

new jobs while limiting the benefits available to my current employees. I currently employ 60 people who work an average of 25 hours per week and earn the current minimum wage as defined by Maine law—\$7.50 per hour. All but a handful of these people were hired within the last 6 months. Mathematically, an increase in the federal minimum wage would cost me an extra \$3,900 per week or \$208,000 per year ( $\$2.60 \times 25 \times 60 \times 52$ ). As I mentioned above, my net income for last year was approximately \$35,100—with an extra \$208,000 in expenses, I will very likely be forced to close my business.

In order to remain in business and continue to employ over 140 individuals, these costs must be recouped somewhere. Most likely, I will be forced to cut employee hours, increase menu prices and/or freeze all possible new hires. The industry has developed equipment engineered to reduce labor hours in the restaurant—an increase in minimum wage would make the purchase of this equipment a more likely consideration. These employees are my second family—many of them have worked for me for over 10 years. A small handful have even been with me for over 20 years. Having to cut their hours or even lay off employees would be almost as devastating to me as it would to my employees.

While an increase in the minimum wage doesn't take into account the overwhelming financial burdens of ACA implementation, I have additional costs that are cutting into my already minimal profits. Increases in food and energy costs have been rising steadily over the last several years. I must additionally consider the fact that my higher paid employees will also be seeking an increase in pay as a result of an increase in minimum wage. My payroll costs are at 30 percent of my net sales with the current wage structure. Simply put, another costly government mandate such as an increase in minimum wage may be the nail in my business's coffin.

#### THE ACTUAL "MINIMUM WAGE"

In truth, the "minimum wage" is not a floor—it is an opportunity for those who may neither want nor have access to other employment. It is a "starting wage" in which primarily young, inexperienced workers are given the training and experience they would have not otherwise received. As a result of hard work and dedication, many quickly receive pay increases and are promoted within the organization.

The majority of my employees have been promoted due to their hard work and dedication and now serve as managers in my restaurants. In fact, my four General Managers began their careers with me earning the minimum wage and have worked their way to the top position in each of my restaurants. All of my hourly managers began by earning the minimum wage and have each worked hard to earn a management position. I strongly believe in developing the talent of individuals.

One hundred percent of my current staff starting at minimum wage are under 25. In fact, 47 percent of federal minimum wage restaurant employees are teenagers, while 71 percent are under the age of 25. The average household income of a restaurant worker that earns federal minimum wage is \$62,507. Minimum wage income is often a supplement to family wages or as "spending money" for younger workers.

An increase in the federal minimum wage will likely and directly hurt those it was intended to benefit. By increasing costs, small business owners like me will be forced to eliminate entry-level jobs and redistribute

tasks to more senior employees. The availability of job opportunities for those who need it the most will decrease and unemployment will likely rise. In sum, a minimum wage increase will hurt both small business owners and their potential employees across the country—the last thing we need in an already stagnant economy.

I'm proud of the opportunity I offer my employees and of course I wish I could pay them more, but my industry business model makes it very difficult. As I referenced previously, this is a labor intensive business with tight margins. It is challenging enough competing with McDonalds, Wendy's and others, but when mandates like ACA and this proposed wage hike are thrust upon me, I get scared, I really do . . . for me and my employees.

Thank you for the opportunity to explain the effect of a minimum wage increase on my business.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRUZ. I ask unanimous consent that the order for the quorum call be rescinded.

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

#### ISRAEL

Mr. CRUZ. Mr. President, every Member of this body has expressed our bipartisan commitment for the United States to stand resolutely with our friend and ally, the nation of Israel. Doing so is right, and it is overwhelmingly in the national security interests of the United States of America.

It was therefore with great sadness that I read this morning about the comments of Secretary of State John Kerry, who reportedly suggested at the Trilateral Commission that Israel could become an apartheid state if his proposed two-state solution to the Israeli-Palestinian peace process fails.

Secretary Kerry has long experience in foreign policy, and he understands that words matter. Apartheid is inextricably associated with one of the worst examples of state-sponsored discrimination in history—the apartheid system in South Africa that was ultimately brought down by the heroic resistance of Nelson Mandela inside the country, supported by a concerted campaign of diplomatic and economic sanctions by the international community.

There is no place for this word in the context of the State of Israel. The term "apartheid" means apart, different, and isolated—the state of the victims of apartheid with which the Jews are tragically all too familiar. The notion that Israel would go down that path—and so face the same condemnation that faced South Africa—is unconscionable. The United States should be aggressively asserting that Israel can never be made an apartheid nation while America exists and stands beside

her because America will be with Israel regardless of the status of the diplomatic process.

Fifteen months ago, almost to the day, John Kerry was confirmed by this body by a vote of 94 to 3. Despite my preference for giving the President the Cabinet members of his choice, I found that I could not join the vast majority of my colleagues and support his nomination because I was convinced that as Secretary of State, John Kerry would place what he considered to be the wishes of the international community above the national security interests of the United States.

I fear that with these most recent ill-chosen remarks, Secretary Kerry has proven these concerns well founded. Rather than focusing on our clear national security interests—which is continuing to guarantee Israel's security through our unquestionable commitment to it—Secretary Kerry has instead repeatedly demonstrated a willingness to countenance a world in which Israel is made a pariah because it will not sacrifice its security to his diplomatic initiatives; likewise, he has previously suggested that Israel might probably be subject to boycotts for the same grounds.

It is no wonder Israel's Defense Minister remarked in January that "the only thing that can 'save us' is for John Kerry to win a Nobel Prize and leave us in peace."

Indeed, my colleague, the senior Senator from Arizona, has suggested that the foreign policy carried out by Mr. Kerry is the equivalent of a "human wrecking ball." The fact that Secretary Kerry sees nothing wrong with making a statement comparing Israel's policy to the abhorrent apartheid policies of South Africa—and doing so on the eve of Holocaust Remembrance Day—demonstrates a shocking lack of sensitivity to the incendiary and damaging nature of his rhetoric.

Sadly, it is my belief that Secretary Kerry has proven himself unsuitable for the position he holds and, therefore, before any further harm is done to our national security interests and to our critical alliance with the nation of Israel, that John Kerry should offer President Obama his resignation and the President should accept it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. 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.