

hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent to take my Special Order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

OUTSOURCING AND FREE TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HENSARLING) is recognized for 5 minutes.

Mr. HENSARLING. Mr. Speaker, recently there has been a great deal of discussion, angst and some protectionist legislation concerning the so-called outsourcing of American jobs to foreign countries. In fact, companies choosing to purchase services abroad have been termed "Benedict Arnold" companies by some.

But despite all the inflammatory language and distorted facts, the truth is that outsourcing is only one side of a two-way street known as free trade. Almost one-third of our economy is dependent upon that two-way street. Thus, we should examine the little-noticed other side of the street called insourcing.

Data from the Commerce Department shows that during 2003, the U.S. posted a \$53 billion surplus, surplus, in trade and private services with the rest of the world. We outsourced \$77 billion in services overseas, but foreigners turned around and insourced \$130 billion of services from the U.S. In other words, foreigners demand more of our services than we demand of theirs.

Unfortunately, Americans are presently hearing only one side of the outsourcing story. They only hear about the jobs that are going out of the U.S. They do not hear anything about the jobs coming into the U.S.

According to the Treasury Department, insourcing accounted for 6.4 million jobs nationwide in the most recent survey; and these insource jobs paid 16½ percent more than the average domestic job. Even though many foreign workers work for less, jobs are insourced into the U.S. because our workers tend to be better educated. They tend to have better skills. They tend to be more productive. We can compete internationally.

If you want to get a better idea of the kind of insourcing coming to America, let us just take a look at the automobile industry. Honda is hiring 2,000 new Americans in Alabama to build SUVs, and Nissan will add more than 2,000 jobs by expanding their plants in Tennessee and Mississippi. Toyota will add 2,700 jobs in my home State of Texas in the next 2 years. In fact, Mr. Speaker, foreign corporations now employ almost half a million workers in my home State. Nearly one in 10 jobs

in the U.S. is directly linked to the export of U.S. goods and services.

Now, protectionist anti-outsourcing legislation unfortunately threatens each and every one of these jobs. If we do not permit the outsourcing of jobs overseas, other nations will not permit the insourcing of jobs into the U.S. It is free trade that creates more job opportunities for the unemployed, increases their wages and improves the standard of living for American workers. Free trade also delivers a greater choice of goods and services to our consumers at lower prices. That means American families get better products using less of their paycheck.

Competition has always helped the consumer. It does not matter if that competition comes from Canada or Kentucky. Over the past few years, prices have dropped for a wide array of goods and services that face foreign competition. For example, TVs cost 10 percent less; computers cost 25 percent less. Yet we pay a lot more for services that do not receive foreign competition, goods and services, for example, college tuition, prescription drug goods, and cable TV service.

Those who care about creating jobs and reducing unemployment here at home should stop fighting free trade and its outsourcing component and start fighting the root cause of job flight overseas, mainly too many taxes, too many regulations, and too many frivolous lawsuits.

The Small Business Administration found in the year 2000 that Americans spent \$843 billion complying with Federal regulations. Too many mind-numbing regulations send jobs offshore.

Mr. Speaker, the cost of litigation now accounts for one-third of the price of the aluminum ladder. It doubles the price of a football helmet, and it adds \$500 to the sticker of a new car. Too much litigation sends jobs offshore.

The United States has a higher corporate tax burden than any industrialized nation with the exception of Japan. This even includes several of the former Soviet bloc countries. Too much taxation sends jobs offshore.

Mr. Speaker, beyond the obvious economic benefit of free trade, fundamentally we must recognize that nations do not trade with nations; people trade with people. Every American citizen and every American company should have the right to determine the origin of the goods and services they want to purchase.

With the exception of national security considerations, it should not be the role of the Federal Government to tell consumers or companies where they buy their goods. Besides our financial well-being, it is our fundamental economic liberty that is at stake.

□ 1830

The SPEAKER pro tempore (Mr. KLINE). Under a previous order of the

House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

PUTTING AMERICA'S WORKERS FIRST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GREEN) is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Speaker, I rise today to talk about the problem we have with America's unemployed workers.

My Texas colleague talks about how outsourcing is so good, and offshoring, well, I know it is not good in the area I represent because it is a blue collar district. For years and years we have suggested to our young people to go and get a high-tech skill so they can become a computer programmer, so they will not have to be a machine shop owner or a machinist, that they can go into the new economy. All of a sudden now we are finding out that that new economy, if you are making \$45,000 a year in the United States, you are having to compete with someone around the world who is happy to make \$15,000 a year with your same level of education. So we do have a problem.

Tomorrow marks the end of March and the 3-month period since the temporary extended unemployment compensation program began phasing out. During this last 3-month period, over 1 million American workers have exhausted their regular unemployment benefits and have been unable to receive additional help. There are 72,000 unemployed workers in my own State of Texas that have exhausted their benefits. There is no comparable figure in more than 30 years when this country has had so many unemployed workers exhausting their benefits.

Despite these undisputable facts, the administration and our Republican colleagues refuse to extend this important program, saying economic growth will yield job creation. Well, it has not for the last 3 years. Every indicator out there disputes this logic and tells the same story: This country is facing a jobless recovery. If it is a jobless recovery, it is not really a recovery where I come from.

Mr. Speaker, these indicators are bad enough, but, unfortunately, there is another story behind them that makes the outlook even worse. The unemployment rate is currently 5.6 percent, but the true story is that rate does not take into account the 2.8 million Americans who have given up looking for a job and left the labor force altogether. These Americans are just as unemployed as those counted by the Labor Department; and if we include them in our statistics, the true unemployment rate stands at 7.4 percent.