

GENERALIZED SYSTEM OF
PREFERENCES

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. NEY. Mr. Speaker, as the House debates budget reconciliation I would like to give my support to the provisions in the bill renewing generalized system of preferences [GSP] duty-free import program. This program was designed as a way to help less-developed nations export into the U.S. market. The GSP program allows duty-free imports of certain products into the U.S. from over 100 GSP-eligible countries. The bill wisely provides that import-sensitive products are not to be subject to GSP treatment. Ceramic tile is a clear example of an "import sensitive" product and is exactly the type of product which should be subject to lower tariffs under the GSP program.

Imports have dominated the U.S. ceramic tile market for the last decade and they currently capture nearly 60 percent of the market. This extraordinary level of import penetration is a result, in part, of over 30 years of documented unfair predatory foreign trade practices including dumping, subsidies, customs fraud, import diversion, and abuse of a loophole in the GSP. The American ceramic tile industry, though relatively small, is efficient and competitive at normal tariff levels.

From its inception in the Trade Act of 1974, the GSP program has provided for the exemption of "articles which the President determines to be import-sensitive." In light of the history of unfair trade in ceramic tile and the significant and growing import participation in the U.S. ceramic tile market, the U.S. industry has been recognized by successive Congresses and administrations as "import-sensitive," dating back to the Dillon and Kennedy Rounds of the General Agreement on Tariffs and Trade [GATT]. During this period the American ceramic tile industry also has been forced to defend itself from over a dozen petitions filed by various designated GSP-eligible countries seeking duty-free treatment for ceramic tile into this market. If just one petitioning nation succeeds in gaining GSP benefits for ceramic tile, then by law, every GSP beneficiary country is also entitled to GSP duty-free benefits for ceramic tile. If any of these petitions were granted, it would eliminate American tile jobs and could destroy the industry.

A major guiding principle of the GSP program has been reciprocal market access. Current GSP-eligible beneficiary countries supply almost one-third of the U.S. ceramic tile imports and they are increasing their sales and market shares. U.S. ceramic tile manufacturers, however, are still denied access to many of these foreign markets. Many developing countries maintain exclusionary tariff and non-tariff mechanisms which serve to block the entry of U.S. ceramic tile exports into these markets. Industrial countries, including the European Union [EU], may use less transparent methods such as discriminatory product standards and testing methods to control their ceramic tile imports and, in some cases, to divert ceramic tile manufactured in third countries over to the U.S. market by imposing restrictions on those third country exports to the EU.

I am in support of the reauthorization of the GSP program and trust that import-sensitive

products such as tile will not be subject to GSP.

SOCIAL SECURITY EARNINGS
RESOLUTION WAS A SHAM

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. SKAGGS. Mr. Speaker, today, I cast a lonely vote. I was one of only five members of the House of Representatives to vote against a resolution that expresses the sense of Congress that legislation should be passed before the end of 1995 to raise the Social Security earnings limit.

My vote against this resolution was not a signal of my position on the Social Security earnings limit—because that's not what this amendment was about. I voted against it to protest a cheap political stunt. It's the kind of stunt that makes people cynical about Members of Congress and the promises they make.

The resolution passed today won't do anything to affect the Social Security earnings limit—the amount of money that seniors can earn before their Social Security benefits are reduced. It merely said that Congress thinks that such legislation should be passed this year.

It's no coincidence that the Republicans brought this resolution before the House just moments before we were about to debate their comprehensive budget bill—a bill that failed to make good on their promise in the Contract With America to increase the earnings limit. What a political ploy. Rather than actually proposing to raise the earnings limit in their budget—in the one bill in which such a measure would be included—the Republicans came up with an empty promise in the form of a non-binding resolution. This was a cynical, "CYA" proposition.

Games like this have got to end if we're serious about restoring Congress' credibility with the American people. If Congress wants to pass an increase in the Social Security earnings limit, Congress can do it straight away, with real legislation. But to do that, we'd have to find the approximately \$12 billion that it would cost to do it.

On just this point, an Associated Press story after the vote says that Republican DENNIS HASTERT, the sponsor of today's resolution, is still "looking for spending cuts to offset the \$12 billion cost but had not yet settled on a proposal." Isn't it quaint? It's hard to imagine a more transparent admission of political chicanery.

It's easy to promise to spend money without making the hard choices about how to pay the bills. It's just this kind of attitude that has created the mountains of Federal debt, and public mistrust, that we're supposed to be addressing today.

I look forward to the day when I'm not in such lonely company on votes like this.

TRIBUTE TO THE CENTER OF
MEXICAN-AMERICAN AFFAIRS AT
WHITTIER COLLEGE

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. TORRES. Mr. Speaker, I rise today to pay tribute to the Center of Mexican-American Affairs at Whittier College.

With the leadership of its director, Mr. Martin Ortiz, the center has assisted many Latino students achieve academic excellence. Since 1970, the center has made its resources available to current students, as well as high school and junior college transfers, interested in attending Whittier College. Once on campus, students are encouraged to become members of the Hispanic Students Association [HSA]. Since many of these individuals are first generation college students, the HSA is a valuable support group for new students adjusting to the demands of achieving a Whittier College education.

The center, working with its adjunct groups, including the HSA, Hispanic Parents Advisory Council, "Alianza de Los Amigos," the Hispanic Alumni Organization, and the Business Advisory Council, is celebrating its 25th annual *tardeada* this year. This event brings together students, parents, and family members to spend a festive afternoon with the college's faculty members, administrators, staff, board of trustees, as well as elected officials and other guests. This annual event is always eagerly anticipated by everyone involved.

Because of the efforts of Mr. Martin Ortiz, his assistant Ms. Rose Hernandez, and the administrative staff, the Center of Mexican-American Affairs has continued to provide the resources necessary to assist Latino students. Their tireless efforts help these students succeed in college and become productive members of our community.

Mr. Speaker, I urge my colleagues to join me in paying special tribute to the Center of Mexican-American Affairs at Whittier College and its director, Mr. Martin Ortiz. The efforts deserve special recognition for ensuring educational opportunity for deserving students from the Latino community.

FARM FAILURE ACT OF 1995

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 26, 1995

Mr. MINGE. Mr. Speaker, a few weeks ago, a farmer I met summed up the Freedom to Farm Act in a memorable and accurate manner: The only time a farmer is truly free is when he is broke.

Many farmers fear that this bill will drive them out of farming. The Freedom to Farm Act will mean that when violent price swings and volatile markets occur, farmers will lack both a safety net and the tools needed to try to manage risk.

House Agriculture Committee Chairman Pat Roberts is the author of the Freedom to Farm Act. It would reduce agricultural commodity program spending by \$13.4 billion over 7 years. Republican congressional leaders want