EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

Strengthening America's Middle Class

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CHAIRMAN MILLER STATEMENT AT HEARING ON "STRENGTHENING AMERICA'S MIDDLE CLASS: FINDING ECONOMIC SOLUTIONS TO HELP AMERICA'S FAMILIES"

WASHINGTON, D.C. – Below are the prepared remarks of U.S. Rep. George Miller (D-CA), chairman of the House Education and Labor Committee, for a full committee hearing on "Strengthening America's Middle Class: Finding Economic Solutions to Help America's Families."

Good morning. Welcome to the Education and Labor Committee's second hearing on strengthening America's middle class, the key goal for our committee this year.

Last week, we heard from a distinguished panel of economists about challenges facing America's middle class.

They told us that American workers are not sharing in the benefits of their productivity. Instead, the economy has grown more and more unequal.

Even President Bush has acknowledged these trends. In a speech last week – on Wall Street – the President said that "income inequality is real" and he said that it has "been rising for more than 25 years."

Making matters worse, over the last several years American families have had to contend with rapidly rising costs for life's basic necessities.

None of this is news to American workers or their families. Last week, the committee also heard testimony from Rosemary Miller, a flight attendant who has had to work longer hours, and spend more time away from her kids, because of cutbacks in pay and benefits at work.

Rosemary said that she and other workers in similar situations simply want "livable wages, a home that they can own, affordable health care, comfortable retirement security, and reasonable means to provide for their children's college costs."

That's not too much to ask for in a country like the United States. But for many families, those things are moving further out of reach.

Now that we have a clear idea of what's happening in today's economy, it is time for us to do something about it. Already this year, the House has taken two steps in the right direction, by voting to increase the national minimum wage and cutting the interest rates on need-based college loans.

But those are just first steps. Much more must be done. And that's the purpose of this hearing – to begin to learn about other potential ways to strengthen the middle class.

Today, we will discuss possible solutions in three important areas:

- creating a competitive economy that includes new, good-paying jobs;
- restoring workers' rights including their rights to bargain for better wages and benefits; and
- making healthcare more affordable and accessible.

Keeping America and our workforce competitive is an issue of critical importance to this committee and to the Speaker of the House. In November 2005, House Democrats – under the leadership of Speaker Pelosi – unveiled our Innovation Agenda: A Commitment to Competitiveness to Keep American Number One.

The Innovation Agenda was the final product of months of meetings with the leaders of high-tech and biotech companies, venture capitalists, and academic experts.

Among other things, the Innovation Agenda aims to graduate 100,000 new scientists, engineers and mathematicians over the next four years; double the funding for overall basic research and development in the federal government; and provide support to entrepreneurs to start small businesses.

With a bold agenda like this – one that encourages high-risk, high-reward research and development, and that truly makes partners out of government and business – I believe we can maintain America's economic leadership in the world and create good jobs that will *stay* here at home.

This morning we will also hear about the importance of giving workers the ability to join together to bargain for better wages and benefits. Current law makes it extremely difficult for workers who want to exercise their right to form a union to actually do so, and it we must change that by restoring workers' rights to form a union. And we must look at approaches to trade that help improve living standards for workers in the U.S. and around the world – not hurt them.

Finally, as we also heard last week, healthcare costs are a significant strain on middle class families. Today we will look at ways to improve health care coverage and delivery and address spiraling healthcare costs.

This issue affects both employers and workers. Many employers are being **<u>crushed</u>** by their rising health care obligations. Their overseas competitors have a competitive advantage in the form of national health care systems, since healthcare is not a cost that must be borne by employers.

The sooner we address our long term health care challenges, the more productive and prosperous our workplaces will be.

On all of these topics, I look forward to the testimony of today's witnesses. Thank you.