Because we have increased taxes so often on workers, this chart shows how many years you are going to have to live after you retire in order to get the money back you and your employer put in. If you retire after the year 2006, you have to live 26 years after you retire just to break even. It is a serious problem. We need to deal with it.

ON THE INTRODUCTION OF LEGISLATION TO ALLEVIATE THE INFORMATION TECHNOLOGY WORKER SHORTAGE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Virginia (Mr. MORAN) is recognized during morning hour debates for 5 minutes.

Mr. MORAN of Virginia. Mr. Speaker, tomorrow I will introduce a package of 5 bills to help our economy address the critical shortage in information technology workers. We are fortunate to live and work in a time of economic growth and expansion. Unemployment is low and production is up. But we cannot take these good times for granted. We have to continue to take those measures necessary to sustain our thriving economy.

One of the hazards that could derail our economic engine is a growing shortage of skilled workers. Too many firms across the country are facing serious difficulties in hiring workers with needed skills. This shortage, which has been estimated to be as high as 190,000 employees nationwide, is especially restricting the growth and development of our Nation's information technology industry, which is the vanguard of our national economic boom. This shortage of skilled workers is costing our economy over $10 billion a year in lost revenue.

But high tech firms are not the only ones suffering from this workforce shortage. When asked about the main barriers to expansion and competitiveness, companies across the country in many different industries point to the difficulty of getting skilled workers.

While the current low unemployment rate contributes to this problem, its roots are more fundamental. In the new economy, skill requirements are going up in many industries, even so-called low-tech industries. More than half of the new jobs created require some education beyond high school. The percentage of workers who use computers at work has risen from 25 percent to 46 percent, nearly half, in the last 10 years. States such as Colorado, Maryland, Rhode Island, Washington have all recently released reports highlighting the pressing need of employers for skilled workers.

Standard supply and demand economics will not address this shortfall. Most firms, but particularly small and medium-sized enterprises, have limited capacity to engage in significant and sustained workforce development efforts. Managers and owners of most firms are simply too busy running their business to develop training systems. Firms lack information on the type of training they need and where to get it. And, unless their competitors are willing to invest in training as well, such an investment will increase the relative cost of their products above that of their competitors.

So there is a natural inclination not to be the first ones to invest in training. And so when confronted with a shortage of skilled workers, most firms try to hire workers from other companies. Competition for skilled employees is so high that companies are offering irresistible packages, including signing bonuses, long-term bonuses, finder's fees, to lure trained employees away from firms who have invested the time and money to train them. Just across the Potomac River, SRA Technologies, a fine firm, a technology firm in my district, offers a $10,000 bounty to employees for every trained worker who signs on as a result of their recommendation. But we are not increasing the supply sufficiently, which is the real long-term solution to this problem.

As the United States enters its unprecedented seventh year of growth, attributed in part to the dynamic expansion of the technology industry, Congress must move to remove barriers to technology industry expansion. My legislation addresses the worker shortage and the need to provide additional training through a number of approaches.

The first bill creates Regional Skills Alliances. Modeled after the successful Manufacturing Extension Program, this bill would provide Federal support to encourage companies to participate in consortia which would address their industry's specific skill needs. The Federal involvement in this program amounts to one-third of the cost. Every dollar in Federal support will be matched by a dollar in State and local government support and a dollar in direct industry support, so that the competitive pressure not to be the one to take the initiative on training is relieved.

The second provision allows the Secretary of Labor to establish Regional Private Industry Councils. PICs play a constructive role in addressing the workforce needs within a State. But these organizations are State organizations and not formed to address problems that may cross State lines. To remedy that situation, my legislation would allow the Secretary of Labor to certify and fund regional PICs that address regional problems. They would be funded directly by the Secretary of Labor to ensure that they do not detract from existing State programs.

The third bill would offer employers who train employees for information technology jobs a tax credit for 50 percent of the training costs up to $2,500 per year per employee.

The fourth bill would ensure that the Federal Government's investment in training is well spent by allowing these Private Industry Councils to reward bonuses to training providers with a high percentage of placement. This will help establish a more outcome-based system to ensure that training providers emphasize placing their students in jobs. My bill would amend JTPA to allow funds to be used for bonuses for the most successful training providers.

It would also allow high technology professionals to more easily immigrate to the United States so that we are not exporting jobs abroad but are paying American workers at home. It is a good and necessary package of legislation. I urge my colleagues' support for it.

TAX REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from California (Mr. RIGGS) is recognized during morning hour debates for 5 minutes.

Mr. RIGGS. Mr. Speaker, I rise today to suggest that we can increase take-home pay and improve retirement security in America by leading our country to a new level of freedom and opportunity for every American worker and taxpayer. I am not talking about raising the minimum wage. I am talking about reducing taxes further, especially on working-class Americans, those who are on modest incomes, those who have fixed incomes because they are wage earners and salaried workers. The first step in reducing taxes, as the gentleman from Illinois (Mr. WELLER), who preceded me here in the well, suggested, is to eliminate the marriage penalty in the Tax Code. Then we should go on to pass the Middle Class Tax Relief Act and the Taxpayer Choice Act, both introduced by the gentleman from South Dakota (Mr. THUNE), which would have the effect of raising the income levels for the 28 percent tax bracket. That would put more working Americans in the lowest tax bracket, the 15 percent tax bracket, and for those who are already in the 15 percent tax bracket, we would increase the personal exemption. The effect again, more take-home pay for working-class Americans.

Let me be clear about one thing. I think I speak for almost all House Republicans when I say this. If the President has money for more social spending, then we have money for tax cuts. But also let me be clear about one other thing. That is we cannot have, we should not have, tax relief without real tax reform. We have to stop the IRS collection abuses. The best way to do that is to end the IRS as we know it. That is why I and many House Republicans have signed a pledge, a written pledge, and we have cosponsored legislation to sunset the Tax Code by the year 2001. This is a death sentence for the Tax Code and we hope would move the country in the direction of a fairer, a flatter, a simpler Tax Code and a tax system, one that is hopefully based on a single rate of taxation. But we do not have to wait until the year 2001. What