minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, we are going to hear a lot from the limousine liberals on the Democrat side of the aisle this week about fairness.

Well, let me ask them a few questions.

It is fair to penalize senior citizens who want to remain productive?

It is fair to working Americans that the cost of capital in the United States is so much higher than in the rest of the industrialized world?

It is fair that married couples are penalized just because they are married?

There is nothing fair about the current tax system. It penalizes work, saving, and investment. But this week we begin the job of restoring fairness to our tax system. We will start by restoring the $25 billion in Social Security cuts engineered by the Clinton White House and the old Democratic Congress. I think it is important to note that these cuts did not have the support of one Republican Member in either Chamber.

America's seniors should not be asked to pay higher taxes to solve a problem that was made in Washington. We will fix that this week.

TAX CUTS TO BENEFIT RICH

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATT of North Carolina. Mr. Speaker, this morning's paper reported that the Republicans have reached a deal on the tax cut package. Well, the public had better beware, because this tax cut package has two major problems. No. 1, they have told us all of this time that the most important thing in life is cutting the deficit. But what are we doing? Instead of using this money to cut the deficit, we are cutting taxes instead.

No. 2, we are doing it on the backs of poor people. The poor person, the $20,000 to $30,000 per year person, the $30,000 to $50,000 per year person, will get little benefit from this tax cut. The person earning over $200,000 a year in income will get $11,266 in tax cuts. Nothing for the American people who need it.

This is trickle down economics again. We ought to reject it out of hand.

MORE AND BETTER JOBS NEEDED

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, what I think we need to talk about is what do we do to expand more and better jobs in this country? I think we need to realize that almost every piece of legislation is a transfer of wealth, and especially appropriation bills and taxes. We have increased taxes and regulations so much on business that they are now looking to other countries for more favorable ways to raise money.

I brought this chart out just to show what has been happening in our discouragement of business expansion in this country.

□ 1215

Maximum capital gains tax rate; in the United States, it is 28 percent; France, 18 percent, exempt in Germany; Canada, 23 percent; Japan, 20 percent; the U.K. is 40 percent, but they exempt the first 5,500 pounds.

Now, with that kind of tax, we are discouraging businesses from buying the machinery and equipment and facilities that are going to increase our productivity. Our productivity is not increasing at the rate of other countries.

Mr. Speaker, I think it is important we support this tax bill.

WHOSE SIDE ARE THE REPUBLICANS ON ANYWAY?

(Mr. EDWARDS asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS. Mr. Speaker, when Republicans promised welfare reform, who would have guessed that would mean a $63 million special tax break for billionaire Rupert Murdoch? When Republicans promised immigration reform, who would have guessed that they would mean billionaires should be able to avoid hundreds of millions of dollars in taxes they owe by simply renouncing their U.S. citizenship?

When Republicans promised to reorder American priorities, who would have guessed that would mean Republicans would vote to protect Star Wars but not to protect Social Security?

When Republicans promised middle-class tax cuts, who would have guessed that meant people making over $200,000 a year would enjoy an $11,000 a year tax bonus?

Mr. Speaker, I am for changing government. I am for less government and lower deficits and common sense in our laws. But I think the American people are beginning to ask just whose side are the Republicans on?

DEMOCRATS DESPERATELY DEMAGOG

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, one more time, let us see if we can get this right. The tax break inserted in the bill was at the request of a Democratic Member of the other body.

Listening to my colleagues this morning on the other side of the aisle reminds me of a saying I once heard, desperate people will demagog anything.

You see the Democrats would like us to believe that our tax relief bill is taking money from the poor to give it to the rich. Let me ask my Democratic colleagues, do you think all senior citizens are rich? You must think so because that is one group of people who definitely benefit from our bill. We are repealing the unfair tax increase that you imposed on the backs of senior citizens in August 1993.

You surely remember that. This is the tax increase that considers all seniors receiving Social Security benefits and making $34,000 or more a year wealthy. We are also lifting the Social Security earnings limitation so that seniors who want to work outside the home past the age of 65 are not unfairly penalized if they earn over $11,000 a year.

Mr. Speaker, it is wrong to raise taxes on middle income seniors who live on fixed incomes and it is wrong to target working seniors.

I ask my Democratic colleagues to help us in passing the tax relief bill.

A CALL FOR OUTSIDE COUNSEL

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, it appears my colleague from the Sixth District of Georgia has set a new global standard in blatant, unabashed audacity. One would think that after the controversy over his $4.5 million book deal with Rupert Murdoch, he would have made an effort to distance himself from the British billionaire.

But no, not this speaker. While slashing heating assistance for the elderly poor, he and his confederate colleagues conspired to protect a $63 million tax break specifically for Rupert Murdoch.

No one knew about this grand heist until after it was slipped in during the conference committee. Mr. speaker, when my colleague delivered his opening day speech after accepting the gavel he said, and I quote, ''here America comes to work and here we are preparing for those children a better future.'' End of quote. I didn't realize that by children he meant Rupert Murdoch. Mr. Speaker, now more than ever, it is time for an outside counsel.

ON NATIONAL SECURITY

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, I might just say to the gentlewoman who just spoke that my understanding is that this special tax break that the Democrats are complaining about was slipped in by a Democrat. So I think that is where the investigation would lead.

Let us get back to something that is very important to this country. These are two models of what is known as ''brilliant eyes.'' That is important to everybody who is concerned about national security. That means that if Saddam Hussein launched a missile on our troops in theater in the Middle