

comparative advantage is taken away by foreign subsidies.

Today's commercial farm is a high-tech, capital-intensive enterprise. The implications of this evolution in farm organization and management are not understood nearly as well as they should be. The relatively large gross sales of farming operations lead many people to believe that farmers have no need for government programs. The truth of the matter is that the narrow margins on sales of agriculture commodities are simply not adequate to compensate for the tremendous risk associated with today's capital-intensive farming. Neither a prudent farmer nor his banker would consider making the kind of investment currently necessary for commercial agriculture production in the absence of either a farm program that provides the producer with a safety net or much higher market prices that are commensurate with the investment and risk involved.

There is a rather badly misplaced belief that the new General Agreement on Tariffs and Trade will do away with agriculture subsidies around the world, after which U.S. agriculture should be able to take advantage of its competitive edge. If, in fact, GATT did away with subsidies, U.S. agriculture would be generally well positioned, with its vast agriculture land resources, favorable climate, unequalled technology and excellent processing, handling and transportation infrastructure.

The United States offered during the early stages of GATT negotiations to end agriculture subsidization, but no other country would hear of it. They cannot compete with us without government help. The final agreement requires very minimal changes in the subsidy programs of other nations. So U.S. agriculture will continue to be confronted with a system of foreign subsidies that undermines our comparative advantage in agriculture production and marketing.

It is no accident or quirk of fate that every American enjoys the lowest-cost and best available supply of food and fiber in the world. This prized result came about because of American ingenuity and successful farm programs that have enabled U.S. farmers to compete worldwide and produce an abundant supply of food and fiber for domestic consumption. And it has happened in spite of foreign subsidies, tremendous natural disasters and the huge financial risk associated with farming.

The agriculture reforms suggested in this newspaper's editorial already have been set in motion. A massive reorganization and downsizing of the U.S. Department of Agriculture and the total revision of the federal crop insurance program are but two examples. Farm program spending (which makes up less than 1 percent of the entire federal budget) has been cut by two-thirds since 1986. This is not "trimming," as the editorial suggests; this is slicing and dicing. If the rest of this nation's federal spending had been reduced by half as much as agriculture, we would be running a federal surplus.

A review of farm programs is certainly in order during 1995 as Congress considers new farm legislation. We would be the first to admit that farm programs are not perfect, and that some farmers have taken improper advantage of them. But on balance, it is safe to say that farmers are no more or less likely to cheat than any other person. Responsible lawmakers should not ignore the plain success of U.S. farm and nutrition programs. Abolition or weakening of programs whose success can be measured every day does not qualify as needed reform. It would be imperiling a 21-million-job industry.

I believe the new secretary of Agriculture and those in Congress responsible for writing the laws will know the difference between so-

called reform and preserving an industry-government partnership that returns enormous benefits to the American public.

Mr. COCHRAN. Mr. President, I thank my good friend for permitting me to make that unanimous-consent request.

Mr. DOMENICI. The Senator is welcome.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico [Mr. DOMENICI] is recognized for up to 15 minutes.

Mr. DOMENICI. Will the Chair advise me when I have used 10 minutes?

The PRESIDING OFFICER. The Chair will so advise.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 298 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

PROTECTION OF MEDICARE

Mr. KENNEDY. Mr. President, yesterday the Speaker of the House addressed the American Hospital Association. His comments should be reviewed by every Member of the Senate and by the American people as well, because they are an unmistakable preview of what we can expect if the constitutional amendment before us is enacted and of what the Republican Contract on American really means.

The Speaker said that Medicare would be "rethought from the ground up." He said that he would "make every decision within the context of getting to a balanced budget."

I am not surprised by the Speaker's words, because the fact is that you can't balance the budget, protect defense spending, and provide billions in tax cuts for the rich without savage cuts in the Medicare Program. If Social Security is kept off limits, the Treasury Department estimates that Medicare would have to be cut by \$77 billion by 2002—an almost unthinkable 31 percent of projected program outlays. If Social Security is also cut, the reductions would still be 21 percent of program costs—nearly \$2,000 less Medicare for every senior citizen.

Speaker GINGRICH and the other authors of the Republican contract don't seem to know or care how dependent senior citizens are on Medicare. Even without any Medicare cuts, senior citizens spent an average of \$2,800 out of their own pockets for health care last year. This is four times what nonelderly Americans spent. Just 7 years ago, in 1987, senior citizens had to spend 15 percent of their income for medical care—and that was too much. Today, that proportion has soared to 23 percent—almost \$1 in every \$4 of limited incomes that are already stretched to pay for food, housing, heat, clothing, and other essential expenses of daily living. Senior citizens should be paying less for medical care, not more.

A word we are hearing more and more from our friends on the other side of the aisle is restructuring the Medicare Program. All of us are interested

in improvements in Medicare, but restructuring is a barely disguised euphemism for forcing seniors into managed care and cutting benefits. Senior citizens should have the opportunity to join managed care plans—as many do today. They should be entitled to share in any savings from managed care in the form of better benefits and lower premiums—as many do today. But we should vigorously oppose any scheme to balance the budget by cutting Medicare and forcing senior citizens into managed care programs that deny them the freedom to go to the doctor of their choice.

When Speaker GINGRICH and his allies talk about a balanced budget, they don't seem to be very concerned about the budgets of American families—and particularly the limited budgets of our senior citizens. When they talk about freedom from big Government, they don't seem to be very concerned about the freedom of senior citizens to go to the doctor of their choice. But I say those are the budgets and the freedoms that we ought to be protecting, not attacking.

The distinction between Medicare and Social Security is a false one, because Medicare is a part of Social Security. Social Security and Medicare are the twin pillars of retirement security for millions of senior citizens. Like Social Security, Medicare is a sacred compact between the Government and the people. It says, "Work hard all your life, pay your dues, and we will guarantee you security in your old age." We have an obligation to protect that compact, not only for today's senior citizens but for their children and their grandchildren, for all of us, if we are fortunate, will some day be old.

When Republicans in other years tried to break the promise of Social Security, senior citizens and their families all over this country told them that the answer was "no." And the Congress responded. Today, it is time to say to NEWT GINGRICH and his friends that, when it comes to breaking the promise of Medicare, the answer is just as resounding and just as unequivocal. And once again, the answer is "no."

The PRESIDING OFFICER. Under the previous order, the Senator from Louisiana [Mr. BREAU] is recognized to speak for up to 15 minutes.

WELFARE REFORM SUMMIT

Mr. BREAU. I thank the Chair. Mr. President, I would like to take this time to comment on the event that occurred this weekend on Saturday and congratulate the President of the United States for calling, for the first time, a bipartisan summit on the issue of welfare reform.

The President of the United States, President Clinton, spent almost 5 hours sitting in an all-day meeting at the Blair House, and in that meeting were Republican Governors, Democratic

Governors, Republican Members of the House, Democratic Members of the House, Democratic Members of the Senate, as well as Republican Members of the Senate. It was truly a bipartisan effort to discuss, I think, one of the most pressing problems that is facing this Congress today; that is, how do we fundamentally reform a system that I think everybody agrees is fundamentally flawed.

I think everyone in that room agreed that welfare as we know it today does not serve well the people who are on it nor does it serve very well the people who are paying for it, the taxpayers of the United States.

I think that we found in that meeting that there was a great deal of common agreement about some of the things that we should embark upon to try to fundamentally reform welfare. I think the Governors said essentially, "We would like to have more responsibility. Let us be innovative. Let us try to suggest things that work in a particular State," like my State of Louisiana that may not work in Vermont or in Mississippi or in California or any other State in the country. "Let us be innovative. Let us come up with solutions to welfare that fit the people in our respective States."

I think there is a common sense of agreement around that particular proposition.

There was also, I think, common agreement that there should be time limits; that people should not be able to be on public assistance forever if, in fact, they are able to perform work in the private sector or even in the public sector.

But I think, Mr. President and my colleagues, that something has happened, particularly since the November election. I think we have lost the proper focus of what welfare reform should concentrate on.

We have heard wonderful speeches about illegitimacy and the problem that it is, and it is. We have heard speeches about crime related to welfare. We have heard speeches about the breakup of the family which is a result of welfare programs. We have heard speeches about teen pregnancy and what we should do to try to eliminate it in the problem areas in which we see it occurring.

But I think the fundamental focus of welfare reform should be work. The fundamental focus should be how do we get a person who is a welfare recipient into a job, because I believe that the best social program that we could ever write is a good job.

You could talk about how to solve the problems of illegitimacy and crime and breakup of the family and all of these other very important issues, but the fundamental focus, I think, has to be on how do we refocus our attention on work and how do we get that person from dependency into the work force.

Now, the President's first proposal in this area was a good start. He said, "Look, there should be a time limit on welfare. It should be no more than 2

years. And then we should increase the opportunities for education and training." But he did not provide the missing link, which is: How do we, after we reach that point, get the person from welfare into the work force?

One of the first Republican proposals really just suggested a time limit—2 years, and that is it—but it did not address the fundamental problem of getting the person on welfare after that 2 years into the work force.

The latest Republican proposal seems to say, "Let's have block grants and give it to the States."

I addressed the Governors Conference this weekend, both the Democratic Governors and the National Governors Conference. I suggested to them to be careful. Do not let Congress put all of the welfare problems in a box and send the box to the States and say, "Here, it's yours." And then, when the Governors and the legislators on the State level open up that box, they see a lot of problems, but they do not see any solutions and they do not see any money to help them solve the problems. I suggest that is not a solution. That is passing the buck through a block grant to the States.

What I think we have to do is recognize that we on the Federal level who raise taxes to pay for these programs have a fundamental responsibility to see to it that these tax dollars are used in a way that truly improves welfare as we know it, that provides real answers and suggestions on what should be done. Yes, of course, maximize the flexibility to the States. I support that very strongly. But also work with the States. Do not walk away from our responsibility as Federal legislators, who have a responsibility to the Federal tax dollar to see that it is used wisely and not wasted, who have a real responsibility to come up with some ideas and suggestions as to what needs to be done.

Let me suggest one approach that has been developed by myself, along with others, including the Progressive Policy Institute of the Democratic Leadership Council, which spent a great deal of time working on this effort, together with Republicans who have commented on it. The Hudson Institute, essentially a Republican think tank, is one, I believe, that likes this idea.

I have discussed this with my colleague from Colorado, Senator HANK BROWN, who I believe will hopefully be joining with me as a cosponsor of this effort.

Here it is: I suggest that there is a missing part of the puzzle, there is a missing link, if you will, between the welfare recipient and the job. How do we get this person into this position, which I happen to think is the best social program that we could ever devise. I suggest that we consider taking existing welfare subsidies and use them to create job placement vouchers.

When a welfare recipient comes into his State welfare office seeking assistance, he enters into a contract ar-

range with the State welfare office and receives a voucher that is good for payment. He gets a list of organizations, both public and private, that are in the job placement business. That welfare recipient enters into a contract arrangement with one of these corporations to help them find a job.

Some of these organizations will interview this welfare recipient and say, "They are ready to go into the workplace right now. They have the training. They are just down on their luck. We can find this person a job tomorrow." And they put that person in that job the next day.

Others will look at a welfare recipient and say,

No, this person needs more training or education or on-the-job training. We know just the job that fits this person's ability. We are going to put them in it because that job has on-the-job training, on-the-job skill training and education that will fit this particular welfare recipient's needs. We can put them in this job next week.

Others will look at the welfare recipient and say,

No, this person really needs to brush up on reading and writing and arithmetic and basic English skills. They are going to have to have 6 weeks or 6 months of training, but then I know exactly where I can place that person after that particular period of time.

Now, the essential feature of this is that we are talking about privatizing the job placement portion of finding a welfare recipient a job. There are a number of institutions that are doing this right now.

Let me refer you to America Works, which has programs in New Jersey and New York. Let me talk about Cleveland Works, which has a similar program in the city of Cleveland. The Goodwill Industries work program in the State of Florida and also in the State of Louisiana is this type of program.

Here is the good feature about this particular suggestion. That private sector corporation, when they enter into that contract with the welfare recipient and receive a voucher to find them a job, only is going to get paid when that welfare recipient gets the job, No. 1, and stays in that job, No. 2, for a certain period of time. Somewhere between 7 months to 1 year has been suggested.

Let me tell you what that does to both parties. It creates a tremendous incentive for that job placement service to find that welfare recipient a job that is a good job and one that they stay in, because they know they do not get paid unless they put that person in a job situation that meets their skills and allows them to stay in it for a year or more.

Many of our welfare recipients will take a job, they will stay there 2 days or 2 weeks, and they quit. They are back on welfare, because they have not been put in the right circumstances that meets their ability to perform.

But this job placement voucher system, really, I think, provides the missing link or the missing part of the puzzle between a person who is on welfare and the job they need to be put into.

If you tell a company that they are only going to get paid if they find that welfare recipient a job that they stay in for a year, then one important thing happens. They pay a lot of attention to getting that person into the right job, because they know if they put them in the wrong job and that only lasts for 1 week, they are not going to get paid. So they make sure that the person has the proper skills and training to fit into a particular job that will allow them to stay in that job for a year or more.

I would suggest, Mr. President, that in places where this type of program has been tried, a number of good things have happened. No. 1, we have saved the State a lot of money, because if a person gets into a job position, he is earning a salary, paying taxes and is no longer on welfare. The State who has contracted with these private placement centers are paying the private placement center a lot less than they are paying the welfare recipient when he or she is on welfare.

Therefore, the concept of privatizing the missing link between the welfare recipient and the job that he or she needs is provided by this concept that we are suggesting today.

Mr. President, I think that welfare should not and cannot be a partisan issue. If it is, we will never solve it. We have to reach out to our Republican colleagues, and they to us, to sit down and come up with real solutions to a very serious problem in this country.

All of these other problems that I talked about—illegitimacy and teen pregnancy and breakup of the family, the increase in the crime rate—I think if we resolve the welfare issue in this country we will have created the best social program that we could ever create: That is, a good job. And a good job brings about responsibility and creates opportunities and helps solve the other tangential problems which are very, very serious indeed.

I am suggesting that the missing part of the puzzle can be replaced with a job placement voucher. We will be introducing such legislation that still allows the State maximum discretion that they need to tailor the needs of their respective State. I think if we move in this direction, we will have taken a giant step toward doing what the American people would like Members to do.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I see the distinguished manager of the bill rising. What I was going to do, I will tell the Chair, I was going to speak on the balanced budget, but I see the distinguished Senator from Minnesota. I was going to speak a few minutes and yield to him, to accommodate a scheduling problem I have. I do not want to inter-

fere with the prerogatives of the chairman. I have to be at another place in about 6 or 7 minutes.

Mr. HATCH. Mr. President, are we on the amendment?

The PRESIDING OFFICER. I have not called for House Joint Resolution 1 yet. The manager can do that at this time. The hour has arrived.

Mr. HATCH. I move that we move to it.

Mr. LEAHY addressed the Chair.

Mr. HATCH. Mr. President, would the Senator yield for a short statement without losing his right to the floor.

Mr. LEAHY. I would yield.

Mr. HATCH. I was hoping we could go back and forth, and then go to the distinguished Senator from Arizona. I hope we will have comity here, can speak and then whoever is next. If we can go back and forth, I think it would be a good thing.

Mr. LEAHY. Then I ask, Mr. President, unanimous consent that when I am finished, I be able to yield to the Senator from Arizona and then be able to yield to the Senator from Minnesota.

Mr. REID. Could someone restate this unanimous-consent request?

The PRESIDING OFFICER. The unanimous-consent request was that after the Senator from Vermont is finished the Senator from Arizona would be recognized and then the Senator from Minnesota.

Mr. HATCH. We may be able to solve this problem. The distinguished Senator from Arizona has 3 minutes unrelated. He wanted to do it in morning business. We have kind of jumped the gun.

Mr. LEAHY. Mr. President, I was trying to accommodate the distinguished manager and I thought this might do it. I think we are going to do it quickly. If we went on this we would probably take less time than asking for the unanimous consent.

Mr. REID. Mr. President, it is my understanding that the Senator from Arizona wants to speak 3 or 4 minutes in morning business, is that right, and then we would go to the constitutional amendment?

The PRESIDING OFFICER. That would be the regular order of the unanimous-consent request.

Mr. REID. I just want to understand what is going on.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, an objection to 4 minutes of morning business, and then going to the bill, is that the question?

The PRESIDING OFFICER. That is the request.

Without objection, it is so ordered.

Mr. KYL addressed the Chair.

The Senator from Arizona is recognized for 4 minutes.

Mr. KYL. Mr. President, I thank the Chair and the Senator from Vermont for accommodating my request.

(The remarks of Mr. KYL pertaining to the introduction of legislation are located in today's RECORD under

"Statements on Introduced Bills and Joint Resolutions.")

TRIBUTE TO KEN L. LOTT, JR.

Mr. HEFLIN. Mr. President. I want to pay tribute to one of my longtime friends, Ken L. Lott, Jr., who passed away on January 16.

A native of Selma, and longtime resident of Mobile, Ken was known to many as a leader and a friend.

Ken received a bachelor's degree in commerce from Auburn University, where he was an Army ROTC cadet.

The leadership skills he learned while a cadet helped him rise to the position of a field artillery captain in the 29th Infantry Division. His service to his country led to him receiving the Bronze Star and Purple Heart.

After Ken's enlistment in the Army ended, he began a professional career in the banking industry.

His professional affiliations included memberships with Southland Bancorporation and the International Division of First Alabama Bancshares, Inc. He was also the former chairman of Merchants National Bank.

Although Ken was very involved in his professional career, he still found time to devote to his community. He was cofounder of the Community Foundation in 1975 and served as its first president.

Additionally, his community involvement can be seen through the directorships and affiliations he once had. These included the Mobile Kiwanis Club, the Country Club, Goodwill Industries, and the chamber of commerce.

His community and State showed great appreciation to Ken by inducting him into the Alabama Senior Citizens Hall of Fame in 1991.

The Mobile community is highly grateful for what Ken gave it over the years. He will be greatly missed by those fortunate to have known him. My deepest condolences are extended to his family and loved ones.

TRIBUTE TO MUSICIAN VERNON RAINES

Mr. HEFLIN. Mr. President, conductor Vernon Raines is one of those rare individuals who has been truly blessed with a divine talent for music, and who has worked effortlessly to spread musical enlightenment to the citizens of south Alabama. It is as if the music has always been in his heart, as if it were his destiny.

At the age of 6, Vernon had already written his first violin composition, and had begun to play the piano by ear. By the time he was 18, he had become the musical director of the Mobile Chamber Orchestra and had begun a career that included over 28 years as conductor and musical director of the Meridian Symphony Orchestra. He also