

getting nearly the benefit, nor will the industry be getting nearly the benefit than they could with a more rational, meaningful approach towards a pension.

Now, why would these balances be adequate but lower than now projected, if we passed this bill? Is it because of "pilfering?" No, it is because the bill provides for modest, judicious tax cuts and overdue improvements in retiree benefits.

Under current law, the rail industry contributes three times more to Railroad Retirement than employers in other industries contribute to retirement programs. Under current law, widows of retirees have their benefits reduced by two-thirds upon the death of their spouses. Under current law, rail employees must wait 10 years to vest rather than the usual 5 or even 3 years common in other industries.

This legislation would simply reduce payroll taxes on rail employers to bring its contributions more in line with other industries—although at more than 13 percent it would still be much higher than the funding levels of other industries—and make improvements in vesting, early retirement and widows' benefits.

Under this bill, unnecessary, enormous surpluses that would occur under current law, indicated by the red line, would be avoided, while maintaining more than adequate reserves in the system, which would be what this bill will do while taking care of widows, among others. The industry has long been recognized as the most capital intensive component of the industrial segment of the U.S. economy, according to studies done by sources ranging from Fortune Magazine to the Department of Commerce. Under this legislation, the industry would be better able to deploy its scarce investment capital.

Senator GRAMM and others have repeatedly asserted that the Railroad Retirement system will run out of money if this bill is adopted and the Government will have to make up the shortfall. As I mentioned a moment ago, the Railroad Retirement actuary has reviewed this bill and found that under it, as under current law, the system is solvent over the next 75 years under both Assumption I and Assumption II. The assumptions behind this projection were accepted by the CBO which used them for its analysis.

Moreover, the bill provides, for the first time, an automatic tax schedule that will raise taxes on rail employers if pension fund reserves drop below 4 years of benefits. This will require no action by Congress.

Senator GRAMM and his staff must have had a lot of fun calculating what tax rates might be at some point in the future to get the fund balances back to current-law levels under the bill. The reality is, however, we should not be trying to build up reserves that are between 47 and 71 times annual benefit obligation outlays. That makes no sense.

But Senator GRAMM declares that the industry will try to avoid higher tax rates that may even be triggered by the formula and, as a result, the Government will have to step in. In this regard, I think past history is instructive. In the past, when financial problems have arisen, Congress has chosen to raise taxes and reduce benefits, rather than to provide bailouts for this industry.

Thus, even if Senator GRAMM's doomsday scenario comes true, it is the plan participants who are likely to pay, not the Federal Government. The industry knows this as well. This is why the railroads want the opportunity to manage this system, along with taking on more responsibility.

I also want to respond to one other misunderstanding that has arisen in this debate—that by lowering the retirement age for Railroad Retirement to age 60, the bill gives railroad workers a benefit no one else has, and that this benefit conflicts with the increase in the Social Security eligibility age.

First, the earlier retirement age applies only to workers who have 30 years of service in the rail industry. Second, the normal retirement age for Tier 1, the Social Security counterpart of Railroad Retirement, is not affected by this bill. It will rise to age 67 just as the Social Security retirement age will. Third, paying the cost of Social Security for early retirees until they reach normal Social Security retirement age is a feature found in private sector pension plans.

These are known as "bridge" plans. Like these plans, the private portion of Railroad Retirement—Tier 2—pays the entire cost of this early retirement option, just as it currently does for workers with 30 years of service at age 62.

Keep in mind this is a dangerous industry in which to work. It is not uncommon for employees in the railroad industry who are working on the line to never be able to get their full 30 years in because of the dangers and the accidents that occur as a result of this industry. It is a tough industry. I used to represent railroad workers in some of these cases. What happened to some of them was horrendous. Many of them died trying to do their job. Others were mutilated. Legs were cut off, and arms were lost. Families were devastated.

These things do happen. It is not comparable to most other pension-backed industries.

In conclusion, you may call this an opportunity for the rail industry to invest capital in infrastructure rather than excessive account surpluses. You may call it an opportunity to improve benefits for widows and for retirees who work 30 years in work that is often arduous and dangerous. You may call it an opportunity to bring Railroad Retirement investment practices into the modern era. But don't call it "pilfering."

I know a lot about this industry. I know what a difficult industry it is. I know there are things that are wrong

with the industry. I know there are things such as feather-bedding in this industry that have existed for a long time. But there are also a lot of loyal, decent, honorable people working in these dangerous jobs to keep America's goods and services moving across this country.

I can't imagine why we would not want to help these widows who have such a drastic automatic reduction in their benefits once their husbands pass on. I think in most cases the husband is going to predecease the wife.

That is part of what we are trying to do here. Like everything else, nothing is perfect around here. And this bill is not perfect. But it is a rational and reasonable attempt to allow this industry to invest in capital infrastructure so that it can keep going and so that widows and pensioners can be taken care of.

This is an industry that we have to keep going. An awful lot of bulk transfers occur on our railroads in this country. We know there is going to have to be more investment as we upgrade high-speed lines and other effective approaches to transport materials, manufactured products, and other things throughout our country.

This is a great industry. It is an important industry. The people who work in it deserve the best we can give them. I do not see the Government paying for the liability that could arise under the most drastic pessimistic scenarios, as have been painted by some in this Chamber: Not paying for it themselves. And I believe Congress will see that that occurs. It is up to the industry to make sure they never have to do more than what is reasonable and rational under the circumstances by making sure that this pension program is viable, that it works, and that it takes care of these people who need to be taken care of. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, are we in morning business?

The ACTING PRESIDENT pro tempore. We are in morning business.

ECONOMIC STIMULUS, A COMPREHENSIVE ENERGY POLICY, AND FAST TRACT TRADE AUTHORITY

Mr. DORGAN. Mr. President, first of all, I listened to the remarks of my colleague from Utah and thought they were interesting remarks, on point, and I appreciate them.

I have heard some comments from colleagues this morning who are repeating things we have heard previously in this Senate Chamber. I want to comment about a couple of them and then talk about a vote that is occurring in the other body late this week and on which we expect to vote in the Senate at some point. It is a vote on something called fast-track trade authority.

We had some discussion earlier today in the Senate about, the stimulus package referring, of course, to the package of legislation that would try to provide some lift to this country's economy. The question was asked: Where is the stimulus bill?

The answer is very simple. The piece of legislation designed to try to stimulate this economy was brought to the floor of the Senate, and then the Republicans decided to make a point of order against it, which they did, and they took it from Senate consideration.

A point of order exists against the bill that Senator DASCHLE brought to the floor of the Senate. It would exist against the Republican bill. A point of order would also exist against the bill written by the House of Representatives. A point of order exists against all of the bills designed to try to stimulate this country's economy. But the point of order was made against the bill that was brought to the floor by Senator DASCHLE.

So those who now ask, Where is the stimulus bill? if they voted to sustain the point of order, need not ask that very loudly. The stimulus bill is where they put it. We were debating it on the floor. It was under active consideration. And now it is not. Why? Because a substantial number of Members in the other party decided to take it from the floor of the Senate.

We need a stimulus bill. Our economy is in significant trouble, in my judgment. We ought to pass a piece of legislation providing lift to this economy.

The President, and others, have asked the question, What is the Senate doing? The Senate is trying to pass a bill that provides temporary and immediate help to this economy.

The House of Representatives, on the other side of this building, decided they were going to do something quite different with respect to stimulus. They decided to pull out a bunch of old, left-over tax policies, package them up, and call it a stimulus plan.

For example, one of their proposals to help this country's economy was to give tax rebates, for taxes paid since 1988, for corporations under the alternative minimum corporate tax. What does that mean? It means a rebate check for \$1.4 billion will go to IBM, a rebate check for \$1 billion will go to Ford Motor Company.

The fact is, virtually all economists tell us we have substantial overcapacity in our economy. Providing tax rebates for the biggest companies in the country is going to do nothing to help this economy. It is just one more scheme to provide tax rebates, tax checks to the biggest interests in the country, and it has nothing much to do with improving this country's economy.

We do need a tax plan and a spending plan that stimulates this country's economy. Senator DASCHLE brought one to the floor of the Senate. But it is not here any longer because the minor-

ity party in the Senate decided they wanted to make a point of order and take it from the floor. So I find it interesting that we have people coming to the floor, again and again and again, saying: The stimulus package is important. Where is it?

I recall a story about raccoons once, that raccoons have a fastidious way of washing everything they eat. When they find something to eat, they apparently go find water, and then they use their little hands to fastidiously wash what they intend to eat. It is just a habit raccoons have. But sometimes raccoons cannot find water, so they pretend there is water. They go through the same motions, acting as if they are washing their food, despite the fact there is no water.

We have some of that pantomime activity in the Senate. It is an interesting thing to watch. Saying, Where is the stimulus package? is almost exactly like that. It is sort of a pantomime piece of information: Where is the stimulus package? Those who ask the question know exactly where the stimulus package is. They are the ones who took it from our consideration in the Senate. It is on the calendar but not on the floor because a point of order was made against the stimulus package.

Another point made this afternoon was about the energy policy. We do need to develop a new energy policy in this country. Last week, Senator DASCHLE came to the floor of the Senate and made a commitment. He said in the first work session after we come back next month, we are going to be considering the energy package: a comprehensive energy package, not just one piece, but a comprehensive energy package that deals with supply and conservation, efficiency, renewables, as well as energy security. That bill is going to come from a number of different committees in the Senate. It makes sense, to me, to do it that way.

Energy policy is not just—any longer—about supply and demand. It is also about security. Especially since September 11, we now understand the issue of energy security must be discussed and debated when we construct a new energy policy. The security of nuclear energy production plants, the security of transmission lines, the security of the thousands of miles of pipelines: All of that is important in the context of energy policy as well.

So we will have an energy bill on the floor of the Senate. Senator DASCHLE is committed to that. But he wants to do it the right way. The right way is to consider all of the elements of good energy policy. Part of it is production, part of it is conservation, dealing with supply and demand.

It is important to point out, with respect to that piece of an energy policy, that some in this Senate and some in Congress would counsel that our energy policy for the future should be yesterday forever, just do what we did yesterday and keep doing it tomor-

row—dig and drill—and somehow that will represent a comprehensive energy policy for this country.

I happen to believe we need additional production of energy. There is no question about that. We can, should, and will, in my judgment, produce more oil, natural gas, and coal, and do so in an environmentally acceptable way, to extend our country's energy supply. But if that is all we do, we have miserably failed the American people. It is, as I said, a policy that says yesterday forever.

We need to do much more than just expand our supply through digging and drilling. We need, it seems to me, to pay great attention to conservation. Conserving a barrel of oil is the same as producing a barrel of oil. We can achieve substantial savings through thoughtful conservation, the right kind of conservation. We can and should adopt that as a policy as well.

For example, we should look at the efficiency of appliances. We can also make great progress with respect to the efficiency of those appliances we use in our everyday lives. And then there are renewable and limitless sources of energy: Fuel cells, ethanol, biomass—a whole series of technologies that represent policies for the future that can really promote new and exciting forms of energy, many of them renewable and some of them limitless.

That is what a comprehensive energy policy can and should be. It has to be much more than just a policy that says let's just provide some tax breaks to those who are going to dig for coal and drill for oil.

That doesn't make any sense. That is not a substitute or an excuse for a policy. That is one part of a series of things we ought to consider as we consider a new energy policy.

One of the interesting things to me about energy policy is that we don't have a long-term strategy precisely because of the thinking of some who have expressed on the floor that we have to have something now that opens up ANWR. That is exactly the attitude that has put us in the position of not having a long-term strategy.

If Members come to the Chamber to talk about Social Security, everyone talks about what the expectations are 30 and 50 years from now. Everyone says what is the situation 25, 30, and 50 years from now with respect to the Social Security system. I asked the Energy Department, when they testified, what kind of expectations we have 25 and 50 years from now with respect to energy. What will energy use be? What kind of energy will we use? What are we promoting? What kind of policies do we have with respect to energy usage that would allow us to become more independent? The answer was: We don't have a plan.

There is no one who can say: Our aspiration, as a nation, is to have a certain mix of energy production, of renewables and other forms of energy that will extend our energy supply.

There is no such plan. Nobody thinks out 25 or 50 years.

As I indicated the other day with respect to my own circumstances, my first car was one I restored. As a young boy, I bought an old Model T Ford and restored it. Interestingly enough, a 1924 car is gassed up the same way you do a 2001 car. You pull up to the pump, you take the cap off and stick a hose in it, and you pump gas. Nothing has changed in 75 years. Everything else in our life has changed. But you still gas up a Model T Ford the way you gas up the newest car on the road today.

You would think perhaps something could change or would change or will change if we embrace and adopt thoughtful energy policies, and that is what Senator DASCHLE wants to do. He wants to bring to the floor a broad, comprehensive package of energy policies that will really advance this country's long-term energy and economic interests. That is what we will do in the first work session after the first of the year. That makes good sense.

So those who come here day after day asking where is the stimulus package, it is where you put it. You knocked it off the floor of the Senate. We want to bring it back with a package that is really temporary, immediate, and gives real help to the American economy. When they ask the question, where is the energy policy, it is coming to the floor in the first work session after we get back in January, and it is going to be much more than the limited notion of digging and drilling forever. It is going to be a comprehensive energy policy that does advance this country's energy and economic interests.

The subject of fast-track trade authority is one I have spoken about without great effect on the Senate floor for many years.

Apparently, on Thursday of this week, the House of Representatives is determined to bring to the floor of the House something called trade promotion authority, which is a fancy way of saying "fast-track trade authority," by which an administration can go off and negotiate a trade agreement, bring it back to the Congress, and the Congress is prevented from offering any amendments. We are then required then in both the House and the Senate, to vote up or down on these trade agreements.

The House may well have the votes to provide fast-track trade authority to this President. I do not know. I don't know what the votes are in the Senate. I do know that if the House of Representatives passes fast-track trade authority, it will be slowed dramatically when it gets to the Senate.

I did not support giving fast-track trade authority to President Clinton. I do not support giving fast-track trade authority to President Bush.

Why? Let me show with a chart what has happened with this country's international trade. Some say this is going well for America. It is hard for me to

see how that is the case when we have a ballooning trade deficit reaching alarming proportions—a \$452 billion merchandise trade deficit last year alone. That is nearly \$1.5 billion a day that we take in more in imports than we are able to export.

It weakens this economy to run up these kinds of trade deficits year after year. We can talk about the different trade rounds. We could talk about the Tokyo round and GATT and this round and that round. Every time we have another trade agreement, we seem to have a larger trade deficit. Some say it is because the dollar is too strong; or we have too big of a Federal budget deficit. It doesn't matter what the excuse is. Economists will give an excuse of the moment. None of them really washes. Every time we have a new trade agreement, we tend to see larger trade deficits.

What is the circumstance of international trade? Fast track says we give an administration the ability to go negotiate an agreement, bring it to Congress, and Congress must vote yes or no without any amendments.

The Constitution says, article I, section 8, Congress shall have the power to regulate commerce with foreign nations and among the several States and with the Indian tribes. So the responsibility is really with the U.S. Congress. Fast track abridges that responsibility.

I could talk for an hour on the subject of international trade and what has happened to us. I understand that we need to expand trade. We want to expand trade. We want to broaden our opportunities in trading with other countries. I agree fully with that. But I insist that part of this country's effort with respect to trade policy ought to be to demand fair trade rules with our trading partners.

In the first 25 years after the Second World War, we could trade with anybody in the world with one hand tied behind our back, and it didn't matter because we were bigger, better, stronger, and more capable of trading than anybody else in the world. We could do that. And most of our trade at that point was foreign policy. It was not economic policy; it was foreign policy. We created trade agreements that represented our foreign policy initiatives with those for whom we wanted to provide some help.

In the second 25 years after the Second World War, when others became smarter, better, tougher, with stronger economies, it wasn't quite as easy for us to compete. So now we have a circumstance where we have a growing number of trading partners that are very shrewd and very strong. Over many years Japan, European countries, Canada, and others have become, in many cases, formidable trading partners and with whom we have experienced very large trade deficits. China is another example.

What has happened with these countries with whom we have these trade relations? With respect to Japan, we

have had an \$50 to \$60 billion trade deficit every year, every year forever. It has recently grown to \$80 billion. Should that be the case? I don't think so. They ship us all of their goods. We say: Good for them; our market is open to all of their goods.

But did you know that 12 years after we reached a beef agreement with Japan, every pound of American beef going to Japan has a 38.5-percent tariff on it? Twelve years after our beef agreement, every pound has a 38.5-percent tariff on it. Send a T-bone steak to Tokyo, it has 38.5 percent tariff. Is that fair, 12 years after our agreement, with a country with whom we have a huge trade deficit? I don't think so.

See how much luck you have sending pork chops to Peking, or how about potato flakes to Korea. Try shipping durum wheat to Canada. You could spend a long time talking about the abysmal trade circumstances we have as a result of improperly negotiated agreements.

Let me give you one more example. This happens to be Korea. Last year, we shipped into this country 570,000 cars from Korea. Korea bought 1,700 from us. Let me say that again. It is important to understand the one-way relationship we have: 570,000 automobiles were shipped into the United States from Korea. Korea purchased 1,700 from us.

A mid-priced car, a pretty decent car, costs twice as much in Korea. They don't want American cars in Korea. They don't buy them. The result is a one-way trade relationship with respect to automobiles in Korea. But I can describe the circumstances with fructose corn syrup with Mexico, potato flakes with Korea, beef in Japan. The list is endless. The question for this country is: When will our trade negotiators begin showing some understanding that they are negotiating on behalf of the United States of America and that they are trying to protect our country's interests? When will we send trade negotiators who will say to the Canadians that they can't ship all their durum wheat to the United States and not allow one little load of ours into Canada? That is not fair to durum producers in the United States.

The point is this: Fast-track trade authority is a moniker for "do you support American business?" The business that wants fast track is international business. They want to buy from themselves and sell to themselves. In fact, what I want for this country is fair trade—expanded, yes, but fair trade. I want negotiators who will negotiate fair trade agreements with other countries that will begin reducing this ballooning trade deficit that injures our economy. My hope is if the House of Representatives decides to pass the fast-track trade authority this week, the Senate will slow that down. I and others in the Senate—at least a dozen and more—will certainly want to have our way to be sure that we are not going to pass very quickly trade promotion authority for this President.

As I said, I didn't support fast-track authority for President Clinton. I don't support it for President Bush. What I support is for this country to be hard-nosed, to have a backbone, some nerve, some will, and to insist with China, Japan, Europe, Canada, Mexico, and others that we want trade agreements that are fair to American producers and to American workers. If the trade agreements are not fair, then they ought not be made. I know my colleague from New Mexico is waiting. Let me make a final comment to describe the circumstances. If I might ask if my time has expired.

The PRESIDING OFFICER (Mr. KERRY). The Senator's time has expired.

Mr. DORGAN. I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, let me describe the last big trade debate before the vote on GATT; it was NAFTA, the North American Free Trade Agreement. Is there anybody left in this Chamber who thinks that made any sense? We were promised 350,000 new jobs in a study that all of the business interests held up to say look at how great this is going to be. We passed the NAFTA trade agreement, and we turned a trade surplus with Mexico into a huge growing deficit very quickly. We turned a deficit with Canada that was not so awfully large into one that was very large.

So NAFTA—the U.S. trade agreement with Canada and Mexico—turned both of these trade relationships into huge deficits. How can that be in this country's interest? We were told, well, the situation with Mexico will be simple. We will be the beneficiaries of the products of low-wage, low-skilled labor from Mexico. Guess what the three largest imports from Mexico are to the United States? Automobiles, automobile parts, and electronics. All are the products of high-skilled labor—all of them.

In fact, those who sold us on NAFTA were dead wrong. I am hoping if we ever have a debate on trade promotion authority—which I hope we can defeat—that we can hear from some of the same folks who extolled the virtues of a trade agreement that was so bad for this country and American producers and workers. My point is, I don't want a harmful trade agreement to happen again. We have done the United States-Canada free trade agreement, NAFTA, and GATT, all of which led to bigger and bigger trade deficits year by year. The trade deficit has grown to \$452 billion. Every day, over \$1.5 billion more in goods are coming into this country than we are able to export. No country will long remain a strong economic enterprise if it sees its manufacturing base dissipating. That is exactly what is happening as a result of these trade deficits.

My point is that the House can have another celebration at the end of this

week if they pass trade promotion authority, but they should not think it is going to happen quickly in this Congress. I and others will steadfastly oppose trade promotion authority in the Senate.

What I want is negotiators who might decide to put on a uniform. We send people to the Olympics with uniforms. They actually wear a jersey that says "USA." It would be nice to have a trade negotiator put on a jersey so they understand who they are representing when they get behind closed doors in a negotiating room, and it would be nice if the next agreement is fair to this country, fair to our producers, and fair to our workers. It has been a long time. I hope we might see that in the future.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

RAILROAD RETIREMENT

Mr. BINGAMAN. Mr. President, I want to speak for a few minutes on the main legislation that is pending before the Senate, the Railroad Retirement and Survivors Act of 2001. The procedures that we follow in the Senate sometimes obfuscate or make it impossible to determine exactly what it is we are debating. We have so many different issues that we are debating all at the same time. I wanted to bring the focus of the Senate back for a minute to the main issue that we should be debating, and that is the pending railroad retirement legislation.

There is an amendment that has been offered to the railroad retirement legislation by Senator LOTT, and it involves an effort to pass the House-passed energy bill, H.R. 4, and also an effort to have the Senate on record on the issue of so-called therapeutic cloning. Someone might ask, How do therapeutic cloning and an energy bill relate to each other, and how do those two items happen to be related to railroad retirement?

Well, there is no relationship. Essentially, what we are going to decide shortly after 5 o'clock is, Are we in fact going to pursue passage of this railroad retirement bill and keep these extraneous matters to the side so they can be dealt with under different circumstances, with full debate, later in this Congress, or are we going to get sidetracked and essentially get off track on dealing with railroad retirement?

It is very important, in my view, that we deal with railroad retirement. This is the opportunity, this is the chance we have. There are 74 cosponsors. I know that has been mentioned several times on the floor. I am one of those cosponsors. This legislation did pass the House of Representatives by 384 votes in favor, 33 against. While clearly I respect the rights of colleagues to express the concerns and interests of other Senators in bringing other matters forward, I think it is high time we went ahead and passed

this bill and sent it to the President. A great deal has changed since we began providing benefits to railroad employees back in the 1930s. We have tried to update this retirement system to reflect some of the changes in the cost of living and lifespans of former employees and their spouses.

Several years ago, Congress told the railroad companies and the unions to sit down and work out their differences on this legislation so that we could get a set of proposals that Congress could consider.

This bill—the railroad retirement bill before us today—is the product of those negotiations. It deserves our attention and our support. The country owes a great deal of the growth and dominance we have had in the industrial and agricultural sectors to the railroad industry and to the employees of that industry. We need to be sure that these men and women receive retirement and disability benefits to reflect what they have accomplished, what they have done for this country.

This legislation tries to allow those employees with 30 years of employment in the industry to retire at age 60 without a reduction of their benefits. It would also provide the surviving spouse of a railroad worker with a benefit that appreciates the cost of maintaining a household and is not cut in half when the first spouse dies. Under current law, a widow or widower receives half of their tier 2 annuity, which, in most cases, will not be enough to pay for the basic necessities of life.

This legislation also allows current railroad employees to have their retirement benefits vested after 5 years rather than after 10 years, which is the current law.

Finally, the legislation repeals the maximum benefit ceiling that is currently in place and allows the amount of benefit to be based solely on the existing formula of the highest 2 years of income over the past 10 years.

These are reasonable changes, they are fair changes. I believe very strongly we should in these final days of this first session of the 107th Congress pass this bill. We should send it to the President for his signature, and we should resist the efforts we are seeing in this Chamber today to bog this down by attaching other very controversial legislation by the amendment process.

I hope cloture will be invoked on the amendment that Senator LOTT has offered and that it can be withdrawn. We can then proceed to vote on the railroad retirement bill and pass it and have that one piece of very constructive legislation sent to the President before the week is out.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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