called for an end to Canada's exploitation of a NAFTA loophole to inundate the U.S. with wool suits made of Chinese fabric; demanded the Philippines implement a WTO decision against that country's system of using import licenses to keep American pork out; decried China's de facto ban on pork and tobacco products; called for better enforcement of our flat glass agreement with Japan; and, opposed the EU's proposal to accelerate the phase out of CFC's in an effort to disadvantage U.S. exports.

Mr. President, violations of existing agreements are particularly costly in the textile and apparel sector, where 4 to 10 billion dollars' worth of goods are illegally shipped to the United States. Countries like China and India routinely illegally label and ship their products through a third country in order to avoid an agreed upon quota.

Let me share a specific example of the noncompliance I'm talking about. After the enactment of the Uruguay round, the United States brought a case against Japan. Japan maintained a tax system designed to discourage the sale of imported distilled spirits, including Kentucky bourbon.

In November, 1996, the WTO found that the Japanese system violated the principal of national treatment—that a participating nation must accord imported and domestic products the same treatment.

How did Japan respond? Japan agreed to make the necessary changes to its tax law—by the year 2001, five years after the WTO decision! So now, the Japanese and American Governments are in negotiations over how long it's going to take Japan to fix a law it should never have adopted in the first place. What's more, there is now talk that the United States may accept "compensation" for Japan's refusal to

amend its law. This would mean that U.S. distilled spirits exporters won't get a thing out of an agreement that was supposed to win them market access.

Mr. President, I want to close by reiterating what brings me and other fast-track opponents to the floor. It's not because we want to raise up new tariff walls. It's not because we are isolationists. It's not because we want to protect jobs from any competition whatsoever. It's simply because our trade policy has not been a good one for the people of my State, nor the vast majority of States. It's because there ought to be a way to negotiate trade agreements that make Congress a partner every step of the way. And it's because there are so many problems in the agreements we have today that demand to be fixed.

So let's work together to forge a new trade policy that truly opens markets overseas, that benefits all Americans and that includes important issues, like labor laws and environmental regulation.

Mr. President, let's put fast track on the right track.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, November 7, 1997, the Federal debt stood at \$5,426,731,931,109.43 (Five trillion, four hundred twenty-six billion, seven hundred thirty-one million, nine hundred thirty-one thousand, one hundred nine dollars and forty-three cents).

One year ago, November 7, 1996, the Federal debt stood at \$5,243,332,000,000 (Five trillion, two hundred forty-three billion, three hundred thirty-two million).

Twenty-five years ago, November 7, 1972, the Federal debt stood at \$435,658,000,000 (Four hundred thirty-five billion, six hundred fifty-eight million) which reflects a debt increase of nearly \$5 trillion—\$4,991,073,931,109.43 (Four trillion, nine hundred ninety-one billion, seventy-three million, nine hundred thirty-one thousand, one hundred nine dollars and forty-three cents) during the past 25 years.

SENIOR CITIZEN HOME EQUITY PROTECTION ACT

The text of the bill (S. 562) to amend section 255 of the National Housing Act to prevent the funding of unnecessary or excessive costs for obtaining a home equity conversion mortgage, as passed by the Senate on November 9, 1997, is as follows:

S. 562

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Senior Citizen Home Equity Protection Act".