unscrupulous practices of contractors trying to save money by using the lowest paid labor.

What I am saying is that the war against organized labor, the battle against Davis-Bacon certainly should be waged without destroying the school construction initiative. I think we should cease the war, we should have a truce. Just as we have come to some kind of bipartisan agreement on taxes and on the budget, let us come to an agreement that working families are not going to be put under the gun by the majority Republicans. Working families are not going to have to face situations where already stagnant wages in the construction industry are going to be pushed down further by the assault on Davis-Bacon. Working families should not have to face the assault on OSHA where the safety in the workplace, including construction workers, is lessened because of the assault on the Government agency responsible for enforcing safety regulations.

There was a study done, released a few days ago by a totally objective, highly credible body, the American Medical Association, which shows that 70,000 people were killed or injured in the workplace last year. Seventy thousand people were killed or injured in the workplace. Those figures are very close to the figures that are offered by the Department of Labor. The figures offered by the Department of Labor through OSHA are disputed. The majority Republicans on the Subcommittee on Workforce Protections insist that these figures are not valid, and they want to discount them. Here we have somebody totally out of the loop. I do not think the Department of Labor is biased toward unions or biased toward anybody. They are Government civil servants who do a good job and their figures are always accepted as being as close to the truth as you can get. However, here is another body, the American Medical Association, that has come up with a set of figures which is even greater. I think the Department of Labor statistics were still in the 65,000, 68,000 range. Here the American Medical Association has published figures which show 70,000. Their figure is about $110 billion was lost in the workplace as a result of safety problems and health problems. This is the American Medical Association, not the Department of Labor, not the AFL–CIO, they have their own figures; but the American Medical Association.

Let us stop the war on OSHA. There are good reasons to stop the war on OSHA. Let us stop the war on Davis-Bacon, stop the war on OSHA, stop the war against workers' overtime. Let us have a truce and let workers be paid in cash, those that want to be paid in cash, and if you want to go for upper middle income or the upper income, and they want time off, we can arrange to give them time off without jeopardizing the overtime payment in cash for people who are lower down.

We can stop the war on labor by not going forward with this $1.4 million slush fund that has been set up to investigate labor unions. Let us stop the war on labor in terms of trying to drive them into a situation where they have to go to their membership and get approval from every single member before they can take a political position. The political positions do relate to the welfare of the workers. If they are in a union and they vote to elect officers and the majority rules and whatever the majority decides to do, then that majority ought to be supported; or at least you cannot have a revolution of a minority of a few people dictating what positions that the majority takes. We do not do that in corporations, we do not do that with any other organization in our society; churches. Nobody is required to have total unanimity on positions before they can take a position, political or otherwise.

We should stop the war on Davis-Bacon by blowing up out of proportion a few incidents that relate to fraud and abuse. We have an Oklahoma case as I mentioned before, a single incident in Oklahoma is being used as an ongoing investigation to condemn an entire system based on an investigation involving only three possible fraudulent wage submittals. These allegations of widespread fraud have no single shred of proof. They have not been able to document any widespread fraud.

It is important to note that since the inception of Davis-Bacon, approximately six cases of fraud have been alleged and brought to the attention of the Department of Labor. During the last 33 years, prior to the new Oklahoma allegations, not one fraud-related survey case was brought to the Department of Labor for investigation. Since 1992 only one formal request for reconsideration of a wage decision has been received by the Department of Labor.

A recent GAO investigation showed that there have been many mistakes made in the surveys done by the Department of Labor but none of them were done intentionally. They have no evidence of fraud. By the way, many of the mistakes were made by employers who had payrolls and payroll sheets in front of them and they were supposed to get data from those sheets, and they made mistakes in submitting that data, not the unions and the workers as has been alleged.

Let me conclude by saying that it is unfortunate that the war against Davis-Bacon and the war against working families resulted in a casualty in the budget, the School Construction Act. There is a cause and effect there that I insist exists, that the overwhelming sentiment among the American people is that they want to do things for education. They would like to see schools revitalized. A flimsy charge that the cost of school construction would be driven up by Davis-Bacon and therefore we should not have Federal assistance with school construction would not survive unless it was pushed very intentionally, prosecuted and pushed very intentionally by the majority. Let us have a truce, let us do what we have done in the case of taxes and the budget and have a bipartisan approach to working out labor-management problems. Let us end the attack on labor, let us retire the slush fund and use it for some better purpose, and by all means let us not continue to perpetrate the myths that Davis-Bacon is an evil, that Davis-Bacon has not benefited not only the workers in construction but also the communities where they work as well as the American people as a whole.

A HISTORIC ACHIEVEMENT

The SPEAKER pro tempore (Mr. METCALF). Under the Speaker's announced policy of January 7, 1997, the gentleman from Connecticut [Mr. SHAYS] is recognized for 60 minutes.

Mr. SHAYS. First let me thank the gentleman from Washington [Mr. METCALF], Speaker pro tempore, as we have the opportunity to address this Chamber for continuing to serve at a late hour here. I do not intend to take anywhere near the hour that would be allotted to me. I do know the House is going to be in session tonight as we wait for the rules, so our staff will be staying around for a bit. But I have not really had much opportunity to address this Chamber in a special order. Tonight is a night I am really grateful to have this opportunity.

I am grateful to have this opportunity because I think of the historic achievement that has been agreed to between this President, a Democrat President, and this Congress, a Congress controlled by Republicans, a Congress filled with 435 men and women of both parties, but a party in control of this Congress, the Republican Party.

□ 2215

I think in terms of my history as I was growing up and as a student in high school and college and thinking about our Founding Fathers, and they designed quite a system. They designed a system where you would not only have competing interests in a Chamber and in another Chamber, the Senate, and this check and balance with the judiciary, but you would have an executive who would not have the ability to do everything he or she wanted, a Congress that does not have the ability to do everything it, the majority party, wants. This is a system designed by our Founding Fathers, and they wanted it to be exactly what it is, a system that does not allow one unit, one branch, to gain too much power or one group within a branch to gain too much power.

So what did we have after the 1996 election? We elected a Democrat President. Frankly, by an overwhelming number the American people elected such a President, and they elected a Republican Congress, maybe not by the same margin, and they said very clearly in their message that they wanted us to work together.

Mr. Speaker, we have worked together, and we have a historic agreement, and it is for real, and it is not an agreement that is unable to take place because of a rosy scenario. This is an agreement where either the President and our own Congress said we would use inflated numbers and anticipate revenues that simply would be far in addition to what they would be in actual fact. This is an agreement that anticipates revenue growing at 2.1 percent a year. Now it is growing much faster now than that, but maybe in the fourth or fifth year it will not grow as much.

There are a number of us, certainly on our side of the aisle, who anticipate a very robust economy for the next year or two, and we intend to have that move us toward balancing the budget sooner than 5 years. Five years is the outer limit. There are many of us who feel we need to get our country's financial house in order sooner.

I know for one, as a Member of this body, finishing now by the end of this week my 10th year; I won in a special election and started in September 1987. I was elected in August, and I remember that for me, a State legislator at the time, I was amazed that Congress would continue to spend and spend and spend when we did not have the revenue to pay for it and we would continue to have our national debt go up and up and up.

Mr. Speaker, it has gone up tenfold in less than 22 years, 10 times, not double or triple, 10 times, and so there were Members such as myself, particularly Members more on this side of the aisle, who said we need to get our country's financial house in order. I am thinking of one Member in particular. It is our colleague the gentleman from Ohio, JOHN KASICH, the chairman of the Committee on the Budget, and I will never forget walking into the room, this Chamber, as the machine had closed for Mr. KASICH's amendment to begin to balance the budget.

Mr. Speaker, the year was 1989, and there were 38 Members, mostly Republicans, some Democrats, who supported JOHN KASICH and his effort to get our country's financial house in order.

I use the gentleman from Ohio, JOHN KASICH, and his effort as kind of the benchmark of what happened over time. Every year when JOHN KASICH introduced his amendment he got more people to sponsor it and more people to vote on it. It started out at 38, then it went to 50, then it went to 80 the year after, then it went to close to 100, then it went over 100, then it got closer to the middle range between 100 and 200, and then we got to a point where Tim Penny and JOHN KASICH teamed together. Republican JOHN KASICH and Tim Penny, a Democrat, were on a major amendment to save $90-plus billion in savings, in appropriated expenditures in particular. He got over 200. Every year there was progress.

So as one Member of this Chamber, I know that as a Republican you should not be surprised I would speak for another Republican, but this Republican deserves really the thanks of the American people, and he deserves the thanks of Republicans and Democrats alike because he truly helped steer us in the direction for what we have today.

Now people talk about the effort that he made over the last 7 months to balance the budget, to reduce the size of Government, to control the growth of entitlements and to have meaningful tax cuts to make this Government smaller and give the American people more of what they have been giving this Government. Seven months is just a little part of that story. The real story is his long journey in 1989, when more and more people sponsored and supported his efforts. He truly has been a leader in this Congress, and he will go down in history as a major part of this historic agreement.

I also want to thank the Speaker of the House, NEWT GINGRICH. I want to thank him, as unpopular as he may be in some areas, but I am not surprised because frankly a lot of good leaders are unpopular when they seek to do what needs to happen. NEWT GINGRICH, the Speaker of the House, is the first leader in my entire political career, and I have been in public office since 1974, when I served in the State house for 13 years, he is the first leader who has ever really truly asked a conference, a group of people, to do heavy lifting, to truly get our country's financial house in order.

So when we adopted the Contract With America, and almost all of us who got elected on the Republican side of the aisle had said we want to move forward with these 10 major reforms on the opening day of the session and 10 major reforms in the first 100 days, that commitment, that was a true effort to do some major things.

But we did not, for instance, just vote for a balanced budget amendment. In 1994, after the election and when we took over in 1995, we sought to balance the budget by making tough decisions in a whole host of programs to slow the growth of entitlements and to save them.

For instance, Medicare was losing too much money each year. The trust fund, we were told by the President's own people in charge of the trust fund on Medicare; that is, health care for the elderly and the disabled, that it would run out of money around the turn of the century because too much money was flowing out of the fund. We slowed the growth of the program so we admittedly in 7 years under our old plan had spent 60 percent more over 7 years than 50 percent per beneficiary. But we were slowing the growth to try to get a handle on a program that is very important to all Americans.

I guess what I really want to say because I do not want to speak too much longer: I am very proud to be part of this Congress, I am very proud the Republicans and Democrats could work together, I am very proud that this President recognized that he needed, frankly, to take some of his old legislative leaders out of this mix; Mr. DASCHLE and Mr. GEPHARDT were not part of the budget agreement because they clearly did not want an agreement, and he sought to have a true budget agreement with this Republican Congress.

So we are finally getting our country's financial house in order and balancing the Federal budget. We are saving our trust funds at least for the next 10 years, particularly in Medicare. And we are doing something very important, we are transforming this caretaking, social and corporate and agricultural welfare state into what I call a care and opportunity society. We are trying with all the power that we have to be a caring Government rather than a caretaking Government.

I salute the Republican Party for being determined to rein in entitlements and to cut taxes $91 billion net, but actually more than that. I salute the President for some of his spending priorities, but recognizing the President seemed to feel he won when he spent more and we seem to feel we would win when we slowed the growth of entitlements and cut taxes and made Government smaller.

But some of what the President wanted to spend more on, on education, health, the environment and housing, I happen to agree with; I think a good number of the constituents I represent, in the urban areas in particular, in Stanford, in Norwalk, and Bridgeport, the three major urban areas I represent.

I think this is a better agreement than most people ever expected, and for those who might be listening tonight and saying, you know, I will believe the tax cuts when I see them; well, turn on your TV set tomorrow and the next day. You will learn that we are going to lower the top rate of the capital gains from 28 to 20 percent, effective May 7, 1997. We are going to have that rate drop to 18 percent for any asset held more than 5 years, effective in the year 2001. We are going to have a $500 child tax credit, and excuse me; let me first say another capital gains exemption.

If you have a gain, and this was something the President wanted. It seems pretty high, but this is something the President wanted, along with the Members of Congress, a $500,000 exemption for capital gains in housing. If you hold a house for 1½ years and you have a gain of $200,000, you pay no tax. That is your home. You pay no gain on that. We have an estate tax that would go through that that basically increases the exemption from $600 to $1 million over the next 10 years, but if you have a family-owned farm or a family-owned small business, the exemption is going to rise immediately to $1.3 million. If you own a farm, if you own a small business, the child tax credit, you will see tomorrow and the next day, a $500 tax credit for kids 16

and younger beginning in 1999, $400 beginning in 1998, up to families of incomes of $110,000, and if you are single, up to $75,000.

You will see additional IRA's. You will see additional $31 billion of loss in revenue, of tax benefits for individuals choosing to send their children to the first 2 years of college, $1,500 off each year. The key is to make sure the colleges do not just increase their tuition, but it actually goes to the families and the kids. You will see businesses that will be able to benefit from the alternative minimum tax. You will see a slight increase in the tobacco tax, but it is going for health care.

We are finally getting a handle on Medicare, we are finally getting a handle on some other entitlements, and we are going to save this country not just for our kids, but our kids' kids.

I am very proud to be part of this Republican majority, I am proud of the work that JOHN KASICH has done, I am proud of the work that NEWT GINGRICH has done under tremendous criticism over his time as Speaker during the last 2½ years. It is a privilege to serve in the House of Representatives and represent the people of the Fourth Congressional District. It is a privilege to be on the Committee on the Budget and to serve with JOHN KASICH. It is a privilege to have NEWT GINGRICH as the Speaker of this House. I know many have been critical of his tenure over the last 2½ years, but I think history will be a very kind judge of NEWT GINGRICH.

U.S. ARCTIC RESEARCH PLAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following Message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science:

To the Congress of the United States:

Pursuant to the provisions of the Arctic Research and Policy Act of 1984, as amended (15 U.S.C. 4108(a)), I transmit herewith the fifth biennial revision (1998–2002) to the United States Arctic Research Plan.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 29, 1997.*

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 30 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 0314

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. METCALF) at 3 o'clock and 14 minutes a.m.

CONFERENCE REPORT ON H.R. 2015, BALANCED BUDGET ACT OF 1997

Mr. HOBSON submitted the following conference report and statement on the bill (H.R. 2015) to provide for reconciliation pursuant to section 104(a) of the concurrent resolution on the budget for fiscal year 1998:

[The conference report will be printed in the next issue of the RECORD.]

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. ALLEN, for 5 minutes, today.
Mr. KIND, for 5 minutes, today.
Mrs. TAUSCHER, for 5 minutes, today.
Ms. BROWN of Florida, for 5 minutes, today.

(The following Members (at the request of Mr. UPTON) to revise and extend their remarks and include extraneous material:)

Mr. PORTER, for 5 minutes, today.
Mr. METCALF, for 5 minutes, today.
Mr. BLUNT, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous matter:)

Mr. TORRES.
Mr. CONYERS.
Mr. SKELTON.
Mr. KENNEDY of Massachusetts.
Mr. KLECZKA.
Mr. BROWN OF CALIFORNIA.
Ms. BROWN OF FLORIDA.
Mr. MENENDEZ.

(The following Members (at the request of Mr. UPTON) to revise and extend their remarks and include extraneous matter:)

Mr. WOLF.
Mr. EHRLICH.
Mr. LOBIONDO.
Mr. QUINN.
Mrs. ROUKEMA.

(The following Members (at the request of Mr. SHAYS) and to include extraneous matter:)

Mr. SKAGGS.
Mr. METCALF.
Mr. COBLE.
Mr. WEYGAND.
Mr. KUCINICH.
Mr. WHITE.
Mr. LAMPSON.

ADJOURNMENT

Mr. HOBSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 15 minutes a.m.), the House adjourned until today, Wednesday, July 30, 1997, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4431. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Vermont; Approval of PM10 State Implementation Plan (SIP) Revision and Designation of Areas for Air Quality Planning Purposes [VT–014–01–1216(a); A–1–FRL–5860–2] received July 22, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4432. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report, determination and certification on a chemical weapons proliferation sanctions matter; to the Committee on International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LIVINGSTON: Committee on Appropriations. Report on the Revised Subdivision of Budget Totals for Fiscal Year 1998 (Rept. 105–215). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 201. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 105–216). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COBLE (for himself, Mr. HYDE, Mr. CONYERS, and Mr. FRANK of Massachusetts):

H.R. 2281. A bill to amend title 17, United States Code, to implement the World Intellectual Property Organization Copyright Treaty and Performances and Phonograms Treaty; to the Committee on the Judiciary.

By Mr. SHUSTER (for himself, Mr. DUNCAN, Mr. LIPINSKI, Mr. BLUNT, and Mr. LAHOOD):

H.R. 2282. A bill to amend title 49, United States Code, to impose restrictions on the operating rights of foreign air carriers of a foreign country that has restricted U.S. air carrier operations; to the Committee on Transportation and Infrastructure.

By Mr. CANNON (for himself, Mr. HANSEN, Mr. COOK, Mr. SALMON, Mr. SHADEGG, Mr. KOLBE, Mrs. CHENOWETH, Mrs. CUBIN, Mr. CRAPO, Mr. PASTOR, Mr. CUNNINGHAM, Mr. MCKEON, Mr. HERGER, Mr. ENSIGN, Mr. GIBBONS, Mr. ISTOOK, Mr. WATTS of Oklahoma, Mr. ENGLISH of Pennsylvania, Mr. LINDER, Mr. KIND of