

as a key requirement. The report said aeronautics research in Europe is "substantially behind that of the U.S. and scattered in various national programs and centers." It recommended adopting different forms of cooperation between various programs and transnational partnerships.

Busquin said the EC would set up an Advisory Council for Aeronautics Research in Europe by mid-year to help coordinate activities. The EC will also look for ways to reinforce cooperation and deal with problems which can neither be solved on the national nor on the community level.

Walter Kroll, Chairman of the German aerospace research center DLR, said research in Europe is too fragmented and rife with unnecessary duplication and is also burdened with too much intro-European competition. More synergies would have to be found. Public funding was "the key to success" and should be consistently sustained in the years to come, he said.

The report acknowledged that despite current restructuring efforts European industry still "lagged behind" the U.S. in terms of consolidation. Nevertheless, consolidation is viewed as a "platform for maintaining and enhancing Europe's competitiveness during the next two decades."

European aeronautic experts believe that improved competitiveness will allow the industry to capture a majority of the world market in aircraft, engines and equipment. The industry maintains that this can be achieved through a high degree of innovation and a shorter time-to-market for its products. The goal is to cut development lead times in half.

Evans warned, however, that the process of constant innovation and technological improvement could not be sustained as readily as it would have been in the past due to decreasing defense spending in Europe. He stressed that "virtually all of aerospace technology" initially derived from research for military projects. "We took things out of the basket, but we didn't put back in enough."

Furthermore, the European aerospace industry is in a completely different position from several years ago, as virtually every major company has gone through privatization. He noted that the industry is now dependent on capital markets, good financial returns and investor confidence. As a result, European governments had to recognize that they were competing against other world regions in order to retain manufacturing sites within their own countries.

The European aerospace industry, in Evans' view, will have to focus on high-end products. "Metal fabrication will be in serious decline." In order to keep European businesses competitive and prevent companies from moving to other countries, the tax and regulatory environment would have to be improved, Evans said. "European governments will have to decide if they want a vibrant industry."

Vision 2020 places a strong focus on the environmental impact of air travel. Not only does it plan to dramatically cut exhaust emissions, but also to employ more recyclable materials. Another goal is to eliminate aircraft noise as a "political and social issue." To do so means that noise levels will have to be reduced to 50% of current average levels through new engines, better operational procedures and sensible land planning around airports.

The report noted that industry is exploring concepts for more competitive aircraft designs, including a "next generation of superliners" capable of carrying up to 1,200 passengers. Vision 2020 also includes a readiness to develop "niche markets for supersonic aircraft and freight-carrying airships." Flying wing designs, as well as vertical take-off and

landing vehicles, could also emerge in the commercial world.

OPPOSING SOCIAL SECURITY PRIVATIZATION

The SPEAKER pro tempore (Mr. KIRK). Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker, I rise tonight to highlight the importance of Social Security to millions of individuals and their families. Social Security is the Nation's most successful anti-poverty program. It has lifted over 11 million seniors out of poverty. The program has been especially important for women. Sixty percent of all Social Security recipients are women. Nearly two-thirds of all women 65 and older get half or more of their income from Social Security. Nearly one-third of those receive 90 percent or more of their income from Social Security.

Without Social Security, the poverty rate for elderly women would be more than 50 percent. It is currently about 12 percent. While this statistic is still too high, it shows how important the program is. But the President and some Members of Congress want to fundamentally change Social Security, preventing Social Security from carrying out its important role. The President and other supporters of privatization are using the program's long-term financial problems to advance their political agenda. The President suggests that by allowing individuals to divert part of their payroll taxes into private accounts, Social Security will return to firm financial footing and will still be able to continue helping recipients. However, this simply is not true. Privatization will harm Social Security, leaving the well-being of millions of people uncertain. Privatization will likely result in benefit cuts and increase the retirement age for individuals.

In early 2001, the President announced the formation of a commission to develop a plan to strengthen Social Security. The commission's report advocated three plans, all of which would allow for some level of private accounts. What the report fails to mention, though, is that all three plans have significant drawbacks. For example, accounts would likely lose 20 to 40 percent of their value due to administrative charges and management fees. Therefore, senior citizens would have less money at retirement. I am also concerned that individuals would be exposed to significant risk under privatization. Under current law, an individual's benefits are determined by their earnings and payroll tax contributions. He or she is guaranteed a monthly benefit, adjusted for inflation, for life.

Under the President's plan, individuals would be required to play the stock market, exposing themselves to the whims of the market. A person would then have to pick the right time to retire. No matter how skilled an in-

dividual is in reading the market, he or she should not have to gamble with retirement savings. This is unfair. It leaves too much up to chance.

We are not trying to scare our senior citizens. Rather, we want to provide them with both sides of the argument. While Social Security's financial outlook needs to be made more certain, we should not rush to embrace a particular solution that may end up being worse than the current system. As Congress proceeds with this very important debate, we should be providing our seniors with facts, not lofty promises about reforms. Our seniors deserve no less.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-McDONALD) is recognized for 5 minutes.

(Mrs. MILLENDER-McDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

(Mrs. CLAYTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

SOCIAL SECURITY AND WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

Ms. CARSON of Indiana. Mr. Speaker, I rise today in strong support of Social Security, the preservation of it for future generations, particularly with regard to women. As we know, there are more women in the United States than there are men; so it would be appropriate, then, to underscore the needs for women.

Women represent a majority of Social Security recipients in the United States. According to the Social Security Administration, women make up almost 60 percent of all Social Security beneficiaries and approximately 71 percent of beneficiaries 85 years of age and older.

Women rely heavily on Social Security because most do not receive private pensions; therefore, Social Security provides the foundation for most women's retirement security. Recent surveys indicate, Mr. Speaker, that over half of nonmarried women 65 and older receive 80 percent or more of their income from Social Security.

Although Social Security is helpful for women, it still has many inequalities. Social Security tends to protect families consisting of a lifelong paid worker, who is typically the husband. However, women who often leave the workforce temporarily to have children do not receive the same benefits. Estimated predictions state that the Social Security benefits currently received

would be 36.6 percent higher if women were paid as much as men.

However, inequalities within the Social Security system are not only to blame for women receiving less benefits than men. The wage gap continues to hinder equality among recipients based on gender. Although the Equal Pay Act became public in 1963, making it illegal to pay women lower rates for the same job strictly on the basis of sex, almost 4 decades later the wage gap among women and men persists and this has a direct impact on Social Security. At the end of 2001, women's average monthly retirement benefit was, on average, \$229 less than men's. Our retirement system is employment based, and women are unfairly penalized as they reach retirement age.

However, Social Security was designed to be a guaranteed source of income for retired persons. Although both genders can sometimes find their benefits exhausted, women are particularly at risk. In my State of Indiana, not only is Social Security a necessity among women. It is crucial to many retirees, families, and disabled workers. In Indiana, benefits were paid to close to 1 million persons during the month of December, 2000. This number included over 600,000 retired workers, over 100,000 widows and widowers, over 100,000 disabled workers, almost 60,000 wives and husbands, and over 80,000 children. Social Security beneficiaries represent 16 percent of the total population of the State of Indiana, 95 percent of Indiana's population age 65 and older.

Social Security is the heart of our Nation's insurance. When it was inspired and inaugurated under President Roosevelt in 1935, it was an excellent idea. It was a good idea then; it is a good idea now. It is both our fiscal and moral responsibility to provide our Nation's seniors, especially women, with the benefits that they so rightfully deserve. We cannot abandon our senior citizens and future generations. It would be a grave injustice to deprive them of Social Security benefits. Today's beneficiaries have worked long and hard, paid their taxes, earned their right to a happy and long retirement. It is the responsibility of Congress to make sure that this promise is kept.

In Indiana, over 700,000 people receive Social Security benefits. Of that 700,000, Mr. Speaker, 60 percent of those beneficiaries are women, many of whom live in borderline poverty. We must not privatize Social Security. We must secure Social Security, Mr. Speaker.

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The SPEAKER pro tempore (Mr. KIRK). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

EXPANDING THE TRADE ADJUSTMENT ASSISTANCE PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Ms. HOOLEY) is recognized for 5 minutes.

Ms. HOOLEY of Oregon. Mr. Speaker, there is little arguing about the macroeconomic benefits of free and open trade. International trade agreements lower prices, they encourage higher productivity; and ultimately, they improve consumer choice. But these gains, no matter how significant to our economy, are net gains, because increases in imports usually contribute to a plant closing and worker layoffs. That is because the gains from international trade tend to be very large and are widely distributed throughout our economy. The U.S. economy's ability to create jobs is virtually unmatched by any other Nation.

Unfortunately, that is a simplistic view. The cost of imports are heavily concentrated by industry, location, and worker demographics. And while our economy has demonstrated an ability to create jobs, job creation does not always take place at the same location where jobs are lost. One need look no further than our last census for proof.

New jobs are in different industries than jobs lost. The vast majority of trade-related job losses are in the manufacturing sector. Between 1979 and 1999, 17 million American workers lost their jobs from manufacturing industries. However, during that same period of time, the United States added 39 million jobs. So essentially, for every job lost in the manufacturing sector, more than two jobs were created in the economy.

Almost all the net new jobs created have been in the service sector, which require new skills and, in many cases, do not provide the same wages or benefits which existed at a previous job.

So, yes, the fact remains that the macroeconomic gains from international trade almost always outweigh the cost. However, these costs are significant for individual workers and their families and to the towns and communities in which they live.

As we have seen in the past several years, the costs can undermine efforts to further liberalize trade, which is the position we find ourselves in tonight. Ours is a Nation built on commerce, and I support giving the executive branch the authority to negotiate with foreign nations to lower trade barriers.

We do not need 535 trade ambassadors. What we do need is a mechanism which allows the executive branch to negotiate on behalf of Congress and to ensure the will of Congress is respected in those negotiations.

So far, the legislation granting the President fast track trade negotiating authority has not lived up to this requirement; and as such, I have not supported it. One of the reasons the administration has not been able to rally support for fast track is because of the lousy job we have done in remedying the casualties of trade.

Now, by the way, this has gone on for a long time, for 40 years. Forty years ago, President Kennedy spoke of the need to ensure American workers who lose their jobs to imports are retrained for other careers. Quoting President Kennedy, he said: "Those injured by trade competition should not be required to bear the full brunt of the impact. Rather, the burden of economic adjustment should be borne in part by the Federal Government. There is an obligation to render assistance to those who suffer as a result of national trade policy."

Those remarks culminated in the enactment of the Trade Adjustment Assistance program, or TAA, in 1962. At the time, the United States had an enormous trade surplus, imports only comprised 5 percent of the gross domestic product and manufacturing comprised 30 percent of total employment.

Fast forward to today, 40 years later. The share of imports of GDP has tripled, trade surplus has turned into a huge trade deficit and the manufacturing share of total employment has fallen to 13 percent. Despite our strong economic growth, it appears President Kennedy's comment is more relevant today than it was 40 years ago.

While TAA may not erase all the economic pain caused by dislocation, it has made the adjustment to a new job a little easier, and represents small compensation for the losses they and their families have experienced. However, there is a lot of room for improvement in the TAA program. We need to expand the program and ensure that it will offer financial support, retraining and relocation benefits as Americans work to upgrade their skills and transition into more complex jobs that offer them the best opportunity of reclaiming old earning levels.

The other body has made substantial inroads into improving the program in its consideration of fast track legislation, especially in the area that concerns most of us, and that is affordable health care.

Mr. Speaker, as millions of Americans have discovered, losing a good-paying job is bad enough; but losing health insurance is a straw that can break the camel's back. Health insurance is very expensive, which is why nearly one in seven Americans, or 39 million people, do not have health insurance. Currently, workers who lose their jobs are eligible for extended health care insurance which enables them to retain the health insurance they had at their jobs, but at four to six times the amount they formerly paid while employed.

The other body's proposal would remedy that situation by ensuring that TAA eligible workers would have a tax credit of 70 percent of their health insurance premiums. Workers would actually be able to afford health insurance as they seek retraining assistance, a key to ensuring that they finish their retraining. The other body's TAA tax credit provision guarantees