were used when Disney World was being built in the 1970's. They were used on the Trans-Alaska Pipeline System in the 1970's and 1980's.

These agreements have also been used on Federal projects for decades. In the late 1940's, the agreements were used regularly for construction at atomic energy facilities.

And the agreements continued to be used today. Across the country, nuclear sites are being decontaminated and decommissioned. The Department of Energy has entered into project labor agreements at the Oak Ridge facility in Tennessee; the Idaho National Engineering Laboratory in Idaho; the Savannah River site in South Carolina; the Fernald facility in Ohio; the Hanford/Richland site in Washington State; and the Lawrence Livermore facility in California—just to name a few.

The agreements are also being used by State governments. In the Boston Harbor cleanup, for example, the State of Massachusetts required contractors to comply with such labor agreements for the duration of the work. That was a very large project, which is taking years to complete. The labor agreement is helping to ensure that the project is carried out efficiently and safely.

According to an October 4, 1996, letter from the manager of industrial relations on that project, the Boston Harbor cleanup was originally projected to cost $6.1 billion. Now, the estimated total cost of the project is $3.4 billion. Accident rates are significantly lower than for projects of similar size and duration. And, during the nearly 7½ years that the project has been underway, ''there have been approximately 20 million craft hours worked without lost time due to strike or lockout.'' Anti-union contractors challenged the requirement in the Boston Harbor case, and in 1993 the U.S. Supreme Court unanimously upheld the State's ability to issue the requirement.

Other States have taken the same approach. In January 1997, Governor Pataki of New York issued an Executive order strikingly similar to that under consideration by the President. Governor Pataki's order directed that ''Each state agency shall establish procedures to consider, in its proprietary capacity, the utilization of one or more project labor agreements with respect to individual public construction projects.'' The Governors of New Jersey and Nevada have recently issued similar orders.

Despite the very clear advantages that such agreements can provide, the proponents of this bill that has been introduced this afternoon, contend that Government agencies should not enter into them because they deny nonunion contractors and workers the opportunity to bid and work on federally funded projects. This is false. Nonunion contractors are completely free to bid on projects subject to project labor agreements—and many do. In the Boston Harbor cleanup, for example, 40 percent of the subcontractors are nonunion firms.

Nor is it true that project labor agreements restrict jobs only to labor union members. No such agreement requires that an individual join the union to be referred for a job. In fact, the National Labor Relations Act forbids unions from discriminating against nonmembers when making job referrals.

Obviously, some of our Republican colleagues disagree strongly with such labor agreements. Many of us support them as sensible Federal contracting policy and needed protection for working families.

At the very least, the Federal Government should not be denied the opportunity to gain the substantial benefits and savings that such agreements can supply, and that is why I hope that legislation introduced to prohibit those agreements will not be favorably considered by the Senate.

## RENEWING THE ISRAELI-PALESTINIAN PEACE PROCESS

Mr. BYRD. Mr. President, our indefatigable negotiator with responsibility for mediating the outstanding, difficult issues between the Israeli Government and the Palestinian authorities is back at work in the Middle East. The peace process was derailed by the intemperate action by the government led by Prime Minister Netanyahu, in supporting new Israeli settlements in Jerusalem. There appears little doubt that, regardless of the failings of Mr. Arafat to fully restrain Palestinian reactions to this action, the Israeli leader bears very heavy responsibility to undo the mischief which brought that elaborate tango of negotiations and actions called the peace process crashing down.

Now we read of an unfolding, unprecedented scandal centered around that same Prime Minister. I have no judgment to make on that, but I hope that, as I have said before on this floor, Mr. Netanyahu will rise above the pressures on him, particularly from his right wing, and face history squarely. It is up to him to make the crucial moves that will halt the settlement construction, and take a courageous step. I call upon him, again, to do this, for the sake of the people of Israel and the Palestinians.

It is important that the Clinton administration continue to take the position that the settlement construction must be halted. Ambassador Ross is reported today to be pressing the Prime Minister to do so. The United States has an important stake in this matter. As the strongest ally and the best friend that Israel ever had, or will have, it is surely not too much to expect some consideration of the U.S. position on this matter on the part of Mr. Netanyahu. He surely cannot expect to continue stonewalling the United States on this critical matter. I, for one, felt he should not have come to the United States to meet extensively with our President with nothing in mind to offer apparently. That is not what a good ally or a good friend does. He certainly cannot expect us to stand by while he gives an American President—our President—no more than a hello and goodbye on such a critical matter, and also then still expects the United States to provide our annual supplement of over $3 billion in American tax dollars to Israel without batting an eye—$3 billion. I wonder if the American people are aware of that, every year.

This is a crucial period for the Likud government. I hope that it will see that support from the American people cannot continue to be in the form of a blank check no matter what that government does to stall or derail the process of making peace with the Palestinians. It does not do the Israeli people any good whatsoever for the message to go to them that whatever happens is essentially fine with the United States Government. We need to be consistent, both in Washington and in New York. The Clinton administration needs to take this into consideration, as well. We cannot take one position, against the settlements construction, here in Washington, and water it down by not endorsing the same policy embodied in Security Counsel resolutions. That is speaking out of both sides of our mouth. That is speaking with a forked tongue. Therefore, I urge my colleagues to speak in one voice with the administration, and I urge the administration to be completely consistent, not inconsistent, because inconsistency creates confusion. It sends the wrong message. Make it clear that we will continue to act in good faith as a mediator and as an ally of Israel, but we expect the Israeli Government to step up to the plate and make the kind of moves that will be necessary to breathe new vigor and new life into the process of peacemaking, which is so critical to the people of Israel, to the Palestinians, to the United States and to our allies.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

## FAIRNESS IN FEDERAL CONTRACTING

Mr. JEFFORDS. Mr. President, I rise today to address a very real threat to the economic well being of our Nation. I speak, of course, of the anticipated issuance by President Clinton, of an Executive order that would likely lead to the exclusion of nonunion contractors from Federal construction. I also wish to express my strong support for S. 606,

introduced today by Senator HUTCHINSON, which I have cosponsored.

The strength and prosperity of this great Nation are in large part a result of the industrial peace between labor and management, that has been the norm since the passage, in 1935, of the Wagner Act. That act, and its progeny, form the keystone of our national labor relations policy. The bedrock belief supporting this policy has been to recognize that the parties—workers, employers, and unions—are in the best position to resolve their differences and to set and to achieve their goals. To this end, Congress has maintained a basic hands-off policy, preferring to set only the broadest boundaries, beyond which the conduct of the parties must not stray. I have to say that our congressional predecessors legislated wisely, for this policy of Federal Government neutrality has allowed the United States to become the envy of the industrialized world.

This is not to say that there have not been bumps in the road to labor-management harmony. Congress has amended the Federal labor laws, and also has considered, and rejected, amendments to the Federal labor laws. Attempts by Congress to smooth the bumps, however, have been subjected to one overriding process—any changes to the laws that nurture the balance between the parties in the industrial arena will have been forged in the heat of legislative debate and advocacy.

Today, sadly, the Clinton administration considers an action that would displace Federal neutrality, thereby renouncing over 60 years of national labor policy, and ignoring 60 years of fine tuning of that policy by Congress and the courts. Simply put, the Executive order being considered by the Clinton administration would result in most, if not all, Federal construction being performed by union shop contractors. This would give a whole new meaning to the term top down organizing. It would represent union organizing from the very top—the Presidency of the United States.

Further, this Clinton initiative would occur without benefit of the legislative process, the process which in my opinion is mandated by the Constitution of the United States. And I find it even more disheartening that this end run by the administration, of the policy setting role of the Congress, seems less designed to serve the public interest than to advance political interests.

Now, I understand that the administration will probably argue that the proposed order does not mandate the adoption of a project labor agreement, and therefore does not inescapably lead to union-only contractors on Federal construction projects. The administration would go on to argue that since the order requires the Federal agencies to make a finding that use of a project labor agreement would advance the Government's procurement interest, only where that finding is made would union agreements be required. This argument, however, is suspect. The introductory paragraphs of the draft order clearly indicate the President's preferences as to use of a project labor agreement. Since the boss thinks it is such a good idea, it is not likely that persons that the President selected to head the executive branch agencies would think otherwise.

There is one other factor that is very important, and must be noted. Employment in the construction industry, particularly where union agreements are in place, is done through hiring hall referrals. If a nonunion contractor is forced, because of a project labor agreement, to become a party to a union agreement, it is not hard to picture what would happen to that contractor's employees. They would be at the back of the line when it comes to hiring hall referrals. This is despite the fact that the overwhelming majority of construction workers have not chosen to belong to a union.

I, and my Republican colleagues on the Committee on Labor and Human Resources, have written to the President, asking him not to issue this or any similar Executive order. We noted that if the proposed order were adopted, it would undermine the benefits derived from a nondiscriminatory competitive bidding process, likely resulting in substantially higher Federal construction costs to the American taxpayer. We further pointed out that, if adopted, the order would cause harm to the important principle of employee freedom of choice to select or reject representation by a union. Mr. President, I ask unanimous consent that this letter be printed in the RECORD following my remarks.

Finally, I congratulate Senator HUTCHINSON on introducing S. 606, and offer my full support in gaining its passage. The bill would prevent a Federal agency from requiring a bidder on a Federal contract to be a union contractor. Frankly, it is unfortunate that we need to legislate open competition, and outlaw this type of anticompetitive restriction, in the Federal procurement process. The Clinton initiative, however, demonstrates the need for S. 606. I further note, that no matter what one thinks of any specific provision of S. 606, my colleagues, from both sides of the aisle, must be comforted to know, that before any changes are made by S. 606 to Federal labor policy, those proposals will be subjected to the debate, opinion gathering, and fact finding, that is the hallmark of the legislative process. And whatever comes out of that process will be better, for this Nation, because of that process.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON
LABOR AND HUMAN RESOURCES,
*Washington, DC, April 16, 1997.*

THE PRESIDENT,
*The White House,*
*Washington, DC.*

DEAR MR. PRESIDENT: It has been widely reported that the Administration is preparing to issue an Executive Order promoting the use of ''project labor agreements'' on federal and federally funded construction projects. We have reviewed a published draft of this proposed order and are writing to you to express our grave concerns regarding this initiative.

The proposal would require executive branch agencies, which are preparing to implement or fund a construction project, to determine whether the use of a project labor agreement on that project would ''advance the government's procurement interest in economical, efficient, and timely high quality project performance by promoting labor-management stability and project compliance with applicable legal requirements governing safety and health, equal employment opportunity, labor standards and other matters . . .'' While these are laudable objectives, we note that federal law already requires that they be met.

Under the proposal after an agency has made the requisite determination, the ensuing construction project could be performed only pursuant to an agreement with a union. We note that any agency would be hard pressed not to answer this determination in the positive, given that in the introduction of the proposal, you extol the use of project labor agreements. The bottom line of this proposal Executive Order is that most, if not all, federal construction would be performed by union shop contractors.

If the proposed order is issued, union status might well trump savings to the taxpayers. Even if a qualified non-union contractor might be able to bid the project at a substantial savings to the American taxpayer, a higher-priced union bidder would be awarded the contract under your proposal. Even though the overwhelming majority of construction workers have not chosen to belong to a union, they would be effectively barred from federal construction work. It comes as no surprise that the head of AFL-CIO Building and Constructions Trades Department is reported to have participated in the drafting of this proposal.

We believe that this proposed order threatens to undermine the benefits derived from a nondiscriminatory competitive bidding process, likely resulting in substantially higher federal construction costs to the American taxpayer. Further, the order would reverse the over sixty years of neutrality in matters of labor-management relations by the federal government. It also would injure an overreaching principle of our nation's labor relations policy, that of employee freedom of choice to select or reject representation by a union.

We urge you in the strongest terms to reconsider this initiative, and not promulgate this or any similar Executive Order giving greater encouragement to project labor agreements for federal and federally assisted construction.

Sincerely,

JAMES M. JEFFORDS,
JUDD GREGG,
MIKE DEWINE,
TIM HUTCHINSON,
JOHN W. WARNER,
DAN COATS,
BILL FRIST,
MICHAEL B. ENZI,
SUSAN M. COLLINS,
MITCH MCCONNELL,
U.S. Senators.

## EXPRESSION OF GRATITUDE TO RON LEDLOW, DEPUTY DIRECTOR OF THE SENATE SERVICE DEPARTMENT

Mr. LOTT. Mr. President, I rise today to express the deep gratitude of the