

steel-consuming manufacturers were going to feel pain, but we didn't know how bad the pain would be. Nobody knew how bad it would be.

Mr. Speaker, the pain is real and it is deep.

Since last year, I have been hearing stories of skyrocketing steel prices, broken contracts, and supply disruptions. Now, we have layoffs. Now, we have companies buying more steel from foreign countries exempt from the tariffs. And, now, more and more manufacturers, both large and small, are being forced to move production overseas. And once those jobs go, they aren't coming back.

Two days ago, I was joined by representatives from six automotive parts supply companies to discuss the effects of the tariffs. Let me give you just a taste of what these companies are doing to cope with the tariffs.

Arvin-Meritor, which is based Troy, Michigan, in my district, bought one million tons of steel globally last year. They recently closed down a Tennessee plant that employed 317 people in part because of higher steel prices and are now exploring options for buying cheaper steel from non-U.S. suppliers who are exempt from the tariffs.

Dura Automotive Systems, Inc., which is based in Rochester Hills, also in my district, cut 60 jobs after the tariffs were imposed and business was lost.

Metaldyne, which is based in Plymouth, Michigan, is expecting to source 30–40 percent of its steel from abroad within the next few years because of rising prices and supply shortages. They currently buy 98 percent of their steel domestically.

Dana Corp., which is based in Toledo, Ohio, is considering not only buying more steel from abroad, but buying components and finished parts from abroad as well because they can be made cheaper in foreign plants that don't have to pay inflated prices for steel.

All of these companies, and others throughout the steel consuming manufacturing industry, are forced to respond to this pain in order to remain globally competitive. Many of these companies will expand their purchases of finished steel products from overseas, because finished products are not covered by the tariffs. Sourcing parts from overseas causes more pain for companies up the manufacturing stream. Companies are being forced to make these decisions because of the steel tariffs.

Let's be clear. Right now, the unintended consequences of the steel tariffs are killing American jobs in steel consuming companies. This clearly was not the intent of the Steel Safeguard Program. This is the collateral damage. But we can't ignore the fact that the tariffs are costing jobs.

And I have to ask this question: what good will the tariffs have achieved if there are no customers left to buy steel from U.S. steel companies?

I am not here to criticize the President. In fact, I don't think the President would've supported these tariffs if he could've seen in a crystal ball the full damage they're causing. These effects have come about more rapidly and more severely than anyone predicted.

And let me emphasize that I fully support a healthy domestic steel industry. These are good American companies that employ good Americans.

But companies in my district and across the country are hurting. They are good American companies that employ good Americans. They deserve the consideration along with the steel

industry when the steel tariff regime is reviewed.

This resolution is not anti-steel or pro-steel consumer. It is simply an attempt to ensure that when the President decides whether to extend the Steel Safeguard Program for another 18 months, he has all the information he needs to make the best choice for our nation's economy.

This is a modest request. We are not asking that the tariffs be lifted immediately and we're not attempting to change trade law. I urge all my colleagues to cosponsor this moderate, bipartisan resolution to simply consider the impact the steel tariffs have had on steel consumers.

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EXTENSION OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 2002

SPEECH OF

**HON. MARK UDALL**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, January 8, 2003*

Mr. UDALL of Colorado. Mr. Speaker, I am voting for this bill because it is urgently needed. Its enactment will prevent the cutoff of some unemployment benefits—a cutoff that otherwise would occur very soon.

In other words, by passing this bill we can save many people who are out of a job from the harm that otherwise would result from the refusal of the Republican leadership of the House to deal with this last year.

That is the right thing to do, even at this late date—and so I will support it.

But while this bill is necessary, it definitely is not sufficient. It does not cover everyone who should be covered. In fact, it will do nothing to help a million or more people who are out of work and who have used up all their federal benefits. The statistics I have seen indicate that at least 17,000 Coloradans fall into that category.

Those people are no less in need of assistance to enable them to pay their bills and feed their families while they look for work. It is not their fault that since the current downturn began more than 1.5 million jobs have been eliminated from the economy—and while the best response to their problems will be to revive the economy so that new jobs will be created, in the meantime we need to make it possible for them to make ends meet until that recovery really gets underway.

In the meantime, this bill does need to be passed. But it should be just the first step—and not the last one—to respond to the economic problems of Colorado and the rest of the country.

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BACK TO WORK INCENTIVE ACT

**HON. HOWARD P. "BUCK" McKEON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, January 29, 2003*

Mr. McKEON. Mr. Speaker, I rise to join my colleague, Mr. Porter of Nevada, in support of the Back to Work Incentive Act, which would enact President Bush's plan for Personal Reemployment Accounts (PRAs). This new ben-

efit is an important component of the President's economic growth package, designed to help unemployed workers find a job quickly.

As the President discussed last month, Back to Work accounts will allow the One Stop Career Center system, where the unemployed already seek assistance in obtaining employment, to offer an important new benefit to unemployed workers, in addition to an array of employment services these centers already provide.

States will be able to target this flexible new benefit to unemployed individuals who are most in need of help by offering each individual a re-employment account of up to \$3,000. With these Back to Work accounts, unemployed workers may purchase training, supportive services (such as child care and transportation), and intensive services (such as employment counseling and case management).

Recipients will be able to keep the balance of the account as a cash reemployment bonus if they become reemployed within 13 weeks. Because account recipients can keep the balance of their accounts when they become reemployed quickly and stay employed, PRAs create an incentive to get off unemployment benefits and return to work quickly. The more quickly a job is obtained, the larger the reemployment bonus will be.

Of equal importance, the proposal authorizes \$3.6 billion for states to set up Personal Reemployment Accounts to aid unemployed workers who need the most help getting back to work. This additional support is intended to augment the funding provided under the Workforce Investment Act, which authorizes the federal government's primary programs for helping our nation's workers gain the skills they need to succeed in today's workforce.

These new Back to Work accounts and the job training services administered under the Workforce Investment Act are—both—essential in helping displaced workers and assisting adult workers in areas of the country facing skill shortages that will enhance the 21st century workforce.

As this proposal moves forward, it is my hope that we will meet the President's objectives of getting the economy back on its feet and workers back on the job.

At the same time, I look forward to working to ensure that the system established under the Workforce Investment Act, in particular, the business-led local boards, have an appropriate role in the administration of these accounts.

But make no mistake about it.

Personal Reemployment Accounts represent a new, innovative approach to help unemployed Americans find a job by giving the unemployed more control over their employment search and access to training and services.

In the next few months, the House Education and the Workforce Committee will begin the process of reauthorizing the Workforce Investment Act, where we will focus on improving the system to help achieve the original vision of the law when it was enacted in 1998, which was to create a seamless workforce development system for workers and employers.

Over the past year and a half, the workforce development system funded under the Workforce Investment Act has adequately met the training and employment needs of our nation's employers and employees. States and local areas have created comprehensive services