The bottom line of this debate on Social Security reform has to be that women are impacted with greater significance because of their longevity in life and because of the shortfall in pay equity that still exists in this country. Where does that leave American women when it comes to Social Security reform?

I could talk a lot about whether the private accounts are great foundations for this country. I have some grave concerns about them. I also believe at this point in time taking money from the deficit, basically adding to our deficit and paying into what are to be these private accounts may not be in the best interests of the American people.

The point I make this morning is that we are at a time in which women are still getting the short end of the stick in this country. If we want to think about anything in the Social Security reform debate, why don't we think about the way Social Security and cost-of-living adjustments are calculated. Social Security and cost-of-living adjustments do not take into consideration that seniors, older women, are living longer and actually have a greater percentage of their incomes go toward particular goods and services to a larger degree than young people's incomes do. Try buying prescription drugs, try balancing things in retirement and living off of the benefits.

Women are particularly challenged, but older women, being the most impacted by Social Security, will continue to have this challenge for decades to come. So the benefit structure of Social Security is very important. The current pace of change that is happening in the way our economy is transitioning has not necessarily impacted that. In 1963, women earned 59 cents to every $1 men earned. It is true women now earn considerably more than they did in the 1960s and 1970s, but in spite of the steady growth of earnings, the pay gap between men and women has basically been stalled for the past two decades, averaging slightly under 20 percent less than men.

The Senate may be a very unique institution in that it is the only place where you actually have a guarantee of pay equity between men and women. Yet in 2003 women actually saw their earnings decline for the first time since 1995. That means real median earnings of men who worked full time year round remained unchanged in 2002 at roughly over $40,000, and real median earnings of women with similar work experience actually decreased 0.6-percent to about $30,000. As a result, women still only make 76 cents for every $1 that is now earned by men. That is down from what it was in 2000 at 77 cents. We are going in the wrong direction. And now someone wants to suggest that we tinker with Social Security benefits. Think of my mother and the support she had as a woman getting Social Security also from her husband and his Social Security, not having worked, or women who have not worked all their lives in the work place and, instead, being full-time mothers. Now we will say we will calculate Social Security on your earnings. Great. Well, let's have pay equity for women so it is calculated on an equal footing. We are living longer, we are earning less, and the President's proposal will impact us the most. Related to the pay equity statistics I just mentioned, for women's families, this means $24 less a month than men to spend on groceries, child care, and other expenses. In fact, the Institution of Women's Research did an estimate that families in America lose over $200 billion of income per year in this wage gap because of unequal pay that women's families lose, an average of $4,000 annually.

I am asking my colleagues, at a time when we are talking about how to secure the future, how are we going to secure that future for women who are living longer, in retirement, who have this inequity in the system? That is why I am going to introduce a bill later today basically suggesting that we change the cost-of-living index to specifically reflect the current costs that women are experiencing—women and men, alike—in retirement age.

But I think what we need to do now is look at this legislation that is before the Senate and say to ourselves, How is it fair to have the inequity with women when we are not doing anything to close the wage gap? It is actually going in the wrong direction. That includes making sure women in retirement, in the retirement structure of Social Security that we talk about and consider before this body, actually reflect the reality that is happening in America today.

I have talked to many of my constituents about this issue. I am sure we are going to talk to many more over the next several months. One of my constituents, a woman I happened to meet in a local convenience store, said to me: The thing I want is my Social Security money. They have paid into the system. They want something for it.

Frankly, they think when we take Social Security and use it off-budget, to basically say this is how we are covering our huge deficit, that is basically taking from Social Security and not protecting it. What they want to know is, Why don't we get a better return on our investment? Why don't we take, just like a retirement account that she or her husband gets, or a State pension program that gets a higher return, and, basically, take the money that is paid into Social Security and get a higher return on it as well? Yes, and I would say some of my constituents probably think they themselves could do a good job at making private investments. But they do not necessarily think everybody in America will be able to make those decisions at a time in which our economy continues to sag, and there are some people who are unemployed and not fully benefitting and paying into the system, or, as I said earlier about the income-earning disparity between men and women.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator has used 7 minutes.

Ms. CANTWELL. Madam President, if I could ask for 30 seconds.

Ms. MIKULSKI. Madam President, I yield 30 seconds.

Ms. CANTWELL. Madam President, I thank the Senator.

As we go into this debate, the women are going to be loud and clear. This plan for Social Security impacts us to a greater degree than our male counterparts because of our longevity and because of the disparity in wages.

Let's talk about how we make Social Security better for women and for all Americans.

SOCIAL SECURITY AND THE IMPACT ON WOMEN

Mrs. FEINSTEIN. Mr. President, I come to the floor today to discuss the significance that Social Security has for women.

Before the Social Security Act was signed into law by President Franklin Delano Roosevelt nearly 70 years ago, a majority of elderly women in America were living in poverty. If a woman's husband died, she often became destitute or, if she was lucky, went to live with her children or relatives.

The creation of Social Security changed these women's lives for the better. Today only one in five elderly women living on their own is in poverty, though, of course, we wish that number were zero.

Elderly women are now able to live independently and with dignity because of Social Security. We cannot forget the extent to which Social Security has improved the lives of women, and all Americans.

Since its beginning, Social Security has been a mainstay determining what kind of retirement security an individual will have. And because women rely more heavily on Social Security than men, it is a bigger factor in determining their quality of life.

The plan that President Bush is putting forward to reform Social Security would dismantle the most important social program in our Nation's history, upon which millions of Americans rely for their retirement.

I am concerned about this plan because it does not protect the fiscal health of Social Security and would dramatically add to the national debt.

This could be disastrous for women as well as children and minorities because these Americans rely most heavily on Social Security.

Nearly half of all unmarried women 65 and older depend on Social Security for more than 90 percent of their total income.

An even greater number of minorities rely so heavily on Social Security with 66 percent of Hispanics and 74 percent of African Americans in the same category using it for more than 90 percent of their total income.

Additionally, more children are part of families that receive some of their income from Social Security benefits than receive Temporary Assistance for Needy Families.

All of this is underscored by the fact that women face greater economic challenges in retirement than men:

Women tend to live longer than men.

The majority of women's Social Security benefits are based on their husband's earnings, while less than 5 percent of male Social Security beneficiaries depend on their wife's earnings.

Finally, women continue to have lower lifetime earnings than men because, disappointingly, women still earn less than 80 cents on the dollar compared to men, and they are more likely to take time out of their careers to raise a family.

Therefore, any change to Social Security will have a much more powerful impact on women than it will on men.

The administration has tried to instill a sense of urgency for making radical changes to Social Security. I cannot emphasize this enough, there is no crisis.

Despite the cries from the Bush administration, Social Security is not in crisis, though some changes are needed to strengthen its long-term stability.

Based on demographic projections, including the retirement of the baby-boomer generation, there will be more retirees seeking benefits and fewer workers paying payroll taxes. Even so, Social Security is not about to go belly up.

Using very conservative predictions of U.S. economic growth, the Social Security Board of Trustees estimates that promised benefits will continue until 2042, even if no changes are made. Recipients would continue to get 73 percent of their benefits for at least another three decades after that—again, with no dramatic changes to the current system.

To ensure that benefits continue at the current level until 2080, the Trustees say we need $3.7 trillion.

The nonpartisan Congressional Budget Office, which is headed by a former Chief Economist of President Bush's Council of Economic Advisers, says the Trustees are underestimating economic growth.

They believe that only $2 trillion is necessary to close the gap without any revisions to the program. This means that recipients would be able to get all their promised benefits until 2052 when they would draw 78 percent of their benefits until at least 2080.

These are big numbers, but we can ensure that the fund remains solvent much further into the future by making some balanced, long-term changes. We could do this by repealing President Bush's tax cut for those earning more than $200,000 and transferring the revenues to Social Security, which could save about $2.9 trillion over 75 years; raising the cap for payroll taxes gradually from the current $90,000 to $143,000, which could provide up to $1.6 trillion over 75 years; or asking the Social Security Trustees to present Congress with options for updating the system periodically, which Congress would then vote up or down.

These proposals, and others, deserve careful study so that we fully understand the costs and benefits of each. I deeply believe that our Nation should take the time to do this analysis instead of rushing headlong into one plan or another.

It is apparent that change is needed in the system, though not necessarily the fundamental and dramatic change that the President argues we need in the form of private accounts.

But even the President's own advisors acknowledge his proposal would do nothing to address the Social Security shortfall.

In a leaked White House e-mail, Peter Wehner, one of the President's principal advisors, stated ''we simply cannot solve the Social Security problem with Personal Retirement Accounts alone.''

In fact, establishing these private accounts will drain an estimated $1 trillion to $2 trillion from the Social Security Trust Fund in the first 10 years and more than $4 trillion in the following decade.

Too many retirees depend on Social Security as their main source of income for us to rush into its reform without serious consideration of what is best to save the system for future generations of workers.

Mr. President, the advances of women in the workplace are a big reason for the great success of Social Security. When Congress takes up this issue, we must not forget how important this program is, especially to the women who have helped it thrive. It is a source of dignity, it is earned and it is a safety net for these women and it cannot be abandoned.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, how much time is remaining on our side?

The PRESIDING OFFICER. There is 2 minutes remaining.

EXTENSION OF MORNING BUSINESS

Ms. MIKULSKI. Madam President, I ask unanimous consent that morning business be extended 10 minutes, equally divided between the majority and minority.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Ms. MIKULSKI. Madam President, I now yield 7 minutes to the Senator from New York State, Mrs. HILLARY RODHAM CLINTON, a long champion of the rights of women, and the rights of the elderly.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Madam President, I thank my colleague, the woman we call the dean of the women in the Senate.

SOCIAL SECURITY

Mrs. CLINTON. Madam President, we are here on the floor this morning, after last night's State of the Union Address, to begin what is going to be a debate about the future of Social Security.

Now, last night we did not receive any details from the President, and we do not know exactly what the President intends to propose. But based on the reports in the press and some of the briefings coming back that Senators have held with administration officials, there seems to be an expectation that the President will do several things.

First, launch a very aggressive campaign, using every tool at his disposal, which is considerable, to persuade the country that Social Security is facing an imminent crisis, and that the responsible course of action is to do something, preferably what the President will recommend, and that the irresponsible course of action is to somehow argue with or question this presumption of there being a crisis.

Secondly, it appears the President's plan will include privatization. Now, I understand the White House has sent out the word they do not want to use that word anymore, but let's not be fooled. What they are attempting to do is take a Social Security system that has worked for generations of Americans and begin the process of privatizing it. They can call it personal accounts, they can call it ownership, they can call it wealth creation, they can call it whatever they want to call it, but the bottom line is this will be a plan to begin the privatization of Social Security.

And thirdly, it appears the administration will attempt to finesse, if not downright conceal, the real costs of their plan—in benefit cuts, in additional borrowing, and increasing the debt facing our Nation.

So this will be a generational debate. I regret that because I think there are other ways to deal with some of the questions that are raised about the future of Social Security.

I think we could do what was done under President Reagan, who showed