high proportion of businesses with low-wage workers are much less likely to offer insurance.

Our bill, The Small Employers Health Benefits Program Act, will provide the self-employed and the small businesses with a variety of private insurance plans. This approach would give these employers access to a larger purchasing pool and negotiated rates for health insurance. They would get more choice at lower costs—exactly what we as Federal employees get. The purchasing pool will be similar in the structure to the Federal Employees Health Benefit Program to which all Government employees across this great country have access.

This is a far cry from the associated health plans some folks here in Washington talk about. These other plans—AHPs—allow companies to cherry-pick only the healthiest workers, leaving a pool of the sickest and neediest without coverage. That is not a way to attack this problem. It is only going to drive up costs in the long run.

Our plan would provide more comprehensive coverage to a far greater number of workers. We have seen its success in what it provides to us and to our workers in the Federal Employees plan, not to mention all of the others who work in Federal Government across this land, from rural areas to urban areas.

We have seen the increase in our ability to offer them choice and better cost. If we can make health insurance more affordable for all of these workers through their employers—all of these small-business workers—we would not necessarily solve the problem of the uninsured, but we would certainly make an enormous dent in it.

Our plan would go a long way toward making health care more accessible for millions of workers and their families. After all, more than half of the private sector workers in the United States are employed by small businesses, and many of these businesses struggle with the cost of providing quality health coverage. That would go a long way toward helping to ease some of the anxiety and concerns people in this country are feeling. In my home State, 76 percent of businesses have fewer than 50 employees, so Arkansans would benefit greatly from this program.

I have heard from many of our small-business owners in Arkansas who have been forced to drop or reduce their employees' health coverage because of the high cost. But it is not just small businesses. Health care and health care costs in this country are the first item of business for anyone who comes into our offices to talk to us about their needs and concerns.

These small-business employers want to provide their employees with the best coverage possible because they recognize how valuable health insurance is as a tool for boosting recruitment, retention, and employee morale, not to mention their production. They are so much more productive when they have healthy people in their workforce.

Clearly, health insurance can play a vital role in the overall success of a small business. Our plan would help our small-business owners provide employees with health coverage at a much lower cost—a win-win situation for everyone.

With solutions such as this, health insurance plans for small businesses, we can ensure health coverage is a fundamental component of every American worker's economic security.

We must make the growing number of uninsured in our country a priority. It must be a priority we all embrace in the Senate. It is clear working families are not getting the health care they need. Let us come together and do something good for the hard-working folks in this country who can't afford health insurance today.

For those who can't get access to the most basic of preventive medicine, Congress needs to address this issue. The high cost of health care in the United States is giving other developed countries an advantage in keeping and attracting jobs.

For each car they build, DaimlerChrysler AG pays about $1,300 in employee health care costs. When they make a car in Canada, they pay hardly anything. That is why the Big Three automakers actually lobbied the Canadian Government to maintain their national health care system.

At a time when jobs are leaving our country, at a time when health care insurance premiums are rising by leaps and bounds and working families are feeling insecure about their jobs and health care coverage, Congress must do something, and we can do it now.

Mr. REID. Mr. President, when we finish with morning business, we will have about 15 minutes remaining to speak on the Cantwell amendment. All Senators who wish to speak on the Cantwell amendment should get over here at about 10 after 11. Time will be equally divided. That is the only opportunity to speak on the Cantwell amendment today prior to the vote.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Utah.

Mr. BENNETT. Mr. President, what is the time situation?

The PRESIDING OFFICER. The majority controls 30 minutes of morning business, and the time of the minority has expired.

Mr. BENNETT. Mr. President, I will claim such portion of that time as I may consume up to the 30 minutes.

The PRESIDING OFFICER. The Senator is recognized.

THE ECONOMY

Mr. BENNETT. Mr. President, a recent poll within the last couple of days had a fact I found truly extraordinary which I want to talk about. It says a very large percentage—maybe even a majority—of the people of America believe we are still in a recession. I find that extraordinary because the evidence in every area is highly to the contrary. The economy, if you will, is firing on all cylinders. Let me repeat some of the statistics I have given here before.

In the first quarter of this year, the economy grew at a 4.2 percent annual rate. Added to the growth in the 2 previous quarters, this means it has grown over 5 percent in the last 3 quarters, which is the best performance in 20 years.

Some say, Where are the jobs? We may have gross domestic product growth, but we don't have any jobs, so we are still in a recession.

How can we say that in view of the facts which are overwhelming? Within the last 8 months, we have increased 1.1 million jobs according to the payroll survey, and 1.3 million jobs according to the household survey. Every indication is the jobs are coming back, and they are coming back very strongly.

In a recession, you have layoffs. When you have layoffs, you have people who apply for unemployment compensation. Those are jobless claims. The level of jobless claims is at its lowest level in 20 years. How can we be in a recession when the jobless claim level is so up? How can people come to this conclusion?

We have a constant drumbeat in the media about how terrible things are.

I have inquired why certain media figures continue to ignore the actual figures, the facts. I am told with a shrug by some of the leaders in the media, it is all about ratings. They get better ratings on television programs if they rant about American jobs going overseas and about the economy being in terrible shape. If they scare people, for some reason, people seem to stay tuned in and they get higher ratings and a bigger audience.

We have a responsibility in this Chamber not to scare people. We have a responsibility to tell the truth. The truth about the economy is that it is doing well.

Let me review some charts I have presented before to reemphasize the facts, not to make any new argument. Apparently, the arguments made before are being ignored. So let's make it again until people understand the facts. Here is the historical perspective of economic growth. On the chart, the green line above the line represents quarters of activity. Naturally, there are four quarters for each year. The red lines below the line represent quarters when the economy shrank. By definition, a recession is when there are two successive quarters in red.

If we look back over history—and this goes back into the years of Jimmy Carter's Presidency—we see a lot of red in this period. There was a recession at the end of Jimmy Carter's Presidency and then another recession in the first years of Ronald Reagan's Presidency—the dreaded double dip that people talk about. We go into recession, we get some recovery, and we are right back into recession. That was one of the most difficult economic periods of our history. We survived it, we came through it, and we had a period following it of tremendous economic growth.

During this period we added to the size of the U.S. economy the equivalent of Germany. If we were talking companies, it would be as if the United States, a corporation, acquired Germany; all of it, and all of its profit and economic activity. We grew enough to add the total of Germany to the American economy in this period.

We cannot repeal the business cycle. Inevitably, no matter how well managers try to manage their affairs, something will happen, things will taper off, and we will have a correction. That is what recessions are; recessions are corrections of the excesses that preceded them. Plus, there can always be a recession from an external problem such as the oil shock that hit in the early 1970s. September 11 is something that could cause a recession and other factors. One can never anticipate that the upward trend will continue without a correction somewhere along the way. That hit in the middle of the Presidency of the first President Bush. By comparison to the earlier recession, it was mild. But it was not mild for people who lost their jobs. It was not mild for people who lost their homes or who had difficulties. But otherwise, by comparison, the amount of red below the line was nowhere near the amount of red that preceded it in a decade.

When we recovered from that recession—and the recovery began in the Presidency of the first President Bush—we began another period of prosperity. Overall, it was probably not as big as the prosperity that preceded it, but why quibble about small amounts. It was a period of good prosperity. We heard in the 2000 election it was the greatest economy in history. In fact, the red had shown up in the third quarter of 2000. The signal that this period of prosperity was over, that another recession was on its way, was already given before the election took place. The signal was correct.

After the election, we slipped into a recession that occurred in the last three quarters of 2001. However, we came out of it in the fourth quarter of 2001, and we have been in recovery ever since.

It is amazing to me that polls show that Americans think we are in a recession, when we are in this green period. This green demonstrates that we are going to do at least as well, if not better, than we did in this period—maybe even as well as we did in this period following this recession. This recession, by historic comparison, has been the shortest and the mildest that we have ever had in America.

For political reasons, it is being talked up as a disaster. I have heard in the Senate statements that this is the worst economy in 50 years. I have heard in the Senate that unemployment is the worst it has been since the days of Herbert Hoover. That is almost laughable. Unemployment in the Great Depression went over 25 percent. Unemployment in this recession and recovery topped out at 6.3.

Let's put that in historic perspective for a minute. Let me show what the unemployment rate has been in previous recessions. Here is the dreaded double dip we were talking about. Unemployment hit 10.8 percent, still less than half of what it was in the Great Depression, but it was tremendously difficult. I remember how difficult that was. Then it came down. We got the next recession, and unemployment peaked at 7.8 percent. Now, the peak of unemployment occurred during the recovery, not during the recession. The shaded period on the chart is the period of recession. Here it peaks as the recession ended, and here it peaked during the recovery. Now we came down and we had this recession once again; unemployment peaked during the recovery, but it peaked at 6.3 percent. If you put 6.3 percent across the chart and compare it to where it was in the previous recession, you say: Not bad, not bad at all.

But we are being told, again, this is the worst economy in 50 years because, where are the jobs? Now it is coming down. It is down to 5.6 percent. As I say, the jobs are coming back at the rate of a million in the last 8 months. So project the next 8 months, there is another million jobs. If they come back faster, they come back at the same level as they have been coming, we will have another million jobs in less than 8 months. I don't know what will happen, but I am pretty confident this will continue to come down.

The question is, Why does it take so long for the unemployment rate to come down once the recession is over? The answer is very clear. The business man or woman wants to be absolutely sure his or her business is, in fact, in recovery before he or she goes out and starts to hire. They are delaying hiring permanent workers until they are sure the recovery is in place. They use temporary workers. They use overtime on their existing workers until they are absolutely sure the recovery is in place. Then they start a permanent hiring. That has happened and the statistics are there and the facts are overwhelming. We are in recovery; the recovery is strong. It is robust; it has traction.

I can only assume it is for political reasons that people stand in the Senate and say: No, no, no, we are in the worst economy in 50 years. That simply is not true. It cannot be sustained.

As I listened to the rest of the rhetoric—and I will not repeat all of the statistics I have used in previous speeches because I want to talk about the philosophical basis, but let me make this point. There are those who believe the economy is a sum-zero game. By that I mean they believe that in order for one person to win, the other person must lose an equal amount.

Now, marbles is a sum-zero game. If we play marbles, and you win three, that means I will lose three; and we add your plus three to my minus three and we get zero. But in the economy, just because Adam gets a job, does not mean Benjamin has to lose his. In the economy, just because Charles gets rich, does not mean that Daniel had to be made poor. In the economy, it is possible for both to grow simultaneously. In the economy, just because jobs are growing in India does not mean they are shrinking in America. They can be growing both places. Indeed, that is what is going on.

I see my colleague from Texas wants to speak, and I will be happy to yield the floor and give her such time as she needs. But I want to leave with this one point, once again: In economic analysis, understand that the economy is not static. It is not an either/or. It is not a sum-zero game, a plus and a minus. The economy is constantly fluid. People are moving up and down the income ladder all the time.

We hear statistics about all the people at the bottom and how rich the people are at the top. If I may, in my own case, in my lifetime, I have been at the bottom and I have been at the top and I have gone back to the bottom and struggled back to the top. Statistically, there is no way to reflect that fact. Statistically, they look how rich the people at the top are getting, and look how poor the people at the bottom are, as if they are going to stay there all their lives.

This economy is strong. This recovery is real. No amount of political rhetoric to the contrary can change those facts.

With that, Mr. President, I yield the floor, but I plan to address this overall question of the fact that the economy is not a sum-zero game at some length in the future.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. There is 15 minutes.

Mrs. HUTCHISON. Thank you, Mr. President. I will yield 7½ minutes to the Senator from Mississippi. Before I do that, though, I do want to thank the Senator from Utah, the distinguished chairman of the Joint Economic Committee. He has been looking at the economy every month and really looking at that progress. I think you can see from his remarks that the trend is up on all fronts. All of us knew when the recovery was coming, it would not be a true recovery unless it had jobs with it. Now we are seeing the jobs coming online following the outstanding performance of the stock market, and now consumer confidence is up.

I think the distinguished Senator from Utah was on this trend for a long time before others were focusing on it. We certainly appreciate his leadership.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I join the Senator from Texas in thanking the Senator from Utah for the leadership and information he has been providing about what is happening with the economy, and helping us to understand all the data. As chairman of the Joint Economic Committee, he has been the most aggressive chairman I have seen in recent years. He is doing a fantastic job.

I would describe this economic recovery we are going through now as the ''just say it ain't so recovery.'' When I listen to many of the speeches around Washington—and even out across the country in some areas—I sometimes get the feeling some people think that if you just keep saying the economy is not good, maybe it won't be. Only in Washington do you have that sort of perverse thinking, that too much good news about the economy is either not true or it is unhelpful.

Many people try to look at the stock market to assess whether the economy is doing well. Well, in the long term this may be true, but at some points in time, I think it is a reverse indicator of what is going on in the economy. Sometimes, bad news in the stock market is really good news. We saw that just yesterday. Because the economy is growing, because jobs are being created, because orders are going up, because manufacturing is going up, the stock market said: Wait a minute now. Maybe the economy is beginning to get a little too hot, and maybe the Federal Reserve System is going to have to raise the historically low interest rates a little bit. Oh, this must be bad news, so let's sell now.

So when the stock market reacts like that, you can bet good things are happening in the economy. The list of good economic news is very long and is growing.

I think a lot of credit should go to the Federal Reserve Chairman, Alan Greenspan. He has been careful in his language. Low interest rates have been fantastic for automobile sales and housing starts. The American dream is now available to more Americans than at any time in the history of this country. Americans have access to a variety of choices in homes. More and more people are owning their own home. Of course, a lot of the credit for this should go to the availability of quality housing, a good area of the economy. Home building is done by a lot of really good people who are very capable. But you have to acknowledge that low interest rates have really helped the housing sector.

I think credit should also go to the President for his leadership, and to the Congress. The President knew when he was sworn in that January in 2001, that we were already in a recession. We were already in one, it did not start then. The President came to the Congress and said: We have to do some things to encourage the economy to grow. One of the best ways to do that is to carefully cut taxes. We needed tax cuts that put money in the pockets of working Americans, and incentives for business and industry to create jobs. The Congress heard the President and passed tax cut legislation. We did it in 2001, 2002, and 2003.

Now, Mr. President, we are getting the benefit—the tremendous benefit—of those tax cuts because they boosted the economy when we needed it most. Just look at the numbers. If you have doubts about what is happening in the economy, look at the numbers published by the experts, not as cited by a Member of Congress.

For instance, with respect to jobs, the administration announced on May 7 that 288,000 net new jobs were created in April; and 308,000 were created the month before—over a half million jobs in 2 months. Since last August, an estimated 1.1 million jobs have been created. I think it is probably more like 1.3 million jobs when you take into account the Household Survey. But either way, that is a significant increase.

The national unemployment rate has edged down to 5.6 percent. I remember years ago, when I first came to Washington—I admit that was a long time ago, 30 or so years ago—6-percent unemployment was considered ''full employment.'' Well, my attitude is, any unemployment is unacceptably high. But it is now down to 5.6 percent, falling .7 percentage points, from a peak of 6.3 percent in June of 2003. I believe it is going to continue to go in that direction, partly because manufacturing employment increased 21,000 jobs in April. The February and March job numbers were also corrected upward. So, manufacturing employment has risen for 3 consecutive months.

One of the most interesting statistics I have come across is that we have more Americans employed now than at any time in history. More Americans are working today than at any time in history. Is it enough? No. We want more, and we want better paying jobs with greater opportunities. But still, you have to say, the fact that more Americans are working than ever before is a very impressive statistic.

Weekly unemployment claims have fallen to their lowest level since the year 2000. The economy grew at a strong annual pace of 4.2 percent during the first quarter of 2004. I think, when the assessment is done, it will be adjusted upward to 4.5 percent. That is very strong growth. Most of the countries of the world would be delighted to have even half of that kind of growth.

Household spending continues to be strong. Retail sales are up. Consumer confidence is at the highest level in 3 months, and rising. In March, new housing construction surged to levels near those of December 2003, when we had the highest levels in almost 20 years. American companies are, across the board, reporting historic levels of growth. Productivity levels are up.

So the administration's policies have been working, and we are making great progress. Every economic statistic now is moving in a positive direction. Now, we also need to pay attention to making sure inflation does not creep in, while keeping interest rates as low as possible.

The downturn in the economy, our response to 9/11, the war in Afghanistan and Iraq, and additional expenditures for homeland security have contributed to deficits, but even that projection has fallen. Last year, we were told that the current fiscal year deficit would be more than $500 billion. Now it looks like it will be down to $417 billion. I think it may end up below that because the economy is growing. This is good news, but we have to continue to address the budget deficit problem. I think we are going to have to make some tough choices in the next couple of years to get the deficit back down to where it can be eliminated. I think deficits do matter. They will affect interest rates over a period of years if we ignore them.

One other thing. You might say, well, all right, that is good, but what have you done for me lately? What are you going to do to add to the growth we are trying to achieve? The Senate is doing it today. After fits and starts, four different attempts, we are going to get an international tax bill today. Hallelujah, a bill; an important bill, finally, after 3 years of ignoring the problem of increasing European tariffs on American exports.

Mr. President, this bill will create jobs and address the problem of the WTO ruling. It includes incentives for manufacturing jobs and manufacturing tax credits, and incentives to grow the energy sector of the economy. This is a jobs growth bill. I am glad we are going to get it done. I commend all of those Senators who were involved, including Finance Committee Chairman GRASSLEY and his ranking member, Senator BAUCUS from Montana.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, let me pick up where the Senator from Mississippi left off. What he has been saying about the economy and the figures out there is certainly accurate. The gloom and doom story we have heard over the last 6 months has all of a sudden gone quiet. The reason for that is the very reason the Senator from Mississippi spoke of: the tax incentives we put into place, the investments that are beginning to work, and unprecedented levels of hiring and job creation are underway.

There is something I come to speak about that is of growing concern to me, and I think to thousands of American consumers, if not millions, and the impact it could have on a growing economy, and that is energy and the cost of energy.

Yesterday, I came to the floor to speak on that issue. The senior Senator from Nevada, Mr. REID, came later to say I was unnecessarily, righteously indignant about the Energy bill. You are darn right I am righteous and sometimes indignant when the American consumer is paying $2 per gallon at the pump—and some more than that—and they should not have to be. But they are, and the reason is because the Senate has not acted. No, passing the Energy bill tomorrow is not going to bring the price of gas down at the pump. But if you are in a hole and it is getting deeper and you are still digging, you ought to stop digging. But we have not stopped digging. We have not put policy in place that would begin to fill in the hole that will get us into production and that won't be a major risk to this economy in pulling this growth down because the American consumer is going to have to rejuxtapose some of their budgets. If they are paying $400 or $500 a year more for gas at the pump, let alone the cost of electricity and home heating fuel, they are going to be spending less in the market, and that is just the consumer.

I get righteously indignant when the farmer in Idaho—or in Nevada for that matter—goes to the bank and gives his budget or her budget for the year, and they have not factored in a 30- or 40-percent cost of energy because diesel fuel went through the roof. The bill—if we pass it tomorrow—won't make a difference. The bill will encourage production of domestic oil. It will encourage the development of more natural gas. It will encourage and incentivize the building of necessary infrastructure, such as the Alaskan natural gas pipeline. It will encourage the use of renewable fuels such as ethanol. It will encourage more renewable energy. It will strengthen the future of the nuclear energy option. It will promote clean coal technology. It will promote hydrogen as a new technology for surface transportation. It will promote energy efficiency. It will increase the R&D on a variety of technologies. It will establish mandatory reliable rules for our electricity grid. It will promote investment and expansion of electricity.

No, it is going to take a while for this country to get back into production. But we have not placed the tools in the tool box to allow us to get back into production. So we have become increasingly reliant on foreign sources for our energy. On March 22 of this year, you were paying $1.74 at the pump. On April 4, you were paying $1.78. In May, you paid $1.84, and now you are paying $1.94—in some instances nearly $2, and in other States more than $2.

Some are suggesting that we ought to quit filling the Strategic Petroleum Reserve, that we ought to cut that off. That would not make a difference in the price of oil at this moment because we have lost the capacity to produce. We have to reinvest if we are going to gain that capacity.

Yes, the Saudis are being a bit duplicitous. They said here is our baseline and what we want, and we only need to make $28 on our barrel to fund our country's needs. They are making well over $30 today. Finally, just yesterday, the Saudi oil minister said the OPEC producers ought to increase the official output ceiling. Well, that statement alone knocked the price of crude oil off $1 and, slowly but surely, that will be felt back at the pumps again. What that echoes is that we are not seeing the price of energy improve in our country or determining the future of energy. The Saudi oil minister, by his statement alone, is making that decision and fixing the price, or impacting the price at the pump.

Why do we need a national energy policy? Here is another reason. From 1981 to 2003, we lost a huge chunk of our oil refining capacity. In 1981, we had 324 refineries. Today we have 149 refineries, and they are operating at between 92 percent to 94 percent capacity. The Clean Air Act, the cost of retrofitting, the regulations, and the ability to finance simply took us out of the market and brought down those refineries.

My time is up. The reality is this Senate ought to vote on a national energy bill, and it ought to vote now so we quit digging the hole deeper. Put the tools in the tool box and get this country back into production. And you are darn right I am righteous about it because I don't think our consumers ought to have to pay the bill.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

JUMPSTART OUR BUSINESS STRENGTH (JOBS) ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 1637, which the clerk will report.

The journal clerk read as follows:

A bill (S. 1657) to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization findings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes.

Pending:

Cantwell/Voinovich Amendment No. 3114, to extend the Temporary Extended Unemployment Compensation Act of 2002.

The PRESIDING OFFICER. Under the previous order, the time until 12 p.m. shall be equally divided between the two leaders or their designees.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, I assume each side would approximately have 25 minutes.

The PRESIDING OFFICER. Yes, 26.

Mr. REID. Mr. President, we will allocate that time with 10 minutes to the manager of the bill. There will be 5 minutes for Senator CANTWELL, 5 minutes for Senator VOINOVICH, and 5 minutes to Senator SARBANES.

The PRESIDING OFFICER. The Senator from Nevada, Mr. ENSIGN, is recognized.

Mr. ENSIGN. Mr. President, I rise to briefly talk about the underlying bill and the vote we are going to have on cloture, but mostly to discuss the Cantwell amendment related to the temporary extension of unemployment benefits.

Mr. President, we had a vote on a similar amendment earlier this year, but the amendment before us today was redrafted to reflect changes in high unemployment states. First I want to talk about whether we should extend unemployment benefits—a temporary extension of the Federal program—based on the current unemployment situation. Then I want to talk about some of the details of Senator CANTWELL's amendment and the changes that are in her amendment.

The employment picture in this country is looking up by all measures. In the past, employment was looking up according to the household survey, which is the survey that measures employment, including those who are self-employed, people who contract with the Government, and those on payrolls.

But, there are two surveys of employment. The payroll survey does not include people who are self-employed. It does not include small contractors who contract with the Government, and there are a lot of those people today. So the household survey is a more accurate survey of overall employment in this country.

In the past, the household survey and the payroll survey have paralleled each other. There really has not been a difference, so people mainly paid attention to one survey, the payroll survey.

In the past couple of years, we had a recession that was followed by a recovery. It has been called a jobless recovery. But, recessions always have a peak of jobless claims during periods of higher unemployment after recessions.

This is a chart of the last several recessions, and we can see the gray areas are the recessions. These dark lines are a measure of the unemployment rate. We can see after the recessions, either right at the end of the recessions or just after the recessions, we can see the peak in unemployment. This indicates there is always a lag in people being hired after recessions have ended. As the economy starts growing, people are still a bit unsettled in their businesses—Should we rehire people?—and so that peak of unemployment lags after recessions.

We have passed that peak. We had the recession. The recession occurred at the end of the year 2000 and going into the year 2001. We had this recession followed by a slow recovery. And then we had September 11 hit, which just decimated the economy in many areas, especially the tourist economy,