

further the goals of the Paperwork Reduction Act to have Federal agencies become more responsible and publicly accountable for reducing the burden of Federal paperwork on the public, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 889, EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS, 1995

Mr. LINDER, from the Committee on Rules, submitted a privileged report (Rept. No. 104-44) on the resolution (H. Res. 92) providing for consideration of the bill (H.R. 889) making emergency supplemental appropriations and rescissions to preserve and enhance the military readiness of the Department of Defense for the fiscal year ending September 30, 1995, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR CERTAIN COMMITTEES TO SIT TOMORROW, WEDNESDAY, FEBRUARY 22, 1995, DURING 5-MINUTE RULE

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule:

Committee on Banking and Financial Services; Committee on Commerce; Committee on Economic and Educational Opportunities; Committee on Government Reform and Oversight; Committee on International Relations; Committee on Judiciary; Committee on National Security; Committee on Science; Committee on Small Business; and Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

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

Mr. WISE. Mr. Speaker, reserving the right to object, and I shall not object, the distinguished majority leader is correct. The minority has been consulted. We wish to express our appreciation for the willingness of the Committee on the Judiciary, I believe, or whomever is handling the product liability legislation, to defer that until after the Democratic Caucus is able to meet with the President of the United States tomorrow.

I would also note, continuing my reservation of objection that as the welfare reform bill moves, there is going to be a need for negotiation on that as well, in terms of the committees sitting, but that is a subject for tomorrow, and this unanimous-consent request, of course, only extends for to-

morrow. I know other negotiations will take place.

Therefore, Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

GENERAL LEAVE

Mr. CHRISTENSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 831, the bill just passed.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE MINIMUM WAGE AND REAL WORLD EXPERIENCES

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

Mr. SAXTON. Mr. Speaker, I would like to tell you about a letter that was sent to me from Mr. Edward Satell. Ed is the president of Progressive Business Publications, a small company in Pennsylvania that publishes newsletters for business executives.

The letter Ed sent to me was dated August 1993 and was addressed to Professors David Card and Alan Kruger of Princeton University, and interestingly associates of Secretary of Labor Reich. The letter was a response to a New York Times article which hailed Card and Kruger's studies on the minimum wage.

And, I might add, these are the same studies conducted by the same professors that the Clinton administration has been glorifying in their efforts to push a higher minimum wage through this House.

In the letter, Ed noted that the 6 branches of his company provide about 300 full-time summer jobs to college students in the greater Philadelphia area.

He said he was thinking about setting up two offices in south Jersey, where my constituents live, but instead he decided to open a couple of more offices in Pennsylvania.

You see, New Jersey had just increased their minimum wage and kept these jobs away from my constituents.

I am going to read some excerpts from Ed's letter that demonstrate how a successful entrepreneur can expand his business and reward his workers without government intervention.

He said,

Our employees have income incentives in addition to the base salary. The result is the vast majority make substantially more than the minimum wage. But the minimum wage is important to us as it sets the base from which the incentives begin.

We give three incentives, all of which work well:

A. 25 cents per hour if the employee comes to work on time each day during a given week. With my workers this incentive influences the work ethic and helps productivity.

B. 50 cents per hour [is added] if the employee works for ten weeks like they agree to do at the time they are hired. This cuts down on turnover and adds to productivity.

C. Performance bonuses that can add an additional \$6.50 per hour [think of it, a total of \$11.50 per hour].

□ 2200

He goes on to say: "If the minimum wage were higher, it would have to be offset by lower incentives or fewer workers or both."

Madam Speaker, Ed has shown us exceptional creativity in increasing the productivity of your business by rewarding your best workers and helping them develop a strong regard for their work. I only wish that New Jersey's minimum wage hadn't inhibited our ability to attract these jobs to southern New Jersey.

By the way, since Ed sent his letter to Professors Card and Kruger, not even 2 years ago, his business doubled its employment, from 300 to 600 employees. I guess I should add that I wish New Jersey's minimum wage hadn't inhibited Ed's jobs from coming into my State.

Ed's experience supports the bulk of scholarly evidence. The losses in jobs incurred by an increase in the minimum wage are concentrated among young, and low-skilled workers.

Ed also points out that Card and Kruger's study was with the fast-food industry, an industry that is "a rather healthy, fundamental, and pervasive business." He adds, "This distorts the picture. I don't think the results would be the same with businesses that are not as fundamental and are thus more optional." Business, "like mine," he said.

What is more amazing, Madam Speaker, is that Card and Kruger seem to acknowledge these facts. In a reply to Ed's letter, they admit that there are job losses which accompany minimum wage increases.

Then they thanked him for sharing his real world experiences.

Well, I'm no Princeton economist, but I do know that in business, there are nothing but real world experiences. It's pretty sad that these two Ivy League professors, trapped in the ivory tower, have completely lost touch with reality.

They make no sense to me at all.

They admit that job losses result from minimum wage increases, but then they turn around and insist that their narrow, error-laden studies about fast-food restaurants in New Jersey demonstrate that a minimum wage increase results in job gains. What's even

sadder is that the Clinton administration is buying it.

Madam Speaker, with a national minimum wage increase, Ed Satell won't have the choice between New Jersey and Pennsylvania any more and many of his young workers will just be out of luck.

TRADE

The SPEAKER pro tempore (Ms. MOLINARI). Under a previous order of the House, the gentlewoman from Ohio [Mr. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, the U.S. merchandise trade deficit widened last year to \$166 billion, the worst performance in the history of the United States. What does that \$166 billion worth of U.S.-made goods were lost to import sales in our own marketplace. It means jobs lost here in America. And it means in order for us to pay the bills, more foreign investment here in the United States on which our people end up owning principal and dividends to others off shore, not ourselves.

Incredible as it may seem, what does the executive branch's Trade Ambassador say about all of this? Well, he just turns his back. He said, "It is not the worst." He says he is happy as a clam that exports rose 12 percent last year.

But, my friends, that is only half the ledger, because imports rose even more, nearly 16 percent. The flow is heavier and heavier in the wrong direction. If you are \$166 billion more in the hole, how can it be a good outcome?

In fact, the trade numbers for last year were worse than they were in 1993 and worse than in 1992 and worse than in 1991. If this administration's trade policies are so good, why are the numbers worse than even in the Bush years which, by the way, back then were the worst ever in the history of the United States? Remember, each lost billion represents 20,000 jobs the United States shuttled out to somewhere else.

Think about this. Last year the United States sucked in a staggering \$800 billion worth of foreign-made goods, much of the goods we used to make here. And have you noticed prices have not gone down?

We sucked in \$66 billion more from Japan than we exported from them. That has been a continuing hemorrhage through our adult lifetimes. We sucked in \$26 billion more from China than we exported there, a nation not known to respect political freedoms for a free market or the rule of law. And this year it is anybody's guess how many billions more we will suck in from Mexico that we export down there. Our former trade surplus with Mexico bit the dust late last year, even before the peso devaluation.

So, when you look at your paycheck and wonder why you have not been keeping pace with price increases, ask yourself what would happen if the

United States and your community made \$800 billion more of goods right here in the U.S.A.? Think about it. For those of us old enough to remember, we would be in Ozziet and Harriet land once again.

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

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

MEXICAN BAILOUT

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

Mr. DEFAZIO. Madam Speaker, a lot of news is about trade today and it is all bad or it is bad if you care about the economic future in the United States and you care about the conditions of working people and wages in the United States. Might be good if you are a multinational corporation and looking for cheap labor elsewhere and looking for ways to profit. But not to further the future and the economic prosperity of our own Nation.

The administration is very proud they finally struck a deal on the Mexico bailout. Great deal: \$20 billion, \$20 billion up front from the United States of America. Mr. Kantor, the special trade representative, is downright proud that we were able to get this deal. And it is a really bad deal for people on both sides of the border, it is an incredibly bad deal for the people of Mexico. It is expected that it will cause a recession in Mexico, it will drive interest rates up to 50 percent in Mexico, it will cause businesses to fold in Mexico because most of them have adjustable loans so their rates are going up dramatically and quickly.

Banks will fold in Mexico. And wages are now at 40 percent of the level of 1980, despite the increases in productivity.

Well, maybe it is a good deal on our side of the border and that is why he is so happy. Well, maybe not.

First off, \$20 billion at least. We do not know how much money the Federal Reserve has secretly shipped to Mexico, how much we are involved in the funds coming from the international institutions.

But it is a lot of money. And money that could have been spent productively here at home.

But beyond that we have some analysis now, analysis by DRI McGraw Hill, a private consulting firm in Lexington, Massachusetts. It says that U.S. exports to Mexico will drop by \$10 billion this year, leading to a loss of 350,000 U.S. jobs. So we are going to pay \$20 billion of our taxpayers' money to ship 350,000 family-wage jobs to Mexico. Now that is a great policy.

But they tell us do not worry, it is all short term, it all will get better. In

fact, Chase Manhattan has a memo and it says quite frankly they can fix the problems down there in Mexico, they just have to do a couple of things. The government will need to eliminate the Zapatistas to demonstrate their effective control of the national territory and of security policy, if they want to encourage further investment in Mexico.

□ 2210

It seems Chase Manhattan is pretty upset that they wagered—and that is what this is about—wagered a huge amount of money in Mexico trying to get obscene rates of return. Now they are upset that the junk bonds they bought have turned truly to junk and are worthless.

These are policies that are not in the long-term interests of the United States of America, nor the people of Mexico. It is time that we began to get straight about our trade policy in this country.

I introduced legislation earlier this year to repeal the benighted NAFTA Agreement, and at the time people thought, "Well, that is a pretty far-out thing." I would say, given the events since then, given the massive bailout, given the huge loss of jobs we now admit we are going to suffer into the indefinite future, is it not time to revisit that agreement?

It is not good for people on either side of the border. It causes tremendous harm.

Let us rip it up and start over again.

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

[Mr. SCARBOROUGH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

FEBRUARY 22, 50TH DAY OF THE 104TH CONGRESS

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

Mr. FOX of Pennsylvania. Madam Speaker, Wednesday, February 22d marks the 50th day of the 104th Congress—the half-way point of the most successful "100 Days" periods in decades. We have conducted more committee hearings, held more votes, and debated the issues longer and harder than any Congress in recent memory. We made real progress on the Contract With America we pledged to enact. But most important is what all this activity means to families in our communities and our districts.

It means with the passage of our crime bills that our communities and states will have the flexibility to decide how best to spend federal crime