

to me that would assure local control over the river. I look forward to reviewing the language and if appropriate will push for its immediate approval by the Congress.

Mr. President, I will continue to work with Georgia and Larry Talsma and other South Dakota landowners to see that their property and their rights are fully protected, and are not overrun by the Federal Government.

Federal policy is moving ever closer toward infringement of individual private property rights. One of America's founding principles is the right of citizens to own private property. These rights must be closely guarded.

Mr. President, I am proud South Dakota has citizens such as Georgia and Larry Talsma. Their determination, and hard work actually moved Washington to action. They had to take time off their ranching chores and drive all the way to Washington to move a bureaucratic mountain. I am pleased they achieved progress.

I am proud of the Talsmas and what they have accomplished. They are to be commended. Their battle is not over yet, but Mr. President, their action is proof that this is a government of and for the people.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, what is the status at the present time? Are we under a time limitation?

The PRESIDING OFFICER. We remain in morning business until 12 o'clock. Statements, unless under a previous order, are limited to 5 minutes each.

Mr. GORTON. I ask unanimous consent to proceed in morning business for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

A HISTORIC DEBATE ON THE BUDGET RESOLUTION

Mr. GORTON. Mr. President, in less than an hour, the Senate will begin a truly historic debate on a budget resolution reported by the Senate Budget Committee. It is a budget resolution which, for the first time, perhaps, since the Budget Act was passed a quarter of a century ago, seriously proposes to put this Nation on the road to a balanced Federal budget.

Mr. President, lip service has been promised to that goal by many of those who voted against a constitutional amendment to require a balanced budget, as well as by those who voted for that budget. Most of the former group, however, now find something wrong with this proposal, just as they have with any preceding attempts to balance the budget. In theory, they are in favor of reaching that goal, but in practice they have never actually seen the way in which it ought to be reached.

Perhaps the best evidence of this proposition, Mr. President, is that

while the minority party in this body is almost—I say almost, not quite—without exception opposed to the budget resolution that is before us, that same minority party in the House of Representatives is putting up as an alternative essentially the Senate budget resolution and praising it as much superior to the one that will actually pass the House of Representatives. I think they do that with full confidence that the proposal will not pass, that the alternative will not pass in the House, and it is therefore safe for them to praise it and, in some cases, to vote in favor of it.

This balanced budget here in the Senate, together with the one in the House, will have tremendous positive impacts on the American people. It will result in a significantly greater increase in family income all across this country because of lower interest rates and greater job opportunities. And those positive impacts will vastly overshadow any temporary negative impacts of the loss of various Federal subsidies.

Before we begin that formal debate, I want to make a few remarks about the downpayment on a balanced budget, the rescissions bill, which is about to go to the President of the United States and which the President announced yesterday that he intended to veto.

This rescissions bill—this cancellation of some of the spending proposed by the last Congress—amounts to about 1 percent of the current year's budget. Yet, to reduce spending this year by 1 percent seems much too drastic a step for this administration to be willing to take. This bill started as a request by the President to spend more money, some for the Department of Defense, essentially to cover the costs of various, dubious peacekeeping missions around the world which was passed as part of a separate bill, and others to spend money on various natural disasters which the President improvidently had refused to include in the budget passed less than a year ago, in spite of the fact that these disasters are always with us, together with a few modest reductions in a handful of programs.

The House of Representatives took the bit in its teeth and came up with a cancellation of something more than \$17 billion in current spending, about 1 percent of the total budget, as I have already said. The President protested that as being too much and in the wrong places. This body, as the Presiding Officer knows, passed a somewhat more modest rescissions bill, still close to \$15 billion or so, with a different mix of canceled or reduced programs. And about that Senate rescissions bill the President said:

The bill passed 99 to 0 in the Senate and I will sign the Senate bill if the House and Senate will send it to me. That is how we should be doing the business of America.

In the 4 weeks since then, Mr. President, the House and the Senate have met together in a conference commit-

tee to settle the differences between these two proposals, in the time-honored fashion under our rules. What was unprecedented during the course of this attempt to work out differences was the almost total absence of people representing the White House or the administration.

Unlike the situation during the Bush administration, the Reagan administration, and previous administrations when I was not here, there was no guidance from the White House at all. No statement that, "Here is our bottom line." No attempt to work out differences the way previous administrations did. Silence, except around the margins, until the day after the conference committee finished its work and submitted it to the two bodies.

Then the President decided that it ended up reducing a handful of programs and job training and education by so great an amount of money that he had to veto it.

I totaled up all of the items that I think could come under that veto threat and they amount to less than \$1 billion of the \$17 billions.

Mr. President, I repeat, no statements of this sort, no bottom lines, were sent to the members of the conference committee while it was working out this situation.

Yesterday, the President threatened to veto the bill. He also said that he still wanted to save money but too much money was being spent in this bill on courthouses and on highway projects. Curiously enough, Mr. President, all of these projects which the President now describes as pork were included in last year's appropriations bill that he signed and praised last year.

Of course, if his veto stands and no other rescissions bill is passed, all will be built. His veto does not cancel a single one of them. Not a single one of them was criticized at the time which they were originally appropriated for and passed last year.

One other curiosity, Mr. President, included in the Senate bill which the White House said would be approved, was certain timber language drafted by this Senator for the relief of timber communities not just in the Pacific Northwest but all across the country. That proposal simply authorized the administration to do what it said it wanted to do, to carry out the provisions of what is known as option 9, its own option in the Pacific Northwest, and to salvage burned and dead and dying timber in national forests all across the country, destroyed either by insects or by forest fires and rapidly becoming kindling for new forest fires.

Nothing in the Senate provisions required the administration to do more than it wished to do, but it did enable them to do what they claimed they wanted to do without the interference of outside lawsuits.

Not only was that apparently all right, as a result of the Presidential speech that I just read, it was expressly

approved just barely a week ago in a letter from the Secretary of Agriculture, whom as we know, is the supervisor of the Forest Service, expressly wrote to Senator HATFIELD and said that the Senate version was much preferable than the House version.

Yesterday, the result of the conference committee was described by the President of the United States in these words:

There is another thing which is in this bill which I really object to which would basically direct us to make timber sales to large companies subsidized by the taxpayers, mostly in the Pacific Northwest, and that will essentially throw out all of our environmental laws and the protections that we have that surround such timber sales. It would also put us back into the courts.

Now, Mr. President, the language to which the White House now objects, says is subject to a veto, was first, the language they approved when it passed the Senate in the first place, which was the subject of an explicit letter from the Secretary of Agriculture—a letter of approval, and which was changed only in ways proposed by Members of the President's own party as a result of suggestions from people in the administration themselves.

It does not direct timber sales to large companies in any respect whatever. Most of the large companies in the Pacific Northwest are ineligible to bid on Forest Service timber. It is not subsidized by the taxpayers. The Congressional Budget Office told the Senate it will net the Treasury some \$80 million.

It is not mostly in the Pacific Northwest but includes every national forest around the country. It does not throw out the environmental laws at all. It allows the administration to continue to follow every one of them as presumably it has, in connection with its own plans. And it not only does not put them back into the courts, it takes them out.

So every single description of this proposal by the President of the United States is in error. Every single element. This proposal merely allows the President to do what he has told the people of the Pacific Northwest and the country he intends to do anyway, and freeze up the lawsuits over that subject.

I think the summary, Mr. President, is just this: The administration, and regrettably many of the Members on the other side of the aisle, whether it is in this rescissions bill or the budget resolution, favor the status quo. And \$200 to \$300 million deficits as far as the eye can see are fine. They have no other proposal, no other alternative.

Cutting 1 percent of this year's budget is really too much, too drastic. Has to be vetoed. Allowing the President to keep his own promises to timber communities, too radical a proposal.

Everything is just fine with all the laws and all the spending policies right now. That is the message we get. Just fine. We should not make any chains. We will object to everything that is

proposed by the new majority party. We will prevent them from keeping their commitments, but we will not offer any alternatives at all.

Mr. President, that is not a satisfactory way with which to conduct the Nation's business. It is not what the people of this country want. We have promised them change and a respect for our commitments. And we will continue to struggle, I trust, ultimately successfully, to just that end.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the Senator from Nevada [Mr. REID] is recognized to speak for up to 10 minutes.

Mr. REID. Mr. President, I ask unanimous consent that that be extended to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET

Mr. REID. Mr. President, the issue before this body that will begin in approximately half an hour is not whether the Republicans are for a balanced budget or the Democrats are for a balanced budget. The question is how should we arrive at that balanced budget? All of us want to pass a resolution getting our financial house in order. The issue is one of priority. How are we going to resolve difficult issues before the American people in an effort to arrive at this balanced budget?

We have heard a great deal of talk these past few months about the need for deficit reduction. Many on the other side of the aisle have talked about a balanced budget, and rightfully so. I say to my friends on the other side of the aisle, and I say to the American public, where were those same people in the fall of 1993 when the Democrats alone without a single Republican vote in the House or the Senate passed the largest deficit reduction package in the history of this country? Where were they? There was not a single Republican vote for the largest deficit reduction package in the history of this country. I say that would have been the time to start the debate regarding a balanced budget.

Mr. President, the deficit reduction package that was passed in 1993 is projected today by the CBO to reduce the deficit by \$600 billion. The deficit will be exactly \$16 billion less over 5 years because of the deficit reduction plan that was passed in 1993. Because of the Democrat plan, the 1994 deficit as a percentage of gross domestic product is projected to be the lowest among the G-7 countries. This year we are going to again have a declining deficit. For

the first time in 50 years we will have had 3 years in a row where we have had declining deficits. Of course, it should be declining more, but the first time in 50 years. That says a lot.

Because of the deficit plan, the unemployment rate is at 5.8 percent, down from 7 percent in 1992. We have had the lowest unemployment and the lowest inflation combined in the last 2 years than it has been in the last 50 years. There are now about 1.5 million fewer people unemployed than at the start of this administration, a 15-percent drop.

So I think it is important to talk about some of the good things that are happening in our economy. Because of that deficit reduction plan, over 6.3 million new jobs have been created. Keep in mind these are not Government jobs because we reduced the Federal work force by hundreds of thousands of people. We have the lowest Federal employment since the Kennedy administration, right now; not in the future but right now. Significantly, the jobs that have been created as a result of the deficit reduction are in the high-wage industries. For example, managerial, professional jobs make up 58 percent of the new jobs created since 1994. These jobs are good jobs.

What about taxes? According to CBO the deficit reduction package resulted in 98-plus percent approaching 99 percent of Americans paying the same or less taxes as a result of that deficit reduction plan. CPI inflation over the past 2 years averaged just 2.8 percent. That is the lowest of any administration since President Kennedy was President.

The existing home sales for 1994 total almost 4 million. This is the largest total since 1978 and the second-largest total ever.

Since our deficit reduction plan was passed, consumer confidence is up by almost 80 percent. Business investment, investment in producers of durable equipment, which is shown to be closely associated with productivity, again has soared to a 18.6 annual growth rate since 1992. This is a post-war high.

Mr. President, let us not talk about the doom and gloom. Let us take a little bit of time to enjoy the goodness that is in the economy. Since passage of that deficit reduction plan the World Economic Forum has declared that the United States has the world's most competitive economy. Some may say, "So what?" Well, this is the first time in 9 years that we have been selected for that honor.

Again, I repeat, let us look at what is good. Why do we have to dwell on the doom and gloom? The economy is vibrant. It is strong.

There may be someone in this 100-Member body that would argue against a balanced budget. I do not know who it would be. But there could be someone. I say that we should have a balanced budget. And we are going to have that. A debate ensued here a while