

REMARKS OF SENATOR JOHN HEINZ (R-PA)
PENNSYLVANIA AFL-CIO CONVENTION
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PHILADELPHIA, PENNSYLVANIA

It is an honor and privilege to address your State Convention once again.

I am honored to be here because I am immensely proud of your leadership. Julius Uhlein, Bob McIntyre, and Judy Hey are an outstanding example of teamwork. And my friend and your next speaker, Lane Kirkland is one of the most respected voices in Washington. I am also proud of your consistently high ideals, proud of the working people of Pennsylvania you represent, and proud of the stands we've taken together on civil rights, education, workers' rights and a better America.

And because last year was an election year for me, I can assure you it is a privilege to be here! --- especially as a Republican in a heavily Democratic State. It's no big secret that most union members are Democrats. But you upheld the greatest traditions of union democracy by looking beyond my Party label. You scrutinized my record and based on my record, you not only endorsed me, but backed my campaign with workers and political action funds. And I am here to thank you personally, and to commend you for proving to the skeptics that most of organized labor doesn't just look at a Party label. You meet with a candidate, look at his record, and hear him out. I congratulate you because a narrowly partisan line by organized labor or a political leader ill serves the constituents of either.

Our State and country deserve better. We need a bipartisan approach to the many problems plaguing our nation and our future. Bipartisanship enabled us to save the social security system earlier this year. In my judgement a bipartisan effort alone holds the key to the future of our country.

With unemployment so high, for so long, for so many, the future we have all worked for --- the American dream of a better life for ourselves and our children --- seems to be slipping away. For too many of our fellow Pennsylvanians, especially those without a job, the promise of America has disappeared and the present has become a nightmare.

You can go down to the Salvation Army and see young couples, and their children. They have been unemployed, not for months, but maybe years. They've seen their savings dwindle and vanish. Their health insurance is gone, and they're scared to death of the hospital bill should a child become ill. And, they've seen the "for sale" sign nailed to the door of the home they struggled to save for.

My friends, in better times, these are hardworking, taxpaying, proud Americans. We will serve these Americans if we permit fear to destroy their faith in America. We must not will serve America by allowing the destruction of all they have built.

Part of banishing fear, part of helping keep faith in America is having an unemployment compensation system adequate to meet the problems of this severe recession that's why I and others fought to extend unemployment compensation benefits. At first, the Administration objected. They said, "only 40% of those collecting benefits are destitute." But, the point of unemployment compensation is not to force people onto welfare, but to keep people off of welfare.

We won over the Administration, and we won help for the unemployed because we wouldn't let people forget that unemployment compensation is a contributory insurance program, and you don't let the insurance company cancel the policy when the house is burning down.

And, because unemployment not only means too little money, but too much pain, we have been fighting to provide mortgage foreclosure relief and health care to the unemployed. Thanks to our efforts, the budget now has room for \$1.8 billion for emergency health care, and the Senate housing bill guarantees \$750 million in mortgage foreclosure relief. Our unemployed have been robbed of their jobs. We must not allow their hope and self-respect to be stolen as well.

My friends, this help, the initiatives I've discussed, can alleviate some of the fear and symptoms of this prolonged recession. But, to be honest, these solutions don't begin to address all the problems of our nation.

Let's ask ourselves: will all Americans be restored by economic recovery?

Most experts agree that the long awaited economic recovery is underway. The inflation rate is lower than at any time in the last decade. Interest rates are down. Housing starts are up and industrial production is rising. The index of leading economic indicators rose 1.1% last month.

While these national trends are positive, the pattern of recovery is not. Our state and our region are not healing as quickly as other sections of the country. Indeed I fear that our nation is in danger of becoming two Americas, a fortunate and prosperous sunbelt, and a forgotten, depressed and impoverished industrial heartland.

To re-open production lines and shorten unemployment lines, I have proposed an industrial policy to restore competitiveness and promote economic vitality in our basic industries.

Not everyone agrees that we should worry about our so-called smokestack industries. Atari Democrats say high-tech is going to solve all our problems ... of course, that was before Atari moved to Taiwan. Other people say, "just be patient," that, in time, maybe a few more years, our textile, steel, and auto workers will be back in the mills. Still others say we shouldn't care, that we should be indifferent to whether Americans drive Chevrolets or Toyotas.

Well, this is one Senator that does care, and thinks you do to!

I'm no protectionist, but there is nothing in the rule book, GATT, or any other treaty that says you or I have to stand by while American jobs are sacrificed by inaction and indifference.

Don't let anyone tell you there has to be a choice between a trade war and the demise of our smokestack industries. We can have strong, competitive industries without making that hobson's choice. There's no reason why we can't provide vital import relief married, through legislation, to a comprehensive recovery plan -- agreed to by management, labor, and government -- that will make an industry truly strong and competitive again.

If such a plan were in effect today, the proposed import of raw steel to U.S. Steel's Fairless Works in Bucks County would be unthinkable and unnecessary. When our country's largest steel producer has to resort to importing raw steel to produce its finished product, something is seriously wrong with that industry. U.S. Steel's proposal underscores the need for a comprehensive program such as I have introduced, an industrial revitalization strategy that links badly needed import relief by law to a labor-management self-help plan to modernize our basic industries.

In many ways, this is exactly what the legislation did that helped Chrysler Corporation, only we provided loan guarantees instead of import relief. As a condition of government help, we required self help as well. Chrysler stockholders had to make investments: its bankers put up more money: its workers make contract concessions: its management take pay cuts. Chrysler has not only survived, it has prospered. It's time to extend that prosperity and restore vitality to our entire industrial heartland.

Our Industrial Revitalization Act has already received support from the United Steelworkers. It is designed to get all the pieces together at one time so that we can meaningfully address the range of problems facing our smokestack industries and save them.

I say, if we ever allow the sun to set on our smokestack industries, we will see the sun set on America's future, and this must never occur!

In fighting to solve the problems of our heartland, we must not ignore our national commitment to the dignity of each working man and woman. There are those who would deprive American workers of their rights to organize, to bargain collectively, and to safeguard the workplace. To those who seek retrenchment on OSHA and Davis-Bacon, I say there can be no retreat.

To those who say labor pickets should be tried under the Hobbs Act, I say no. The criminal code should be used to stop crime, never as a tool for union busting!

It is right to fight for the rights of working people ... whether it's the right to organize at J.P. Stevens, or the freedom of Lech Walesa and the right of Polish workers to join solidarity.

Some people say it will break the country to provide for the unemployed ... they say we can't revitalize our basic industries ... and they say we shouldn't protect working people's rights.

We say we'll never move our country ahead if you leave the unemployed behind.

We say get back to basics and back up our basic industries.

We say that only by keeping a clear vision of what is fair and right for the working man can America keep a firm grasp on our democracy.

In sum, my friends, I am here to renew my pledge to challenge my Party and our country to fulfill the promise of America, to keep the promise of full employment and fairness, to achieve the goal of jobs and economic justice. And, in this, I will continue to count on your advice and support.

Thank you for the opportunity to speak with you here today.