overseas. Yet, that is exactly what exists in the Tax Code. We have voted on this before because I offered a similar amendment a number of years ago.

Let me describe exactly how this tax break works. Let's say there are two companies in this country with manufacturing plants. Each company produces garage door openers and these companies do a good job. They employ American workers, they produce garage door openers for sale in the U.S. marketplace and they earn some profit. But one company decides what it really wants to do is move overseas because it does not have to pay $11 an hour for a manufacturing worker. The company can go to Sri Lanka, Bangladesh, Indonesia or China and hire a 16 year-old-kid or a 12-year-old kid and pay them 12 cents an hour, working them 12 hours a day 7 days a week.

So one of the companies that makes garage door openers leaves, makes exactly the same garage door opener now in Sri Lanka and ships it back into this country.

The other company that makes garage door openers stays in America. The difference is that the company that left this country does not have to pay income taxes on their profits any longer because we have something called tax deferral. Until and unless they repatriate those earnings, those earnings are tax free in this country.

Our amendment is very simple. It says this: If a company leaves this country and moves its jobs overseas to produce a product to ship back into this marketplace, the company loses tax deferral that now perversely incentivizes companies to leave this country. It is one thing to have companies leave because of bad trade agreements, because they can avoid the things we have fought for for years in this country—safe workplaces, fair labor standards, and decent wages. It is quite another thing for them to leave because in part we say we will give them a tax break if they leave our country. What a nutty idea and one that we ought to change.

REIMPORTATION OF PRESCRIPTION DRUGS

Mr. DORGAN. Mr. President, I will make one additional point on another subject. Last week, I went to see the Secretary of Health and Human Services, Tommy Thompson, and made a presentation in support of a pilot project I want him to approve which would allow the reimportation of prescription drugs from Canada. My pilot project is very simple. It sets up a 2-year pilot project for North Dakota that would allow North Dakota pharmacists to access FDA-approved drugs from pharmacists in Canada.

As you know, the administration has been fighting this notion of reimporting prescription drugs. The pharmaceutical industry is fighting it. The administration is fighting it.

This is why it is important: In every case—the drug Lipitor, Prevacid, Zocor, Celebrex—it is the same drug put in the same bottle made by the same company sold in two countries, but the charges are much higher to the U.S. consumer. It is not just true with Canada; it is true for every country in the world because the U.S. consumer is charged the highest prices in the world for FDA-approved prescription drugs, and that is not fair.

Let me ask consent to show two pill bottles on the floor of the Senate.

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. DORGAN. These are bottles of a drug called Lipitor. This, I believe, is one of the fastest selling, most popular drugs in the United States. It is used for the lowering of cholesterol. By all accounts, it is a very successful drug and it sells rapidly and is prescribed often.

As you can see, these two bottles of Lipitor are identical. These are both bottles that have 10 milligram tablets of Lipitor in them. They are made in the same plant. These are FDA-approved drugs made in an FDA-approved plant. The same pill is put in the same bottle made by the same company. There is one difference. This one is sold to Canadians at $1.01 per tablet. This one is sold to Americans at $1.81 per tablet. It is the same pill, the same bottle, same company, FDA approved, but nearly twice as much money is charged to the American consumer than the Canadian consumer.

I could have used Germany as an example, Italy, England, France, Spain—almost anyone. I could have used almost any country and come up with nearly the same result.

In Europe, they have something called parallel trading. If you are in Spain and want to buy a drug from Germany, there is no problem, you go through the parallel trading system. If you are in Italy and want to buy a drug from France, no problem, parallel trading. In this country we are told by FDA and others that there would be a huge safety problem if we purchased drugs from Canada—total nonsense. The Canadians have virtually the same chain of custody as we do. The Canadian drug supply is safe. Even our health authorities will admit that. So having licensed U.S. pharmacists acquire from licensed pharmacists or licensed distributors in Canada the identical drug and passing the savings along to the American consumer makes good sense and poses no—I repeat no—safety issues for citizens of this country.

I have asked the Secretary of Health and Human Services for a waiver to allow this pilot program to go forward. We will continue on the floor of the Senate to pass legislation. I believe we will soon pass legislation that deals with this issue, but, in the meantime, I am asking the Secretary of Health and Human Services to make a decision on this waiver request. He is now studying that. I assume it will be some weeks. But my hope is he will understand that the issue, which is a safety issue that they have described, simply does not, cannot, and will not exist with respect to this matter.

The question is, Who is going to stand up for the American consumer? Will somebody stand up and say, on behalf of the American consumers, that what is happening here is not fair? I hope so.

This proposal is called Prairie Prescriptions. It is a 2-year pilot project I put together. My hope is my State can be a pilot project that will demonstrate for everyone that the issue of safety in the reimportation of drugs with Canada, which has a nearly identical chain of custody, will always be a bogus issue. The issue is whether the American people will continue to pay the highest prices in the world for prescription drugs.

Miracle drugs offer no miracle for those who cannot afford them. Our senior citizens of this country are 12 percent of America's population and they take one-third of the prescription drugs. They are often the people least able to afford these prices. Yet day after day, month after month in this country we have senior citizens going down to their grocery store, and finding out how much their prescription drugs are going to cost so they know how much they have left to buy their groceries.

I notice my colleague Senator HARKIN is waiting to speak. I am sure in Iowa, as we have in North Dakota, when you go to a meeting someplace you often have somebody 80 years old touch you on the elbow and say: Can you help me? You say: What is it? And the tears well up in their eyes and their chin begins to quiver and they say: I have heart disease and diabetes and I am supposed to take this medicine and I can't afford it. Can you help me?

The fact is, we pay too much for prescription drugs. We pay the highest prices in the world, and it is just not fair.

Obviously, my interest is at some point to force a repricing in this country, but in the absence of that, I believe reimportation is the way to let the market system even out these prices. I believe that can, should, and will be done without any safety issues whatsoever.

I await anxiously the decision by the Secretary of Health and Human Services and the administration. The Prairie Prescriptions Pilot Project is a solid project, one that will benefit, in my judgment, the entire country by demonstrating once and for all this phony issue that has been raised by the former head of FDA, Dr. McClellan, and so many others. The issue of safety is just not an issue at all. The issue really is will the American people finally be treated fairly with respect to prescription drug pricing.

I yield the floor.

Mr. HARKIN. Mr. President, how much time is left?

The PRESIDING OFFICER. Five minutes fifty seconds.

Mr. HARKIN. I understand that the Senate will then resume consideration of the motion to proceed.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Mr. President, I am going to ask unanimous consent, since I had 15 minutes—I am going to ask unanimous consent that I be allowed to speak for 5 minutes as in morning business and then the Senate would then interrupt my presentation to return to the motion to proceed and that I be recognized to finish my statement then.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, might I ask—reserving the right to object, may I ask unanimous consent that the Senator from Iowa be given 15 minutes in morning business?

Mr. HARKIN. We will just go to the motion to proceed. That is fine.

The PRESIDING OFFICER. Is there objection to the original request?

Without objection, it is so ordered.

Mr. HARKIN. Which one?

The PRESIDING OFFICER. Your request that you be allowed 5 minutes now, then we go to the bill, and then you be recognized to speak for an additional 10 minutes.

Mr. HARKIN. I thank the Chair and I thank my colleague from North Dakota. We might as well go on with the motion to proceed. I can make my presentation then, too.

THE ECONOMY

Mr. HARKIN. Mr. President, there is no secret that there is a great frustration in the American workplace today. There is a great anxiety among American working families. You can sense it, you can feel it, you can hear it no matter where you go in America, whether it is in Iowa or Wyoming or New York or wherever it is. Something is happening out there. You get it all the time from people who have been working, maybe have lost their jobs, maybe they took another job, they are not making ends meet. They see the economy doing much better. They read this in the paper all the time—the economy is getting better, tax cuts are going into effect, foreign car sales, the big cars, the Mercedes and all those, are up. We see all the higher end items being purchased and sold.

For example, over the recent Christmas holidays, the Sharper Image, I believe, which sells high end electronics stuff, and Neiman Marcus had great sales. But Wal-Mart was down.

There is a great sense among American working people that something is not quite right with what is going on in this country. Maybe most Americans don't have degrees in economics; they haven't studied it, but they sense something is going wrong.

In his recent book, ''Wealth and Democracy,'' Kevin Phillips pointed out that there is a trend that different countries go through at various stages of their growth. One of those stages is where more and more of the output of a country accumulates to capital and less and less accumulates to labor, to the working people.

It is with great interest I note that, after I had read Kevin Phillips' book, yesterday in the New York Times an article by Bob Herbert brought it home. The title of the piece was ''We're More Productive. Who Gets the Money?'' As Mr. Herbert wrote yesterday in the New York Times:

> It's like running on a treadmill that keeps increasing its speed. You have to go faster and faster just to stay in place. Or, as a factory worker said many years ago, ''You can work 'til you drop dead, but you won't get ahead.''
>
> American workers have been remarkably productive in recent years, but they are getting fewer and fewer of the benefits of this increased productivity. While the economy, as measured by the gross domestic product, has been strong for some time now, ordinary workers have gotten little more than the back of the hand from employers who have pocketed an unprecedented share of the case from this burst of economic growth.
>
> What is happening is nothing short of historic. The American workers' share of the increase in national income since November 2001, the end of the last recession, is the lowest on record. Employers took the money and ran. This is extraordinary, but very few people are talking about it, which tells you something about the hold that corporate interests have on the national conversation.
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> The situation is summed up in the long, unwieldy but very revealing title of a new study from the Center of Labor Market Studies at Northeastern University: ''The Unprecedented Rising Tide of Corporate Profits and the Simultaneous Ebbing of Labor Compensation—Gainers and Losers from the National Economic Recovery in 2002 and 2003.''

The PRESIDING OFFICER. The Senator's time has expired.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

PREGNANCY AND TRAUMA CARE ACCESS PROTECTION ACT OF 2004—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate will resume consideration of the motion to proceed to the consideration of S. 2207, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 2207) to improve women's access to health care services, and the access of all individuals to emergency and trauma care services, by reducing the excessive burden the liability system places on the delivery of such service.

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa is recognized for an additional 10 minutes.

Mr. HARKIN. Mr. President, parliamentary inquiry. I did not understand I was under a time limit. I had asked to continue to proceed after morning business on the motion to proceed, but I didn't recognize there was a time limit there. I did not ask consent for 10 minutes.

The PRESIDING OFFICER. The Senator has been granted 10 minutes to speak on any subject he wishes. But the total is 15 minutes under the request.

Mr. HARKIN. I think the record will show that I asked for consent to continue to speak in morning business, to yield the floor, to then return to the motion to proceed, and that I be recognized to continue to speak on the motion to proceed. That does not have a time limit.

The PRESIDING OFFICER. The Senator is recognized to speak on the motion to proceed or on whatever subject he wishes to speak for 10 minutes and thereafter on the bill.

Mr. HARKIN. I understand that. I thank the Chair.

Mr. GREGG. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. HARKIN. Sure.

Mr. GREGG. At the end of the Senator's 10 minutes, does the Senator come back and retain the floor?

The PRESIDING OFFICER. It was my understanding that the time under the request was that he was going to have a total of 15 minutes. Otherwise, there would have been an objection.

Mr. GREGG. Mr. President, I will be seeking the floor at the conclusion of the 10 minutes as the manager of the bill, for everybody's knowledge.

The PRESIDING OFFICER. Under the normal procedure, the manager of the bill may speak as soon as a bill is brought up, with the exception of the 10 minutes as a continuation of the total of 15 minutes.

The Senator from Iowa may proceed.

Mr. HARKIN. I do not mean to take more than 15 minutes. I might go into 18 or 20 minutes. I wasn't going to take a long time. I wanted to finish my statement without being constrained with the 15 minutes I had under morning business. That is why I went on the motion to proceed. I will speak on that for an additional few minutes. But I will take whatever time I can now. If I am cut off, I will be back.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, Mr. Herbert further said:

> Andrew Sum, the center's director and lead author of the study, said: ''This is the first time we've ever had a case where two years into a recovery, corporate profits got a larger share of the growth of national income than labor did. Normally labor gets about 65 percent and corporate profits about 15 to 18 percent. This time profits got 41 percent and labor [meaning all forms of employee compensation, including wages, benefits, salaries and the percentage of payroll taxes paid by employers] got 38 percent.''
>
> The study said: ''In no other recovery from a post-World War II recession did corporate profits ever account for as much as 20 percent of the growth in national income. And