

a blizzard, that knocked a lot of trees down. Those trees cannot even be harvested until October because that has been appealed. And we think about the hard working men and women in America who are trying to make a living and eke out a livelihood from the natural resource industries that are very prevalent in western South Dakota and the way that the Government is constantly getting in the way.

I think we have to recognize, and one of the questions that was posed this morning, is what can we do? One of the things that came up repeatedly is, dealing in the area, of course, of regulation, what we can do to streamline the appeal process, but, secondly, what can we do in terms of tax policy to make it possible for some of these family owned small businesses to be passed on from one generation to the next.

I think the fundamental question here is, who is for the average American, who is going to stand up to big government, who is going to make sure that government lives within its means, who is for smaller government, for protecting the average American from the heavy hand of government regulation? And I think the answer is very clearly that those are the things that we as Republicans have been talking about for a very long time. Those are the things that many of us came here to do.

I think in the context of this balanced budget, this tax relief package that is in the process of being discussed, we have an opportunity to reinforce the most deeply held values and traditions that we have in America.

We look at the importance, the way we believe in hard work and thrift and family, self-sufficiency and saving for the next generation and freedom, but also in responsibility. And to enjoy freedom, we have got to accept responsibility. I think many of the things that are included in this tax package reinforce those most deeply held values and traditions that the average American possesses.

That is why I believe that the things that we are about and the things that we came here to do, and granted we are getting a lot of cooperation, because I think the message is prevailing out there and people are coming to the conclusion that we need to reduce the size of the Federal Government, that we need to, for the first time in 30 years, get serious about balancing the budget and to bring tax relief to working men and women in this country.

There is going to be a lot of discussion over the next several days, I think, about what the vote is going to be and who is going to be in favor of it and who is not. I would simply say, I hope that we have a wide base of support for this package.

Now, a lot of people are going to want to have the dessert and get the tax relief and not vote for the vegetables. People always want to have their dessert without having to eat the vegetables.

We have the opportunity to do both, and we have to do both because we have to be about the important work of balancing the budget. We can do that and also bring tax relief in the context of the bill that we are going to be voting on in the course of the next several days.

So as we look at this whole context of debate this evening about the cost of Government, and the gentleman from Colorado I think pointed out, July 3rd, by the time we factor in not only tax but also the cost of Government regulations, what I heard this morning repeatedly and what I hear from the people in my State, who are small business people, who are family farmers, who are average working men and women in America, these are the people who are going to benefit from this tax relief package.

So I hope that we can put aside all the discussion about the division and erecting barriers between rich and poor, between this group of people and this group of people, and get about the business of improving the quality of life for all Americans. That is very much the direction in which we are headed.

I am more than happy to join with my colleagues who are here this evening to address this subject and then to get after the work, and that is lessening the regulation, the heavy hand of Government.

There is a guy etched on Mt. Rushmore in my State of South Dakota named Teddy Roosevelt, who I think understood the difference between the heavy hand of Government that stifles competition and the light touch that ensures it. I have heard repeated examples this morning of the heavy hand that stifles competition and stifles the spirit of free enterprise, the thing that has driven and made this country great, has made it the model, the envy of the world all over the world.

I yield to the gentleman from New Jersey [Mr. PAPPAS].

Mr. PAPPAS. Mr. Speaker, I thank the gentleman for yielding.

I want to make a brief comment. We have here with us tonight a couple of the pages, they do a great job, and many others who are working here with them over the summer. I think of them and the future that they have. And if we are able to enact this balanced budget plan when they enter the work force, there will be a future that we deserve to provide for them.

TAX SYSTEM THAT ENCOURAGES WORK ETHIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, I wanted to, on the subject of taxes, say two of the things we need in our tax code is we need responsibility to be encouraged and we need clarity. We need to have a tax system that encourages the work ethic and rewards it.

Now, our welfare system, as my colleagues know, does not do that. Recently, in Savannah, there was a man who was on public assistance. He is 30 years old, and he bragged that he had 16 children. Now he has been very busy. But, of course, he has not been with the same woman for all 16 of these kids. But his comment on it was, "Well, the Lord said be fruitful and multiply." That was his total explanation.

But it is interesting that our tax system would reward that kind of irresponsibility through Government handouts. Right now the President wants to expand the proposed \$500 child tax credit from working people who pay taxes to people who do not pay taxes, such as possibly this 30-year-old father of 16 kids. There is no reason in the world why he, who does not pay taxes, should get this credit for irresponsibly siring so many children.

We are parents. I am a father of four. It is very, very difficult to raise kids. And I would say, economically looking after their needs is only the minimum bit; you have to do a lot more for these children emotionally and so forth. But our tax system should support middle-class parents economically for making responsible decisions, like having a job and having income and having a house, before you go out and have an untold number of children.

Mr. SOUDER. Mr. Speaker, if the gentleman would yield, we are about to head into another debate. There have been ads around the country. We have had quite a bit of turmoil in the Committee on Education and the Workforce, and it is about to hit the floor too, that supposedly the Republicans are vying to circumvent the minimum wage as it relates to people on welfare.

The issue, in case my colleagues have not heard about it, is this: People on welfare currently can get a package of benefits, depending on their mix of kids, about \$15,000. When they take a job, under the new welfare bill, should the benefits that they are continuing to receive, because we have decided that we are not going to completely cut off the benefits, should those benefits count towards their wages?

This is being portrayed as the work cutting the minimum wage, when in fact what we are saying is people who are working for the minimum wage currently and have never been on welfare should not receive up to \$7,000 a year less than those people on welfare.

□ 2245

Yet somehow we are portrayed as the mean party. Somehow we are portrayed as being unfair and being mean-spirited when in fact what we have been trying to do is stand up for the working people of America to try to give tax benefits to try to help those people who have been trapped in the welfare system start to move into the private sector but not have these terrible inequities between those people who have been working and those people who are on welfare.

We are going to fight this battle on the tax credits, we are going to fight the battle in the way we count benefits as we go into welfare, and the thrust of our program, by having a balanced budget and by reducing taxes, to try to make people who are working hard that have been bearing the brunt of the economic growth and the job growth in America, to give them some breaks and let them keep some of their own money.

Mr. BOB SCHAFFER of Colorado. You know the middle class families of America feel left out primarily because the White House fails to acknowledge that they even exist. Listen to this:

The Treasury Department says that they will not calculate income based on something they call family economic income.

Now this is not the money you bring home. This is something else. This is how when you hear people talk about tax cuts for the rich, they are actually talking about just about everyone in America because congratulations, we are all rich now as a result of the calculation from the White House.

Listen to this:

They say income includes things like your IRA income, Keogh deductions, AFDC benefits, social security and one more thing, the imputed rent on an owner house.

Now what this means is that if you own a home, the Federal Government, the Clinton administration, is going to assume that if you could earn rent on your house, that that is going to be calculated as your income. That is how a family earning \$50,000 a year all of a sudden becomes in the rich category.

So when you hear about tax cuts for the rich that you hear this term a lot, this really does apply to the average American family who the liberals in Washington all of a sudden want to demonize by calling you exceedingly wealthy.

But you know these are the folks who we represent. This is my parents, my retired school teachers, my in-laws, the pipefitter, the Yates family in Mississippi, the Conklin family in Illinois, average American families who work hard every day making middle class incomes. We want to reduce their tax burden. The liberals in Washington want to call them millionaires somehow magically and suggest that they are somehow bad people who do not deserve a break.

WOMEN'S CAUCUS HOLDS HILARIOUS NEWS CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kentucky [Mrs. NORTHUP] is recognized for 5 minutes.

Mrs. NORTHUP. Mr. Speaker, I appreciate the opportunity to address the House tonight about the tax cut and about a rather humorous, if you have a broad sense of humor, news conference that was held today earlier by the Democratic Members of the Women's Caucus here in the House.

You know it must be very terrible if you have to find reasons every day to be against a tax cut considering their popularity, and today this group of Members said that this tax cut would hurt the women of our country. That is especially hilarious when you think that most women are growing up and sharing homes and lives with men. They either have a father, they have a son, they have a brother or they have a spouse, and these women share their economic opportunities, their lives, their incomes, their taxes with men. You do not have tax cuts for very many people that help the men or help the women. You have tax cuts that help homes, they help families.

And so most women get up every morning, and their lives are intertwined with the men, with their sons who they are raising, with their fathers who raise them, with their spouse with whom they are making a life, and they all are in the financial challenges together.

And so as families work out their economic challenges, as middle class families get up every morning, they take kids to day care, they go to work, they pay for a car payment, they pay for their rent, and they wonder if there is going to be any chance that there is going to be money left over this summer so that they can go on that camping trip and go to the State park that they have read about and know would be such a good opportunity for them to share with their family.

It is not the men, it is not the women, it is the families, and I think it is so bad in this country if we try to divide all of us who are in this country together on to teams, whether we have the teams that are the women, the other team that are the men, the team, the racial teams of the minority and the majority. If we, however we divide on teams, what we do is we deny the common goals, the common threads, the fact that we are all working together for common purposes. But we especially do that in tax cuts when we say that certain tax cuts, tax packages would be bad for women because we then begin to try to divide people against their own homes, against their own families, against their own relatives.

So I want to take this opportunity to say with pride how proud I am to be part of a group of people who have listened so carefully to the American people who all of ourselves care so much about our families and our struggles.

I have 6 children. Two of them are now completely on their own, and two in the next 2 years will be on their own. They struggle every day with their finances. Every time they need a new tire, they feel so frustrated and they feel set back, and to have the privilege to have been able to fashion a tax cut that will give their generation and their friends' generation and our friends the opportunity to have a better opportunity to spend their own money, to have government spend less,

has been something that I am very proud of.

And it is not a women's issue, it is not a man's issue; it is a family issue, it is an American issue, and the American people are very clear about where they are on this issue.

Mr. FOX of Pennsylvania. If the gentlewoman will yield, your comments are eloquent and certainly timely for this discussion in the House of tax reform. It is so important that we work together because the American people will win together when we reduced by \$500, we have the \$500 per child tax credit, we reduce inheritance taxes, we reduce the capital gains tax, we provide tax relief for students to go to college, and we are winning also because we have had an agreement with the White House. This is a bipartisan agreement. We have the Republican leadership working with the White House. President Clinton has seen the wisdom of working with us, and we are going to make positive changes, as you have described.

So your leadership here in the House and helping still accomplish real true tax relief for the American people is certainly a great testimony of why you were elected.

Mr. KINGSTON. Mr. Speaker, if the gentlewoman would yield, I want to point out for those who do not know you are a mother of 6 children; correct?

Mrs. NORTHUP. That is right.

Mr. KINGSTON. So when you say this is a family issue, you know firsthand what a family issue is about.

Mrs. NORTHUP. Mr. Speaker, I certainly understand too, as my children have started on their own, each one of them, they feel so poor, they feel so vulnerable. They go to work every day, and there is never enough money. My husband and I have depended on them to be completely financially independent. We think that is how they grow up. But we certainly hear from them about the cost of insuring their car, about a car repair, about the challenges they face, and we remember those days ourselves.

It is like 2 steps forward and 1½ steps backwards, and you wonder, everybody that goes to work wonders every week if they are making any progress financially. In fact very seldom could my husband and I ever see progress as we looked ahead. It is only after years of work that you can begin to see the progress.

CONCERN ABOUT APPARENT DIRECTION OF UNITED STATES DIPLOMACY IN THE REPUBLIC OF NAGORNO KARABAGH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for half of the time remaining before midnight as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I would like to address some of the issues related to the tax bill as well as the minimum wage this evening in the time