

But we must not hold Medicare Select beneficiaries hostage until a date uncertain.

During debate today, concerns have been raised about premium rating based on age and one-time open enrollment periods under medigap policies. I agree that these concerns should be addressed. However, these issues relate to all MediGap policies, not just Medicare Select. We should not single out those who benefit from Medicare Select in order to iron out differences in overall MediGap policy. We can and should review these issues under Medicare reform and broader health care reform legislation.

Medicare Select works for older people in Wisconsin. It saves beneficiaries from 20 to 30 percent in premium costs than under traditional medigap policies.

Medicare Select plans are subject to the same regulations as other medigap policies which are regulated by the States. Select plans must offer sufficient access, have an ongoing quality assurance program, and provide full disclosure of network requirements.

The program saves money for Medicare recipients, does not cost the Federal Government, and perhaps most importantly, provides many beneficiaries and providers their first exposure to managed care.

Mr. President, time is running out. I urge my colleagues to support and extend Medicare Select.

Mr. CHAFEE. Mr. President, I thank Senator ROCKEFELLER, the Senator from West Virginia, for all of his help. I am glad we were able to work this out. It looked a little sticky at first, but we have done it. I look forward to working with him on the Finance Committee as we have the hearings next fall or whenever the report comes in from HHS.

Mr. ROCKEFELLER. I yielded the remainder of my time, so if the Senator will yield.

Mr. CHAFEE. I yield. The Senator may take as much of my time as he wants.

Mr. ROCKEFELLER. There are two points I want to make that I think are very important to those who might be listening and who might be confused at this point. One is that we went from a 5-year extension to a year-and-a-half extension. Then, as the Senator from Rhode Island pointed out, the year-and-a-half extension would then become automatic unless the Secretary of HHS had objections or found problems or whatever. That means that basically—I do not want this to be taken the wrong way—Donna Shalala who is watching this closely—I do not think destructively but constructively—18 months would pass and she would still be there. So that for some of the colleagues who might be worried that this is an automatic extension, it is not, except as the merit allows that. I think that is a matter of great comfort to me, and it is another reason why I appreciate the Senator from Rhode Island. I thank him.

Mr. CHAFEE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 483), as amended, was passed.

H.R. 483

Resolved, That the bill from the House of Representatives (H.R. 483) entitled "An Act to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. PERMITTING MEDICARE SELECT POLICIES TO BE OFFERED IN ALL STATES FOR AN EXTENDED PERIOD.

Section 4358(c) of the Omnibus Budget Reconciliation Act of 1990, as amended by section 172(a) of the Social Security Act Amendments of 1994, is amended to read as follows:

"(c) EFFECTIVE DATE.—(1) The amendments made by this section shall only apply—

"(A) in 15 States (as determined by the Secretary of Health and Human Services) and such other States as elect such amendments to apply to them, and

"(B) subject to paragraph (2), during the 5 year period beginning with 1992.

"(2)(A) The Secretary of Health and Human Services shall conduct a study that compares the health care costs, quality of care, and access to services under medicare select policies with that under other medicare supplemental policies. The study shall be based on surveys of appropriate age adjusted sample populations. The study shall be completed by June 30, 1996.

"(B) The Secretary shall determine during 1996 whether the amendments made by this section shall remain in effect beyond the 5 year period described in paragraph (1)(B). Such amendments shall remain in effect beyond such period unless the Secretary determines (based on the results of the study under subparagraph (A)) that—

"(i) such amendments have not resulted in savings of premiums costs to those enrolled in medicare select policies (in comparison to their enrollment in medicare supplemental policies that are not medicare select policies and that provide comparable coverage),

"(ii) there have been significant additional expenditures under the medicare program as a result of such amendments, or

"(iii) access to and quality of care has been significantly diminished as a result of such amendments.

"(3) The GAO shall study and report to Congress, no later than June 10, 1996, on options for modifying the Medigap market to make sure that continuously insured beneficiaries are able to switch plans without medical underwriting or new pre-existing conditions exclusions. In preparing such options, the GAO shall determine if there are problems under the current system and the impact of each option on the cost and availability of insurance, with particular reference to

the special problems that may arise for enrollees in Medicare Select plans."

Mr. CHAFEE. Mr. President, I move to reconsider the vote.

Mr. ROCKEFELLER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. CHAFEE. Mr. President, I ask that we now have a period for morning business.

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

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio [Mr. DEWINE] is recognized.

Mr. DEWINE. I thank the Chair.

(The remarks of Mr. DEWINE pertaining to the introduction of S. 816 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DEWINE. I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Michigan.

Mr. LEVIN. Mr. President, first let me thank our colleague from Ohio for his usual courtesy for giving me that little heads up so I can get ready to address the Senate.

AUTOMOTIVE TRADE NEGOTIATIONS

Mr. LEVIN. Mr. President, the purpose of the recently collapsed automotive trade negotiations between the United States and Japan and the administration's subsequent announcement to impose reciprocal restrictions on Japanese products and file an unfair trade complaint with the World Trade Organization is simple. That purpose is to open Japan's closed and protected auto and auto parts markets.

Yesterday, the administration took an important step toward opening Japan's automotive market to American products by announcing the specific list of Japanese products to be sanctioned in retaliation for the unfair exclusion of American products from Japan. We have listened to 25 years of trade rhetoric from one administration after another promising to open Japan's automotive markets to United States products. Endless talks and endless negotiations have not produced results. Japan's markets remain almost totally closed, and we have lost huge numbers of jobs during this period.

I have a little chart here which shows the statements of American Presidents since 1971. Every President of both parties has had promises made to him and, in turn, has assured the American people that we are going to act to open up Japanese markets to American products.

President Nixon in 1971 said:

Japan has accelerated its program of liberalizing its restrictions on imports.

When President Nixon said that, the deficit with Japan was \$1.3 billion.

In 1974, President Ford said:

The United States and Japan will negotiate to reduce tariff and other trade distortions.

By that time the trade deficit with Japan had grown to \$2.8 billion.

In 1975, President Carter said:

[We're trying to get the Japanese to buy spare parts and parts for assembly of their own automobiles in the U.S.

By that time the deficit had grown to \$2.9 billion.

President Reagan in 1983 said:

[We're encouraged by recent commitments to further open Japan's markets.

By that time the trade deficit had grown to \$21.6 billion.

In 1991, President Bush issued a statement through the Vice President as follows. Vice President Quayle said:

The President will take a direct message to the Prime Minister of Japan after the first of the year, saying that we don't anticipate continuing business as usual.

Well, by then the trade deficit was \$43.4 billion. By now the trade deficit is over \$60 billion.

So actions clearly are long overdue. The administration's decision to tell Japan to either open its markets or it will face concrete reciprocal restrictions is the right thing to do and can best be understood by showing that decision in a historical context of these three decades. When Japan has had total access to America's auto and auto parts markets while we have had no real access to Japan's automotive markets, decades of painful history and lost American jobs have proven that Japan will open its markets only when forced to do so.

The Japan Automobile Manufacturers Association, JAMA, of course, complains about the announced sanctions. In fact, the day after United States Trade Representative Mickey Kantor announced last week that we would take trade actions to open Japan's automotive markets to competition, JAMA put an ad in the Washington Post saying that managed trade does not work. I find it incredible that Japan can even mouth the words "managed trade" given the fact that they have the world's most managed economy and have had the world's most managed economy for decades. They are the undisputed world champions of managed trade. Their wall of protectionism against our auto parts and our automobiles has been built over 30 years.

JAMA's own general director, William Chandler Duncan, before becoming general director of JAMA, wrote a book. That book demonstrated just how Japan was able to stop the opening of its automobile market to the United States and to our automobiles, and that shutting us out of that market has been a three-decade-old conscious policy of the Japanese Government.

In 1973, Mr. Duncan published a book entitled "U.S.-Japan Automobile Diplomacy, A Study in Economic Confrontation." What a painful part of our history is set forth in that book. The

book provides strong historical support for the administration's decision to pry open markets which have been discriminatorily closed to American products for three decades. William Duncan's book documents how Japan's automotive industry was protected from outside competition by the Government of Japan in order to protect their domestic auto industry.

As you are going to hear from some of the quotes that I have excerpted from this book, it is a demonstration of unfair trade policy at its worst. American negotiators suffering from Japan fatigue have three decades of fruitless negotiation as a cause of that fatigue. An American President has finally acted based on the certain belief that, unless we do as other countries and act to force open Japan's market with reciprocal treatment, that market will remain closed.

Mr. Duncan's book gives us a historical view of the years 1967 to 1971. It has only gotten worse.

Mr. President, I ask unanimous consent that selected quotations from the book entitled "U.S.-Japan Automobile Diplomacy, A Study in Economic Confrontation" by William Chandler Duncan be printed in the RECORD.

There being no objection, the materials was ordered to be printed in the RECORD, as follows:

SELECTED QUOTES FROM UNITED STATES-JAPAN AUTOMOBILE DIPLOMACY, A STUDY IN ECONOMIC CONFRONTATION

The period under discussion ranges from the opening of the U.S. diplomatic offensive in the fall of 1967 until the Japanese approval of the Mitsubishi-Chrysler joint venture in June 1971 where Chrysler was limited to 35 percent ownership of Mitsubishi over 3 years.

"The course of trade and capital liberalization was not a smooth one. It involved time-consuming consultations between government and industry, long-term schedules of decontrol, and complicated qualifications attached to concessions granted. This naturally lead to frustrations, if not bitterness, on the part of many American's anxious to share in rapidly expanding Japanese markets." [Introduction, page 16]

"Though this dispute was later attributed to a misunderstanding, it nevertheless clearly indicates the reluctance of the Japanese to negotiate as well as the type of frustration that was to plague the U.S. team continually." [page 4]

[January 1968] "It was natural, therefore, that the Americans would continue to emphasize the abolition of Japan's quantitative trade restrictions. Again the Japanese delegation would make no commitment beyond a vague statement to make a forward looking investigation." [page 6]

"While all the (Japanese) automobile companies indicated a concern over the possible consequences of capital liberalization the Toyota Motor Company was most adamant on the issue. In January (1968) they went as far as amending their articles of incorporation to the effect that no foreigner could sit on the board of directors of the company." [page 7]

[June-August 1968] "The Japanese concessions were so painfully slow in coming, and even then frustratingly offset with other types of market restrictions, that the American government never once gave the Japanese side an affirmative response." [page 15]

[March 1968, LDP mission to Washington] "Congressmen of both parties emphasized in

particular the problems of iron and steel imports and the liberalization of automobile parts . . . especially, Wilbur Mills, Chairman of the House Ways and Means Committee, pointing to the increase of Japanese made automobiles into America, countered by saying that if it is Japanese policy to promote free trade, it should liberalize the import of American automobiles." [page 17]

[June, 1968, USTR's response to Japan's trade opening proposal] "One example that is giving us great concern relates to one of our biggest export industries, and that is the automobile industry. Here the Japanese have clearly illegal restrictions . . . This has been under bilateral discussion since the beginning of the year. We have finally told them (Japan) that unless they come up with a satisfactory solution in a very short period of time, we will invoke article 23 of the GATT to take them to court, which in turn will most likely give us the ability to retaliate against them." (Special Representative for Trade Negotiations, William M. Roth). [page 19]

"These proposals clearly indicate the continued Japanese determination to exclude foreign automobiles from their markets." [page 21]

[May 1968] "However, it is clear that MITI officials were unwilling to face the possibility of a fully owned Ford assembly plant in Japan." [page 22]

[August, 1968] "Though none of these initial efforts were realized, the considerable discussion generated by them point out the intensity with which many Japanese feared the entrance of the U.S. companies into Japan. Numerous articles and statements in the Japanese press maintained that a 'big three' advance would result in a wave of take-overs of Japanese firms." [page 24]

[Quote from Daiyamondo—Japanese newspaper] "If we liberalize within two years, it is certain that the second class makers will be bought out by foreign capital . . . Since their mission, if they invest, will be to maintain and increase that investment, Americans will surely come to manage it. In that case the Japanese will become slaves driven unmercifully by American capital." [Duncan's comment] "This gives an indication of the strength of feeling among those who advocated the so-called 'Jidosha Joi Ron.' 'Jidosha' means 'automobile' while 'joi ron' refers to the 'expel-the-barbarian' movement of the mid-nineteenth century." [page 24]

[June 21, 1968, Prime Minister Sato] "Capital liberalization must be advanced according to present day international trends. There is no problem with Japanese shipbuilding, but capital liberalization for automobiles is still impossible even though their exports have been flourishing. Domestic production is a matter of great concern and allowing the improvement of national prosperity is essential. But we would like to promote foreign capital induction in a way that will advance Japan's technology." [page 24]

[July 20, 1968 debate between leaders of the major Japanese automobile firms over whether or not the industry was over protected]. "Keeping in mind the fact that the government has heretofore fostered the automobile industry as an essential industry, the industry will in the future endeavor to develop on a national basis." [Duncan's comment] "This latter point, known as the 'Hakone Declaration' is quite significant in that it was interpreted as a unanimous agreement by Japan's major auto manufacturers not to tie up with foreign capital." [page 28]

"Henry Ford II continued to be the most outspoken representative of the American industry: 'The U.S. Government never gets tough enough . . . if they (the Japanese) go far enough and start importing still more

into this country, you'll see a lot of action in Congress." [page 32]

[Chairman of the Keidanren's Foreign Capital Problems Committee, Teizo Okamura] "If we continue to hold on like this (to an isolationist attitude) there is the possibility of escalating the 'yellow peril thesis.' Presently there has appeared a movement for voluntary restrictions on steel and synthetic textiles, but it is conceivable that against automobiles as well as voluntary restriction policy will appear requesting a limit of 200,000 cars a year." [page 32]

[February 21, letter from Automobile Manufacturers Association chairman Thomas Mann to acting assistant Secretary of State Joseph A. Greenwald]. ". . . The critical area of discrimination is the severely restrictive policies of Japan with reference to capital investment by the United States auto interests. This is a clear violation of the United States-Japan Treaty of Friendship Commerce and Navigation. The Department of State may wish to consider the advisability of again appraising the government of Japan with these views. At the same time its attention might be called to the consequences of a continuing denial to U.S. manufacturers of opportunities for trade and investment in Japan . . ." [page 35]

[Duncan's comment] "Though the contents of this letter revealed nothing new as far as the U.S. automobile industry's position was concerned, the U.S. Embassy in Tokyo took the unusual step of submitting the Mann letter directly to Kiyohiko Tsurumi, the Economic Affairs bureau Director of the Foreign ministry, a move which created considerable comment in Japan and underscored the dissatisfaction of the U.S. government as well as the auto industry with continued Japanese recalcitrance." [page 36]

[1971] "The automobile concessions, however, while designed to mitigate these growing pressures were, nevertheless, also a reflection of MITI's continuing efforts to insure that the Japanese automobile industry would be managed by Japanese citizens according to Japanese business practices." [page 43]

[October 1969] "The Japanese, however, resisted this (American) pressure (for further concessions), maintaining as before that they needed time to strengthen their industry so that it could remain competitive with the 'big three.' Their reasoning is reflected in a document attached to the cabinet announcement: . . . the actual situation of our country's automobile industry is weak when compared with the mammoth enterprises of the United States and Europe; there are still considerable differential, in capital power, technical development ability, etc . . . For this reason, it capital liberalization were to be carried out with the situation as it is now—there is strong danger that big disturbances would be created in the automobile industry, through the advance of foreign capital which has huge capital and enterprise power." [page 44]

[March 1970, letter from Thomas Mann of the American Automobile Manufacturers Association, to the State Department outlining the industry's objections to Japan's October (trade concessions) announcement] "In sum, the Japanese "concession" in the automotive sector, including the most recent decisions announced last October, have been keenly disappointing and, in our judgment, are incompatible with Japan's responsibilities as one of the world's great trading nations." [page 44]

[1971] "Additional pressure on the Japanese automobile industry came as a result of the dramatic increase in exports to the United States during this period." [page 46]

"In July (1971) Toyota Motor Sales vice president Kato revealed that Ambassador to

the United States Shimoda had warned the automobile industry that if the rate of exports continued, the Japanese industry might expect either protectionist measures in Congress or antidumping measures such as had recently occurred with color television sets." [page 46]

"Throughout the negotiations the major Japanese automobile companies were recording substantial profits; their exports were expanding at a dramatic rate, and their sales in the United States were increasing during a time when total U.S. automobile sales were generally declining. Furthermore, they were setting up assembly plants and selling equipment abroad." [page 53]

"In short, when the Japanese spoke of reorganizing an industry they were referring to a government, or more specifically, a MITI policy of encouraging the amalgamation of designated industries into larger units so as to keep them competitive with foreign firms on the one hand, and secure from foreign acquisition on the other." [page 53]

"One of the most striking aspects of these negotiations, for example, was the strength of Japanese resistance to the intense pressure applied by the United States. By 1969 Japan's automobile industry was the world's second largest with rapidly expanding exports and foreign assembly operations; yet despite threats of a U.S. import surcharge, appeals to GATT, pressure from international institutions, and the implied consequences embodied in peripheral issues such as textiles, Okinawa, etc. the Japanese refused to allow the American automobile industry any more than a token position in their automobile market." [page 111]

"Since the prewar financial combines dissolved by the occupation have, in different forms, gradually reconstructed themselves, the Anti-Monopoly Law has become the center of one of the more significant controversies in Japan. . . . it did not discourage MITI from pushing for reorganization in the automobile industry, or, for that matter, in other industries as well." [page 113]

" . . . given present day conditions, it is unlikely that an American firm will in the near future acquire significant management control of a Japanese automobile assembly operation." [page 114]

"The attempt of the American automobile industry to enter the Japanese market covered three and a half years (fall 1967-June 1971) of frustrating negotiation and contributed significantly to a growing uneasiness in Japanese-American relations." [page 115]

Mr. LEVIN. Mr. President, two-and-a-half decades later, the story is the same. William Duncan was hired to run JAMA, but his own book, written before he was hired by JAMA, is a dramatic reminder of Japan's determination to prevent us from having access to its markets.

Mr. President, I will just read three or four of those excerpts. Again, this is the man who wrote about what happened in the late 1960's and early 1970's, wrote about how Japan acted as a government and an industry to keep American products out of Japan in his book. He is now the director of the Japan Automobile Manufacturers Association, JAMA. But this is what he wrote prior to being hired as the director of JAMA.

In January 1968, this is what Mr. Duncan wrote:

It was natural, therefore, that the Americans would continue to emphasize the aboli-

tion of Japan's quantitative trade restrictions. Again, the Japanese delegation would make no commitment beyond a vague statement to make a forward looking investigation.

That was 1968, January.

In June 1968, again quoting Mr. Duncan's book:

These proposals clearly indicate the continued Japanese determination to exclude foreign automobiles from their markets.

Then in 1969, this is what Mr. Duncan said was going on:

By 1969 Japan's automobile industry was the world's second largest with rapidly expanding exports in foreign assembly operations; yet despite threats of a U.S. import surcharge, appeals to GATT, pressure from international institutions, and the implied consequences embodied in peripheral issues such as textiles, Okinawa, etc., the Japanese refused to allow the American automobile industry any more than a token position in their automobile market.

Finally, from Mr. Duncan, the final quote that I will read here, although there are many more that will be in the RECORD, is the following:

The attempt of the American automobile industry to enter the Japanese market covered three and a half years (the fall of 1967 through June of 1971) of frustrating negotiation and contributed significantly to a growing uneasiness in Japanese-American relations.

Mr. President, there is a long history here. It is written very clearly by the man who took a personal interest in that history at that time. Two and a half decades later, the story is the same, albeit worse. The trade deficit has grown by a about 40 times what it was in 1970.

Mr. Duncan was hired to run JAMA, but his own book written before he was hired by JAMA is a dramatic reminder of how Japan's determination to prevent us from having access to its markets worked. It worked to Japan's advantage. It worked to our disadvantage. It worked to the disadvantage of American workers who have lost jobs by the thousands because Japan has been allowed to maintain a protected market. We have tolerated it. It is long overdue that we stop tolerating it, and I am glad that the President finally took action to knock down that protectionist wall which has surrounded the Japanese automobile and auto parts market for now three decades.

Mr. President, I thank the Chair. I will yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. GORTON. Mr. President, an inquiry: Are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. GORTON. Is there a time limitation on speeches?

The PRESIDING OFFICER. No, there is not.

Mr. GORTON. Thank you, Mr. President.

THE PRESIDENT'S INTENTION TO VETO THE RESCISSIONS BILL

Mr. GORTON. This morning, Mr. President, the President of the United States, Bill Clinton, announced that he intended to veto the rescissions bill, a proposal to save some \$16 billion of already appropriated money as a modest down payment on the tremendous fiscal crisis facing the United States today.

This announcement was both a surprise and, I believe, almost unprecedented because, Mr. President, I am informed by the chairman of the Senate Appropriations Committee, and can speak from my own personal knowledge as the chairman of one of the subcommittees of the Appropriations Committee, that there was no communication emanating from the White House and directed at the conference committee which has been in almost continuous session for some 2 weeks on this rescissions bill about the President's desires or about his bottom line.

Mr. President, this is in dramatic contrast with conference committees on appropriations bills in the past, in either the Reagan administration or the Bush administration, in which that contact between the White House and the Congress was constant and in which the bottom line of the President was always well and clearly known to members of the conference.

Here, by contrast, we had a situation in which the White House was almost totally silent with respect to its request about rescissions. The President still pays lip service to a \$16 billion goal which must be seven or eight times larger than the goal of his original rescissions bill itself. But only after the deed is done, only when all that remains for the Congress is the formality of the approval of this conference committee report, do we hear, first, that it does not cut enough dollars from what the President describes as pork, and takes too much out of proposals which are of greater interest to him.

Mr. President, a few general remarks.

The President attacks spending on Federal courthouses, on the building of U.S. courthouses in various parts of the country.

Mr. President, I have no dog in this fight. Earlier, there was a courthouse in Seattle in one of these appropriations bills, but it is rescinded in this bill. So none of the so-called pork exists in my State.

And there is also criticism of a number of highway projects that were not rescinded. But note, Mr. President, I said "not rescinded." Every one of these projects which the President of the United States now describes as pork, he signed into law less than a year ago. Last year's appropriations

bill for transportation, for the Treasury Department, for GSA, for the Post Office, was signed and hailed by the President. Those bills had every one of these projects contained in them and more besides, a significant number that are rescinded in this bill. So today we have described as pork proposals which the President hailed last year and proposals which spent more last year when he signed them than this year when some but not all have been rescinded.

What in the world could have happened to have changed the President's mind about specific projects in the course of 6 months, he does not tell us.

Mr. President, as recently as about 2 months ago, when the original rescissions debate had been completed in both the House of Representatives and here in the U.S. Senate, the President said of the Senate proposal,

The bill passed 99 to 0 in the Senate, and I will sign the Senate bill if the House and Senate will send it to me. That's how we should be doing the business of America.

Mr. President, I think it is more than safe to say that the bill the President attacked today is considerably closer to the proposal passed by the Senate just a few weeks ago than those passed by the House of Representatives. In many of the very education and job training areas which the President now uses as an excuse to veto this bill, the Senate provision prevailed, lock, stock, and barrel, was accepted by the conferees. In several others, the compromise is considerably closer to the Senate provision than it is to the House provision, in some, it is 50-50, and maybe, in one or two, it is closer to the House provision.

But, Mr. President, a tiny handful—2, 3, 4 percent—of the dollar amount of rescissions fall into the categories which the President now criticizes.

And, Mr. President, one more repetition of my first point. Not a word about this 1, 2, 3, 4 percent of these rescissions being deal busters, being entirely unacceptable to the President, was communicated to the conference committee while it was in being.

Mr. President, is it not safe to say, overwhelmingly safe to say, that the President of the United States wanted to have something in this bill that could give him a political excuse for a veto? I regret to say that I believe that to be the case.

And one more not incidental point, Mr. President: there is a part of this bill that the President of the United States mentioned today which comes very close to home. I know the Presiding Officer will remember the debate on the floor of the Senate here on so-called timber language. That vote was very close in language, of which I was the author, and was substituted for much more stringent House language in the course of the debate here in the Senate. But even our milder language passed only by a narrow margin.

Briefly, the House of Representatives mandated a certain harvest level of

salvage timber in all of the national forests of the United States. The Senate, in language which I wrote, did not mandate any harvest at all but simply freed this administration to carry out its own plans for salvage timber and its own plans for harvest in the forests of the Pacific Northwest under option 9.

In no way did the House language require President Clinton and his administration to do anything that it had not planned to do. It simply freed what the administration wants to do, consistent with its views of all the environmental laws from the constant blizzard of litigation to which it has been subjected over the last several years.

And in fact, as recently as a week ago, the new Secretary of Agriculture, who, of course, has the Forest Service under his jurisdiction, wrote a letter to the chairman of this conference committee, one of the few interventions by anyone in the administration with the work of the conference committee, and said, and I am quoting him:

We believe that the Senate provision which directs the Secretary, acting through the Chief of the Forest Service, to "prepare, offer and award salvage timber sale contracts to the maximum extent feasible to reduce the backlog volume of salvage timber in the interior" offers a more responsible approach than was adopted by the House.

So a week ago this Senate timber provision was evidently acceptable to the administration. Now, Mr. President, the timber provision which is denominated by the President of the United States today as being a give-away to big timber companies is the original Senate language amended only in minor details in a way that the administration itself asked us to amend it.

I repeat, Mr. President, what Mr. Clinton now criticizes is a set of provisions his own Secretary of Agriculture approved of by this language a week ago with minor changes that they suggested themselves. It is not the original House language.

Now, our Chief Executive is either ignorant of the rules which govern timber sales in the Forest Service or deliberately disingenuous when he begins, once again, the class warfare of big timber companies. Most of the big timber companies in the Pacific Northwest at least are not eligible to harvest Forest Service timber because they export some of the logs that they own from their own lands—the Plum Creeks, the Weyerhaeusers of this world are not a part of this process at all.

Who are these so-called big timber companies that will benefit from this? Let me read you a couple of letters that I have received in the course of the last month.

The first one is from Tom Mayr, of the Mayr Bros. Co. in Hoquiam, WA, a local mill in that community. I am quoting:

Slade, you must realize that this amendment is the single most important piece of legislation in over 5 years to Mayr Brothers and many independent sawmills like ours. Congress and President Clinton have said