

Well, once again the cavalry is coming to the rescue and under the leadership of the gentleman from South Carolina, FLOYD SPENCE, the chairman of the Committee on National Security, we have put in today in the procurement markup enough money for every one of those 93 million bullets that the Marine Corps is short under the Clinton administration's budget.

We have also put into the budget today enough money to make every one of those 24 upgrades, safety upgrades, for the Harrier jump jets so our Marine pilots will be able to fly them in a condition which is 50 percent safer than the condition the Clinton administration would have them flying in.

Mr. BURTON of Indiana. Will the gentleman yield?

Mr. HUNTER. Mr. Speaker, I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, this is very, very disturbing, because we have been led to believe, I and all my colleagues, have been led to believe that our military preparedness is adequate for almost any eventuality.

We have been to Somalia, we are now in Bosnia, we have 20, 25, 30,000 troops over there, we have aircraft carriers over there, and the gentleman is saying that we are short on bullets as well as other areas of preparedness? That is very distressing.

Mr. HUNTER. I am telling my friend the story gets worse. We are \$30 million short on basic bullets, that is M-16 ammo for the riflemen. Total, we are about \$365 million short on ammunition, if we count the mortar rounds we are short, the howitzer rounds and all the other types of ammunition that go into a Marine amphibious force.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will continue to yield, the reason this is very distressing to me is President Carter had the same kind of policy that the gentleman is talking about during his administration, and when Ronald Reagan came in, we had seen 10 or 11 countries go Communist because, first of all, we did not have that determination to deal with them; and, second, we were not militarily prepared. And if we are not militarily prepared, we are going to have problems with some of these terrorist states: Iran, Iraq and some of these others, Libya, that are trying to get nuclear weaponry and delivery systems now.

So I think it needs to be made very clear to everybody that is paying attention, all of our colleagues, that without military preparedness we could have all kinds of problems like we had back in the early 1980's because we were not prepared.

I remember back then when I came to Congress we had people in training exercises that were using dummy shells in order to prepare. And that is something we cannot tolerate.

Mr. HUNTER. Mr. Speaker, the gentleman is absolutely correct, but the Republicans are coming to the rescue and we are going to have enough ammo

for those Marines to be fully equipped in wartime, and a lot of other equipment.

#### THE WORKING POOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, between 1979 and 1992 the number of working poor in America increased by 44 percent.

Some may not care about that—I do. I care that millions of our fellow citizens are holding down jobs, while sliding into poverty.

It's not fair. We can begin to correct some of that unfairness by increasing the minimum wage.

I also care about this Nation's small businesses—the backbone of our economy.

I would not promote a policy to help the working poor if it was shown that such a policy would substantially hurt small businesses.

Sometimes we are given false choices—employees with livable wages can be helpful to small businesses' profits.

According to the best evidence I have seen, a modest increase in the minimum wage will help the working poor, without hurting small businesses substantially or over a period of time.

Not long ago, the New York Times told the story of a town in my state of North Carolina and that town's experience the last time the minimum wage was raised.

Jacksonville is located in Eastern North Carolina, just outside of my congressional district.

The civilian population of Jacksonville is 80,000, but it is also home to 40,000 marines at Camp Lejeune.

When the marines went to the Persian gulf war in 1990 and 1991, the economy of Jacksonville suffered—small businesses were hurt.

But, according to the New York Times, when the minimum wage was last raised—for the first time in two decades—in 1991, the economy of Jacksonville did not suffer. Small businesses were not hurt.

In fact, following that increase in the minimum wage, unemployment in Onslow County, where Jacksonville is situated, declined.

In fact, unemployment declined by more than a half of a percent, following the first incremental increase, and by 1½ percent, following the second increase.

And, notably, employment in the County's restaurants grew from 3,180, the year before the first increase, to 3,778, the year after the second increase.

And, Mr. Speaker, the total number of restaurants in the County grew too during that same period of time, from 204 to 225.

The experience in Onslow County was apparently similar to the experience of

other counties throughout North Carolina, following the 1991 minimum wage increase.

A recent survey of employment practices in North Carolina after the 1991 minimum wage increase, found that there was no significant drop in employment and no measurable increase in food prices.

The survey also found that workers' wages actually increased by more than the required change.

In another study, the State of New Jersey raised its minimum wage to \$5.05 while Pennsylvania kept its minimum wage at \$4.25.

The researchers found that the number of low wage workers in New Jersey actually increased with an increase in the wage, while those in Pennsylvania remained the same.

Mr. Speaker, sometimes we must commit our young people to war and, during those times we recognize that sacrifices must be made.

Small businesses in Onslow County sacrificed for the Persian Gulf war.

But, Mr. Speaker, we do not have to commit our young people or any of our citizens to poverty, especially when they are ready, willing and able to work.

An increase in the minimum wage may not keep us out of war, but it can keep working Americans out of poverty.

The President's proposal would increase the minimum wage 90 cents over 2 years—just as we did in 1991. In 1991, the increase enjoyed bipartisan support, with President George Bush signing the Bill.

Since 1991, the minimum wage has remained constant, while the cost of living has risen 11 percent. Greater than one-third—36 percent—of all minimum wage workers are the sole wage earner in a family. Fifty-eight percent of all poor children have parents who work full-time.

In my view, the best welfare reform is a job at a livable wage. Raising the minimum wage would make it easier for people to find an entry level job that pays better than a government subsidy, and creates a strong incentive to choose work over welfare.

That same New York Times article profiled a young woman waitress, who was saving to buy a new, \$20,000 mobile home to replace the one she bought used for \$2,500. It seems her goal is not threatened by a possible increase in the minimum wage.

Notwithstanding the possible minimum wage increase, the competition just introduced a new menu, with lower prices.

Let's pass H.R. 940, the minimum wage increase. It is the right thing to do. It is the fair thing to do. I care about small businesses, and it will not hurt small businesses.

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

[Mr. WELDON of Pennsylvania 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 gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS 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 Oregon [Ms. FURSE] is recognized for 5 minutes.

[Ms. FURSE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. METCALF 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 gentleman from Florida [Mr. WELDON] is recognized for 5 minutes.

[Mr. WELDON of Florida 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 gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

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

#### HEALTH CARE REFORM UNDER THE KENNEDY-KASSEBAUM BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 30 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, this evening I would like to talk about health care reform, and particularly the effort that has been put into legislation and has been passed now in both houses that was sponsored in the Senate by Senators KASSEBAUM and KENNEDY on a bipartisan basis and here in the House by the gentlewoman from New Jersey, Congresswoman ROUKEMA, who is a Republican, as well as a number of Democrats.

This reform was essentially put into motion, I believe earlier this year, when President Clinton, in his State of the Union Address, called upon both the House of Representatives and the Senate to pass the Kennedy-Kassebaum

bill, as it has come to be called, in order to achieve incremental health care reform, particularly as it deals with what we call portability; that is the ability for someone to take their insurance with them if they change jobs or if they lose their job or become self-employed, and also with regard to preexisting conditions.

As many of my colleagues, I am sure, are aware, right now if one has a debilitating condition or some sort of health condition that would probably result in a greater amount of health care, many insurance companies in many States will simply not provide insurance to such an individual, even when they are willing to pay for it.

So President Clinton, who, as many of us know, was instrumental in trying to raise the attention of the American public and the Congress a few years ago to the need for health care reform and the need to provide more Americans with health insurance coverage, acknowledged in his State of the Union Address that although he had not been able to achieve a system of universal health care coverage, that did not mean that we should not try to move in an incremental way, in a small way, toward some health insurance reform.

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He called upon the Congress to pass the Kennedy-Kassebaum bill this session and indicated that he would sign it once it passed both the House and the Senate. If I could just say very briefly the Kennedy-Kassebaum bill essentially would make it easier for workers who lose or change jobs to buy health coverage, and it would limit the length of time that insurers could refuse to cover an applicant's preexisting medical problem. Hence, again, the main purpose of it is to increase portability for health insurance and to abolish the situation with those with preexisting conditions who would not be able to get health insurance.

Now, the Senate last week passed the Kennedy-Kassebaum health insurance reform bill unanimously, 100 to 0. Unfortunately, here in the House of Representatives, much earlier, a few weeks earlier, perhaps a month earlier, we passed a bill that included and added to the Kennedy-Kassebaum measure a number of controversial provisions that, I believe and I think are almost universally recognized, would doom the chances of this legislation becoming law.

Among the special interest provisions in the House bill are the so-called medical savings accounts, tax-free savings accounts from which participants could pay for everything but catastrophic health care costs. The problem with such accounts, although they may seem like a good idea on their surface, is that they would be a good deal only for the healthiest, wealthiest people in our health care system, those who do not have the high health care costs that they have to incur on a regular basis. But health insurance would in-

crease for the average American because insurance companies would be left with only sicker and more costly enrollees in their health insurance plans.

Mr. Speaker, so basically what the medical savings accounts do is provide a tax break, if you will, for the healthiest and wealthiest among us. That means that by dividing the insurance pool so that the healthiest and wealthiest Americans are taken out of the insurance pool, which relies on having all types of people in it, would be divided. The sicker and the poorer people would remain, which would result in the insurance companies having to raise their premiums.

Most important, though, in terms of what I believe the Republican leadership here in the House was trying to accomplish by adding these provisions, the medical savings accounts, to the Kennedy-Kassebaum bill, was essentially that they were trying to pay off, if you will, or provide a financial windfall for the Golden Rule Insurance Company, whose top executive has given Republican political committees over \$1 million in contributions in the last 4 years. Now, Democrats in the House offered a straightforward health insurance reform bill as a substitute for this more controversial bill with these added provisions.

The Democratic substitute would have prohibited many of the current unfair insurance practices which fail to protect individuals and families with significant health problems and make it difficult for small businesses to obtain quality coverage for their employees. The Democratic substitute would have made it easier for people who change or lose their jobs to maintain adequate health insurance coverage, just like the original Kennedy-Kassebaum bill. It also included a provision whereby the self-employed could deduct 80 percent of their health insurance costs.

Now, of course, when a bill passes the House and a different bill passes the Senate, they have to go to conference, and in the conference they come up with an agreement on what bill would finally come back to both House of Congress and be considered before it goes to the President. What we have to hope is that when this conference occurs that the conference committee will drop the controversial House provisions and send a bipartisan bill to the House or Senate floor for final approval that can pass.

Mr. Speaker, I wanted to go into, in the time that I have tonight, a little more detail about some of the differences between this House and the bill and why I believe very strongly that we must bring something very similar to the Senate bill, in other words the original Kennedy-Kassebaum bill, to the floor if we are ever going to see health insurance reform this year.

Let me comment a little bit on the politics, if you will, of the Republican leadership in the House basically would