

And that is why it is so important and why it is appropriate that the Senate really understand exactly where we are and what we are about.

We have had a long discussion about the steel mill seizure, about the scope of Presidential powers. We went through last week the various executive powers that exist inherently and those which do not. We went through the particular legislation which grants the President specific powers with respect to Federal procurement and the references that have been made to that in the excellent memoranda that was provided by Attorney General Reno. We have gone into considerable detail about exactly who was affected and impacted by the practice of permanently replacing striking workers.

And then we had a review for the Senate of the public policy issues in question, about why this Executive order makes eminently good sense in terms of the President's responsibility to oversee procurement by Federal agencies.

We heard a great deal around here some years ago, and I think many of us joined in the sense of outrage when we heard about the costs of ashtrays being \$200 to \$300, toilet seats at \$1,500, \$1,800, the abuses in terms of procurement policy, primarily in the Defense Department, but in other agencies as well. We have heard those stories and all of us are appalled by them.

Now we have a President that is trying to do something about making sure that the taxpayer is going to get a dollar's value for a dollar invested by making sure that the contracts are going to be delivered and delivered on time and that there is going to be good quality in terms of the purchases that are made primarily in the areas of defense and weapons and weapons systems and those contracts that are related to national security, but in other areas as well.

We have taken some time, although I intend to take a little more time later on this afternoon, to give examples of how productivity and quality have been adversely affected when permanent striker replacements were hired—what happens when because of the replacement workers' lack of skills and experience, of the conflict that exists in the plant and factory, the quality and efficiency of work is impaired.

The President has taken notice of that and we will share those experiences with the Senate. He understands it and says: "Look, on this issue, I'm going to side with the taxpayers to make sure that we are going to get a good product on time with good quality from skilled craftsmen and women in this country. I am not going to take a chance in the areas of national security to get an inferior product, either for our defense or in the other areas of procurement. And, also, I am going to make it very clear that we are not going to give companies like Diamond Walnut Company, for example, that have hired permanent replacements,

additional financial incentives for sales overseas that result in millions of dollars of profit for them at taxpayers' expense. We are not going to reward companies that treat their workers this harshly."

So, Mr. President, these are some of the points that we will have a chance to develop further during the course of the discussion and debate.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. FAIRCLOTH). Without objection, it is so ordered.

HEALTH CARE

Mr. SIMON. Mr. President, before I comment on the Kassebaum amendment that is before us, let me comment on a hearing I just came from that Senator KASSEBAUM and Senator JEFFORDS have chaired, on the whole question of health care and where we are going.

The last few witnesses commented on the whole question of ERISA's assumption of responsibilities that prohibits States from moving ahead to have health care coverage for all their people.

Frankly, we cannot have it both ways. The American people are, more and more, demanding some kind of health care protection. I had three town meetings a week ago Saturday in Illinois. One man got up at one town meeting and said, "I am 59 years old, I have had a heart attack, I cannot get health insurance that I can afford. What is going to happen to me?" When he said it, it started triggering others getting up, standing up, telling their stories.

Every other Western industrialized nation protects all their people. We are the only one that does not. If that is a conscious decision we want to make, not to protect all of our citizens—and incidentally the number now is about 41 million that are unprotected and the projections that were made in the hearing yesterday are that will go to 50 million 5 years from now. We have gone from 67 percent of employers covering their people in 1980, down close to 50 percent now. The problem is getting worse.

But if the Federal Government is unwilling to act, we, at least, have to be willing to let North Carolina and Illinois and other States that want to protect all their citizens act. We can set it up in such a way that companies that are engaged in interstate commerce that protect their employees will be exempt by the State so we do not present a problem for business.

But we cannot have it both ways. There are just too many people who are hurting. Mr. President, 50 million people in 5 years means one out of five

Americans—really more than that, because those over 65 are already covered through Medicare. But more than one out of five Americans are without health care coverage. That is just not the kind of choice we can make. The people in the gallery up there, one out of five are not covered. No one wants to volunteer for that.

EMERGENCY SUPPLEMENTAL APPROPRIATIONS AND RESCIS-SIONS ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 331

Mr. SIMON. Mr. President, let me talk about the other issue that is before us and that is striker replacement. In every Western industrialized nation with four exceptions permanent striker replacement is illegal. The exceptions are Great Britain, Hong Kong, Singapore, and the United States.

We have by tradition not done that. The Presiding Officer used to be in business in North Carolina. I used to be in business in Illinois. And we operate within certain traditions in addition to the law, and those traditions we have generally followed. We are starting to move away from those traditions and I think that is not a healthy thing. One of the reasons that is happening is because such a small percentage of our work force is organized. When you exclude Government employees, only 11.8 percent of working men and women in the United States belong to unions. That is far lower than Canada, which is around 35 percent; Western Europe 40 to 90 percent; Japan somewhat similar.

George Shultz, who was both Secretary of State and Secretary of Labor under Republican administrations, made a speech not too long ago in which he said we have an unhealthy amount of our working force that belongs to unions, because we are not getting some of the factors there that we ought to have.

One of the things that is happening as a result of that is our wages are not going up. When wages do not go up then corporations and employers do not buy labor-saving devices, so we become less productive per man-hour. Today the United States, in manufacturing pay per hour, we are \$14.77. France is \$15.23; Canada is \$16.02; Italy, \$16.41; Austria, \$17.01; Netherlands, \$17.85; Denmark, \$18.60; Belgium, \$18.94; Finland, \$20.76; Switzerland, \$20.83; Sweden, \$20.93; Germany, \$21.53; Norway, \$21.86.

I can remember, back in 1986 we were still at the top of the heap. That is not that long ago. And the Presiding Officer will forgive me for saying he is old enough to remember, along with me, when there was a huge gap between the United States and the other countries. I can remember serving in Germany in the Army from 1951 to 1953 when the average German was just really struggling. I do not know what their percentage of U.S. wages at that point