

So I am deeply moved. But I have played a modest role in seeing that another very fitting memorial be dedicated to that American of extraordinary accomplishment.

I yield the floor.

Mr. SARBANES. Mr. President, I want to amend one thing that the distinguished Senator from Virginia said. I think he referred to his role here as a "modest role." But he really was very pivotal in helping us to get this legislation enacted last night.

The Secretary of the Interior determined that the Martin Luther King statue, which is going to be placed in the District of Columbia in memory of Martin Luther King, would be put in the prime area, which is the Mall and the surrounding areas. That determination needed the approval of the Congress. Senator WARNER and I joined together in the Senate, along with Congresswoman MORELLA, who led the effort in the House, in order to bring this about.

We will now have a statue in the District in a fairly short time. The money will be raised privately by the Alpha Phi Alpha Fraternity. But it will stand as a tribute to what Martin Luther King, Jr. represented, which, in my judgment, was a commitment to achieving change through non-violence—a very important lesson. Martin Luther King, Jr. clearly worked within the framework of a democratic society. He sought very significant and substantial change. He sought to make the Nation live up to its ideals. But he was committed in doing it in a non-violent way.

I think that is a very important lesson for all Americans.

I, like the Senator from Virginia, have personal memories. I was at the Reflecting Pool the day he gave the "I Have a Dream" speech, when he stood on the steps of the Lincoln Memorial, and, of course, that speech had a tremendous impact on American society then and continues to have a tremendous impact.

So I am very glad that this matter has been moved forward now. All of the legislation that is now necessary is in place, and now we look forward to going ahead and we look forward to, at sometime in the not too distant future, a ground breaking and, sometime thereafter, a dedication.

I express again my deep appreciation to the distinguished senior Senator from Virginia for his efforts in this regard.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. WARNER. Could I just simply add my thanks to my colleague. We were full partners on it. And, indeed, I did not know that the Senator likewise was at the historic speech. It shows you how interesting life can be.

I thank the Chair, and I thank my colleague.

Mr. KERRY. Mr. President, I understand we are in morning business?

The PRESIDING OFFICER. We are, with remarks limited to 10 minutes.

Mr. KERRY. I thank the Chair.

CONGRATULATING SENATOR LOTT AND SENATOR BYRD

Mr. KERRY. Mr. President, I join with my colleagues in expressing my admiration and respect for the senior Senator from West Virginia, for the extraordinary comments he made on behalf of Senator LOTT. I was equally touched I think by the honest, open response of Senator LOTT to the emotions that he felt with respect to the birth of his grandson. I think we can all sense, at least those of us who have had children, the enormous emotional wave of that particular moment.

So we salute both of those colleagues of ours. I thank Senator BYRD for taking the time to share with the Senate those important thoughts.

THE TOBACCO BILL

Mr. KERRY. Mr. President, I almost hate to break the sort of magic, if you will, of those moments, but I want to say a few things, if I may, about the proposal yesterday of the Speaker of the House with respect to the principles that the House and he will pursue in trying to put forward tobacco legislation.

Many people in the press have been busy writing that the tobacco bill is dead, and a great number of people have suggested, even in this body, that tobacco is dead as an issue for this year.

I wish to make it very clear that, if anything, the proposal by the Speaker makes it clear that not only is it not dead but the Republicans feel compelled to somehow create some sort of cover for the efforts that took place in the Senate over the course of the last weeks to stop a particular piece of legislation.

I think the headlines that ran across the country saying "Republicans Killed Tobacco Bill"; have stung more than some people want to suggest, and the evidence of that is the fact that the Speaker saw fit to provide this figleaf to the party. It is a figleaf, and I think it has to be put in the context of Speaker GINGRICH's own \$50 billion tax credit that he snuck for the tobacco industry into the balanced budget legislation. No one should forget that only a year ago the Speaker of the House provided the tobacco industry of this country with a \$50 billion tax credit and now he is providing another gift to the industry and a disaster for children and for public health.

As Surgeon General Koop said yesterday about the Gingrich proposal:

Instead of doing something serious about reducing the number of children who smoke, these Members of Congress have created a bill that they can hold up for a photo opportunity and a sound bite. If the House Republicans try to call this a bill to limit the damage that tobacco does to the Nation's health, that's false advertising.

Then Surgeon General Koop said:

I'm glad they feel they have to do something. I'm sorry they think they can do so little.

Mr. President, let me say specifically what the great flaws are in the outlined proposal by the Speaker.

First of all, rather than expand FDA authority over tobacco, it actually restricts authority. By restricting the FDA to only being able to regulate the manufacture of cigarettes, it actually strips the FDA of most of its regulatory authority. And that is directly contrary to what the Senate accepted in the proposal that came from the Commerce Committee by a vote of 19 to 1, and it was never contested in this Chamber that that authority ought to exist.

The House, under the Gingrich proposal, would even curtail the FDA's ability to restrict the illegal sale of tobacco products to children. That is extraordinary, and also it lacks any common sense whatsoever.

Furthermore, the Gingrich proposal provides no tough penalties whatsoever on the tobacco industry if they are to continue to market to kids. There is not any one of us who does not know the long history of the tobacco industry marketing to kids.

Here is the memo from R.J. Reynolds Company:

They, i.e. young people, represent tomorrow's cigarette business. As this 14-24 age group matures, they will account for a key share of the total cigarette volume for at least the next 25 years.

In the course of the debate, we made it very, very clear, through their own words, the degree to which tobacco companies targeted young children and the degree to which they created a strategy to try to addict young people to cigarettes, to tobacco. There is no effort whatsoever in the Gingrich approach to try to hold the tobacco companies responsible, not only to the programs that might reduce children from smoking but also to tough provisions that would hold them accountable if they do not meet the reduction in teenager smoking.

The tobacco industry has preyed upon children for decades. The Republicans in the House evidently are prepared to let them continue to do that, and the Senate I know will find that unacceptable.

Furthermore, the Gingrich approach lays out a series of very tough, punitive measures for teenagers without being punitive on the companies themselves. They are tougher on the kids who wind up subjecting themselves to the lure of the tobacco companies than they are on the tobacco companies themselves. That is absolutely extraordinary and totally unacceptable.

Obviously, there ought to be some penalties with respect to teenage purchase if it is against the law to purchase, but the answer to reduce youth smoking is not a solely punitive bill on children, it is to include the tobacco companies. If anything ever stood for

the degree to which the Republicans in the House, and maybe elsewhere, are prepared to stand with the tobacco companies, it is an outline for a tobacco bill that holds the children liable and lets the tobacco companies go free.

In addition to that, there is no price increase whatsoever for the effort to reduce youth smoking. We can argue about what this level ought to be. The Senate rejected the notion that it ought to be \$1.50, but the Senate did accept the notion that \$1.10 seemed to make sense. At least no one voted to strip that \$1.10, and I doubt that they would.

So it is clear, all of the evidence thus far makes it clear, that raising the price has some impact on smoking. Let me quote from Philip Morris. You don't have to believe the Senate debate, but this is Philip Morris speaking, this is an internal document from the Minnesota trial:

You may recall from the article I sent you that Jeffrey Harris of MIT calculated . . . the 1982-1983 round of price increases caused two million adults to quit smoking and prevented 600,000 teenagers from starting to smoke.

In 1982, the tobacco companies took note themselves of the fact that a price increase prevented 600,000 teenagers from starting to smoke:

Those teenagers are now 18-21 years old, and since about 70 percent of 18-20 year-olds and 35 percent of older smokers smoke a [Philip Morris] brand, this means that 700,000 of those adult quitters had been [Philip Morris] smokers, and 420,000 of those non-starters would have been [Philip Morris] smokers. Thus, if Harris is right, we were hit disproportionately hard. We don't need this to happen again.

Philip Morris says, "We don't need this to happen again." Evidently, NEWT GINGRICH agrees with him because he has come up with a proposal that allies himself directly with the tobacco companies and with that memo.

Mr. President, it is clear we need serious legislation. We have made it clear that we are going to return on future pieces of legislation to try to pass tobacco legislation in the Senate.

Let me be clear. If we were to simply come back with the same bill that was defeated, I think we would be both stupid and we would deserve a vote of rejection by the Senate. So it is clear that we need to rethink how we do this in an intelligent way.

The Senate found cause to cite specific kinds of problems with the last piece of legislation. I am not going to disagree that there were not legitimate problems. I do disagree that we could not have cured them in a legitimate legislative process. But it is clear that, if we put our minds to it, we can constrain a piece of legislation so it adequately is tailored to meet the needs of reducing teenage smoking and of creating a sufficient amount of funding, if you will, of the States' needs with respect to the settlement process. After all, the tobacco companies and the States agreed to a \$368 billion base over 25 years, and that provided about \$200 billion to the States to be able to settle. They came to agreement on that.

It would seem to me we ought to be able to ratify something in the Senate that establishes a comprehensive proposal to have a State settlement at the same time as we meet the needs of health care with respect to reducing the number of kids smoking at the same time as we meet the needs of farmers.

So, we will be able to test that, in the next weeks, through a proposal that I and others will make, which ought to be able to address the most critical concerns that were expressed by Senators in opposition but at the same time provides us with something completely different from what Speaker GINGRICH is talking about.

We do not need a figleaf. We do not need a photo opportunity. We need a serious piece of legislation that will allow the States to be able to do what they need to do to provide counter-advertising and cessation efforts to address the health care needs of our country and to reduce teenage smoking while simultaneously allowing us to come to a global settlement.

I believe that is achievable. I hope when we return the Senate will act seriously to make that happen. I look forward to the U.S. Senate sending over to the House a serious piece of tobacco legislation that will provide the country with an opportunity, in bipartisan form, to be able to deal with this important problem.

I yield the floor.

Mr. CRAIG addressed the Chair. The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, before I make comments on trade, let me only say to the Senator from Massachusetts, long before the Senate decided to put down the very ill-conceived piece of legislation, the Speaker of the House was saying that the House would address teenage smoking problems. So, whether the Senator from Massachusetts decides to characterize it today as a figleaf or Johnny-come-lately, that was clearly the intent of the House all along. Obviously, the Speaker is now honoring his commitment by stepping forward with a proposal.

I hope in the end we can address this issue and not allow teenagers to be the figleaf of big taxes and big government, and find a real solution to this problem.

U.S. GOVERNMENT IS ALLOWING EVASION OF U.S./CANADA LUMBER AGREEMENT. AT THE EXPENSE OF U.S. MILLS AND JOBS

Mr. CRAIG. Mr. President, I would like to talk today briefly about an issue that affects hundreds of American companies and tens of thousands of American workers, and that is, of course, the proper enforcement of the 1996 U.S./Canadian Softwood Lumber Agreement.

On several occasions I have stood before this body to express disappointment at our trading partners who are violating trade agreements with the United States. Generally, the problem arises abroad and requires aggressive

efforts by the administration to insist on compliance by other countries to ensure that our products and our workers can compete on a level playing field. But the foremost problem for the Lumber Agreement is action by the U.S. Customs Service that is affirmatively undermining the current softwood agreement that I am speaking to.

As many of us who are from lumber-producing States are so keenly aware, the 1996 Lumber Agreement is our largest sectorial trade agreement with our largest trading partner, Canada. It is a very moderate response to a massive Canadian subsidizing of lumber. Unlike United States lumber mills which must buy timber at market prices, Canadian mills are provided timber by the Provinces at prices that are oftentimes one-quarter to one-third the market value of real timber on the stump. Those subsidies amount to \$4 billion Canadian dollars a year. Subsidized imports have cost the United States thousands of jobs and have injured and constrained a pivotal U.S. industry.

In 1991, Canada unilaterally abrogated a 1986 settlement of that dispute. Canada's imports to the United States climbed from about 27 percent of market share to almost 37 percent. The compromise in the 1996 Agreement was intended to offset, in part, Canada's subsidies and bring Canada's share of our market back to around 33 percent to 34 percent.

In February of 1997, however, a ruling by our own Customs Service enabled Canadian producers to evade the agreement merely by drilling holes in the lumber. Let me repeat that—by simply drilling holes in a 2X4 or a building stud, ostensibly, the argument was, for wires and pipes in construction purposes. Customs said this lumber with a hole was "joinery or carpentry," like doors or window frames or built-up truss. This was a ridiculous ruling, by almost everybody's evaluation. It is inconsistent with other classifications. It is inconsistent with common commercial understanding. Official guidance issued by the Commerce Department, the International Trade Commission, and the Customs Service all confirmed that drilled lumber is "lumber" for import classification purposes, not joinery or carpentry. The U.S. Trade Representative confirmed that this product was intended to be covered by the Agreement.

Not surprisingly, though, once Customs opened the door, imports of "joinery and carpentry" rose from about \$8-10 million a month to nearly \$46 million a month in April. This loophole is allowing over \$1 million a day—let me repeat that—\$1 million a day of subsidized lumber to evade the Agreement and destroy the Agreement's intent of offsetting the subsidy.

The U.S. industry is again experiencing widespread shutdowns, slow-downs,