

I don't have any personal objection, and I will not object, and I will let those two Senators handle Senator SESSIONS.

Mr. KYL. Mr. President, I ask unanimous consent to speak as in morning business.

Mr. KENNEDY. Well, Mr. President, I intend to talk now.

Mr. KYL. I am sorry. I thought I would be recognized now. Excuse me.

Mr. KENNEDY. I intend to talk for about 15 to 18 minutes, and then we will be on the minimum wage bill. I plan to speak on that minimum wage bill. I said I would end 5 minutes early to try to accommodate the Senator. We are scheduled to deal with the bill at 3:30. So I have recognition.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FAIR MINIMUM WAGE ACT OF 2007

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 2, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

Pending:

Reid (for Baucus) amendment No. 100, in the nature of a substitute.

McConnell (for Gregg) amendment No. 101 (to amendment No. 100), to provide Congress a second look at wasteful spending by establishing enhanced rescission authority under fast-track procedures.

Kyl amendment No. 115 (to amendment No. 100), to extend through December 31, 2008, the depreciation treatment of leasehold, restaurant, and retail space improvements.

Enzi (for Ensign/Inhofe) amendment No. 152 (to amendment No. 100), to reduce document fraud, prevent identity theft, and preserve the integrity of the Social Security system.

Enzi (for Ensign) amendment No. 153 (to amendment No. 100), to preserve and protect Social Security benefits of American workers, including those making minimum wage, and to help ensure greater Congressional oversight of the Social Security system by requiring that both Houses of Congress approve a totalization agreement before the agreement, giving foreign workers Social Security benefits, can go into effect.

Vitter/Voinovich amendment No. 110 (to amendment No. 100), to amend title 44 of the United States Code, to provide for the suspension of fines under certain circumstances for first-time paperwork violations by small business concerns.

DeMint amendment No. 155 (to amendment No. 100), to amend the Public Health Service Act to provide for cooperative governing of individual health insurance coverage offered in interstate commerce, and to amend the Internal Revenue Code of 1986 regarding the disposition of unused health benefits in cafeteria plans and flexible spending arrangements and the use of health savings accounts for the payment of health insurance premiums for high deductible health plans purchased in the individual market.

DeMint amendment No. 156 (to amendment No. 100), to amend the Internal Revenue Code

of 1986 regarding the disposition of unused health benefits in cafeteria plans and flexible spending arrangements.

DeMint amendment No. 157 (to the language proposed to be stricken by amendment No. 100), to increase the Federal minimum wage by an amount that is based on applicable State minimum wages.

DeMint amendment No. 159 (to amendment No. 100), to protect individuals from having their money involuntarily collected and used for lobbying by a labor organization.

DeMint amendment No. 160 (to amendment No. 100), to amend the Internal Revenue Code of 1986 to allow certain small businesses to defer payment of tax.

DeMint amendment No. 161 (to amendment No. 100), to prohibit the use of flexible schedules by Federal employees unless such flexible schedule benefits are made available to private sector employees not later than 1 year after the date of enactment of the Fair Minimum Wage Act of 2007.

DeMint amendment No. 162 (to amendment No. 100), to amend the Fair Labor Standards Act of 1938 regarding the minimum wage.

Kennedy (for Kerry) amendment No. 128 (to amendment No. 100), to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns.

Martinez amendment No. 105 (to amendment No. 100), to clarify the house parent exemption to certain wage and hour requirements.

Sanders amendment No. 201 (to amendment No. 100), to express the sense of the Senate concerning poverty.

Gregg amendment No. 203 (to amendment No. 100), to enable employees to use employee option time.

Burr amendment No. 195 (to amendment No. 100), to provide for an exemption to a minimum wage increase for certain employers who contribute to their employees health benefit expenses.

Chambliss amendment No. 118 (to amendment No. 100), to provide minimum wage rates for agricultural workers.

Kennedy (for Feinstein) amendment No. 167 (to amendment No. 118), to improve agricultural job opportunities, benefits, and security for aliens in the United States.

Enzi (for Allard) amendment No. 169 (to amendment No. 100), to prevent identity theft by allowing the sharing of Social Security data among government agencies for immigration enforcement purposes.

Enzi (for Cornyn) amendment No. 135 (to amendment No. 100), to amend the Internal Revenue Code of 1986 to repeal the Federal unemployment surtax.

Enzi (for Cornyn) amendment No. 138 (to amendment No. 100), to amend the Internal Revenue Code of 1986 to expand workplace health incentives by equalizing the tax consequences of employee athletic facility use.

Sessions (for Kyl) amendment No. 209 (to amendment No. 100), to extend through December 31, 2012, the increased expensing for small businesses.

Division I of Sessions (for Kyl) amendment No. 210 (to amendment No. 100), to provided for the permanent extension of increasing expensing for small businesses, the depreciation treatment of leasehold, restaurant, and retail space improvements, and the work opportunity tax credit.

Division II of Sessions (for Kyl) amendment No. 210 (to amendment No. 100), to provided for the permanent extension of increasing expensing for small businesses, the depreciation treatment of leasehold, restaurant, and retail space improvements, and the work opportunity tax credit.

Division III of Sessions (for Kyl) amendment No. 210 (to amendment No. 100), to pro-

vided for the permanent extension of increasing expensing for small businesses, the depreciation treatment of leasehold, restaurant, and retail space improvements, and the work opportunity tax credit.

Division IV of Sessions (for Kyl) amendment No. 210 (to amendment No. 100), to provided for the permanent extension of increasing expensing for small businesses, the depreciation treatment of leasehold, restaurant, and retail space improvements, and the work opportunity tax credit.

Division V of Sessions (for Kyl) amendment No. 210 (to amendment No. 100), to provided for the permanent extension of increasing expensing for small businesses, the depreciation treatment of leasehold, restaurant, and retail space improvements, and the work opportunity tax credit.

Mr. KENNEDY. Mr. President, it has been a week now that the Senate has had on its agenda and before the Senate legislation to increase the minimum wage from \$5.15 to \$7.25. In that week, every Member of Congress has effectively earned \$3,200, but we have not acted on an increase in the minimum wage for hard-working American people who are earning \$5.15, to raise their minimum wage to \$7.25. We have had 1 week of talking here on the floor of the Senate without action.

It looks to me as if we are going to have, thankfully, as a result of the action of the majority leader, a vote at least on cloture to try to terminate the debate. But there will be additional procedural issues that will mean that those who are opposed to an increase in the minimum wage will be able to delay the increase in the minimum wage for another week.

As the parliamentary situation is playing its way out, there will be the possibility of 60 hours after the vote on cloture, which will take us effectively through the end of this week. So that will be 2 weeks where the Members of the Senate have then earned \$6,400, but we have been unwilling to either vote up or down on the increase of the minimum wage from \$5.15 an hour to \$7.25 an hour.

For the millions of people at the lower end of the economic ladder—men and women of dignity who work hard, those who are assistants to our teachers and work in the schools of this country, those who work in some of the nursing homes and look after the elderly, many of those of the great generation that fought in World War II and brought the country out of the time of the Depression—they are still earning \$5.15 an hour. They work in many of the hotels and motels that dot the countryside and the great buildings of American commerce—these people are working at \$5.15. They will work for that tomorrow, and they worked for that the day before. And now, because our Republican friends refuse to permit us a vote, they are going to continue to work at \$5.15 an hour. It has been 10 years.

I went back and looked at the number of days we have tried to get an increase in the minimum wage since our last increase, and that was 16 days. So we have effectively been debating an

increase in the minimum wage for 23 days since the last increase in the minimum wage, and there has been opposition from our Republican friends.

It is true that we have disposed of some 21 amendments, but there are almost 100 left from that side. We don't have any. We will have some if they insist on some amendments. But our side is prepared to vote now. I daresay the majority leader would come out here, if the minority leader would agree, and set a time—I bet even for this afternoon, in an hour, 2 hours, perhaps even less. Perhaps some colleagues have been notified that we would not have votes today, so in fairness to them we could start the vote at the start of business tomorrow morning. There would not be any objection here. There are no amendments on our side. Still, there are 90 amendments on the other side, and they are exercising parliamentary procedures in order to get to delay the consideration of the minimum wage, including \$200 billion in changes in Social Security—that was an amendment offered from that side—\$35 billion in tax reductions and areas of education, some of which I support, but certainly with no offsets. They were never considered. They didn't include offsets, for example, with IDEA, the legislation that looks after the disabled children, or didn't increase the Pell grants. We didn't even have a chance to look at it. But no, no, let's do that, use this vehicle for that measure. Let's get those Members on your side and the Democratic side lined up to vote against providing additional assistance on education. Maybe we can use that in the next campaign.

What about health savings accounts—that wonderful idea that benefits the medium income; the people it benefits are those making \$133,000 a year. That is the medium income of the people who benefit from the health savings accounts. We are talking about raising the minimum wage to \$7.25. They are talking about giving additional tax benefits to individuals in the health savings accounts of hundreds of thousands of dollars.

The list goes on, Mr. President. These are matters which have absolutely nothing to do with the minimum wage. It is a delay, and it is to politicize these issues. We all know what is going on. The Republican leadership is opposed to the increase in the minimum wage. When they had the majority of the Senate, they constantly opposed any effort. Even though a majority of the Members of this body and the House of Representatives favored an increase, they refused to permit us to get a vote on it, and the President indicated he would veto it if we had.

So that is where we are as we start off this week on the issue of the minimum wage. We find out our side—the Democratic side—follows the leadership that took place in the House of Representatives with NANCY PELOSI. They had 4 hours of debate, and 80 members of the Republican Party

voted for an increase in the minimum wage. But here it is a different story. For the millions of Americans who say: My goodness, here is the House of Representatives; look, in 4 hours, it looks as if hope is on the way—and they didn't understand the strength of the Republican opposition to an increase in the minimum wage. I have seen it at other times. We have seen it at other times.

It is always baffling to me, what the Republicans have against hard-working Americans. What do they have against minimum wage workers? We don't hear about it. They don't debate it. They will debate other matters, but what do they have against them? What possibly do they have against these hard-working Americans? They are trying to provide for families, play by the rules, and work 40 hours a week, and in so many instances they are trying to bring up children. What is so outrageous?

Some say that if we raise the minimum wage, we are going to have the problem of increasing unemployment. We have heard that argument out here on the floor. Let me, first of all, show what has happened historically with the minimum wage.

Until recent times, we have had Republicans and Democrats who supported an increase in the minimum wage, starting with Franklin D. Roosevelt, Harry Truman, then Dwight Eisenhower. They raised it \$1 in 1955. Then President Kennedy increased it, Lyndon Johnson, Richard Nixon supported an increase, Jimmy Carter, George Bush I, and William Clinton. That was the last increase. We voted on it in 1996, and it became effective in the fall of 1997. There were two different phases to it.

First, people say: When you raise the minimum wage, look what is going to happen in terms of unemployment. Unemployment will rise.

If we look at what has happened with unemployment at the time we passed the last increase in the minimum wage to \$5.15 an hour in 1997, we can see there have been small increases, but the whole trend has been down. So much for the argument of unemployment.

They say: That chart really doesn't show it because it doesn't reflect what is happening in the economy in terms of job growth. Look at what happened when we raised the minimum wage from \$4.25 an hour to \$4.75 an hour, and then we raised it again to \$5.15 an hour. Look at that red line showing steady and constant job growth after an increase in the minimum wage.

Look at what percent the minimum wage is. Increasing the minimum wage to \$7.25 is vital to workers, but it is a drop in the bucket to the national payroll. All Americans combined earn \$5.4 trillion a year. A minimum wage increase to \$7.25 is less than one-fifth of 1 percent of this national payroll. It is less than one-fifth of 1 percent of this national payroll. And we have heard from those who oppose the minimum

wage about all of these economic calamities. These are the facts in terms of the national payroll. It isn't even a drop in the bucket. It isn't even a piece of sand on the beach it is so little. Yet they say the economic indicators say this.

Look what has happened to States that have a higher minimum wage than the national minimum wage, and see what has happened in terms of job growth. This chart shows 11 States plus the District of Columbia with wages higher than \$5.15 an hour. Overall employment growth has been 9.7 percent; 39 States with a minimum wage at \$5.15, 7.5 percent. Those States that have had an increase in the minimum wage have had more job growth, and it is understandable. The economic reports and studies show that if workers are treated fairly, there will be increased productivity. They are going to stay around longer and work. There will be less absenteeism, less turnover, more productivity, and you are going to increase your output. And this is all reflected in various studies.

Look at small business. They say that is good for the Nation, but it doesn't really reflect what is happening to small businesses.

This chart states that higher minimum wages create more small businesses. The overall growth in number of small businesses from 1998 to 2003 is 5.4 percent and 4.2 percent. These are the small businesses about which we heard a great deal. We have the small business exemption that exempts 3.6 million workers who are working for the real mom-and-pop stores, where their gross income is less than \$500,000.

This gives us some idea of the nature of the economic arguments. They don't hold water. They didn't hold water previously. We have seen a decline in the purchasing power of the minimum wage over this period of time. This chart is in real dollars. We can see where it was in 1960, 1965, 1970, 1975, going to 1980 and then a gradual decline. Starting in 1980, under President Reagan, it is going down. And we see the increases that came in the nineties under President Clinton. The purchasing power of \$5.15, as this chart shows, was probably the lowest it had ever been. Its purchasing power has lost 20 percent. All we are asking is to get it back to \$7.25 and to get the purchasing power back to where it was when we went to \$5.15. Isn't that outrageous?

What have we done in taxes for all the others? We are trying to restore the purchasing power. Let's look in the meantime at what we have done for companies and corporations. Let me go to this, Mr. President. Look at what has happened. Productivity and profits skyrocket while minimum wage plummets. Look at the profits. From 1997 to 2006 profits were up 45 percent, productivity was up 29 percent, and the minimum wage was down 20 percent.

Historically, in the sixties, seventies, all the way up to 1980, when we saw an

increase in productivity, that was shared with the workers. Companies, corporations shared the increase in productivity with the workers. No longer. That doesn't exist any longer. They take all of that productivity, and it is now an increase in profits.

This chart indicates what has happened to the real minimum wage and what has happened to productivity. See, going back to the sixties, 1960 to 1965, even into the seventies, closer productivity, workers working harder, increasing productivity. They shared in the increasing productivity with wages. Not anymore. All of that productivity has been turned into profits.

I want to spend my last few minutes—now that we have had the economic argument—reviewing quickly the most powerful argument, and that is what has happened in terms of these figures, how they translate into real people's lives. The charts reflect the growth of poverty in America. We are the strongest economic country in the world, and we find that between 2000 and 2005, we see that the number of people who are living in poverty in the United States of America has increased by over 5 million—5 million in the United States of America—during this period of the economy.

I listened to the President talk the other night about how the economy is just going like gangbusters. Talk about the number of bankruptcies, talk about the growth of poverty—5 million. Let's look at what happened with regard to the number of children who are living in poverty. There were 11 million in 2000 and 1.3 million more at the present time.

This country, of all the industrial nations in the world, has the highest child poverty in the world. Look at the chart and look at the end. Look at the red line. It is not even close. The United States of America has the highest child poverty in the world. That means the loss of hopes and dreams for these children, increasing pressures in terms of children dropping out of school because they are living in poverty and are not being fed in the morning. They are not getting good quality health care or any kind of health care. Their parents have two or three jobs and they are not getting the attention they need. The basic abandonment of so many children in our society.

We read last week into the *RECORD* the New York Times article about the burden that is going to be on the American economy. That may get the attention of some of our friends on the other side. They expect that increased child poverty in this Nation is going to cost another \$500 billion just because of what is happening to children in our society.

Let me show what happens to child poverty in States which have a higher minimum wage. This isn't an accident. If the minimum wage is raised, it has an impact on child poverty. Alaska, Connecticut—all the way, the States that are listed here—New Jersey, Or-

gon, Rhode Island, Vermont, the State of Washington—are above the national average poverty rate. They have higher economic growth, higher small business growth, less child poverty. That is what we have seen. National average child poverty, again, the high minimum wage States, again, have lower child poverty rates.

Very quickly, we have seen two nations of the world that have made child poverty a particular issue—Great Britain and Ireland. Now the minimum wage is \$9.58 an hour in Great Britain. They brought 2,000,000 children out of poverty. They are a very strong economy in Europe.

In Ireland, they have reduced child poverty by 40 percent. They are also a very strong economy.

What we know is that the economic arguments don't hold water, and the adverse impact is particularly harsh on children.

All during this time, we have seen this extraordinary explosion of tax breaks that have been given to large companies and small companies. They say these can't do it unless they get help. Over the last 10 years, there have been \$276 billion in tax breaks for corporations and \$36 billion in tax breaks for small businesses, and our Republican friends are insisting that we add more tax breaks if we want any hope of getting an increase in the minimum wage.

Americans understand fairness, and this is not fair. Trying to hold up an increase in the minimum wage for hard-working Americans, who are working and playing by the rules, is not fair. Americans understand fairness. There are no economic arguments. We have been out here now for 7 days. I haven't heard them. I have been willing to debate any of those arguments. No, no, we don't get into the economic arguments. We used to years ago. Now we don't get into them. We just have to use this vehicle for all these other additions in order to basically frustrate this body from getting an increase in the minimum wage.

As I said before, I don't understand what it is that our Republican friends find so obnoxious about hard-working men and women who are working at the minimum wage, but evidently there is something because they will not let the Senate of the United States act on this legislation.

This is about fairness. This is about the hopes and dreams of children. It is about decency and fairness to women because women are the primary recipients of the minimum wage. So many of them have children. Eighty percent of those who receive the minimum wage are adults; 40 percent of those who receive the minimum wage have been receiving it for 3 years.

This is an issue that women are concerned about, that has an enormous impact on children, that is basically a civil rights issue because minimum wage jobs so often are the entry jobs for men and women of color. But it

comes back to fairness. It is basically the issue of fairness, whether we are going to be fair to hard-working Americans. Our Republican friends refuse—absolutely refuse—they refuse to let us get a vote on this minimum wage, and they have basically filibustered by amendment.

As I said, we have over 90 amendments remaining. Democrats on this side are prepared, ready, and willing to vote. We thank our leader for bringing up this legislation. We are going to continue to battle on.

We give assurance to those who are looking to us to represent them, to speak for them in the Senate, that we will speak for them. We will stand for them. They should know that we are on their side, and we don't intend to fail.

Mr. President, I yield the floor.

THE PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent to speak as in morning business.

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

IRAQ

Mr. KYL. Mr. President, I, too, am anxious to get on to the debate about the resolutions that deal with Iraq. I will speak to that for 10 minutes.

My position is clear. I think we ought to give the President's strategy a chance to work. We asked him to come up with a new strategy. He has done so, and it seems to me that it is our responsibility as a Senate to give that a chance to work or to provide an alternative—not an alternative to leave but an alternative to win. There are plenty of ways to leave. We can begin leaving now and have it done in a year. We can leave in 6 months. We can leave to the border but not beyond. There are a lot of different ideas about how to leave, but an alternative is not how to leave but how to win.

The President has presented such a strategy and I believe we ought to give it a chance to work.

Resolutions that are nonbinding nevertheless have consequences. They can't change the policy that is already being effected, the strategy in Iraq, but what they can do is send very powerful messages. First, they can send a message to our enemies. It seems to me the last message we want to send to the enemy is that the Congress does not support the mission in Iraq. Obviously that emboldens the enemy. That is what GEN David Petraeus said in his testimony before the Armed Services Committee last week. It sends a message to our allies that we are not in it to the end, and they begin to wonder whether they should start hedging their bets.

By the way, it sends a message to a country such as Iran, which is already beginning to offer, now, to in effect take our place in Iraq: They will do the training of troops, they will do the reconstruction if the Iraqis will simply invite them in. That obviously would not be in our best interests, not to mention the Iraqis' best interests.

Most importantly, a resolution such as this sends a message to our troops. It is a very powerful message and a very negative one. It is a message that in effect says we support you, but we don't support your mission. We are sending you into a place where you could well die, but we don't support the cause for which you are dying. We don't think you can win. As a matter of fact, I have more respect for those who advocate voting on whether we should continue to support the effort monetarily—the legitimate function of the Congress, to cut off the funds if we don't like the war—than I do for those who simply want to “send a message.” At least the others would be willing to have the courage of their convictions, that if this is not a winnable war, we better stop it now as opposed to simply trying to send a message.

Let me tell you what this message does. Last Friday night I was watching the NBC “Nightly News.” Brian Williams was the broadcaster, and he called on Richard Engel, reporting from Iraq, to talk about what was going on there. Richard Engel talked about the Stryker Brigade, Apache Company, setting out on a mission to find bases for U.S. troops. I will quote what he said in the report.

He said:

It's not just the new mission the soldiers are adjusting to. They have something else on their minds: The growing debate at home about the war. Troops here say they are increasingly frustrated by American criticism of the war. Many take it personally, believing it is also criticism of what they've been fighting for.

He goes on to say:

Twenty-one-year-old Specialist Tyler Johnson is on his first tour in Iraq. He thinks skeptics should come over and see what it's like firsthand before criticizing.

And here is what Specialist Tyler Johnson said:

Those people are dying. You know what I'm saying? You may support—“oh we support the troops,” but you're not supporting what they do, what they share and sweat for, what they believe for, what we die for. It just don't make sense to me.

Back to Richard Engel:

Staff Sergeant Manuel Sahagun has served in Afghanistan and is now on his second tour in Iraq. He says people back home can't have it both ways.

And then Staff Sergeant Manuel Sahagun says the following:

One thing I don't like is when people back home say they support the troops but they don't support the war. If they're going to support us, support us all the way.

Engel then says:

Specialist Peter Manna thinks people have forgotten the toll the war has taken.

And Specialist Peter Manna says:

If they don't think we are doing a good job, everything we have done here is all in vain.

Engel concludes the report by saying:

Apache Company has lost two soldiers and now worries their country may be abandoning the mission they died for.

Richard Engel, ABC News, Baghdad.

That report struck me. I immediately talked to my wife about it, and

I said those three soldiers have said more eloquently than I and my colleagues have, than we have, in making the point that you can't have it both ways. You can't both support the troops and oppose the mission we are sending them on, putting them in harm's way. And can we say that their colleagues who died did not die in vain if the Senate goes on record saying we don't support your mission?

This is the conflict that has to be in the minds of the families of those who are putting their lives on the line and the very soldiers and marines who are doing the same.

Last Friday, this Senate confirmed GEN David Petraeus to take command of that theater, and there were all kinds of expressions of support for him. He is, indeed, one of the finest military officers ever to come before the Senate for confirmation. No one said otherwise. Yet at the same time we are talking about passing a resolution that would say to him: We don't believe in the mission we have just sent you on.

He testified he needed more troops in order to carry out the mission and that he supported the President's new strategy, one component of which is to add some troops so that he has the capability, in conjunction with the new Iraqi troops, to stabilize and pacify the city of Baghdad as well as the Al Anbar Province, which is currently being threatened by al-Qaida terrorists. He said he needs those new troops. Yet Congress would go on record as saying we do not believe you should have those new troops.

Again, at least some number of my colleagues, maybe half or thereabouts on the other side of the aisle, would cut off the funding for the troops in order not just to send a message but to end the involvement. At least that is a position that has action attached to it. I disagree with it, but simply sending the message by sending David Petraeus on the way, patting him on the back, saying, “Go do a good job but, by the way, we don't believe in the mission,” it seems to me is starting off on the wrong foot.

He said something else in his testimony that I thought was telling. He said: Wars are all about your will, your will and your enemy's will.

When asked a question by Senator LIEBERMAN, he said passage of these resolutions would not be helpful, among other things, because you need to break the enemy's will in a conflict, in a war. This kind of resolution would inhibit his ability, General Petraeus's ability, with our great military, to break the enemy's will to fight. How can you break the enemy's will to fight when the people who are allegedly running the war back home have already signaled that they think it is lost and it is simply a matter of bringing the troops home, and that the mission is not supported by a majority of the Senate?

Resolutions, even if they are non-binding, have consequences. In this

case the consequences are detrimental, to our enemy, to our allies, and to our soldiers and their families.

We have some solemn responsibility here, but none is more serious than putting our young men and women in harm's way. All of us want to bring them home safe and sound. We all understand when we vote for that, people are going to die. Everyone who does that does so with a solemn responsibility. We are all looking for a way also to end the conflict so no more have to die. But the reason we authorized this in the first place was because we understood there was a mission to perform. Even those who disagree with the reasons to begin with appreciate the fact that we cannot leave Iraq a failed state. I think virtually everybody in this body would agree with that proposition. We cannot leave Iraq a failed state. The consequences, not just to the Iraqis and to the other people in the region but to United States security, would be devastating.

Something else on which most people agree is that the Iraqis are not currently in a position to pacify Baghdad and Al Anbar Province all by themselves. They need our help. That is what the testimony before the committees was last week.

If they need our help, if we all agree we can't leave Iraq a failed state, if General Petraeus is saying we need some time and some troops to get this job done in conjunction with a significant change in the way the Iraqis are approaching the war—finally backing us up now when we say we want to go into these areas and not just clear them but hold them, keep the bad guys in jail, the ones who have not been killed, for example—if we agree with all those things, then it seems to me the last thing the Senate should be doing is considering a resolution which would say we disagree with the mission, we disagree with the President's strategy, we don't think we should be sending any more troops, and we want to begin a process of withdrawing from Iraq.

When the debate time comes, I am anxious to have it. The American people deserve a debate. I heard a message yesterday that the American people had spoken. Indeed they did. I had an opponent who said we should withdraw from Iraq. Yet I won the last election, saying we needed to stay there until the mission was completed, and I even supported the addition of more troops if that were necessary. In the case of Arizona, I think people have spoken.

The reality is, however, I think it is a mixed message. They would all like to get out as quickly as possible, but if you ask them, Do you think we should leave before the mission is accomplished, do you think we should leave even though there is the strong probability of a failed Iraqi state, do you think we can say we support the American troops but we don't support the mission, I think we would disagree with that proposition.

It is up to us as leaders to lead. That means to let them know we support not just them but their mission, that we want to see it accomplished, and we will not undercut that mission or their support by passing a resolution that disapproves of the new strategy.

I hope my colleagues will agree we have to give this strategy a chance to work.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. I ask unanimous consent to speak for up to 8 minutes, and following that, the Senator from Alabama to speak for up to an hour.

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

Mr. CORNYN. Mr. President, I have two amendments before the body I would like to explain briefly. Then I am impelled to respond to some of the argument we have heard from the distinguished Senator from Massachusetts. I guess the question he put was what do Republicans have against hard-working Americans? I will respond to that in a moment.

AMENDMENT NO. 135

My first amendment has to do with the Federal unemployment surtax. In the 1970s, the Unemployment Trust Fund faced financial strains, so Congress imposed a surtax to bring money into the unemployment system, the unemployment compensation system, in order to meet its obligations. That debt was paid off in the 1980s. Congress has continued, however, to collect the unemployment surtax, proving the maxim once stated by Ronald Reagan that the closest thing to eternal life here on Earth is a temporary government program. I think this proves that.

The Federal unemployment surtax should have expired 20 years ago. Since 1987, the surtax has taken approximately \$28 billion out of the pockets of U.S. businesses. Is that \$28 billion over 20 years worth the broken promise to eliminate it? I think not. Elimination of the surtax, which this amendment will do, will save businesses across the country—and in my particular State, \$135 million—but it will save businesses across the country proportionate amounts.

This is an easy and logical way to trim payroll taxes. The FUTA tax without the surtax is sufficient to fund State and Federal unemployment administrations. Without the surtax, the Federal unemployment tax generates nearly \$6 billion a year, and all accounts associated with the Federal Unemployment Trust Fund have ample balances.

It is simply a matter of keeping the faith with the American people, when we tell them we have a temporary program and that program runs its course and serves its purpose, to eliminate it. That is what this amendment would do, and I ask the support of my colleagues for that amendment.

AMENDMENT NO. 138

My second amendment addresses the issue of preventive health care. You

might ask what does that have to do with regulatory and tax relief to small businesses and the minimum wage? Well, this amendment, which asks for the adoption of a stand-alone bill called the Workforce Health Improvement Program Act, would put small businesses on a level playing field with big businesses to provide health benefits to their employees that they can deduct but for which small businesses cannot deduct the same benefits they might want to give by outsourcing those to health clubs, for example.

Let me explain where I am coming from. Public health experts unanimously agree that people who maintain active and healthy lifestyles dramatically reduce the risk of contracting chronic diseases. A physically fit population helps decrease health care costs, 50 percent of which, by the way, are borne by the Federal taxpayer. A physically fit population reduces Federal Government spending, reduces illnesses, and improves worker productivity.

The costs, though, are not just measured in dollars. According to the Surgeon General's "Call to Action to Prevent and Decrease Overweight and Obesity" published in 2001, 300,000 deaths per year in America are associated with being overweight or obese. Regular physical activity reduces the risk of developing or dying from some of the leading causes of illness and death in the United States.

Additionally, Medicare and Medicaid programs currently spend \$84 billion annually on five major chronic diseases: diabetes, heart disease, depression, cancer, and arthritis. It is important we not only treat these diseases once they are manifested but that we also explore ways to prevent them in the first place. Consider this statistic—the numbers are staggering. This is from the American Diabetes Association:

The total annual economic cost of diabetes in 2002 in the United States of America was \$132 billion. Direct medical expenditures totaled \$92 billion and \$23.2 billion of that was for diabetes care, \$24.6 billion was for chronic diabetes-related complications, and \$44.1 billion was for excess prevalence of general medical conditions related to diabetes. Indirect costs resulting to lost work days, restricted activity days, mortality, and permanent disability due to diabetes totaled \$40.8 billion.

One NIH study reported in the New England Journal of Medicine showed that modest changes in exercise and diet can prevent diabetes in 58 percent of the people at high risk for the disease. What is more, the trial showed that participants over 60 years of age benefited the most, preventing the onset of diabetes by 71 percent. Even assuming that intervention with modest changes in exercise and diet is only half that effective, they estimated the possible 10-year savings to the health care system would be \$344 billion.

I think it makes enormous sense, as we look to try and level the playing field for small businesses as part of this

comprehensive package, that we seriously consider leveling the playing field by providing an ability to prevent the occurrence—the incidence, I should say—of obesity-related diseases, namely diabetes, which causes so much human misery and so much unnecessary expense that could be avoided if we could encourage more Americans to a more active lifestyle and a better diet.

So I ask my colleagues for their consideration of this amendment as well.

Mr. President, could I ask how much time I have remaining?

The PRESIDING OFFICER (Mr. DURBIN). The Senator from Texas has 1 minute remaining.

Mr. CORNYN. Mr. President, if I may ask unanimous consent for an additional 2 minutes, for a total of 3 minutes, I would appreciate it.

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

Mr. CORNYN. Mr. President, the Senator from Massachusetts a moment ago asked—because Republicans have asked for additional tax and regulatory relief for small businesses that employ 70 percent of the American people—what it is that Republicans have against hard-working Americans because of our desire to pass not just a minimum wage of \$7.25 an hour, up from the \$5.15 an hour. He said that this was an effort to politicize the issue.

So I would have to ask the Senator, when the minimum wage affects 2.5 percent of the workforce in America, mainly teenagers and part-time workers, people entering the workforce, is this the way to address the needs of hard-working Americans? Why is it we are so focused on a minimum wage, when what we ought to be focused on is maximizing the wages of American workers primarily, I believe, through increased training, workforce initiatives, working through community colleges with the private sector to train people for good wages, much higher than minimum wage, that exist in this country but go wanting for lack of trained workers. These programs exist in our communities in my State and throughout the country, and I think we would do better to focus our efforts to try to improve the standard of living for people across America.

I simply disagree with the Senator from Massachusetts, if he says by focusing on 2.5 percent of the workforce and by trying to ameliorate some of the harm to small businesses that generate 70 percent of the jobs, we are doing anything that would harm hard-working Americans. To the contrary, what we are trying to do is make sure those hard-working Americans have jobs, not that they are put out of work by well-intentioned but unsuccessful attempts for Government to mandate wages without taking into account the impact on small businesses, the primary employers in our country.

Mr. President, I appreciate the courtesy of the Senator from Alabama, who

was supposed to start speaking at 4 o'clock, allowing a couple of us to speak, and I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

IRAQ

Mr. SESSIONS. Mr. President, I thank the Chair and I thank Senator CORNYN and Senator KYL for their remarks. I share with Senator KYL his concern over the resolution that we will be apparently addressing later this week or next week. He quoted an NBC News report in which soldiers in Iraq in harm's way said that, in their view, you can't support the soldiers without supporting the policy we sent them on, and that is a troubling thing.

Today I talked to a businessman from Alabama—quite a fine, upstanding leader in the community. His son is in Iraq right now. They already heard about the Senate Foreign Relations Committee resolution. It was very troubling to them. They didn't know how to read it, according to him, or what it meant to them. I talked to a lady not long ago, within the last week, and she told me her son was in his second tour there, and he believed in what he was doing. He was proud to serve, but he didn't know what we were doing here. He said he: "Didn't want to be the last soldier to die if we weren't going to follow through on a policy that we have set here."

So we are in a difficult time, and we need to remember those things as we set about our policy. I don't know all of the answers. I don't disrespect people who would disagree with me on this. I know there are a lot of people with a lot of different ideas about what to do in Iraq. But my observation is and my thought is that we, as a Congress, ought to affirm the policies we are asking our soldiers to execute. They say we are not asking them, but the President is, and the President speaks for us, until Congress withdraws that power by reducing his funding. The President executes the policies as Commander in Chief. So it is a big deal and we need to be careful about what we do and I am disappointed we will be dealing with those resolutions.

Mr. President, I remember during the immigration debate last fall, last summer and spring, Senator KENNEDY and I were on the floor one night, and I talked about how I believe the large amount of immigration we are seeing today, much of it illegal, was adversely affecting the wages of American workers. Senator KENNEDY didn't object to that, but he stood up and in response basically said: Well, we are going to offer a minimum wage bill, and that is going to take care of it. If anyone heard Senator LAMAR ALEXANDER's speech on Friday—and not many people did; it was after the vote had been cast—but he went into some detail and with great care explained how the minimum wage is not reaching poor working people in this country in the ways most people think it is but that most people making minimum wage are part

of a household whose income exceeds \$40,000 a year, I believe was the figure he cited, and there are a number of studies on that. The point being that usually it is a transition period for young people or others—maybe they are part time and that kind of thing.

I am not saying people would not like an increase in the minimum wage, but the working poor, the people who are every day out giving their best to try to raise their families and who need to have a higher income, people who have been out there for years and working, they are already above \$7 an hour, for the most part. If they show up on time and are reliable and give an honest day's work, as almost all of them do, then they are going to be above \$7 an hour now. Do you follow me? So this is not the panacea we are concerned about. What we want and what we care about, fellow citizens and Members of the Senate, is having better wages for working Americans, having all the people be able to go out and get a better wage they can take home and take care of their families with. That includes how much taxes are taken out, how much insurance is taken out.

President Bush has a great proposal that is going to help a lot of people. I assure my colleagues a lot of people will feel a substantial benefit from this health care tax credit plan he has proposed. That is a way to help working people, a real significant way.

Senator ALEXANDER mentioned the earned-income tax credit, and he went into some detail about it. Economists and experts are quite clear: The earned-income tax credit more appropriately benefits working Americans than a minimum wage at much less cost. We spend \$40 billion a year on the earned-income tax credit. That is what the credit amounts to in terms of benefits to working Americans. Their wages are lower, and, at certain levels, they don't qualify for other benefits. And as a result, they do qualify for the earned-income tax credit. So I would like to talk about that.

I offered an amendment that would have required the earned-income tax credit to be paid on individual's paychecks, when they get their paycheck each payday. That is correct, in my view, as a matter of policy. It is a complex thing. Some are concerned about the mechanics of it. So I offered another amendment that was accepted by the Democratic leadership and the Republican leadership that required the Department of the Treasury to review what would happen and how it could be done if we allowed people to get their earned-income tax credit on their weekly or biweekly paycheck. It can be done now. In fact, a little less than 2 percent of the people get their earned-income tax credit, or at least a portion of it, on their check each week.

So we would like to talk about that because as we debate the minimum wage, the real debate is how to help working Americans, middle-class Americans, lower income Americans

get more legitimate pay for the work they do.

Now, that is what we are all about; not some fetish with having an increase in the minimum wage, particularly when it is not going to be as effective in meeting the needs of the working poor, as is being sold to this Congress and the American people.

In 2004, more than 22 million Americans—get this—more than 22 million Americans claimed the earned-income tax credit, putting \$40.7 billion into the pockets of the working poor. This is a very large program. It is a very large shift of resources to the working poor. The amount of the credit for each recipient depends on several factors, such as the worker's income and the number of dependent children they claim.

Nonetheless, a low-income worker with one child will be eligible to claim up to \$2,853 for tax year 2007, while a worker with two or more children could receive \$4,718 on a 2,200-hour work year. The average earned-income tax credit for a beneficiary with a qualifying child was \$1,728 in 2004. That is almost \$1 an hour on average.

Many have criticized the earned-income tax credit over the years, saying it is another welfare handout and it has far too much fraud in it. Some numbers have shown fraud as high as over 30 percent, but the tax credit is here to stay. I don't see any real movement to eliminate it. Why don't we see if we can make it work better?

The idea is to reward work. It is a benefit of the Government, an earned tax credit, earned by working. That was the purpose of the earned-income tax credit from the beginning, to encourage welfare recipients and others who were not in the workforce to decide that it was beneficial for them to work. Some of this came from Milton Friedman, the great free market economist who recently died, calling for a negative income tax. That is sort of what inspired this.

All is not perfect. The earned-income tax credit has provided real money for low-income Americans working hard to pull their family out of poverty. As Senator ALEXANDER demonstrated in some detail, remarkably and ably, it gets to the working poor far better than an increase in the minimum wage.

An important feature added to the earned-income tax credit occurred in 1978, a few years after the law was passed. That allows the credit recipients to receive the benefit on their paychecks rather than as a one-time lump sum tax refund. Now, you work all year. Most people have no idea if they are earning any earned-income tax credit. They are not receiving extra money for their work. And next year, they file for a tax refund and get a big check, disconnecting, in their minds, the receipt of that check with the work they did the year before. Therefore, it ceases to be the kind of incentive to work we want it to be.

Receiving an advanced payment under the law is simple. Workers believing they will be eligible can fill out

a form or W-5 with their employer, and once completed workers will receive part of their EITC benefit on their paycheck based on the amount they are expected to receive over the year based on their income. So despite a number of campaigns by the IRS to increase the number that sign up for this advance payment, only a few do, less than 2 percent. The majority, unaware they can receive the credit in advance, receive it in the form of a tax refund in the spring of the next year.

Recipients earn the tax credit by working throughout the year. Yet they do not receive the benefit until months after when they file their tax returns. For most workers who receive the EITC as a lump sum at the end of the year, they never make that connection between the increased work and the increased paycheck, as they simply receive a fat check.

How can it encourage work if there is no correlation for most recipients between the work they do and the money they receive?

An amendment, which the Senate has already accepted, challenges the Secretary of the Treasury, the Department of the Treasury, to get us a report on how we can do this effectively. It is important. It will ensure the taxpayers who are giving this benefit to working Americans get the second part of the benefit that the taxpayers intended them to receive.

The first part, of course, is helping the working poor have more money for their families. We want to help them. The second benefit we want to occur is for the overall economy and health of America to encourage people to work, to make work more rewarding. If you are making \$7 an hour and you get \$1 an hour pay raise as a result of the earned-income tax credit, you have received a substantial increase, well over 10 percent increase in your take home pay, especially since there are no taxes taken out of that part that has accrued as a result of the earned-income tax credit.

That encourages work. That makes work more attractive. That helps meet the needs of America today. That is what this is about. A worker who is making \$6 an hour would be making closer to \$7. Workers making \$8 would be making closer to \$9. It adds up to real money as the years go by.

We can do a much better job of utilizing the existing program without any cost beyond what we are already expending, but in a way that gets money to people when they need it, right then on their paycheck. They may have a tire blow out and they need a new tire. The transmission may have broken in their car. A child may need to go on a trip at school. They need the money as they earn it so they can apply it in a sound way to their family's budgetary needs instead of one big fat check sometime in the spring of the next year. That is a suggestion I have for improving the quality of life for American workers.

Another sense-of-the-Senate amendment I offered, that was accepted, we voted on 98 to 0, was to call on Congress to state that it is a sense of the Senate that we should do a better job in Congress of establishing a uniform savings plan for Americans. We in the Government have a wonderful plan called the thrift plan. It allows every Federal worker, in any department or agency, to put money in the thrift plan and the Federal Government would match up to 5 percent of their contributions.

Many young people starting to work for the Government today, if they contribute 5 percent each paycheck, with the Government matching it, will retire with \$1 million in the bank—trust me on that—with the power of compound interest. It is an exciting program.

Many private companies have similar programs, 401(k)-type programs, but many don't. Half of the workers in America today work for a company that does not have such a retirement plan. A chunk of those, even if they do, don't take advantage of it. This is particularly concerning to me because I have learned from Secretary of Labor Elaine Chao that the average American has nine jobs by the time they are 35. What does that say to the practical men and women of the Senate? It says they are bouncing around a lot. They may go to a company that has a plan and they may invest in it a little bit, then they go to a company that doesn't. Or they go to a company that says they have to work for 6 months or a year before they can participate in their plan, or they decide not to put into that plan. Or, if they put in some money and they change jobs and the account is \$500, \$2,000, \$1,500—we have statistics that show that over 40 percent of them cash in those accounts paying the penalties—they think it is not enough money to worry about.

Whereas, if they set aside a small amount of money from the day they start working at age 18, or out of college, every day, every paycheck, a small amount of money set aside as is done by most of the thrift account savers, they could retire with hundreds of thousands in the bank, which would allow for an annuity, if they purchased it at age 65, to pay someone \$2,000 a month for the rest of their life, easy. Those things are realistically possible.

It is a great tragedy, it is a tremendous national tragedy, that in a time where we have relatively low unemployment—in my State it is not much over 3 percent, maybe 3.6 percent in Alabama—and most people are working, the wages have gone up, although not as much as we would like, but our wages are beginning to edge back up, that most Americans are not saving. They could be setting aside even a small amount that would transform their retirement years from retirement years that depend solely on Social Security, the retirement years can be supplemented by a substantial flow of money.

Finally, I talk about another subject, our general concern that wages have not kept up in America. I share that concern. I have heard the economists make the argument—many in the business community are people I respect—make the argument that wages tend to lag behind. Gross domestic production growth goes up for a while and wages do not go up, but they catch up, and there is some truth to that. I don't deny that.

But if you look at the numbers and how middle-class and lower income workers are getting along today, you cannot be pleased with what is occurring, particularly in certain areas and certain fields. It is from that perspective I say, as part of this debate over minimum wage which we are told is designed to help people have more money to take home, to take care of their families, and if you think this is not the right way to do it, you don't love families and you don't want to help poor people; that is not correct.

I hope to be able to vote for this minimum wage bill. I voted for several to increase the minimum wage. I am just saying the minimum wage has been demonstrated by analysis, by top-flight econometric firms, that it does not reach the poor people in a way that most people think it does. It often-times helps young people who are children of some corporate executive who may be working.

Our motivation, and I think it is universal in the Senate, through the legislation moving through the Senate now, is designed to improve the take-home pay of Americans so they can more fully benefit from the great American dream and take care of their families effectively.

Significant economic evidence indicates the presence of large amounts of illegal labor in low-skilled job sectors is depressing the wages of American workers. That is an important statement if it is true, right? If that is true, isn't that important? First of all, we are a nation of laws. We think the laws ought to be enforced.

Overwhelmingly the American people agree with that. But if it also is depressing the wages of working Americans, that is a double concern, particularly as we are asking ourselves in this debate: How can we help low-wage workers do better? I will talk about that. We have to talk about this.

Harvard economist George Borjas, who testified before the Senate Health, Education, Labor and Pensions Committee, and Lawrence Katz, also of Harvard, estimate that the influx of low-skilled, low-wage immigration into our country from 1980 to 2000 has resulted in a 3-percent decrease in wages for the average American worker—that is all workers—and has cut wages to native-born high school dropouts—those who have not obtained a high school degree; unfortunately, we have quite a number of those in our country—who make up the poorest 10 percent of our workforce, by some 8 percent. Eight percent, if you figure that

out on a yearly basis, amounts to \$1,200 a year. That is \$100 a month.

Now, for some people in America today, \$100 a month is not a lot. But if you are making near the minimum wage, \$100 a month is a lot of money.

Alan Tonelson, a research fellow at the U.S. Business and Industry Council Educational Foundation, says:

[T]he most important statistics available show conclusively that, far from easing shortages—

Shortages of labor—

illegal immigrants are adding to labor gluts in America. Specifically, wages in sectors highly dependent on illegals, when adjusted for inflation, are either stagnant or have actually fallen.

Now, he is referring to Labor Department data and information from the Pew Hispanic Center. For example, he cites data from the U.S. Bureau of Labor Statistics that indicates the following: inflation-adjusted wages for the broad Food and Services and Drinking Establishments category—they have a category for that: the broad Food and Services and Drinking Establishments category; and they monitor the wages for it—between the years 2000 to 2005 fell 1.65 percent.

The Pew Hispanic Center estimates that illegal immigrants comprise 17 percent of food preparation workers, 20 percent of cooks, and 23 percent of dishwashers, about a fifth of those workers; three-fifths, four-fifths being legal native citizens. But contrary to what we have been told, that you cannot get workers at the wages they are paying, and paying fair wages, it looks as though the wages have fallen, which is a matter of interest.

Inflation-adjusted wages for the food manufacturing industry—the Pew Hispanic Center estimates that illegal immigrants comprise 14 percent of that workforce—fell 2.4 percent between 2000 and 2005.

Inflation-adjusted wages for hotel workers—the Pew Hispanic Center estimates illegal immigrants make up 10 percent of that workforce—fell 1 percent from 2000 to 2005.

Inflation-adjusted wages in the construction industry—Pew estimates that illegal immigrants make up 12 percent of the workforce there—fell 1.59 percent between 2000 and 2005.

Inflation-adjusted wages in the animal processing and slaughtering subcategory—and Pew estimates that illegal immigrants comprise 27 percent of that workforce, the highest percentage—fell 1.41 percent between 2000 and 2005.

So if these numbers are correct—and they come from the objective BLS and are supposed to be accurate, and we rely on them for our business around here—something is amiss if people say they cannot get workers, yet they are getting the work done, and they are paying less in 2005 than they were in 2000.

Now, you tell me.

Others studying the same issue have found similar trends. According to a re-

cent City Journal article by Steven Malanga, a senior fellow at the Manhattan Institute:

... low-wage immigration has produced such a labor surplus that many of these workers are willing to take jobs without benefits and with salaries far below industry norms. . . .

Well, let me go on. Day laborers—these are people who gather at certain known locations within areas, and they hang out until somebody comes out and hires them—who work in construction in urban areas “like New York and Los Angeles . . . sell their labor by the hour or the day, for \$7 to \$11 an hour . . . far below what full time construction workers earn.”

You see, we want Americans to be able to have a job that has some permanency to it, that pays a decent wage, that has retirement benefits, and has health care benefits. But our workers who might be interested in construction—and more are than most people think—are having to compete against people who will work by the day for \$7 and \$11 an hour and do not demand any benefits.

Robert Samuelson, a contributing editor of Newsweek, has written a column for the Washington Post since 1977. In his column last spring he summed up the impact of illegal immigration on the unskilled American worker this way:

Poor immigrant workers hurt the wages of unskilled Americans. The only question is how much. Studies suggest a range “from negligible to an earnings reduction of almost 10 percent,” according to the [Congressional Budget Office].

That is a lot: 10 percent. Five percent is a lot.

To put this impact into a larger perspective, one might ask how much native workers have lost as a whole due to competition with low-skilled immigrant laborers. Although only a few studies have ever looked at this issue, a 2002 National Bureau of Economic Research paper written by Columbia University economics professors Donald R. Davis and David E. Weinstein is on point.

Using complex methodology, they aggregated the total loss to the U.S. native workers and found that the magnitude of losses for U.S. native workers equates roughly to \$72 billion a year, or .8 percent of GDP. Now, I don't know if that figure is correct, but the earned income tax credit is just \$40 billion a year, and they say it amounts to \$72 billion a year. The economics professors at Columbia University also said immigration is as costly to the United States as all trade protections.

When wages are suppressed, people drop out of the workforce. In addition to the evidence that low-skilled American workers—and particularly African-American workers—are suffering wage suppression due to the competition they face from illegal alien labor, we also know competition is causing some Americans to drop out of the labor force.

Steven Camorota, last spring, of the Center for Immigration Studies, analyzed the steady decline in the share of less-educated adult natives in the workforce between March 2000 and March 2005.

Prior to Hurricane Katrina, there were 4 million unemployed natives—those looking for jobs who were unable to find them—with high school degrees or less in the workforce. An additional 19 million natives with high school degrees or less existed but were not actively looking for jobs.

Between 2000 and 2005, the number of adult immigrants—legal and illegal—with only a high school degree or less in the labor force increased by 1.6 million.

During the same time period, unemployment among high school graduates and less educated native Americans increased by nearly 1 million—so unemployment among our high school graduates or high school dropouts increased by nearly 1 million—and an additional 1.5 million left the workforce altogether.

Although jobs grew in the United States from 2000 to 2005, natives only benefited from 9 percent of the total net job increase. That is an important factor. Although jobs grew in the U.S. from 2000 to 2005, natives only benefited from 9 percent of that total. The number of adult natives holding a job grew by only 303,000, while the number of adult immigrants holding a job increased by 2.9 million. So it is 303,000 compared to 2.9 million among high school graduates or high school dropouts.

Steven Malanga, a senior fellow at the Manhattan Institute, recently explained:

[M]any of the unskilled, uneducated workers now journeying here labor . . . in shrinking industries, where they force out native workers, and many others work in industries where the availability of cheap workers has led businesses to suspend investment in new technologies that would make them less labor-intensive. . . . [T]he unemployment rate among native-born “unskilled workers is high—about 30 percent.”

The unemployment rate among native-born, unskilled workers is about 30 percent, I repeat.

To me, those numbers do indicate a significant problem. It is a problem we need to talk about as we talk about how to help working Americans get a better wage.

Mr. President, I will note a few more points before I wrap up.

Professor Richard Freeman—the Herbert S. Ascherman Professor of Economics at Harvard—testified before the Senate Judiciary Committee. I participated in that hearing last spring. He said:

If you're a poor Mexican, your income in the U.S. will be six to eight times what it is in Mexico.

Robert Samuelson explained in a March 2006 column in the Washington Post:

They're drawn here by wage differences, not labor “shortages.”

American workers, I think it is fair to say, cannot compete with the wage gap between their country and other countries. I was in South America last May with Senator SPECTER. We visited Peru, and we saw a poll that had just been published in Nicaragua while we were there that said 60 percent of the people in Nicaragua would come to the United States if they could. I mentioned that to the State Department team there in Peru, and they told me that a poll in Peru had recently shown, just about this time last year, that 70 percent of the people in Peru would come to the United States if they could.

So I guess what I am saying to my colleagues is, we need an immigration policy that allows immigration and that is consistent with our historic values as a nation that welcomes immigrants, but the numbers and the skill sets that they bring ought to be such that they do not depress wages of our lower income people because we cannot accept everybody in the world who would like to come here. It is not physically possible to any degree that we could accept that.

We have a lottery section that does not have any requirements of skills in it. You apply to it if you want to come to America. It allows for 50,000 to be drawn out of a hat each year. And those who are drawn get to come to America on a random basis. We had 5 million people, according to Professor Borjas at Harvard, who applied for those 50,000 slots. I do not blame people who want to come here. I am not demeaning them. Most of them are good and decent people who want to get ahead. But we have such a higher wage base that we could attract people from all over the world in virtually unlimited numbers, and it does have the impact, if allowed to be too great and too concentrated in certain industries, to pull down American wages.

While we are thinking about how to increase the wages of American workers, we need to think about that. That is all I am saying. And we are going to talk about that if we talk about immigration this year, as I expect we will. We can have immigration, but it needs to be done right.

How do we level the playing field? Let's consider the advice given by Dr. Barry Chiswick. He is the head of the Department of Economics at the University of Illinois in Chicago. He testified before the Senate Judiciary Committee last spring, stating:

[T]he large increase in low-skilled immigration . . . has had the effect of decreasing the wages and employment opportunities of low-skilled workers who are currently residing in the United States.

He goes on to say:

Over the past two decades . . . The real earnings of low skilled workers have either stagnated or decreased somewhat.

[W]e . . . need to . . . provide greater assistance to low-skilled Americans in their quest for better jobs and higher wages. [O]ne of the best ways we can help them in this regard is by reducing the very substantial

competition that they are facing from this very large and uncontrolled low-skilled immigration that is the result of both our legal immigration system and the absence of enforcement of immigration law.

That is pretty much indisputable. I haven't heard a professor who would dispute that yet, or anybody who can seriously object to those numbers.

Professor Harry Holzer, associate dean and professor of public policy at Georgetown University, a great university here, also testified at that same hearing. He believes American workers do want jobs currently being held by illegal laborers.

I don't agree with this idea that these are jobs Americans want to take. Americans are not interested in a job that is only going to last for 3 months, that pays the minimum wage and has no health care and no retirement benefits. I will say that. And neither do we want them to take those jobs.

Professor Holzer believes that absent illegal immigrant competition, employers would raise wages and improve working conditions to attract the American worker:

I believe that when immigrants are illegal, they do more to undercut the wages of native-born workers, because the playing field isn't level and employers don't have to pay them market wages.

. . . [T]here are jobs in industries like construction that I think are more appealing to native-born workers, and many native-born low-income men might be interested in more of those jobs. . . . Absent the immigrants, the employer might need to raise those wages and improve those conditions of work to entice native-born workers into those jobs.

That is true. That is all I am saying. As we discuss the minimum wage—and I am confident somehow we will work our way through this, but there are some amendments and votes that need to be taken—it should be done only as part of a serious evaluation of what is happening to the wages of low-skilled workers and middle-class workers. If we do that and think it through, we will see we ought to reform the earned income tax credit so people can receive that benefit while they work. We will conclude we ought to create a savings program every American worker can put money into throughout their working career, from the first paycheck they get until the day of their retirement. It would transform the retirement years of those people. We have that in our capability.

As we craft an immigration policy, we cannot craft that policy in such a way that it only benefits corporate profits. It must be done in a way that considers the impact that is occurring on our own low-skilled workers. If we do a good lawful system of immigration that is in harmony with our history of immigration in America but at the same time provides protection to the least of our American workers, we will have done something worthwhile.

Unfortunately, I have to say the bill that passed the Senate last year would have been a disaster. It would have in-

creased legal immigration in this country, skewed mostly to low-skilled workers, by almost three times the current rate. How can that have done anything other than hurt our workers?

Those are some thoughts. I appreciate the opportunity of sharing them.

I ask unanimous consent that the pending amendment be set aside and that amendment No. 147, which I have offered, which deals with increased fines for employers who hire illegal immigrants, be called up. That fine currently is \$250. I think that is too low. I ask that that be called up.

The PRESIDING OFFICER (Ms. KLOBUCHAR). Is there objection?

Mr. DURBIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. SESSIONS. I thank the Chair.

I think that is relevant to the issue we are talking about: How to help people get more take-home pay for their labor. One of the reasons that is not happening to the degree we would like is the large flow of illegal labor. One of the problems we have is that enforcement in the workplace is not adequate. Most employers want to do the right thing, but a \$250 fine is too low. We will be dealing with that again later on.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 221 TO AMENDMENT NO. 157

Mr. DURBIN. Madam President, I call for the regular order with respect to amendment No. 157 and send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 221 to amendment No. 157.

Mr. DURBIN. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the amendment add the following:

Section 2 of the bill shall take effect one day after date of enactment.

Mr. DURBIN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Madam President, I want to speak a few minutes about what we are doing. I also have several things I would like the American people to see. I have spent a lot of time thinking about the minimum wage and kind of the farce of what we are doing here. If we tell people we want them to have a real minimum wage, the debate ought to be about \$13 an hour. If we, as the Government, are going to tell the States and the employers what they ought to be paying, giving them a real minimum wage, then surely they deserve to earn \$28,000 a year. That is a livable wage. You can make it on that. The fact that nobody wants to do that and it will be voted down proves they

know how onerous that would be on the economy. Nobody wants to do that. Nobody wants to so disrupt wages. But it is OK to do it in a small amount. That is what we are talking about.

The first poster I have shows that 29 States and the District of Columbia have a minimum wage that is higher than the Federal minimum wage.

Mr. SESSIONS. Mr. President, will the Senator yield for a question?

Mr. COBURN. I am happy to yield.

Mr. SESSIONS. Dr. COBURN is such a thoughtful commentator on many issues, but he is an expert and has done a lot of work on the health care issue. I know he has some of his own ideas. But one of the ways you could help low-income workers would be to reduce the health care burden they pay in terms of health insurance. For example, the President's proposal of tax deductibility that he made in his State of the Union Address would be a rather sizable benefit to a lot of low-income workers, if it were passed, would it not?

Mr. COBURN. It will be a benefit but not to the extent a direct tax credit to them would be. Right now the average American, if you are in the upper income scale, gets \$2,700 worth of tax benefit from our income tax code. And if you are on the lower scale, you get \$103 worth of tax benefit.

Mr. SESSIONS. This is for health insurance deductibility.

Mr. COBURN. Under the President's proposal, that would be narrowed. I believe it ought to be the same for every American. Every American ought to get the same tax benefit. I also believe every American ought to be covered. There ought to be access for anybody with disease. There are ways to do that, and I will be introducing a global health care bill within the next month that attacks every aspect of health care and what we need to do about it.

Mr. SESSIONS. Madam President, I wanted to say I am interested in the earned income tax credit, immigration, and in savings. The Senator has mentioned health care. All of those are ways, apart from mandating a salary or minimum wage increase, to help workers. The bill the President proposed would not go as far as Senator COBURN would like to see—and I am impressed with his analysis—but it would, in fact, provide a good benefit for working Americans.

Mr. COBURN. The Senator from Alabama is correct.

You can see from this chart that 29 States currently have a minimum wage higher than the Federal minimum wage, and you can also see from the next chart that 14 other States are in their legislature right now considering increasing their own minimum wage. One of the things our Founders thought and planned and hoped we would stick with is having the States be laboratories of experimentation with respect to our democracy. So if you have 14 plus 29, you have 43 States out of 50 and the District of Columbia that have al-

ready answered this question. We are going to go through and answer it for them again.

There are a lot of problems associated with this. I want to put up another slide that shows what has happened since 1998 as far as the number of people on the minimum wage. It is a precipitous decline from over 4 million to less than 1.9 million workers presently. You need to break that down. When you break that down, when we say we want to help single moms with kids or four-person families, those working at the minimum wage, what happens is, when you run the numbers, in many instances we are going to hurt people who are making the minimum wage. Let me prove my point.

In Oklahoma today, if you are earning the minimum wage, you have access to the following benefits: A State tax credit—I am talking about families with children on the minimum wage, and there are 40,000 of those in Oklahoma—a school lunch program, which is federally sponsored; temporary assistance to needy families; childcare subsidies; Medicaid, which is called SoonerCare in our State; the earned income tax credit, which is over \$4,400 per year; food stamps; housing vouchers; plus what they earn on the minimum wage.

What happens is, if you are a family of four in Oklahoma today earning the minimum wage, your aftertax net benefits, taking advantage of what we are supplying supporting people making the minimum wage, is \$36,438 per year. The median household income is only \$38,000 and that is pretax. So the average person receiving the benefits we have offered for people who have less means in Oklahoma today actually has more benefit than the average Oklahoma family. What is going to happen when we pass this minimum wage for that person in Oklahoma? What is going to happen is, on the childcare, they are going to go from \$22 a month copay to \$95 a month. That is what is going to happen to families in Oklahoma. TANF, they are going to go from \$3,500 a year to \$2,600 a year, based on this minimum wage bill. On food stamps, they are going to go from \$3,588 a year to \$2,808 a year. Under this very bill, that is what is going to happen to families earning the minimum wage in Oklahoma. Their housing subsidy is going to go from \$4,140 a year to \$3,096, a 25-percent reduction. Their Medicaid, if they are a family of four, they are not going to qualify for the whole family anymore; only their children will be qualified. So, in essence, what they are going to lose is \$4,600 a year in aftertax benefits.

Net net, when you think about the median household income in Oklahoma being \$38,000 and they are paying a State income tax of less than 6 percent, and an average Federal income tax of about 18 percent, what you are going to see is they are going to lose.

In the name of helping them, they are going to lose. The vast majority of

the people we want to help, which is not the vast majority of the people on minimum wage anywhere in this country—the people who we really want to help the most, not the teenagers or the kids living in a family who have a minimum wage job as a first job, but those in Oklahoma and in 19 other States—you are going to actually decrease their income with this bill. It is not going to have any effect.

Put Massachusetts up there on the chart. The Senator from Massachusetts wants Oklahoma to have his minimum wage bill. The median household income in Massachusetts is \$52,354 a year. The total income for somebody making the Massachusetts minimum wage, they are making \$45,416 if they take advantage of the benefits available to them in Massachusetts. So his State won't be impacted because he is already above the minimum wage which is being proposed in the minimum wage bill.

How smart is it for us to decide that we want to take away from the families of 19 States—those people who we say we really want to help but, in essence, we are going to cut their aftertax income by about \$1,000, a net/net loss for them? Is that what we intend to do? That is the unexpected consequence of what we are going to do. Nobody is considering the fact that the 19 States that have lower minimum wages which will be impacted by this bill—their needy families, single moms with kids, are going to lose under this bill in the name of them winning. It is because we didn't think it out.

The reason we didn't think it out is because this isn't about minimum wage; this is about wage compression. This is about raising the wages of those people above minimum wage. It is not about minimum wage. We come down here and say it is, but it is not. It is designed to raise the wages of anybody under \$15 an hour. That is what it is going to do. We know wage compression. If you have 100 people working and the highest is making \$12 and the lowest is now making \$6, and you say they are going to have to make \$7.25 or \$7.50, what is going to happen to the other wages? They are going to have to be bumped up. The minimum wage is no longer designed to protect people as far as their income.

You can see it from this chart and you can see it in California—and I have it for every State—where the vast majority of the benefits don't come from what we earn in terms of a salaried job; they come from the other benefits the country put in as a social safety net. So in the States in which we would raise the minimum wage that have not done it, in 19 States what is going to happen is we are going to hurt the very people we say we want to help.

How is it we can do that? Why is it we will do that? We will do it because there is a very powerful interest group that is behind this called the labor unions in this country. For every dollar increase in labor rates paid through

the labor unions, what happens to the union's fees? More money. So is it about helping those people who need our help or is there another agenda here?

I have great respect for Senator KENNEDY. He is very eloquent on the floor. But when you see his charts, there are false questions asked. He showed the increase in the level of income in this country since we raised the minimum wage. It doesn't consider all of the other things that have happened over the last 20 years that, through productivity increases, have raised wages. Mandating a minimum wage in any market by any economist will not increase the market. That is not the reason. It looks good on a chart. But you don't consider all of the other benefits and factors that might have considered that. You just say this must have been it because it looks like it. I can show that on anything that we do in the Senate.

Here is a chart for New York. The State of New York is another example. The wage per-job average is \$51,165. A single mom earning minimum wage under New York's level, which is at \$7.15 right now, and taking advantage of all of the benefits there, aftertax income is \$49,000 a year in benefits. I am not saying cut the benefits; I am saying don't do something that will cut the benefits to those people you say you are going to help.

It is interesting when you look at this number, knowing that taxes—if you look at New York City's tax, you pay a city income tax, a State income tax, and a Federal income tax. Those people making minimum wage have more aftertax income in terms of benefits and salary than the average household in New York City. We have to ask the question, do we want to help people?

The Senator from Alabama talked about making sure that the earned income tax credit comes as a part of your wage every month instead of at the end of the year. It is a great idea and ought to be something we want to do. I want to show again what is going to happen to families earning the minimum wage in Oklahoma. There is a net loss of \$232, but that doesn't include the taxes. So the net loss for Oklahoma families who are on minimum wage under the new minimum wage, in essence, will be about \$1,200. Is that what we want to do to Oklahoma and 18 other States? I don't think so. We have to take the lid off of this pressure cooker. For us to pass a minimum wage that undermines the very people we are saying we want to help does not, in the long run, do anything except help organized labor; 1; No. 2, it makes certain jobs go away; we know it will, No. 3, send more jobs out of this country.

I believe and I hope the Senator from Massachusetts will look at our data. I hope he will try to amend his bill in such a way so that we have either a safe harbor or some other mechanism so the people in these 19 States don't

lose the very benefits we say we want to give to them. In fact, that is what will happen if this bill passes.

With that, I yield the floor.

Mr. ISAKSON. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators allowed to speak therein for up to 10 minutes each.

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

COMMITTEE ON INDIAN AFFAIRS RULES OF PROCEDURE

Mr. DORGAN. Madam President, I ask unanimous consent to have printed in the RECORD The Committee on Indian Affairs Rules of Procedure.

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

COMMITTEE ON INDIAN AFFAIRS

Rule 1. The Standing Rules of the Senate, Senate Resolution 4, and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent the provisions of such Act are applicable to the Committee on Indian Affairs and supplemented by these rules, are adopted as the rules of the Committee.

MEETINGS OF THE COMMITTEE

Rule 2. The Committee shall meet on Thursdays while the Congress is in session for the purpose of conducting business, unless for the convenience of the Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee shall be open to the public except when the Chairman by a majority vote orders a closed hearing or meeting.

HEARING PROCEDURE

Rule 4(a). Public notice, including notice to Members of the Committee, shall be given of the date, place and subject matter of any hearing to be held by the Committee at least one week in advance of such hearing unless the Chairman of the Committee, with the concurrence of the Vice Chairman, determines that the hearing is non-controversial or that special circumstances require expedited procedures and a majority of the Committee Members attending concurs. In no case shall a hearing be conducted with less than 24 hours' notice.

(b) At least 72 hours in advance of a hearing, each witness who is to appear before the Committee shall submit his or her testimony by way of electronic mail, in a format determined by the Committee and sent to an electronic mail address specified by the Committee, or shall submit an original, printed

version of his or her written testimony. In addition, each witness, on the day of the hearing, shall provide an electronic copy of the testimony on a computer disk formatted and suitable for use by the Committee.

(c) Each Member shall be limited to five (5) minutes of questioning of any witness until such time as all Members attending who so desire have had an opportunity to question the witness unless the Committee shall decide otherwise.

(d) The Chairman and Vice Chairman or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such time as the Chairman and Vice Chairman or the Ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5(a). A legislative measure or subject shall be included in the agenda of the next following business meeting of the Committee if a written request by a Member for consideration of such measure or subject has been filed with the Chairman of the Committee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee to include legislative measures or subjects on the Committee agenda in the absence of such request.

(b) Notice of, and the agenda for, any business meeting of the Committee shall be provided to each Member and made available to the public at least two days prior to such meeting, and no new items may be added after the agenda published except by the approval of a majority of the Members of the Committee. The notice and agenda of any business meeting may be provided to the Members by electronic mail, provided that a paper copy will be provided to any Member upon request. The Clerk shall promptly notify absent members of any action taken by the Committee on matters not included in the published agenda.

(c) Any bill or resolution to be considered by the Committee shall be filed with the Clerk of the Committee not less than 48 hours in advance of the Committee meeting. Any amendment(s) to legislation to be considered shall be filed with the Clerk not less than 24 hours in advance. This rule may be waived by the Chairman with the concurrence of the Vice Chairman.

QUORUM

Rule 6(a). Except as provided in subsection (b), a majority of the Members shall constitute a quorum for the transaction of business of the Committee. Consistent with Senate rules, a quorum is presumed to be present unless the absence of a quorum is noted by a Member.

(b) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee.

VOTING

Rule 7(a). A recorded vote of the Members shall be taken upon the request of any Member.

(b) A measure may be reported from the Committee unless an objection is made by a member, in which case a recorded vote by the Members shall be required.

(c) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only for the date for which it is given and upon the terms published in the agenda for that date.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 8. Witnesses in Committee hearings may be required to give testimony under