

MINIMUM WAGE

Mr. KENNEDY. Mr. President, earlier today my friend and colleague, the Senator from Nevada, our deputy leader, made a unanimous consent request that we consider legislation to provide a three-step process to increase in the minimum wage by \$1.50. The reason this request has been made is because over the period of these last 2 years, those of us on this side have made an extraordinary attempt to try and follow the regular order, the regular process, and have this legislation considered in the Senate. Effectively, we have been blocked all the way.

In the final hours of this session, it appears we probably will be back for a lame duck session, but we want to make sure those who are affected by this legislation and, importantly, those who are not but those who are strong supporters of fairness and decency when it comes to the minimum wage, understand what is happening in the Senate. The bottom line is, the Republican leadership is blocking an increase in the minimum wage.

I want to take a few moments this afternoon to review once again why this request was so urgent, why it was basically an emergency request and what the results would be with the objection that has been made by the leaders of the Republican Party.

First of all, if we look over the period of the years going back to 1968, and we look at what the real value of the minimum wage would be, this is the real value. This is comparing oranges and oranges in this case. The real value today would be \$8.14. That is what it was in 1968. Today it is \$5.15. By the end of this year, using constant figures, it will effectively be \$4.70—\$8.14 in 1968; \$4.70 now in terms of real purchasing power.

We have seen how over the period of these years there has been a gradual decline, but it really was not until 1980 that we had an administration that refused to consider what other administrations, Republicans and Democrats alike, considered, and that is a fair increase in the minimum wage.

Then we had the battles. We had two different times we had small increases. In order to even get it considered, we had to reduce the increase and cut out a third year for the increase in the minimum wage. The last time we had to add close to \$30 billion in tax breaks in order to effectively have an increase in the minimum wage.

The minimum wage has been increased some 9 times. Eight times it was increased without a tax reduction, but not the last times. That was the condition by which our Republican friends would agree to even consider an extension. Now, without any kind of extension, we are falling back to \$4.70.

The petition that was presented by Senator REID would have provided, over a 3-year period, an increase of \$1.50. The objection today is unacceptable.

Let us look at how the minimum wage is related to the issue of poverty

in America. Going back again to the period of 1968 and during the several years during that period, the minimum wage was the poverty wage. What we have seen in recent years is how the minimum wage now has fallen so far below the poverty wage, it would have to be increased by about \$3.50 an hour to even get up to the poverty line, which is the basic line that has been defined as the income which is necessary to provide the basics of surviving in the United States of America. Yet, we are expecting men and women to take these jobs, which they do, and pay them these totally inadequate wages.

Mr. REID. Will the Senator yield for a question?

Mr. KENNEDY. I will be glad to yield.

Mr. REID. I was in the Chamber yesterday when the Senator made his terrific speech on this very important issue. I say to my friend from Massachusetts, is it not true that many people, probably people listening to this debate, think the minimum wage is for kids flipping hamburgers at McDonald's?

Does the Senator know that 60 percent of the people who draw minimum wage are women and for 40 percent of those women that is the only money they have to support their families? Is the Senator aware of that?

Mr. KENNEDY. The Senator is absolutely correct. The Senator's question anticipates one of the traditional arguments that have been suggested on the other side of the aisle that these are really teenagers who are getting this minimum wage.

To the contrary, as the Senator has pointed out, actually 68 percent of those who receive it are adults. For half of those, the minimum wage job is the sole source of income for those families. A good percentage of those, I would say to the Senator, have two or three minimum wage jobs. That is what we have seen.

We have heard opposition to this issue. We recognize, as I pointed out on other occasions, what this issue is really all about. We are talking about men and women who clean out the great buildings across our Nation, who work late at night, work hard, do very tough, difficult and dreary work, but nonetheless they maintain their dignity and their spirit. These are individuals who work in child care settings as assistants to child care providers. We are willing to entrust our most sacred individuals, our children, to minimum wage workers who are assistant teachers working in the classroom. Our most sacred trusts are our children, our parents, and grandparents.

Those who are working with the teachers in the classroom very often are the minimum wage workers. Those who are working in the child care centers are most likely the minimum wage workers. Those who are working in the nursing homes to help take care of our parents and grandparents who built

this country, fought in its wars, lifted the Nation out of the Depression, sacrificed immensely for their children, are minimum wage workers. Those are the ones we are talking about. So often when we talk about the minimum wage, we are talking about the graphs depicting cents per hour and the rest. But these are real individuals who are providing important services in our country and to our people, and they are being shortchanged.

As I have said before, it is a women's issue because the great majority of the minimum wage workers are women. It is a civil rights issue because great numbers of people who are working for the minimum wage are men and women of color. It is a children's issue because how their parents are being paid and compensated is going to reflect on how those children are going to grow up. It is a family issue.

We hear so much about family issues in the Senate. This is a family issue. When a parent has to work one or two minimum wage jobs, the time they are away from the home, the other parent often working in a similar kind of a situation, trying to make ends meet, the lack of time for them to come together to give these children the kinds of values and upbringing that they should have works to the disadvantage of these children.

Beyond all that, it is a fairness issue. People understand in this country that men and women who are willing to work 40 hours a week, 52 weeks of the year, should be treated fairly. We are talking about people working hard, long, difficult hours who ought to be treated fairly.

Americans understand this issue of fairness. But our Republican friends do not. They have opposed increases in the minimum wage every single time, at least during the time I have been here in the last 40 years.

I remember one of those debates. In August of 1960, they were opposed to the last measure that came before this body at that time, and they were opposed to the minimum wage at that time, too. This has been over a long period of time.

Mr. President, I remind our friends and the viewing public, we have taken the time to raise our own salaries, four different times over the last 6 years, some \$16,000. But we are refusing to even let this issue be debated and come to a vote. That is wrong. It is unfair. It is unjust. The Democrats stand for those working families; for fairness and decency. They stand for the children of those minimum wage workers. They stand with the minimum-wage workers, men and women of dignity who are only asking to be treated fairly. We stand with them.

We continue to ask why our Republican leaders in the Senate and the House of Representatives and in the White House refuse the opportunity to even debate this issue and refuse the opportunity to consider it and pass it. I regret that. We will continue to express this issue because that is the

only way we have ever been able to get this done in the past. We expect that will be the only way to get it done in the future. We will press it across the countryside.

We ask our fellow Americans. This issue is one that concerns them. I don't know a single member of our side who would not support an increase in the minimum wage. I hope they will understand that when they go to the polls.

THE MEDICAL DEVICE USE FEE AND MODERNIZATION ACT OF 2002

Mr. KENNEDY. Mr. President, I bring to the attention of the membership the bill H.R. 5651, the Medical Device User Fee and Modernization Act of 2002. It has now passed the House of Representatives. We have been working on this legislation for 10 years. It has been a divisive issue, both the issue and as a public policy issue. We finally have virtual support from the Members in the House of Representatives, the committees of jurisdiction, and also the Members here. There may be Members who have questions. We are prepared to answer those.

I indicate this is a public health matter of enormous importance and consequence. If Members are going to object, they are going to have to come to the floor of the Senate and express those objections and reasons. We will not tolerate someone holding up this bill in hopes that they can get it carried back to the House. We have worked too long. We have worked too hard. This is an enormously important health issue. We will not tolerate it. I will not tolerate it. Those members of our committee will not tolerate it.

I want to make it very clear, if they ever expect any kind of cooperation on any other health matters, they had better understand the importance and significance of this measure—if they ever expect any cooperation on any health matters down the road.

I thank the Chair.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Indiana.

THE ECONOMY

Mr. BAYH. Mr. President, I begin by thanking our colleague from Massachusetts for his impassioned advocacy of this important issue. It is a cause that both the Chair and I support wholeheartedly. The Senator from Massachusetts has been a tireless advocate of raising the minimum wage for many years. It is my privilege to join with him. This is an issue whose time has come. It needs to be done, and we need a sense of urgency for those on the other side of the aisle and this administration. I thank my colleague once again.

Mr. President, let me share some thoughts about the importance of extending coverage for the unemployed in our country. Given the weakness of our economy, I think this is a critically

important issue that will help millions of our fellow citizens who are suffering unemployment through no fault of their own. It is also an important component of a coherent economic strategy to get America working again.

As you and others know all too well, the economy is weak, people are out of work, we need leadership to get the economy moving, people back to employment, and to help those who have suffered unemployment, putting money back into people's pockets to put it back into the economy to create jobs and growth. Extending unemployment benefits is an important part of that strategy, an idea whose time has come, a lot like raising the minimum wage.

The economy is not doing well. Unemployment has risen. Long-term unemployment in September was 1.6 million working men and women. Household income for the typical family has fallen for the first time in a decade. Home foreclosures have reached a 30-year high. Poverty rates across America rose last year. Regrettably, the economy seems unlikely to reverse its sluggish course anytime soon. Manufacturing has slowed. Retail sales are weak. Capital investment has declined. Foreign demand for American goods and services is stalled.

As a result, job creation actually declined last year. Many Americans are hard hit, and others are worried they will be next. Mr. President, 1.1 million Americans had exhausted their unemployment benefits as of August. This figure is expected to double to 2.2 million hard-working Americans as soon as December—regrettably, just in time for the Christmas season.

In my own home State of Indiana, we have not been unaffected. Twenty-one thousand hard-working Hoosiers have exhausted unemployment benefits as of August. This figure will more than double to 45,000 by December. There is no State in the Union that is unaffected by this unfortunate state of affairs. These Americans need a helping hand. I want to emphasize that it is not only the compassionate thing to do, but it is the economically sensible thing to do as well, because not only are we helping individuals who are in need, we are also helping the economy get back on its feet and thereby helping all Americans, be they employed or unemployed.

We need stimulus for job growth and economic expansion. These benefits will be used for consumer spending. Economists have long recognized that helping those who are unemployed leads directly to added demand in the economy. Labor Department statistics, in fact, indicate that there is a significant multiplier effect. For every \$1 that goes into unemployment benefits, a full \$2.15 is added to the gross domestic product. By any definition, \$1 into \$2.15 of increase to the gross domestic product is a good investment for the American people.

Consumers are stressed right now. They have high levels of debt. They

have tapped into their home equity at rates that could be unsustainable. The tax cut of last year has run its course. There are other reasons to believe consumers may be cutting back on their purchases. Adding about \$17 billion to consumption through extending unemployment benefits will help the consumers maintain their course, allowing the economy to hang in there until capital investment comes back and demand from abroad picks up.

What is more, we can afford this at this time. It is fiscally sustainable and responsible. There is more than \$27 billion currently in the unemployment trust fund, more than sufficient to cover the costs extending unemployment benefits, as I and others are proposing. So this will not mean an increase in the annual deficit or in America's debt. We can do what is right for individuals, what is right for the economy, and do so in a fiscally responsible way.

I ask that we adopt this measure. It will extend unemployment benefits eligibility by 13 additional weeks for every State across the Union. It will add an additional 7 weeks for those States with the highest rates of unemployment and adjust the trigger mechanism to expand eligibility to make sure that the reality of unemployment across the Nation is reflected in the law.

Also, I ask for a new sense of urgency from this administration when it comes to promoting economic growth. The last time I was privileged to speak to my colleagues on the floor it was to call for support of the President's initiative and resolution with regard to Iraq. We generated substantial bipartisan support for that resolution. I ask the administration and our colleagues on the other side of the aisle to bring that same sense of urgency and bipartisan cooperation to the cause of improving our domestic economy. After all, in the long run it is the foundation upon which our national security is built.

There is precedent for these steps. The President's own father took these steps back in the early 1990s, expanding unemployment eligibility by the same number of weeks, including the same mechanism for determining eligibility. That proposal at that time passed by 94 to 2. It was the right thing to do to get the economy moving in the early 1990s. It is the right thing today. It received overwhelming bipartisan support at that time. It will receive, if we can get a vote, overwhelming bipartisan support today. It was advocated by the first President Bush. It is a cause this President Bush should also embrace to promote economic growth.

I ask we move forward with this initiative and that the President demonstrate he is truly the compassionate conservative that he campaigned to be.

Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 619, S. 3009, a bill to provide for a 13-week