

which was printed in the Los Angeles Times. I would like to submit this commentary for the RECORD.

The article outlines the fact that the Republicans did not stumble onto something new regarding the question of Medicare solvency.

In the last 20 years, the trustees reported several times that Medicare would run out of money in 4 years or 6 years. The recent trustee report extends solvency to an all-time high of 7 years, 1 more year than was the case last year. I wonder why Republicans did not raise this issue last year, when health care reform—to increase health coverage—was the biggest issue of the year?

Throughout the last 20 years questions of solvency have been raised and Congress worked together making the minor adjustments necessary to maintain Medicare's funding. Congress can work together again, if Republicans will drop their \$270 billion Medicare cut.

The trustees go on to say that the Republican's Medicare cuts are excessive, citing that "It is not necessary to cut benefits to ensure the fund's solvency." I believe the true motivation behind the largest Medicare cuts in history is giving the better-off a big tax cut. Republicans first propose taking \$270 billion out of Medicare and then call it reform.

Seniors in New Jersey realize what is really happening. They are being asked to come up with more than \$1,000 a year in out-of-pocket costs in order to finance a tax cut largely for the wealthy. It is simply not fair and those of us who care about seniors must fight to kill this terrible Republican proposal.

The article referred to is as follows:

[From the Los Angeles Times, Aug. 28, 1995]

REHABILITATION NEEDED, NOT SURGERY

(By Robert E. Rubin, Donna E. Shalala, Robert B. Reich and Shirley S. Chater)

Our nation is involved in a serious examination of the status and future of Medicare. Congressional Republicans have called for \$270 billion in cuts over the next seven years, claiming that Medicare is facing a sudden and unprecedented financial crisis that President Clinton has not dealt with, and that all of the majority's cuts are necessary to avert it.

While there is a need to address the financial stability of Medicare, the congressional majority's claims are simply mistaken. As trustees of the Part A Medicare Trust Fund, which is the subject of the current debate, and authors of an annual report that regrettably has been used to distort the facts, we would like to set the record straight.

Concerns about the solvency of the Medicare Part A Trust Fund are not new. The solvency of the trust fund is of utmost concern to us all. Each year, the Medicare trustees undertake an examination to determine its short-term and long-term financial health. The most recent report notes that the trust fund is expected to run dry by 2002. While everyone agrees that we must take action to make sure that the fund has adequate resources, the claim that it is in a sudden crisis is unfounded.

The Medicare trustees have nine times warned that the trust fund would be insol-

vent within seven years. On each of those occasions, the sitting President and members of Congress from both political parties took appropriate action to strengthen the fund.

Far from being a sudden crisis, the situation has improved over the past few years. When President Clinton took office in 1993, the Medicare trustees predicted the fund would be exhausted in six years. The President offered a package of reforms to push back that date by three years and the Democrats in Congress passed the plan. In 1994, the President proposed a health reform plan that would have strengthened the fund for an additional five years.

So what has caused some members of Congress to become concerned about the fund? Certainly not the facts in this year's trustees report that these members continually cite. The report found that predictions about the solvency of the fund had improved by a year. The only thing that has really changed is the political needs of those who are hoping to use major Medicare cuts for other purposes.

President Clinton has presented a plan to extend the fund's life. Remarkably, some in Congress have said that the President has no plan to address the Medicare Trust Fund issue. But he most certainly does. Under the President's balanced budget plan, payments from the trust fund would be reduced by \$89 billion over the next seven years to ensure that Medicare benefits would be covered through October 2006—11 years from now.

The congressional majority's Medicare cuts are excessive; it is not necessary to cut benefits to ensure the fund's solvency. The congressional majority says that all of its proposed \$270 billion in Medicare cuts over seven years are necessary. Certainly, some of those savings would help shore up the fund, just as in the President's plan. But a substantial part of the cuts the Republicans seek—at least \$100 billion—would seriously hurt senior citizens without contributing one penny to the fund. None of those savings (taken out of what is called Medicare Part B, which basically covers visits to the doctor) would go to the Part A Trust Fund (which mostly covers hospital stays). As a result, those cuts would not extend the life of the trust fund by one day.

And those Part B cuts would come out of the pockets of Medicare beneficiaries, who might have to pay an average of \$1,650 per person or \$3,300 per couple more over seven years in premiums alone. Total out-of-pocket costs could increase by an average of \$2,825 per person or \$5,650 per couple over seven years. According to a new study by the Department of Health and Human Services, these increases would effectively push at least half a million senior citizens into poverty and dramatically increase the health care burden on all older and disabled Americans and their families. The President's plan, by contrast, protects Medicare beneficiaries from any new cost increases.

As Medicare trustees, we are responsible for making sure that the program continues to be there for our parents and grandparents as well as for our children and grandchildren. The President's balanced budget plan shows that we can address the short-term problems without taking thousands of dollars out of peoples' pockets; that would give us a chance to work on a long-term plan to preserve Medicare's financial health as the baby boom generation ages. By doing that, we can preserve the Medicare Trust Fund without losing the trust of older Americans.

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

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, this year, as we celebrate the 75th anniversary of women's vote, our society has once again dusted off its perennial "women's question"

What do women want?

Well the events of this week, from the fight of women NGO's at the conference in Beijing to have their voices heard, to the fight of the brave Oregonian women who wanted simply to have a public hearing about Senator PACKWOOD's sexual misconduct, make one thing pretty clear.

Women want dignity and respect so that they have the same opportunities as men to achieve and contribute to their society.

Dignity and respect.

BEIJING CONFERENCE

Respect from Boutros-Ghali, who won't even go the U.N. Conference on Women, but gives it as a consolation prize to a country who is on global probation for its dismal human rights violation.

Respect from Chinese for the democratic ideals that allow freedom of speech and freedom of assembly.

Respect from countries that practice traditions that degrade women. Examples: FGM; sold into the slavery of prostitution; doused with gasoline and burned to death because their dowries are deemed too small.

Respect in the workplace.

Which brings us to the Packwood case and the women who so bravely came forward with examples of Senator PACKWOOD's sexual misconduct.

This summer I met with 4 of the 17 women who brought the complaint against Senator PACKWOOD. They spoke of their outrage with Senator PACKWOOD's abuse of power. They said his behavior was "demeaning, disrespectful, and humiliating to those who are the victims."

As Senator MCCONNELL said today, "There was a habitual pattern of aggressive, blatantly sexual advances mostly directed at members of his own staff or other whose livelihoods were connected in some way to his power and authority as a Senator."

I applaud the Senate Ethics Committee for standing firm and clearly saying, we will not tolerate this type of behavior.

I found the committee's vote a real sea change. No doubt about it—having more women in the Senate—especially women like Senator BOXER, Senator MIKULSKI, and Senator SNOWE who were willing to shake things up—helped to create this new climate.

The ruling is certainly shaking the foundations of the club. It's no secret that these guys have protected each other over and over again. The ruling is a signal that those days are over.

Most importantly, the vote shows that the Senate, and Congress, has evolved in understanding that women are in the workplace, and they deserve respect.

We tell private employers that this conduct will land them in court. Today, we tell elected officials, this behavior will kick them out of Congress.

Let this be a message for all public officials. You treat people who work for you with respect. They are not playthings, they are people. It all boils down to respect and dignity.

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.]

#### MORE BAD NEWS FOR AMERICA'S WORKERS

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

Ms. KAPTUR. Mr. Speaker, tonight I want to talk about another company in our country and more bad news for America's workers as a result of NAFTA, the \$20 billion trade loser. This time the damage comes from Topeka, KS, where workers at the Flexel cellophane plant are being forced to take another pay cut, this time for 11 percent. This was reported in the August 31 issue of the Capital-Journal, which is their local newspaper. That means for a worker in that company making \$8.50 an hour they will now have their pay cut to close to \$8 an hour, and all this has happened after a wage freeze at that company that has been in effect since 1991. In fact, workers at Flexel have seen their wages drop from \$13 an hour 5 years ago now to the current proposal to ratchet them down even more, to \$8 an hour.

What has been happening to cause this ratcheting down of U.S. worker wages? Mexican-based cellophane manufacturing plants have been increasing their penetration of the United States market to nearly one-fifth, or 20 percent, of our marketplace, up from only 3 percent 4 years ago. Our workers are being forced again to compete against multinational companies that can set up shop anywhere on the globe in order to seek the lowest wages possible along with no environmental enforcement. In Mexico workers at those relocated cellophane plants earn about 50 cents an hour, and that is where America's wages are headed, my friends, and did you notice that the price of cellophane has not dropped in our grocery stores? You can figure out who is making the money off workers on both sides of the United States-Mexican border.

It is time to cancel NAFTA, go back to the drawing boards and reshape it, and stand up for the hard-working families of our continent who all are being taken to the cleaners, and, if I might quote from a retiree from that particular plant in Kansas, he tells us a little bit about what the story is in that community. He said originally du Pont company built what was then called the Tecumseh cellophane plant and

brought it on line in 1958, and back in those years that was the fifth plant in the United States making cellophane.

Mr. Speaker, the news articles I will include in the RECORD indicate that there are only two left in this country.

This worker went to work for that company in 1964 and retired in 1985. He says when he retired from the plant it was the last plant operating for du Pont in the United States making cellophane. About 1 year later it was sold to this owner, Flexel, out of Atlanta, GA, and when he left the company back in 1985, he was making just over \$12 an hour. Mr. Speaker, he wrote me because he was shocked to find 10 years later the workers in that plant were making so much less. He said:

Ms. KAPTUR, the imports from Mexico have had an impact on this plant and its workers, and I'm concerned because I still have a lot of my friends working there. Unfortunately all those workers in the United States and the low-paid workers in Mexico will gain no fairness, they will gain no equity, because there is nothing in the trade agreement that tries to compensate for the difference in living standards, political standards, and environmental standards between these two adjacent nations.

So, Mr. Speaker, this evening I will be submitting into the RECORD the entire story of what has happened in Topeka, KS, one community in our country that understands well the impact of footloose multinational corporations and what happens when the Government in Washington falls asleep and fails to protect the workers of this continent.

[The articles referred to are as follows:]

[From the Capital-Journal, Aug. 31, 1995]  
PAY CUT OF 11 PERCENT GOES INTO EFFECT ON MONDAY

(By Morgan Chilson)

An 11 percent pay cut will begin Monday at the Flexel plant in Tecumseh, company officials told employees Wednesday.

Pay cuts are part of a company-wide plan to reduce costs because of increased global competition and declining demand for cellophane, said Gerry Broz, site manager at the plant.

Broz also stated adamantly Wednesday that reports from employees that company officials walked out on negotiations with Amalgamated Clothing and Textile Workers Union, or UNITE, last week were "completely inaccurate."

"After almost 10 months of good-faith bargaining and agreement on most issues, the company submitted a final proposal last Thursday calling for an 11 percent pay cut and work-rule changes that would lead to additional cost savings," Broz said.

Broz told employees in meetings Wednesday that Flexel and the union deadlocked over the issue of wage concessions.

Flexel officials opened financial information to a union auditor in the spring so employees would understand the economic difficulties facing the company, Broz said. Despite that, employees continued to ask for a five to 10 percent wage increase, he said.

Broz didn't elaborate on what the additional money saving measures were, but employees highlighted the loss of premium pay or Sunday time-and-a-half pay.

The cuts change several regulations, such as what happens when an employee goes

home from work sick, according to Randal Carnegie, an employee at Flexel who attended a morning meeting Wednesday.

"On the original program, if you get sick and if you work over two hours and you go home after that two hours, you get eight hours pay," Carnegie said. "They've done away with that."

Carnegie said the company also will no longer pay for annual physicals for employees. That expense will be out-of-pocket for the portion insurance doesn't cover, he said.

For employees on full-time disability, the company will not begin payment of disability pay until after four days and then only with a doctor's excuse, Carnegie added. Disability pay did start the first day off work, he said.

Carnegie, who has been working at Flexel for one year, makes \$8.50 an hour at the plant. His hourly wage will drop to \$8.04 an hour under the new cuts.

A source familiar with the negotiating process who spoke on the condition of anonymity said the average base wage at the plant has decreased since 1993 to \$12.78 per hour. An 11 percent decrease would lower that average base rate to \$11.37.

The plant employs over 240 employees, the source said. The base wage has gone down from the 1993 average salary of \$13.66 per hour because of lower starting wages, the source said.

Flexel Corp., based in Atlanta, owns the two remaining cellophane plants in the United States, the one in Tecumseh and one in Covington, Ind.

The Covington plant felt its share of cutbacks in April, when about one-third of the plant's 345 employees were laid off, according to reports published in the Commercial News in Danville, Ill.

That newspaper reported 20 salaried and 80 hourly employees were laid off.

The last time employees were laid off at the Tecumseh plant was in 1989, when 12 salaried employees and 30 temporary employees were laid off.

"We don't want to cut Tecumseh wage roll jobs because we want to keep Tecumseh production levels high," Broz said. "So we have no choice but to cut wages."

Carnegie said many employees believe other cost-cutting measures weren't researched. For example, he said, workers currently are paid for lunch shifts and if that policy could be dropped, it would save the company 2.5 hours per week per person.

Broz said it is untrue that other cost-cutting measures haven't been considered.

#### FLEXEL WORKERS FACE PAY CUT

Mandatory employee meetings today at Flexel Corp. will determine what options are left for members of the Amalgamated Clothing and Textile Workers Union of America after negotiations with management came to a halt last week.

Employees of Flexel, one of two remaining cellophane manufacturing plants in the United States, voted in October 1994 to join ACTWU and then began working with Flexel's management to negotiate a contract. It never got that far.

Last Thursday, members of the management negotiating team walked out of negotiations after leaving their only offer on the table, a source familiar with the negotiations said Tuesday on condition of anonymity.

Jerry Broze, site superintendent at the Flexel plant in Tecumseh, said the company would comment today on labor negotiations.

The source said Flexel's offer involved a reduction of \$1.4 million, which amounted to an 11 percent pay cut for employees. When totaled in with other aspects of the offer, including no more premium or overtime pay