

met earlier this month to consider issues of concern to small business men and women around the country, and to make recommendations to this Congress about what it can do to make Federal policy more responsive to small business's needs.

The men and women who attended the conference represent a vital economic force in the country. There are more than 20 million small businesses in the United States, and they represent the fastest growing sector of the economy. Small businesses provided all of the net new jobs created between 1987 and 1992. They employed 54 percent of the private work force in 1990. Small businesses provide two of every three new workers with their first job. Small businesses contributed 40 percent of the Nation's new high-technology jobs during the past decade. Together, they truly represent the engine that drives our Nation's economy.

So when small business leaders speak out on issues of concern, it would behoove the members of the Senate and the House to listen. These small business people are the innovators and the job creators. They are the ones on the front lines who have to wade through government rules and regulations every day, pay the taxes, and still find a way to compete in domestic and international markets.

If we are interested in economic growth and opportunity in this country—if we want an economy that is healthy and creating new jobs, and can compete around the world—we ought to take note of what small businessmen and women have to tell us.

And, Mr. President, this is what the delegates to the White House Conference had to say—these are the top-ten vote-getting resolutions approved by the Conference:

No. 1: Clarify the definition of independent contractor for tax purposes—1,471 votes. The Conference called on Congress to recognize the legitimacy of an independent contractor; to develop more realistic and consistent guidelines for IRS auditors, courts, employers and State agencies to follow.

No. 2: Permit a 100 percent deduction for business meal and entertainment expenses—1,444 votes. Small businesses typically rely on close personal relationships and customer service to compete for sales, rather than expensive advertising campaigns. Expenditures for meals and entertainment are often an important part of that effort.

No. 3: Strengthen the Regulatory Flexibility Act—1,398 votes. In addition to making the act applicable to all Federal agencies, the Conference recommended that cost-benefit analyses, scientific benefit analyses, and risks assessments be required.

No. 4: Repeal the Federal estate, gift, and generation-skipping transfer tax laws—1,385 votes. As the members of the Conference noted in their resolution, "the negative effect (of these transfer taxes) on small business, and others, far exceeds the net income to

the Government when all administrative costs to individuals, businesses, and government are considered."

No. 5: Reform the Superfund law—1,371 votes. Delegates recommended the elimination of retroactive and strict liability prior to 1987, and called for sound science, realistic risk assessments, and cost-benefit analyses in assessing health and environmental hazards.

Mr. President, we ought to act promptly on all of these issues; bring them to the floor, debate them and vote on each of them at the earliest date practicable. I wanted to begin today, however, by speaking about one of the top five resolutions in particular, the one that received the fourth highest number of votes, a resolution that endorsed the Family Heritage Preservation Act, S. 628.

I introduced that measure earlier this year with the distinguished Senator from North Carolina, Senator HELMS. Representative CHRIS COX introduced the companion bill in the House of Representatives.

The Federal estate tax is actually one of the most wasteful and unfair taxes on the books today, and it is no wonder that small business leaders are urging its repeal. By confiscating up to 55 percent of a family's after-tax savings, it penalizes people for a lifetime of hard work, savings, and investment. It hurts small business and costs jobs. The result is that people spend their time, energy, and money trying to avoid the tax—for example, by setting up trusts and other devices—rather than devoting their resources to more productive economic uses.

The estate tax hits small family businesses particularly hard. It strips companies of much-needed capital at the worst possible time—under a change of ownership and oversight following the principle owner's death.

According to a 1993 survey by Prince and Associates—a Stratford, CT research and consulting firm—9 out of 10 family businesses that failed within 3 years of the principal owner's death said that "trouble paying estate taxes" contributed to their companies' demise. Sixty percent of family-owned businesses fail to make it to the second generation, and 90 percent do not make it to a third generation.

If the Tax Code were revised to eliminate these transfer taxes, small businesses would have a fighting chance; and the Nation would likely experience significant economic benefits by the year 2000. According to a report by the Institute for Research on the Economics of Taxation [IRET] "GDP would be \$79.22 billion greater, 228,000 more people would be employed, and the amount of accumulated savings and capital would be \$630 billion larger than projected under present law" by the end of the century.

Small business leaders recognize how counterproductive the estate tax really is, and that's why they specifically endorsed the Family Heritage Preserva-

tion Act at the White House Conference. That's why my bill is supported by the Small Business Council of America, the Small Business Survival Committee, Americans for Tax Reform, and the 60 Plus Association. The National Federation of Independent Business and the Independent Forest Products Association have called for estate tax reform.

Mr. President, I want to conclude by thanking the delegates to the White House Conference for their thoughtful, hard work. And, I wanted to make special note of the work of Mary Lou Bessette, who chaired the Arizona State delegation and carried out her responsibilities in an exemplary manner. She kept the group focused and on track, and was well respected by its members. Another member of the delegation, Sandy Abalos, served as Arizona tax chair. Her hard work and determination were reflected in the successful outcome of the Conference.

And finally, I wanted to commend Joy Staveley, who was my appointment to the Conference, and who served as environmental chair for the State. All four of her environmental resolutions made it into the top 60 final recommendations to emerge from the Conference session.

A job well done to all the members of Arizona's delegation and to all the delegates from around the country. Now it's time for the Senate and House to act on the good advice from the leaders of the Nation's small businesses. I invite my colleagues to join me as a cosponsor of the Family Heritage Preservation Act, and to begin addressing the other recommendations of the White House Conference as well.●

THE 25TH ANNUAL IRISH HERITAGE FESTIVAL

● Mr. BRADLEY. Mr. President, our country is a remarkable mosaic—a mixture of races, languages, ethnicities, and religions—that grows increasingly diverse with each passing year. Nowhere is this incredible diversity more evident than in the State of New Jersey. In New Jersey, schoolchildren come from families that speak 120 different languages at home. These different languages are used in over 1.4 million homes in my State. I have always believed that one of the United States greatest strengths is the diversity of the people that make up its citizenry and I am proud to call the attention of my colleagues to an event in New Jersey that celebrates the importance of the diversity that is a part of America's collective heritage.

On June 4, 1995, the Garden State Arts Center in Holmdel, NJ, began its 1995 Spring Heritage Festival Series. This heritage festival program salutes many of the different ethnic communities that contribute so greatly to New Jersey's diverse makeup. Highlighting old country customs and culture, the festival programs are an opportunity to express pride in the ethnic

backgrounds that are a part of our collective heritage. Additionally, the spring heritage festivals will contribute proceeds from their programs to the Garden State Arts Center's cultural center fund which presents theater productions free of charge to New Jersey's school children, seniors, and other deserving residents. The heritage festival thus not only pays tribute to the cultural influences from our past, it also makes a significant contribution to our present day cultural activities.

On Sunday, June 25, 1995, the heritage festival series will celebrate the 25th annual Irish Heritage Festival. Twenty-five years ago, when John Gallagher chaired the very first Irish Heritage Festival, he initiated what has become a grand tradition. This year's celebration, chaired by Kathleen Hyland continues this tradition of highlighting Irish entertainers, food, and crafts. The day begins early in the morning with a piping competition and will feature traditional Irish sports like hurling and Gaelic football. Additionally, a concelebrated liturgy with Msgr. Kevin Flanagan of St. Peter's Roman Catholic Church, in Parsippany assisted by numerous Irish clergy from throughout New Jersey, will be offered for lasting peace and justice in Ireland. After the liturgy a noon mall show will feature many gifted Irish entertainers including: Daniel O'Donnell, Celtic Cross, Richie O'Shea, Willie Lynch, Barley Bree, Mary McGonigle, and Mike Byrne Band. Over 25,000 people are expected to turnout to eat good food, enjoy traditional music and dance, and to avail themselves of the opportunity to pay tribute to their Irish heritage.

On behalf of the almost 1 million New Jerseyans of Irish descent, who contribute so much energy and vitality to my great and diverse State, I offer my congratulations on the occasion of the 25th annual Irish Heritage Festival.●

CAMBODIA

● Mr. THOMAS. Mr. President, I would like to make a brief comment today about a recent development in Cambodia which I believe does not bode well for the emergent democracy in that country. Last Monday, June 19, the Cambodian National Assembly expelled the representative of northern Siem Reap Khet and an outspoken critic of corruption in his country's government, former Finance Minister Sam Rainsy. The move was to be officially announced today.

Cambodia held its first democratic elections in May 1993, under the guidance of the U.N. Transitional Authority. The fragile multiparty coalition that emerged, less a result of electoral processes than power politics and accommodations among the different factions, has depended for its survival mainly on the expedient relationship between the co-prime ministers: Prince Norodom Ranariddh of the Royalist

National United Front for an Independent Neutral Peaceful and Cooperative Cambodia [FUNCINPEC] and Hun Sen of the Cambodian People's Party [CPP]. Since 1993, outside observers have often characterized the growth of democracy there as two steps forward, one step back.

Mr. President, the expulsion of Rainsy is just one such step backward. Rainsy was a founding member of FUNCINPEC, and was appointed the party's second representative to the Supreme National Council—the pre-election transitional governing body. As the first Finance Minister in the newly established government, Sam Rainsy won praise for successfully balancing the country's first budget. Unfortunately for him, he was also a critic of the country's pervasive and entrenched political corruption which brought him into conflict with members of his own, as well as other parties. He complained publicly that Cambodia's banking system was riddled with corruption and that most private banks were simply fronts for money laundering. His decision to contract with a French company—Total—to promote efficiency in the country's kick-back-racked oil distribution system brought him into a jurisdictional dispute with the CPP-headed Commerce Ministry, and made enemies of some powerful and politically influential distributors. Similarly, his decision to take on Thai Boon Rong Co. over the latter's attempts to extract payments from vendors in the Olympic Marketplace made him few high placed friends.

Rainsy's continuing allegations became sufficiently embarrassing to the powers-that-be that he was fired from the Cabinet in October last year. Although fired from the Cabinet, Rainsy became even more vocal in his criticisms. For example, he led an attempt in the assembly to review a series of nontransparent contracts between the government and several influential private contractors, but was rebuffed. Still apparently uncomfortable with Rainsy's position, Prince Ranariddh—in a move that many analysts saw as a power play, a flexing of his political muscle as leader of FUNCINPEC—lobbied to have Rainsy ousted from the party as well. He was successful, and Rainsy was expelled in May.

Things did not stop there, though. Ranariddh then sought to have Rainsy expelled from Parliament on the grounds that he was elected as a member of a specific party and that, having decided to leave that party, should not be allowed to keep his seat. At one point, he even threatened to resign if Rainsy was not expelled. Rainsy waged an international campaign to retain his seat, arguing that he was elected by the voters of Siem Reap to represent them and not the party. He was not successful, however. Rainsy was expelled by a 9 to 3 vote by a permanent committee of the assembly headed by assembly Chairman Chea Sim, his dep-

uty, and several standing committee chairmen.

I view this move with great concern. Mr. President, this situation would be analogous to a Member of the U.S. House of Representatives deciding to vote against the party line or change her party affiliation—a move with which we are not unfamiliar—and consequently being unseated and replaced by the House leadership. The move was made without a vote of the assembly, or recourse to the Member's constituency; in fact, that the vote would be on the committee agenda was secret from its members until they had gathered to vote on unrelated legislation. Moreover, yesterday a report in the Hong Kong press indicated that at least two of the deputies whom purportedly signed the expulsion petition—Prince Norodom Sirivut and another MP who preferred to remain anonymous—have said they did no such thing. This is not how representative government works.

The point behind the expulsion is clear: internal discontent with the leader of the government will not be tolerated. The move is sure to have a chilling effect on other MP's who do not toe the exact party line such as Ieng Muli, the present Information Minister and member of the Buddhist Liberal Democratic Party. It also signals a severe blow to what many saw as the only opposition voice to the government outside the Khmer Rouge. I fear that it signals the transformation of the National Assembly from an open deliberative body into one that simply serves to rubber-stamp the decisions of the leadership. As one MP put it, if the No. 2 man in the country's largest party can be brought down, regardless of the wishes of his constituents, solely for the reason of expressing his personal and political opinions, then who is safe?

Mr. President, I realize that my disapproval will likely mean little to the forces allied against Sam Rainsy. But they should know that I and other Members are watching them closely, and with each increasing threat they pose to democracy there they make one less friend here, and make much less likely the coming forth of support—economic or otherwise—for their country.●

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Senate proceed to executive session and immediately proceed to executive calendar nomination numbers 196 through 204, and all nominations be placed on the Secretary's desk in the Air Force, Army, Navy, en bloc; I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, and any statements relating to