thick glasses, living in concrete bunkers, every month they measure what we consume. They think heart attacks are a source of national strength and an earthquake is a source of national economic enterprise. Hurricane Andrew added one-half of 1 percent to the gross domestic product in our country. That is true. That is the way the Federal Reserve Board measures economic progress, what do they consume. They document what we consume, not the damage. That is not what economic health is.

Economic health in this country will be measured by what we produce. Do you have a vibrant, working manufacturing sector that is competitive and produces in a way that is competitive with the rest of the world, and also produces good jobs with good income for American workers? If you do not have that, nothing else much matters to those families who are having dinner and losing money and talking about their lot in life, knowing that their wages are going down, their job is less secure, they have fewer benefits, and they know that the future for their children is less bright than that which they face.

That is why Senator BINGAMAN and others—all of us have worked together to try to create a circumstance where we can begin to debate in this Chamber the center of the economic debate in the country: How do you create and retain good jobs in America? There is not any way that we ought to lose on the international economic stage. We just should not.

I grew up in a town of 300 people, which is probably the case with many Members of the Senate. It was a small town. When I walked to school I knew I came from the country that was the biggest, the best, and the strongest. We could beat anybody in the world at anything and we could do it with one hand tied behind our back.

Our competitors are shrewd, tough, international competitors. The world has changed. We cannot countenance unfair trade. We cannot countenance dumping in our markets. We cannot countenance economic enterprises that decide they want to produce where it is cheap to produce and sell back to our established market, even if it means fewer American jobs.

We must decide to stand up for the economic interests of this country. It is not to say we ought to build a wall to keep things out. It is to say, whether we are talking about the Japanese trade surplus with us or our deficit with them, that we insist you buy more from us. If you have a $50 billion trade surplus with us, or we a deficit with you, then we insist you buy more from us because that is what translates into more American jobs. Our failure to do that consigns us to a future of lower standards of living because of these trade deficits, and that is not something I am prepared to accept. It is not something I believe my constituents are prepared to accept.

It is something we can alter, we can change, if we, in this Chamber, finally get rid of all these distractions and get to the center of the economic debate: What about good jobs in America's future? How do we create them and how do we keep them? And can we take the first baby step by deciding, all of us, that we will finally and completely close the insidious loophole in our Tax Code that actually rewards companies to move jobs overseas, and then begin to take other steps to say we want to, in addition to stopping jobs going overseas with juicy tax breaks, we want to provide incentives that will help create new jobs, good jobs, good paying jobs in this country? And that represents part of the work that we have done in the Democratic caucus, especially with the task force headed by Senator BINGAMAN.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Kentucky [Mr. FORD] is recognized.

Mr. FORD. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is in morning business. Several Senators have reserved time to speak.

Mr. FORD. I did not want to interrupt anything. Could I have 5 minutes?

The PRESIDING OFFICER. All Senators may speak for up to 5 minutes each.

Mr. FORD. Well, could I have 5 minutes?

The PRESIDING OFFICER. The Senator from Kentucky.

WORKERS' DECLINING STANDARD OF LIVING

Mr. FORD. Mr. President, I think we all ought to listen to the Senator from North Dakota. I think the Senator from North Dakota laid it out very well and if we listen to what he says and the direction he wants to go, he has within him the American dream. It was instilled in him as a boy. He could be my son. That's the difference in age. I hope I have instilled into my son that he has that opportunity.

But, Mr. President, our Nation's economy is strong and it is growing. Home ownership, when you read the records, is at its highest rate in 15 years. Mr. President 7.8 million new jobs have been created in the last 3 years. And the administration's 1993 economic plan has cut the deficit nearly in half. However, for the first time—and I underscore first time—in our country's history, productivity is surging but real wages for workers are declining. That is unacceptable. That is just unacceptable, that productivity is surging and real wages for workers are declining.

The majority of Americans are working longer and harder, as my friend from North Dakota said, without the promise of higher wages or job security from their employers.

The days of having one parent at home with the child, or children, are becoming a distant memory for many, many families in this country. American working families need both parents' incomes now, in order to make ends meet. The number of two-worker families rose by more than 20 percent in the 1980's and more than 7 million workers—think about this—7 million workers are holding more than one job. At least two. The largest increase in population of working spouses was among families earning the least money.

There is no question the standard of living of American working families is declining. Workers have invested their hard work, their time—and let me underscore—loyalty to the company they work for, and employment in the companies, and are being repaid with layoffs, downsizing, and relocation by these same employers.

The American dream is fast becoming a distant vision for many American working families.

Society is changing with the growth in technology. Computers are replacing jobs that were once done by hand. We need to change the outlook for the American work force by adjusting our education and training opportunities to reflect the needs of the marketplace.

We can no longer view the development of a skilled work force separately from development of the business community. By adjusting to the needs of the business community we can provide our workers with good jobs at real wages. Government cannot solve this problem alone.

Let me give an example. In my home State of Kentucky the business community, the educational community and local leaders are working together through school-to-work, and work force development programs, to create jobs for the future. We are creating high-technology jobs at high-technology wages. This is a partnership: Education, partnership with business; partnership with government.

Government cannot be all things to all people but it can be an honest partner.

Kentucky has taken the approach that students not entering college should have both a high school diploma and certified skills, enabling them to enter the work force at a living wage.

So, Mr. President, in order to prepare our work force of the future we must maintain the tools such as school-to-work that have succeeded in places like my State of Kentucky. The President has requested that funding for school-to-work be restored and I think it should be in the next continuing resolution. I ask my colleagues to support this add-back, which will assist 27 States in building statewide school-to-work transition systems.

I appreciate the efforts of my colleagues, Senator BINGAMAN, Senator DASCHLE, Senator DORGAN. I feel their report addresses issues that are foremost in the minds of American families.

I read the other day a statement, I do not know who to attribute it to, but I am going to repeat it. ''A cut in education never heals.''

A cut in education never heals, and in there lies our responsibility.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico, Senator BINGAMAN, is recognized to speak for up to 30 minutes.

AMERICA'S WORKING FAMILIES

Mr. BINGAMAN. Mr. President, I commend my colleague from Kentucky for that eloquent statement about the problem, and also the Senator from North Dakota for his eloquent statement about the extent of the problem and our efforts to find at least some partial solutions to the problem.

As both of my colleagues have said this morning, there are millions of American working families that are scrambling to pay the bills each month. They are working longer hours. They are taking home less money in real spendable money. Yet what they are having to pay for education and for health care is going up, and many of these same families are afraid of being laid off from their jobs.

So we do have a problem and the problem is twofold. The problem is that our economy has grown too slowly in the last couple of decades. And, second, the people who are doing the work in our economy, whether they are working for large companies or small companies or nonprofit organizations—the people who are really doing the work in our economy are getting a smaller part of the benefit from the work that they do and from the profit that is being realized.

Last spring I went to our Democratic leader, Senator DASCHLE, and urged that he set up a working group of Senators to explore options for dealing with this problem of stagnant wages. This is not, I should say, a recent problem. This is a problem that has been with us, now, since 1973. I think all economists would agree that it is a new era in our Nation's economy.

Senator DASCHLE, of course, agreed. He was enthusiastic about the idea and appointed me to chair that group. We turned out a report entitled ''Scrambling To Pay the Bills, Building Allies for America's Working Families.'' Mr. President, I think this report summarizes very well the recommendations that we found and that we came up with that we believe seriously address the problem in a variety of areas. What I want to do this morning is to first describe the problem in some detail but then go on and describe at least the broad outlines of the recommendations that we have made.

Many people deserve credit for participating in the preparation of our report. My own chief of staff, Patrick Von Bargen, took a lead role in it; Virginia White and Steve Clemons in my office deserves special thanks, as well as Paul Brown, with the Democratic Policy Committee, and many other Senators and staff people here in the Democratic side of the Senate.

I also want to thank all the experts that we consulted with, many of whom made major contributions to what we were doing.

First, let me talk about the problem. The economy in this country is growing too slowly. It has been growing too slowly for at least 2 decades now. This issue, as I said before, has been recognized by economists. But I believe the best summary of the problem was made by Jeffrey Madrick in a recent book that he published called ''The End of Affluence.'' That book has in it a chart which I have reproduced here so we can make the point very readily.

It points out that the long-term annual rate of growth in this country from 1870 until 1973 averaged 3.4 percent. That is a good rate of growth, and it was one that is discounted for inflation. That is a rate of growth that we had been able to maintain—at least that average rate of growth—through wars, through depressions, and through a whole variety of economic circumstances.

Since 1973, the rate of growth has slowed. That slowing of the rate of growth is a major part of the problem that we face. There has not been enough investment in productive capacity in the country. There has not been enough job creation, nor good-paying, high-wage jobs in the country. So the rate of growth of our economy has slowed to 2.3 percent during the period from 1973 until the present. That slowing of the rate of growth is a serious issue that we are trying to address with some of these recommendations.

The second serious issue that we are trying to address is that the people who are doing the work in this economy are sharing less in the benefits from the growth that is occurring. Again, we have some charts to try to make the point.

The first of these charts is a chart that shows what has happened to real hourly earnings between 1967 and 1995. These hourly earnings, as you can see, for a period from about 1967 to perhaps 1976 were going up and were reasonably high. Since the early 1970's, or the mid-1970's, they have been dropping. Clearly we are in a situation today where we are almost back—not quite, but almost back—to the same real hourly earnings that people in this country were realizing in 1967. This shows part of the problem that American working families are struggling with.

Let me show another chart. This is the drop in real average income. It is a slightly different measure, but, again, it makes the very same point. This chart shows that from 1978 until 1995 there has been almost a continuous decline in real average income for American workers.

The next chart shows the share of workers that have pension coverage in the country. By ''pension coverage'' I am not talking about just Social Security. I am talking about a pension in addition to Social Security. In the period from 1979 to 1989—that is just the 10-year period—you can see a dramatic dropoff in the total number or the total percentage of workers with pension coverage which dropped from 50 percent in 1979 to 43 percent in 1989. When you break that down according to the level of education of workers, you can see a much more dramatic impact on people who have not had the education. For those with less than a high school diploma, the number of those workers with pension coverage was 44 percent in 1979. It dropped to 28 percent in 1989.

The next chart is full-time male workers with health insurance. We spend a lot of time around here talking about health insurance coverage and the importance of that. Again, taking the period from 1979—this chart goes from 1979 to 1992—it shows that the total figures are that 87.3 percent of full-time male workers had health insurance in 1979. That 87.3 percent dropped to 70 percent by 1992.

Again, just to show the way that breaks out by education level, for people with less than a high school diploma, 87.7 percent of those people had some type of health insurance in 1979. That had dropped in 1987 to 53.8 percent, a mere 14 years later.

The next chart shows the job insecurity in the 1970's and 1980's. This is a very interesting chart, in my view, because it shows what is happening to a lot of families. This shows the percentage of workers that are age 24 to 58 who changed employers at least four times during the decade. That is a lot of change. In the 1970's, you can see that something around 13 percent of all workers aged 24 to 58 had to change jobs four times in that decade. When you look in the 1980's, that number, the percentage of workers who had to change jobs four times, doubled and is nearly at 30 percent. This is twice as many workers changed employers at least four times during the 1980's as changed employers during the 1970's.

The final one of these charts that I want to show on the problem is trying to point out what is called ''the mean time to financial failure.'' By ''financial failure,'' we essentially mean if a person loses their job, how long will it be until they have exhausted their financial resources? This is broken down by fifths, or quintiles, according to family income. For the lowest fifth of all families as far as their income level, of course, they have no time. If they lose their job, they are facing financial failure immediately. For the second fifth, it is half of 1 month until they face financial failure; the middle fifth, 3.6 months; the fourth fifth, 4.66; and even the top fifth is only a little over 18 months from financial failure. On average—that is this final column—it is 3.64 months from loss of job to total financial failure for American families.

Mr. President, I think this makes the case that there is a problem. This is not a manufactured problem. This is not a rhetorical problem. This is a real life problem that many working Americans are faced with.