

our country. What is there to give them assurance they are not the next Valerie Plame? What is there to give them the assurance they won't be fingered at some time in the future?

What happened here is not only confined to Ms. Plame, bad enough as that is. It sends all of the wrong signals to our CIA operatives that they could be next. Some future administration could finger them if they disagree or if their husband or wife, brother or sister, or maybe a friend, disagreed with official administration policy; they could be outted.

And what does it say to all of the contacts these people we have developed and nurtured over years and years, in countries where their lives would be at risk if they were identified as giving intelligence to our CIA people? What assurance do these networks have they won't be uncovered similarly at some time in the future?

I have waited, and we have all waited to get answers; 359 days is too long. One year is too long for this to drag on. It is time for the administration to come clean. It is time for those who leaked Ms. Plame's identity to be identified and to suffer the consequences. It is also time to find out who gave them this highly classified information, how it was they came to have the name of Ms. Plame.

Only a thorough airing of this, only prosecuting those who were involved, finding out who gave this name to these people in the White House, making sure they no longer have positions, wherever they are, in the National Security Council or in the CIA—only then will we send a clear signal we are not going to let this happen again. We must send a clear signal to those who would betray this country in order to get political retribution against somebody who disagreed with an administration's position. Only then will we be able to send a clear signal that these kinds of actions will never be tolerated.

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

Mr. HARKIN. Yes.

Mr. REID. Would the Senator succinctly state what harm was done, or could have been done, as a result of divulging the name of this woman?

Mr. HARKIN. I thank the Senator for his question.

Succinctly, what was done and what more could be done—Ms. Plame had a number of assets and contacts, people in other parts of the world who were giving her information valuable to our national security. These people have been put at risk.

Mr. REID. And these people, I interrupt the Senator through the Chair, did not know—her friends, neighbors, people around America—she was a spy; is that right?

Mr. HARKIN. That is correct. As I understand it, she operated—

Mr. REID. And the people supplying her information certainly did not want the world to know the information

they were giving to this woman was information being given to a CIA operative; is that true?

Mr. HARKIN. Absolutely. Their lives would be at risk, and their lives are at risk, I believe. Mr. President, I say to my friend from Nevada, that is the damage that has been done. But think about the damage that will be done in the future if we do not resolve this matter. Because other CIA operatives who operate without diplomatic immunity, like Valerie Plame, will have this cloud hanging over them. They will fear that they, too, could be outted in the future; that their name could be made public if their husband or wife or someone such as that disagreed with official administration policy.

To me, that is the real damage. The leak has undermined the human intelligence assets we have developed over years and years. I am told it takes over 10 years of CIA training to develop a good covert operative such as Ms. Plame. There are over 10 years of training and seasoning and intelligence gathering before they are a solid source of intelligence. So when we think of that, we think about all of this thrown away because someone had a vendetta against Mr. WILSON, her husband.

I say to my friend from Nevada, it was a vicious act, political intimidation and retribution, and I think it is a clear pattern that we have seen over 359 days of coverup, concealment, and contempt for the truth by this administration. It is time to resolve this issue.

I yield the floor and suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask that the time under the quorum call be charged against Senator LINCOLN to whom I, through the Chair, yielded 15 minutes. I ask that the time be charged against her.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I have been told that Senator LINCOLN is unable to be here. I yield her remaining time to the Senator from Illinois, Mr. DURBIN.

The PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Illinois is recognized pursuant to the request.

Mr. DURBIN. I thank the Chair. Mr. President, how much time is remaining in morning business?

The PRESIDENT pro tempore. There is 11 minutes 12 seconds remaining.

ISSUES IMPORTANT TO AMERICAN FAMILIES

Mr. DURBIN. Mr. President, there is a lot of talk across this country about the important issues in this Presidential campaign. Some people are going to try to define those issues on the floor of the House and Senate in the weeks ahead, but the issues in this campaign will not be defined in Washington, not on Capitol Hill. Those issues will be defined in homes across America where families will decide what is important, and they will listen to the candidates for Congress—the House and Senate—and those who are running for President and Vice President. They will listen to hear whether those candidates are responding to their real concerns.

There will be an effort here to manufacture issues to try to divert American families from their real concerns. In just a short time, I suspect we will have this rush of proposed constitutional amendments coming to the floor of the Senate. It is suggested one will be on the issue of marriage and one on the flag. Quite honestly, it is very apparent why they are being brought to the floor. I personally think we should pass one law—and do it quickly—which says no one can propose a constitutional amendment in a Presidential election year, certainly not within 6 months of an election. Such proposals are automatically suspect and clearly political.

In this case, the Republican leadership is going to bring constitutional amendments to the floor in the hopes that they can divert the attention of American families from the issues they care about to some new set of issues. Why would the Republican leadership want the American people to look at issues other than those they take personally? Because, frankly, they do not have many answers to the questions most families ask.

The families in Illinois and across America with whom I talk are working families concerned about their inability to keep up with costs.

Not surprising, take a look at this chart as an illustration. What has happened to real earnings over the past year in America? For families, average weekly earnings have gone down, but for corporate profits, they have gone up dramatically. There is a disconnect. We want business to be successful. Of course, we do. Successful business means more people working and more good jobs in America. But what is wrong with this picture? Why did corporate profits go up so dramatically and yet working families fell behind so much? The obvious reason is because there are elements in the budget of most families that are not being addressed in Washington.

What is causing this middle-class squeeze across America that is basically denying families their weekly earnings? Why won't the Republican leadership in the Senate and the House address the middle-class squeeze? Why won't we address issues with which people are concerned? Let's be more specific about what that squeeze consists of.

Look at this chart which shows real growth during President Bush's administration. Average weekly earnings have gone up 1 percent since President George W. Bush has come to office—1 percent. What about college tuition costs? They have gone up 28 percent; gas prices, 28 percent. And here is one, this is the killer for business, labor, and families: family health care premiums.

One can say to oneself: What in the world can Congress do about these issues that are raising the cost of living for working families? The answer is, "plenty." What have we done? Nothing, absolutely nothing.

What we have done, unfortunately, is to ignore the real issues facing families. We have ignored the issues they are coping with on a regular basis. College tuition costs: My colleague, Senator SCHUMER of New York, when we were discussing tax cuts, said the most important tax cuts for working families and for our future include the deductibility of college education expenses.

Well, that is obvious. What do I hope for for my kids, for the kids of my colleagues, and for all who are following this debate? A chance for a good education. What stands in the way? Well, certainly their own achievement—they have to do a good job in school to be eligible to go to college—but then the cost. My colleagues know what I am talking about. How many college graduates today face college tuition costs which are absolutely crippling?

Senator SCHUMER and others said if we are going to talk about tax cuts to help working families, why do we not allow them to deduct the cost of college education expenses? We offered that amendment. It was defeated by the Republicans. They said, no, the tax cuts should go to the highest income individuals and they will decide what to do with that extra income and they will ultimately help working families.

Gasoline prices—

Mrs. BOXER. Will my friend yield?

Mr. DURBIN. I will yield in just one moment.

Gasoline prices are another illustration. These prices have gone up dramatically in the State of California and in the State of Illinois. What has this administration done about it? Nothing. A cost to business, a cost to families, a cost out of the bottom line of the paycheck people bring home, and this administration refuses to confront OPEC about fair gasoline prices.

Why do family health care premiums continue to be the No. 1 issue across America, ignored by the Bush adminis-

tration, ignored by the Republican leaders in this Congress? Because the leaders in this Congress and the Republican Party refuse to confront the health care insurance industries, the pharmaceutical companies, and those that are driving up the cost of health care. Those special interest groups are sacred cows in this town, and because the Republican leadership will not confront them, American families are being victimized by them.

These are the issues that families care about. They are the ones we are going to bring to this Presidential campaign, and they are the ones the Republican leadership wants to ignore. They want us to rush off and debate at length constitutional amendments that, frankly, are going nowhere.

I am happy to yield to my colleague from California for a question.

Mrs. BOXER. I came to thank the Senator for bringing out that chart, if he would keep it up there for a minute, and for making this point to our colleagues and anyone else who might be listening. It is one thing for us to critique the administration and say they are not addressing the real issues. When I go home, people say this administration cares about everybody else in the world; there is money for everybody else in the world; we are going to help everybody else; we are going to help the people of Iraq. Fine, but they are going to have universal health care and we are not? They are going to have their classrooms built and we are not? And it goes on.

So what I believe our people want us to address is what is happening to them, and what my friend has done in a most eloquent way, as he always does, is to point out this middle-class squeeze that is hitting our people.

These are the problems I care about. I say to my friend, we have a bill about reforming class action. I have taken a look at some class action lawsuits, and I have realized that is one tool to help middle-class families who may be harmed by products that are not safe. So I do not know why they are running off to do that and they are ignoring all of these other things.

I guess my question to my friend is, As we debate the Presidential election and we have a point of view that this administration is ignoring this middle-class squeeze, do we not find that happening right here with the Republicans who are in charge of this Senate? Are they not ignoring this middle-class squeeze? The best way to prove the point is what they bring up before the Senate. Are they bringing up anything to deal with college tuition and giving tax breaks to those folks who so desperately need it? Are they doing anything at all to help with gas prices, health care premiums, or prescription drugs, or are we going to face, after this class action debate, these constitutional amendments my friend referred to that I have to say in all honesty and frankness I have never had one person in California come up to me

and say: Senator, the most important thing facing us is gay marriage. That is just ruining my life. Take that up. Ban it because that is what I think about night and day. No. They tell me they are worried about paying college tuition; they are worried about filling up their gas tank; they are worried about not being able to afford prescription drugs.

So my question to my friend is, Could we not do more to implore this leadership to take up some of the issues that are really affecting the people we all represent?

Mr. DURBIN. I thank the Senator from California for her question. The answer is clear to all of us. This Congress, under the Republican leadership and this administration, has decided that the special interest groups are more important than these issues that are facing working families. They have decided that giving tax cuts to the wealthiest people in America is more important than giving working families the deductibility of college education expenses. They have decided that giving breaks to oil companies is more important than confronting those oil companies and OPEC to bring down gasoline prices. They have decided that the pharmaceutical companies and the health insurance companies in America are more important, their bottom line profits are more important than the cost of health insurance to businesses, to labor union members, and to families across America. They have caved in time and time again to special interest groups, and they refuse to listen to the real concerns of America.

That is why Americans are saying, by a margin of almost 2 to 1, that we are headed in the wrong direction as a nation. They want leadership in Washington that responds to the real issues, the family room issues, the kitchen table issues families face every single day. This administration has refused to do it. Frankly, this Congress has refused to do it. They want to divert attention. They want to have the old sleight of hand. Let us talk about constitutional amendments. Let us not talk about things that deal with the real issues facing families.

I am happy to yield to the Senator from Nevada.

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

Mr. DURBIN. I am happy to yield for a question to the Senator from Nevada.

Mr. REID. I say through the Chair to my distinguished friend from Illinois, also the two constitutional issues, gay marriage and flag burning, no matter how strong someone may feel about each of those, would the Senator acknowledge they have no chance whatsoever of passing, so we are not only taking up issues that may be secondary to the vast majority of the American people, but also they have no chance of passing? All they are doing is bringing these up to try to satisfy a small number of people in this country to divert attention from the real pocketbook

issues the American people deal with every day. Would the Senator acknowledge that?

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Democratic time has expired.

Mr. REID. Mr. President, if the Democratic time has expired, the Chair has not properly advised the minority. I yielded 25 minutes this morning to Senators LINCOLN and Senator HARKIN, leaving 5 minutes. So where has the 5 minutes gone?

The PRESIDING OFFICER. Senator HARKIN asked for an additional 5 minutes.

Mr. REID. I am sorry. I should never step off the floor.

The PRESIDING OFFICER. Which completes the Democratic time.

Mr. REID. No problem. I should never step off the floor.

I ask unanimous consent that each side have an additional 5 minutes.

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

Mr. DURBIN. I say to my colleague from the State of Nevada, he is going to find out in the rollcall votes, in the ultimate vote, that these constitutional amendments are not going to pass. This is a political grandstand. Frankly, we should pass a law that says a constitutional amendment cannot be proposed within 6 months of a Presidential election. That is what this is all about. It really demeans this great Constitution we have sworn to uphold that we are playing games by bringing issues like the gay marriage amendment to the floor of the Senate without even a markup in the Judiciary Committee.

Why? Frankly, it should not be done. Maybe one or two times in the recent history of this body have we brought an amendment to the Senate floor without a markup in the Judiciary Committee—I think Senator HOLLINGS, through unanimous consent, discharged a proposed constitutional amendment from committee. So they are not taking it seriously. It is just a record vote to put Members on the spot and to try to gas up the special interest groups that feel strongly on this issue. That really does not address the issues working families care about.

If this Senate is going to be relevant to the people we represent, we ought to speak to the issues they care about. Whether the people are coming to this gallery or watching the proceedings by television, they know what working families care about. It is the cost of health insurance. It is the fact that one may have a dollar an hour more in their contract this year and do not have a penny more in take-home pay because health insurance has gone up. It is the cost of sending your kids to college. Your child works hard and has good grades, gets into a great college, and look at the cost: I'm sorry, you can't go to school; we can't come up with \$20,000 a year.

It is the cost of gasoline which is killing small businesses and families alike.

These are issues we ought to be talking about and these are issues this Republican leadership consistently ignores.

Mr. NELSON of Florida. Will the Senator yield?

Mr. DURBIN. I am happy to yield.

Mr. NELSON of Florida. It is also the cost of prescription drugs, I add to my colleague from Illinois. I will tell you of the riveting experience I had last week as I was doing townhall meetings in my State of Florida, where a senior citizen, a lady, broke down crying in the middle of a jam-packed townhall meeting as we were talking about the issues of the day such as Iraq. She said: I cannot afford a roof over my head and the cost of prescription drugs. She said: I don't have any choice; I have to provide a home. That means I cannot buy prescription drugs.

Yet what did we do in this Senate? The Senator from Illinois and I did not vote for the prescription drug bill because it said Medicare could not negotiate by using bulk purchases, negotiating the price of drugs down as does the Veterans' Administration.

It is inexcusable. It is unexplainable, except that it rewards special interest politics to the neglect of senior citizens and allows those prescription drug prices to stay as high as they are so seniors cannot afford them.

Would the Senator reflect on that experience I had in my townhall meeting?

Mr. DURBIN. I would say to the Senator from Florida, he will hear the same response in Illinois, in California, in Nevada, in South Carolina. People can't afford prescription drugs. They can't afford college tuition. They can't deal with health insurance costs. They can't deal with these rising gas prices.

Here is the problem. We need to create a special interest group called Working Families in America. Wouldn't it be great if they had a lobby here? Wouldn't it be great if we walked out in that hallway and men in three-piece suits and Gucci loafers were representing working families in America? There are plenty out there for the drug companies, plenty out there for the health insurance companies. But this Senate and this Congress only responds to special interest groups and those are groups such as the pharmaceutical companies that have record profits at the expense of consumers across America.

When are we ever going to address issues that real families care about? If we are not here to address those issues, then, frankly, we ought to just close up shop and go home, and I don't think we should. I think we have a responsibility to stay here and work and make certain that we deal with the issues real families care about instead of all these special interest groups that come in.

Now they want to get rid of class actions. They have said class actions, that is a dirty phrase. We should not say that in America because the people who go to court and sue on behalf of a large group of people have no business

doing it. They are frivolous lawsuits. They are unproductive.

Then take a look at those class action lawsuits. Those end up being lawsuits by consumers across America who may have just lost \$100 personally, but when aggregated turn out to be a large group of people who have created a great profit for a company that didn't deserve it.

Those are ways that Americans speak to the issues that concern them. Those are opportunities which the Republican majority wants to silence.

I yield the floor.

The PRESIDING OFFICER. The Democratic time has expired. The Senator from Arizona.

Mr. KYL. Mr. President, it has been interesting to hear some of our Democratic colleagues this morning make the charge that the Republican leadership is somehow diverting attention from the real problems of the day by scheduling a vote on an issue which, when I was back home this last weekend, was certainly on the minds of a lot of my constituents, and that is this question of whether judges in America are going to redefine what they have always understood to be their definition of marriage.

To take 1 day, or perhaps as much as 3 days, to debate that issue and get that issue resolved in the Senate does not seem to me to be too much to ask, in terms of conducting our business.

With respect to the claim that it is diverting us from attention to the economic issues that are of most concern to Americans, I have two responses. First, Americans seem to be concerned about more than one thing. They are concerned about raising their families; they are concerned about a good home for their children; they are concerned about a good economic future for their children. All of these are wrapped up in the totality of the things that were expressed to me over this Fourth of July break.

I don't think it is either fair or accurate to say there is only one thing Americans are concerned about and that is their economic future. But to the extent that is an issue and it becomes an issue in the Presidential campaign this year, I think some facts are worth pointing out.

I realize that sometimes facts get in the way of arguments. One of the main arguments of our colleagues on the other side of the aisle is that this is a bad economy. The Democratic Presidential candidate has talked about the Depression and the worst economy since—I don't know, Hoover, I guess. But the facts belie that claim. So perhaps this morning we should take a little time to discuss some facts, some actual statistics, some reality about the economy and not just the economy in general but the economy as it affects the average American.

On the question of jobs, one of the criticisms has been—originally the idea was there was no economic recovery. Then the economic recovery became undeniable. Then the claim was

it is a recovery in every sense except the creation of jobs. Then for several months in a row we began creating record numbers of jobs. Then the argument became: But they are not really good jobs.

There are some people you can never please, of course. In an election year, the party that is on the "out" has to criticize the party that is on the "in." It is just that it is becoming harder and harder to criticize the Republicans because the economy has rebounded so well, largely because of policies that have been pursued by the Bush administration.

Let's examine the specific claim about employment and about wages and about what kinds of jobs Americans have and how the economic recovery is positively impacting the average American. Look at the June employment figures, which are the latest numbers we have. They demonstrate several things.

First, the quality of new jobs is rising. Nearly 80 percent of the new jobs created in June were in industry categories that pay an average hourly rate in excess of the overall average hourly rate in the private sector. So these new jobs in manufacturing pay a higher wage than the average. The inflation-adjusted average hourly earnings have increased 2.224 percent during the first 3.5 years of the Bush administration, compared with only a .13-percent increase during the same period of the first Clinton administration.

People say, What about disposable income? Not just wages but disposable income. Per capita aftertax disposable income, adjusted for inflation, has increased 7.1 percent, since President Bush took office, well above the 5.2-percent increase during the same period of the first Clinton administration.

It doesn't much matter how you look at it, statistics in every respect are superior to the Clinton administration statistics. They represent economic growth. They represent real return in terms of wages and inflation-adjusted wages for the average American as well as the American working in manufacturing.

Since the start of the Bush administration, full-time employment has averaged 82.56 percent, nearly a full percentage point higher than full-time employment during the same period of the first Clinton administration. So, again, no matter what comparison you make, Americans individually are better off today. It is not just a matter of the economy performing better, but they are individually better off today in terms of employment, in terms of jobs, in terms of earnings.

In the past year, the number of full-time positions has increased by nearly 1.3 million. I mention that because some make the argument that some of these are called "McJobs"—a play on McDonald's—that they are just hamburger-flipping kinds of jobs. No. We are talking about full-time positions.

And I talked about manufacturing jobs earlier.

More than 81 percent of part-time workers in June indicate they have chosen part-time employment for non-economic reasons. The point is that while full-time jobs are increasing, those who are working part time are primarily working part time according to their own testimony for reasons that do not have anything to do with economics.

I also mention the fact that temporary jobs in June represented only 2.225 percent of all payroll jobs in the private sector.

I make all of these points not to suggest that we can't do better. In fact, the President has said we will not rest until everybody who wants to work can find a job.

When you look at some of the counties in Arizona, for example, in Pima and Maricopa Counties where the employment rate is 4.1, 4.2, or 4.3 percent, something in that order, and when you look at an area where there is a substantial amount of illegal immigration with the people working in sectors that Americans have not wanted generally to work, you can see this is the closest thing to full-time employment we could possibly have in this country.

Let me give some more statistical data because part of the problem in the debate has been claims by one side and facts on the other side. I know that sometimes people's eyes glaze over when they hear too many numbers, but the reality is that numbers tell the story here. They are like pieces of a puzzle. They are reality. When you put them together, what they represent is not just a strong economy but an economy that is helping individual families provide more income and more security for their work situation.

The employment data released by the Bureau of Labor Statistics earlier this month demonstrate this strong job growth. In June, nonfarm payroll employment increased by 112,000 net new jobs. So far this year, nearly 1.3 million net new payroll jobs have been created, and over 1.5 new payroll jobs since last August. According to the Bureau of Labor Statistics' current population survey, which is the household survey, the unemployment rate remains steady at 5.6 percent, which is well below the peak of 6.3 percent in June of 2003. In other words, more Americans are working than at any time in the country's history—139 million individuals. I think that is a record we can be proud of.

I make this point: There is a certain sense in which talking down the economy creates a psychology in the market and becomes a self-fulfilling prophecy. I notice there has been criticism in the past by Members on the other side when Republicans have, during the Clinton administration, noted certain problems with the economy. They said don't talk down the economy, that it will have an effect itself on confidence in the market and confidence among consumers.

This is what disturbs me about some of the rhetoric from the other side. Every measurement of the economy is improving and every measurement with respect to individuals within the economy is improving substantially and is better than the comparable times during the Clinton administration, yet you hear people constantly talking it down. There is a point at which this itself can have a negative impact.

I would like to quote from a Wall Street Journal commentary that sort of describes this phenomenon I am talking about. Here is the Wall Street Journal:

Here's a quick primer on how to track an economic recovery. When the media fret that the U.S. is heading for a decade of stagnation like Japan, that means profits and investment are picking up. When you hear that profits have risen but we're stuck in a "jobless recovery," businesses have started hiring. And finally when a cry goes up that American workers can find only low-paying menial jobs, that's the tip-off that the economy is booming.

Congratulations, America. The return of "McJobs" rhetoric signifies that an expansion is in full swing.

Of course, the Journal goes on to detail a lot of the statistical information I have been talking about.

By focusing on the quality of the jobs that are being created, the pessimists are once again counting on the public to overlook the facts we have been talking about here. As I have indicated, the facts demonstrate that the U.S. economy is not only producing a steady stream of jobs, but the new positions are well paying and they are industrial jobs. So whether you are talking quality or quantity, it is very hard to deny that this economic recovery is helping all Americans.

One of the concerns has been about manufacturing. There is no question that there are shifts occurring all around the world to an information technology kind of economy, and a lot of the old industrial base of this country has been affected by that. But there are also some statistics that I believe give hope with respect to manufacturing in this country, which is still the No. 1 country for manufacturing in the world.

In June, nearly 80 percent of the new jobs were created in major industry categories which pay an average hourly rate in excess of the overall average hourly rate in the private sector of \$15.65. In June, 39,000 new professional and business services jobs were created in an industry with an average wage of \$17.38 per hour—11 percent more than the overall average hourly wage; 19,200 new transportation and warehousing jobs were created in an industry with an average wage of \$16.50—7 percent above the overall average. In contrast, because some speak about the leisure or hospitality industry where wages are less, the average wage there is \$8.86. That only accounted for 6 percent of the new jobs created.

Again, for those who say there are new jobs being created but they are in

the lower paying categories and not in the industrial categories, the statistics simply belie that. They say that is not true.

The point is, very broadly speaking, the employment figures in June are consistent with an upward trend of well-paying industries creating valuable jobs, and this has been occurring for more than a year.

In June, the average hourly earnings of production or nonsupervisory workers increased at an annualized rate of 1.2 percent, the sixth consecutive monthly increase. Importantly, the growth in hourly earnings was broad based, with wages increasing in 9 out of the 11 major industry sectors and unchanged in 3 sectors since June.

Since the beginning of the Bush administration, real average hourly earnings—that means adjusted for inflation—have increased by 2.24 percent compared to the Clinton administration. In the first Clinton administration, real average hourly earnings grew by only 1.3 percent. Moreover, in the 2½ years following the 1990–1991 recession, real average hourly earnings fell .66 percent. So the current increase demonstrates that earnings are outpacing inflation to the benefit of American workers and their families—again, in sharp contrast to the Clinton years.

Finally, using the broader measure of “compensation,” which includes both wages and benefits, the earnings picture improves even more. Between the first quarter of 2001 and the first quarter of this year, compensation paid to workers in the private industry has increased a total of 12.18 percent. Specifically, wages have grown by 9.44 percent, and employment benefits, including health and pension benefits, have increased by 18.98.

No matter how you look at this, individual employees are doing better in terms of the kind of jobs they have, what those jobs are paying both in terms of compensation and in terms of money, as well as compensation in terms of other benefits. There is no way to look at the economic growth and its impact on individual families and workers without seeing the good news. As I said, the only explanation I have for pessimistic talk is the reality of politics.

If you are going to try to replace somebody in an office, you have to complain about something. In this case, however, I think those who are complaining about the economy and are somehow suggesting that President Bush and the Republican administration have not done enough to improve the economy for working families basically have not been looking at the facts. The facts have demonstrated quite clearly that this economic recovery is helping a very broad spectrum of people in this country, from industrial jobs to all other kind of jobs.

Disposable income is another measure by which you can determine whether families are better off—dollars left after taxes. Here is where the Bush ad-

ministration has really made big strides because of the tax cuts we passed, which some on the other side of the aisle would take away.

In the first 12 quarters, the Bush administration's per capita aftertax income increased by 12.5 percent, in large measure as a result of the individual tax rate reductions we enacted in 2001 and 2003 that were part of the Bush tax reduction programs which he signed into law and is asking us to make permanent. With that kind of improvement in per capita income—this is disposable income, dollars left over after you pay the taxes that our colleagues on the other side of the aisle ought to be joining in making the tax cuts permanent and not that the tax cuts should be eliminated—per capita aftertax disposable income in real, meaning inflation-adjusted, terms has increased 7.1 percent since President Bush took office. That is a significant improvement over the 5.2-percent increase during the same period in the first Clinton administration.

In a courtroom, I would say I rest my case. By every conceivable measure of how Americans have been affected by this economy and the economic growth spurred by the position of the President and the action of the Republican House and Senate in support of the administration, by every measure, Americans' lives have improved. We ought to count that as good news, whether we are Democrats or Republicans, regardless of what economic strata we are in. It represents the best in this country, the opportunity we all have, the kind of idea that President Kennedy, all the way through President Reagan, talked about.

When the economy is improving, everyone in this country is better off, and we should be grateful. We should understand the causes. We should support those legislative policies that represent those causes and not denigrate an economy which is helping the American public.

It is time to be a little bit more optimistic about our future. This is a great country. It is a great country because of the people who create the jobs and who do the work. We should give them a lot more credit than some people on the other side of the aisle have, credit for helping this country to become everything it can become for the benefit of American families.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. COLEMAN. How much time remains?

The PRESIDING OFFICER. Sixteen minutes.

Mr. COLEMAN. Mr. President, I will talk about good economic news, the optimism that my friend and colleague from Arizona has discussed. I have always been a believer in looking at the cup half full rather than half empty. This cup is pretty full right now and is filling every day. It tastes good to drink from it. There is good news out there and we need to talk about that.

We used to have an expression that politics ends at the water's edge. We did not allow debates between candidates to confuse the way foreign policy was conducted abroad. There is something akin to that with the economy. Certainly the issue of jobs and economic growth are appropriate for political discussion. No doubt about that. I worry when it reaches a point that the volume and nature of the debate is actually hurting the economy.

Maybe we have gone too far. So much of our economic activity is based on the way we perceive the direction of the economy. Perception does have some impact on reality. Those who try to shape the negative perception for political ends should reflect a little more on that. It is the political season, the Presidential race is coming up, but the volume of negative statements in absolute denial of what is happening with this economy is a little disconcerting.

I am concerned about those who are tempted to believe good economic news is bad political news, and bad economic news is good political news. We should be better than that. It reminds me of the Lutheran Church in Minnesota that got their first female pastor. Some of the older guys in the congregation were skeptical. They thought she would not be able to preach. After her first sermon, they were very impressed.

Then they said, Well, she will not work very hard. But after she balanced the congregation's books, organized the church picnic, and got the Sunday school on track, they were impressed.

Then they thought, Well, she will not relate to guys like us. Then she asked if she could go fishing with them. They did not like the idea, but they could not say no. After a couple of hours on the water, the pastor said: Guys, I need a restroom. A little annoyed, they started pulling up their line. She said: That's okay, and stepped out of the boat and walked on water to the shore. And one of the guys said: Figures, she can't even swim.

For those who continue to be skeptical about the progress of this economy, I am beginning to think they would be discouraged even if it walked on water. I read an estimate that the economy will grow at a rate of 4.8 percent this year. That sounds good. It would be the highest growth in two decades. This is an economy that is carrying on its back a war on terror, the aftermath of September 11, the corporate scandals, the uncertainties of a Presidential campaign. The economy is not just walking on water, it is running.

Economic growth is at a 20-year high. Work and productivity rose by almost 4 percent last quarter and remains above its historic average as businesses continue to utilize technology in a more efficient manner. We are increasing productivity at the same time. We are growing jobs. The manufacturing sector on balance has grown since the beginning of the year as factories have

boosted employment to meet strong consumer demand.

Why do we have strong consumer demand? Because we cut taxes, because we put more money in the pockets of moms and dads. And when moms and dads spend that money on a good or service, the person producing that good or service has a job.

That makes it more likely, more profitable, easier for small business folks to reinvest in their business. By cutting capital gains, providing bonus depreciation, you increase expensing, opportunities and options for small business. They invest in the business and they grow jobs. The manufacturing employment index is pointing to an expansion in hiring.

The National Association of Business Economics, at its quarterly survey on business conditions, shows that 41 percent of the respondents expect their companies to increase employment over the next 6 months, up from 34 percent 3 months earlier.

Consumer and producer confidence remains solid. In fact, consumer confidence got a huge boost last week, reaching a 5-month high. Consumers are optimistic. The politicians who benefit, unfortunately, seem to think they benefit from bad news. They are the pessimists.

The reality is, this economy is moving forward. The consumers understand that. Unfortunately, my friends on the other side of the aisle seem to find it difficult to accept that, difficult to admit that, difficult to recognize that there is consumer and producer confidence today. That is good for the economy. That helps grow jobs. The housing market is strong. The national home-ownership rate in sales of new homes are at a record high.

My friend from Arizona talked about per capita, aftertax disposable income; in other words, the amount of money people get to spend themselves after they pay taxes. It has increased 7.1 percent. This is higher than it was after the first 4 years of the Clinton administration during this boom period that folks talk about. Last month, 112,000 jobs were added to the economy. In the past 4 months, payrolls have grown by almost 1.1 million, a pace of more than 3 million jobs annually.

It is fascinating that although the amount of jobs increased last month by 112,000, the pessimists will say that is less than what was projected, as if that is a negative. Over 1.1 million jobs in the past 4 months. I remind the pessimists that in every year of the job boom of the late 1990s, it included at least 1 month where payroll growth fell below 150,000 and in a few instances it went even negative. This is the ebb and flow of the economy. Everyone can forecast but no one can guarantee economic growth.

The trends are clear, the movement is clear. It is like you have a chance to do a little fishing over the break. You kind of watch that stream and it is moving in a direction. The economy is moving in the right direction.

There was an article printed in USA Today a couple weeks ago by former Labor Secretary Robert Reich, author of "Reason: Why Liberals Win the Battle for America." He wrote this at the request of the Kerry campaign. What is the title? "Gloom Is Reality for Citizens." Senator KERRY talks about misery indexes. Robert Reich, "Gloom Is Reality for Citizens."

That is not the reality of what is happening in the economy today. Part of this discussion Reich talks about is saying, well, we have a lot of jobs. They recognize there is an increase—1.1 million jobs—but they talk about the quality of jobs. They talk about wages that are stagnant.

If you look at, again, the facts—look at the facts, the facts, ma'am, the facts—three-quarters of the new jobs created in May were in industry categories that pay an hourly average rate in excess of the overall average hourly rate in the private sector. Inflation-adjusted hourly earnings have increased 2.3 percent during the first 3½ years of the Bush administration, compared with only a 0.13-percent increase during the same period of the first Clinton administration.

I mentioned before that the aftertax disposable income is way above what it was during the Clinton administration. Then the pessimists say: Well, these aren't full-time jobs. They are a lot of part-time jobs, but "jobs" they call it. Again, as I said before, three-quarters of the new jobs created in May were in industry categories that pay an hourly average rate in excess of the overall average hourly rate in the private sector.

Since the start of the Bush administration, full-time employment has averaged 82.57 percent, nearly a full percentage point higher than full-time employment during the period of the first Clinton administration. In the past year, the number of part-time positions has declined about 240,000, while full-time positions have increased by more than a million.

More than 80 percent of part-time workers in May indicated they have chosen part-time employment for non-economic reasons. Some people choose to work part time. But, again, the number of full-time jobs is increasing at an all-time high. The number of unemployed is decreasing.

In Minnesota, a few months ago, the drop in the rate of unemployment went from 4.8 percent to 4.1 percent in 1 month. That .7 percent drop was the largest monthly drop since we began keeping records in over 20 years. That is significant. Does that mean there are people out of work? Absolutely. As long as one American is out of work, then we have to do something about it.

That is why, by the way, we have to pass the class action bill. It is being filibustered. That is why we have to pass an energy bill. It is being filibustered. That is why we have to get a highway bill through this Congress. We have to get some things done, but we are moving in the right direction.

And again, in Minnesota—back at home—the President's tax relief led to the creation of 7,200 new jobs in May. Over the months of April and May, Minnesota gained almost 20,000 new jobs, leading to the highest 2-month gain in the last 5 years.

Both the construction and manufacturing sectors in Minnesota continue to improve. Construction employment grew by 2,200 in May, building on April's 2,800 new jobs, and 1,600 new manufacturing jobs were created in May, while 7,400 manufacturing jobs have been created in the last 10 months.

The employment outlook for the third quarter for Minnesota employers is the strongest in more than 25 years; 30 percent of Minnesota employers expect to hire more employees.

There is an article in today's Minneapolis Star Tribune talking about: "Analysts expect excellent economy." I will read from the article:

The economy appears headed for a banner year despite a springtime spike in energy prices and a recent increase in interest rates.

In fact, many analysts are forecasting that the economy, as measured by the gross domestic product, will grow by 4.6 percent or better this year, the fastest in two decades.

There were strong 4.5 percent growth rates in 1997 and 1999, when Bill Clinton was president and the country was in the midst of a record 10-year expansion.

But if this year's growth ends up a bit faster than that, it will be the best since the economy roared ahead at 7.2 percent in 1984, a year when another Republican President—Ronald Reagan—was running for re-election.

A survey of top economists showed further optimism:

Ninety-one percent said they expected the economy to grow at an annual rate of anywhere from 2 to 5 percent in the second half of this year . . .

Forty-one percent said they expected stepped-up hiring in the next six months . . .

"By almost any measure—output, employment, profit margins, capital spending—this economy is strong," said Duncan Meldrum, the association's president and the chief economist for Air Products and Chemicals Inc.

The reality is the economy is moving forward. More needs to be done. I do hope we get class action passed here. A report by the National Association of Manufacturers found that domestically imposed costs, including tort litigation, reduced America's manufacturing cost competitiveness by 22 percent in the world market. There is no doubt about it, our legal system puts American jobs at a competitive disadvantage with foreign firms. Money it has spent fighting frivolous lawsuits should be spent back in the business growing jobs and growing the economy.

So instead of making speeches downplaying the positive economic numbers, instead of casting about with doom and gloom, instead of writing articles about gloom being reality for Americans, instead of talking about misery indexes, let's celebrate what we have. Let's commit to keep moving forward. Let's get the class action bill passed. Let's get the Energy bill

passed. Let's get the highway bill through. And let's keep doing the things we are doing. Let's make permanent the Bush tax cuts that increase particularly the low and middle class, the per-child tax credit, get rid of the marriage penalty, make sure we make permanent the expansion of the 10-percent bracket, do those things that put money in the pockets of moms and dads so when moms and dads spend that money, the economy grows.

If we do that, if we keep moving forward and we get some stuff done, and put the politicking aside, we put the election-year politics aside, and we put the doom and gloom and negativity aside, this country can be all that it is and all we know it to be: the greatest country in the world, the economically strongest country in the world.

But we have to keep moving in the right direction. We are committed to doing that. Let's stop the pessimism. Let's stop the gloom and doom. We have a job to do, and I hope we can work it in a bipartisan way, to finish the work we need to do.

With that, Mr. President, I yield the floor.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, how much time, if any, remains in morning business?

The PRESIDING OFFICER. There is 1 minute 45 seconds.

Mr. REID. Mr. President, if my distinguished friend, the chairman of the Judiciary Committee, would yield that back on behalf of the Republicans, we could get to the bill.

Mr. HATCH. Mr. President, I would be happy to yield it back.

Excuse me, let me withhold that.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CLASS ACTION FAIRNESS ACT OF 2004

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 2062, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2062) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, we are on the Class Action Fairness Act of 2004.

Smart progrowth fiscal policy is helping lead job creation in the Nation, and I am optimistic we will continue to see the improvement we have seen over the last 6 months of last year. Economic reports show the economy is continuing to experience growth but not in a manner that would create an unsustainable boom/bust-type scenario. Indeed, employment growth has been positive for the 10th straight month with that report from June. In fact, 1.2 million jobs have been created since the 1st of the year and almost 1.5 million jobs since a year ago.

As we all know from recent reports, consumer confidence is high. Last Tuesday the conference board reported the largest monthly gain in consumer confidence in years. Confidence has not been this high in over 2 years.

In spite of all this positive economic growth and job creation, there are structural problems this body needs to address if we are to make sure our Nation remains competitive in the global economy. One of those critical areas is the bill we are considering today. The focus of that bill is class action reform. Over the last decade, class action lawsuits have grown exponentially. One recent survey found State court class action filings skyrocketed by 1,315 percent over the last 10 years.

The result of this glut of claims is to clog State courts, to waste taxpayer dollars, to inhibit the innovation and entrepreneurship that is so crucial to job creation in this country. Often all the purported victims ever get in this sordid process is a little coupon. That is one example. There are numerous examples we heard on the floor last night and yesterday. We have heard it in the past as we brought this to the floor.

In Alabama, the court approved a class action settlement against a bank on the grounds they overcharged their clients. The settlement granted \$8 million in fees to the plaintiffs' attorneys, but awarded only \$8.76 to each plaintiff. Worse, the settlement deducted up to \$100 from many of those plaintiffs' accounts to pay for the attorney fees, leaving some plaintiffs with over a \$90 dollar loss versus the \$8 million in fees to the plaintiffs' attorney. We have had numerous examples that have been brought to the floor. It is not only large business; it is small business as well.

Why do the small businesses get dragged into all of this? In order to avoid going to Federal court, the class action legal team in many cases will rope in a number of small local businesses as codefendants to get the case

decided in a favorable county or favorable State. Once that window during which the real class action target can remove the case to the Federal court closes, that unlucky mom-and-pop small business that happened to be in the wrong town at the wrong time is dropped from the case, but not until they have spent considerable money defending themselves.

These frivolous lawsuits are hurting the economy. They are hurting taxpayers. They are hurting the justice system, and they are hurting the practice of the law.

The Class Action Fairness Act of 2004 is a remedy to this problem. For the sake of our Nation's economy and faith in our system of justice, I do encourage my colleagues to act in a bipartisan nature and pass commonsense, meaningful class action reform.

As I mentioned this morning and yesterday, I want the debate to be fair and full on this bill. Over the last week a whole slew of unrelated, nongermane amendments have been brought forward. It has been written about. People have called the floor saying they want the opportunity to offer an amendment which has absolutely nothing to do with class action reform.

We only have about 33 legislative days left. We have the appropriations bills to do and a whole range of issues to address. That is why when we take up a bill such as class action, we need to stay on that particular bill and handle relevant amendments and debate them in a fair and timely way. Relevant amendments can improve the underlying bill. I want this full and fair debate to occur, to achieve this goal, and to have the appropriate management tool by which we can consider the relevant amendments. I will be offering a unanimous consent request at this time.

Mr. President, I ask unanimous consent that, with respect to the pending class action bill, there be five relevant amendments to be offered by each leader or his designee; provided further, that they be subject to relevant second-degree amendments. I further ask that, in addition to the relevant amendments, it be in order for each leader or his designee to offer an amendment related to minimum wage, again subject to relevant second degrees; provided further, that following the disposition of the amendments, the bill be read the third time and H.R. 1115, the House companion measure, then be discharged from the Judiciary Committee and the Senate proceed to its consideration, all after the enacting clause be stricken and the text of S. 2062, as amended, if amended, be inserted in lieu thereof; provided further, that the bill be read the third time, and the Senate then proceed to vote on passage of the bill, with no intervening action or debate.

Finally, I ask that the Senate then insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.