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THE WHITE HOUSE

Office of the Press Secretary
(Philadelphia, Pennsylvania)

For Immediate Release

April 10, 1999

RADIO ADDRESS OF THE PRESIDENT
TO THE NATION

Good morning. Today I want to talk to you about our continuing efforts to break the cycle of dependency and make responsibility and work a way of life for all Americans.

Work is more than just a weekly paycheck. It is at heart, our way of life. Work lends purpose and dignity to our lives, instills in our children the basic values that built our nation. But for too long, too many Americans were trapped in a broken welfare system that exiled generation after generation from the mainstream of American life by cutting them off from the world of work.

I took office determined to change that, from giving states the flexibility they needed to make welfare a second chance, not a way of life; to passing the historic bipartisan welfare reform bill that ended welfare as we knew it; to launching the Welfare to Work partnership to create private sector jobs for welfare systems. We have made remarkable progress.

Today, I am pleased to announce that since 1993 we cut the welfare rolls nearly in half by a record 6.5 million people. Thanks to our strong economy and strong leadership in the states and the private sector, the number of Americans who are beginning to replace welfare checks with paychecks has tripled since 1992. I'm proud to announce that we in the national government are doing our part to help, surpassing the goal we set for ourselves by hiring almost 12,000 welfare recipients in just two years.

You can see the evidence of our progress in communities across our country, in hard-pressed neighborhoods where bus drivers who used to pass by empty stations now report their buses are filled with people on their way to work. You can see it on inner-city streets where a new storefront, tax preparing businesses, are helping people file their income tax returns -- some for the very first time in their lives. April 15th may not be the most favorite day for Americans, but for these people it's a cause for celebration.

Reforming our broken welfare system was the right thing to do. Now we must finish the job. Today, I am pleased to unveil the final rules that will carry out the Welfare Reform Bill I signed into law in 1996. This major new regulation does two important things.

First, it enforces strict state work requirements and holds states accountable for moving

people from the welfare rolls to the work place. Second, the new regulation makes it easier for states to use their welfare block grant to pay for childcare, for transportation, for job retention services, to help people who have left welfare stay off the rolls and help families from going on welfare in the first place.

This regulation says loud and clear people ought to get paychecks, not welfare checks. But to finish the job on welfare reform, we must press on in our efforts to restore responsibility and make work a way of life again for all Americans. Now, in this time of great prosperity, with our economy booming and our confidence high, we can't afford to leave anyone behind.

One of the biggest obstacles facing all working families is finding childcare they can afford and trust. I'm pleased that the Senate recently approved with bipartisan support significant new funding to help low income families pay for childcare. I hope Congress takes this critical step to give America's working families the support they need to thrive. Frankly, I hope they will also pass the rest of my child care proposal to give tax credits and other support to working families. That will help more people move from welfare to work and stay off welfare.

Finally, we can't finish the job of welfare reform without doing more to help people who have the hardest time moving from welfare to work -- those who live in the poorest neighborhoods and have the poorest job skills. That's why I call on Congress to pass my plan to extend the Labor Department's Welfare to Work program and to fully fund my proposal to provide transportation grants and housing vouchers that will help more Americans leave welfare behind by getting from where they are to where the jobs are.

With these steps, we can make the legacy of welfare dependency a memory of the 20th century and build a community of work and responsibility in the 21st century.

Thanks for listening.

The White House
Office of the Press Secretary
(New York, New York)

For Immediate Release

October 23, 1995

REMARKS BY THE PRESIDENT
TO AFL-CIO CONVENTION

Sheraton New York Hotel and Towers

New York, New York

5:45 P.M. EDT

THE PRESIDENT: Thank you very much for the wonderful welcome. Thank you, Tom, for the great introduction. I wish I'd been here to hear it. (Laughter.) But I appreciate it.

You know, I've taken so many controversial positions in the last three years, I thought I'd come here and tell you what you ought to do in this election. (Laughter.) You should elect -- listen to this -- you ought to elect an Irish American from the Bronx who comes out of the Service Employees Union. (Laughter and applause.)

I just want you to know that whatever you do, I intend to be there with you every step of the way. And I know how important this is. (Applause.) Thank you.

Let me say before I get into my remarks, I have just come, as I think all of you know, from Hyde Park in a meeting with President Yeltsin of Russia. We made a lot of progress today in agreeing to work toward peace in Bosnia, something that concerns every citizen of the world whose conscience has been shocked by all the children and other innocent people who have been killed there.

We also agreed on working together, very importantly, to control the spread of nuclear materials, something that is a very serious problem in the aftermath of the Cold War, to minimize the prospect that terrorists will ever be able to get small amounts of nuclear material and make bombs out of them.

And finally, President Yeltsin agreed with me that we should go for the strongest possible comprehensive nuclear test ban treaty next year. And that means we will probably get it and the world will be much safer as a result of it. (Applause.)

I know that you have -- all of you -- and I came here more than anything else just to thank you, because I know that you have waged a strong and passionate grass-root campaign for a year now to oppose the cuts in worker safety and job training, in education and health care, being considered in the Congress. The White House mail room is jammed with postcards from union retirees. (Applause.) Thank you. This may be the high-tech age, but you have got the Capitol Hill switchboards groaning with calls from your members. And I say, send more. (Applause.) And I know that those ads you're running have gotten some members of Congress suffering with heartburn. And we just need to pour it on a little more. I thank you for that. (Applause.)

I come here today with a simple message: This is a very great country. You helped to make it that way. We're on the edge of a new century. We're living in a time of great change. No one can perceive clearly all the implications of that change.

We know that we've moved from an industrial age to an information and technology age, which, as all of you know if your own experience, even industry and agriculture is infused today with more technology. We know we have moved from the bipolar world of the Cold War to a global village in which we have undreamed of new possibilities, but also a lot of new vulnerabilities because of the changes that are going on.

And we know we've got to somehow harness this change to benefit ordinary people in our country and throughout the world. We have to do it consistent with the basic values that made America great and that make life worth living; values that your movement embodies -- a commitment to opportunity for every American; to the dignity of work; to the commitment that the family should be strengthened and children should be nurtured, and parents should be honored; a recognition that we have to go forward or backward together and, therefore, it is crazy for us to be divided by race, by region, by income and any way that in any way saps our strength; and the determination to keep this country the strongest nation on Earth.

Those are the things which have animated the labor movement in the later half of the 20th century. And those are the values that will take us into the 21st century.

Three years ago, you helped the American people to send me to Washington to uphold these values and to turn our economy around. I had a commitment to make the American Dream real for all Americans in the 21st century and to make sure that our country would remain the strongest country in the world. I had a simple strategy to harness change to benefit all of us. I thought we needed to be faithful to the mainstream values I just mentioned. I thought we needed a middle class economic strategy to grow the middle and shrink the under class. I thought we needed a modern government that would be less bureaucratic, more entrepreneurial, but still strong enough to take care of the business that the people need done.

The lion's share of the credit belongs to you and the rest of the American people, but we're moving in the right direction. And I know that our policies had something to do with it. We've got 7.5 million new jobs in this country after the slowest job growth in the country since the Great Depression in the four years before I took office. We've got 2.5 million more homeowners, 2 million new small businesspeople, the lowest combined rate of inflation and unemployment in 25 years. Our country is safer and stronger -- (applause) -- our country is safer and stronger. For the first time since the dawn of the nuclear age, there's not a single solitary nuclear missile pointed at the people of the United States of America. And I'm proud of that. (Applause.)

And by the grace of God, from Northern Ireland to Haiti, to the Middle East, now to Bosnia, the United States is a strong partner in pushing for peace.

Maybe most important of all, this country seems to be slowly coming together around its values again. It's hard to turn a great country around, but when we get going in a certain direction, we can make a real difference. In almost every state, in this great city where you're meeting, the crime rate is down, the murder rate is down, the welfare rolls are down, the food stamp rolls are down. Believe it or not, the poverty rate is down, and the teen pregnancy rate has dropped for two years in a row. America is coming back and moving together. (Applause.)

And we proved you could do it together. Instead of just condemning the government the way my predecessors did, we made a partnership with the federal employees and in a balanced and fair and disciplined way. (Applause.) We tried to downsize the government so that this big government attack is a myth today. But we left our government strong enough for the employees that are there to do their jobs. And we just didn't throw anybody on the street -- we gave them good buyout provisions. We tried to protect their retirement. We treated them and their families with decency and the honor and the respect they were entitled to after the years they had served the United States of America. (Applause.) And that's the way this ought to be done everywhere. (Applause.)

Let me tell you what the federal employees are doing -- just a few things. I could talk all day about it. But federal employees working in the Commerce Department, in the Export-Import Bank, in other areas, have helped to create good jobs, many of them union jobs, in America by increasing our exports 4 percent, 10 percent, and 16 percent this year, in the last three years. A lot of that was done because of the aggressive actions by people who work for the United States government.

The Federal Emergency Management Agency -- we've had as many natural disasters to deal with in the last three years as any time I can remember. And it is probably the most popular arm of the federal government because the federal employees have been there in a timely, aggressive, effective fashion when they were needed, whether it was for floods in the Middle West or fires and earthquakes in the West, or anything else. And I am proud of that. (Applause.)

And let me tell you something I'm especially proud of. BusinessWeek Magazine, which is hardly an arm of the federal government or the Democratic Party, every year gives awards to businesses that perform at the highest level of efficiency in a number of categories. And one of their categories is for customer service over the telephone. So the businesses that compete, for example, are Southwest Airlines or L.L. Bean, or, you know, anybody that you call on the telephone. You know who won this year? The Social Security Administration of the federal government won that award. (Applause.)

These federal employees operate a Medicare program that has a two-percent administrative cost, lower than any private insurance program in the United States of America. (Applause.) Something you rarely hear about in the debate going on in Congress today. They have implemented a crime bill that's putting 100,000 police on the streets of America, and they're doing it on time and under budget. They have implemented the motor voter law, the family leave law, both those things that you helped to get.

They have been able to be much tougher in getting -- capturing large quantities of drugs before they come into this country without going into a bunch of immigrant bashing. They have been able to discipline -- in a disciplined way strengthen our ability to reduce the problems of illegal immigration in the United States. And they have fought discrimination, something that was out of fashion for the federal government to do until this administration came in. And I thank them for it. (Applause.)

And guess what? We've been able to prove you can grow the economy and be decent to working people, something that the people who were there before and the people who are in the Congress today in the dominant positions apparently don't believe. If you look at what's happened -- and I'm sure Tom mentioned a lot of this -- but when we repealed my predecessors' antiunion executive orders that denied American workers their rights from private industry to public service, it didn't hurt the economy. The economy got better, not worse. (Applause.) When we said in no uncertain terms that you ought to have a fair, decent, effective NLRB, and we did our best to provide that, the economy got better, not worse. It didn't undermine the American economy. (Applause.)

When we refused to go along with repealing Davis-Bacon and the service contract law, the economy didn't collapse; it helped to create more high-wage jobs, not fewer. (Applause.) And when we began to crack down on sweatshops where unscrupulous employers make illegal immigrants work in prison-like conditions, depriving them of the minimum wage, overtime pay, a safe workplace and the right to organize, it will make us stronger, not weaker. (Applause.)

And when we have refused to go along with the attempts of some people to weaken our ability to provide a safe workplace, it has not weakened the economy, it has helped to make the American economy stronger. It is time we accepted a fundamental lesson -- treating working

people in a decent, fair, human, enlightened way gives you a stronger American economy, not a weaker one. (Applause.)

AUDIENCE: Four more years! Four more years! Four more years! Four more years!
Four more years!

THE PRESIDENT: Thank you. Now, we do have some real challenges before us. You and I know that this recovery benefits have not been spread evenly to all Americans. We know that we've been in a time of increasing inequality. By the way, this is what usually happens when you move from one economic model to another. When we move from the Agricultural Age to the Industrial Age, the labor movement grew up because there were so many people who were being exploited, not benefitting from the benefits of the new Industrial Age. So whenever you change in a huge way the way people work and live and relate to each other and the rest of the world, some will be well-positioned and do well; others will not be.

That's why people need to come together, because you know in the end you cannot sustain progress unless everybody can benefit. That's one of the big reasons we had the Great Depression, because people did not understand that everybody had to have a stake in the future in order for free enterprise to flourish.

And so we have that happening today -- where people who are well-positioned tend to do well; others work harder for less and become more insecure. There are some fundamental things we have to do about it. First and most elementally, it is high time we raise the minimum wage. It is wrong -- (applause.) If we do not do that, next year the minimum wage will reach a 40-year low in purchasing power. That is not my idea of the 21st century America I want our children and grandchildren to live in. I want us to go up together.

It also will be good business. People will have more money to consume, and people who are presently out of the work force will be attracted to get back into it. There is no evidence, no evidence -- and I have read all the studies; at least I've read fair summaries of all the studies. I don't want to -- (laughter.) There is no evidence that the minimum wage, a modest increase in the minimum wage will cause unemployment. There is every evidence that it will strengthen America and bring us together. (Applause.)

The second thing I think we need to do is to make some changes that recognize that there is a fundamental difference in the nature of unemployment today and unemployment 30 years ago. The unemployment compensation system, the whole set-up was designed for people who were laid off when there was a slowdown, and then picked right back up by their employers when the economy picked up again. It was designed to give people a way to just get by until they got called back.

As recently as 30 years ago, 80 percent -- 85 percent of the people who were laid off and collected unemployment were called back to the same job from which they were laid off. Today,

over 80 percent of the people who are laid off are not called back to the same job for which they are laid off. All of you know that. Therefore, I have proposed having the Labor Department, working with the Education Department, create a G.I. Bill for America's workers which consolidates all of our training programs, puts more money into it, and gives every person who loses a job a right to get a voucher to take to the program that you want, whether it's a union apprenticeship program, a union training program, the local community college. Whatever is best needed for the people that are unemployed, they ought to have it. (Applause.) And I think we ought to do it immediately. (Applause.)

The second thing that we ought to do, if we're going to have a tax cut we ought to target it to working families and what they need the most, which is help raising their children, paying for their child care, and getting an education. So I think we ought to have a tax deduction for the cost of all education after high school. Now, that would help working people a lot. That would help. (Applause.)

The third thing I will say is -- and I know we have sometimes disagreed on this -- I believe we win when we expand trade. So it's not enough to have more free trade, which I favor, we also have to have more fair trade. That's what the Japanese auto agreement was about. And thank you, Owen Bieber, for supporting us and for finally giving us a chance to crack some of those markets that have been denied American workers for too long. And we're going to keep doing things like that all the way down. (Applause.)

Against that background this is how I think you ought to see this balanced budget fight. What has worked for us the last two and a half years? Mainstream values -- work and family and responsibility and community -- and treating people with dignity, all people, without regard to their race or their region or income. Believing that you have to lift working people up if you want other people to do well. That has worked for us.

What's worked for us? Middle class economics. Help the small business people; help the entrepreneurs; also help to grow the middle class working people and shrink the under class. That's what works. That's what is at stake in this budget battle.

This is not -- I want to say this and I want you to go home and tell everybody you know this -- this is not a battle about balancing the budget. That has nothing to do with what is going on in Washington today. I gave the Congress a balanced budget. You'd be better off if we could balance the budget. When we quadrupled the debt in 12 years before I showed up, what happened? We had to spend more and more money on interest on the debt; we had less and less money to invest in worker training, in new technology, and the kinds of things that will grow the economy, raise incomes, educate our children.

It would be a good thing to do. But we have to do that, like everything else, consistent with our values and our objectives. That is what is at stake. It is what kind of America are we going to live in.

I've given the Congress a balanced budget that cuts all kinds of spending; it eliminates hundreds of programs; but it increases our investment in education, in technology, in research. It protects instead of hurts the old, the poor, the disable, the little children on Medicare and Medicaid. It supports investment in worker safety and in a clean environment, and in the kinds of national treasures that we share together. That is the kind of balanced budget we need.

And that is what I want to talk to you about. I am not about to do something that I think will prevent us from doing what I ran for President to do -- giving every American a shot at the American Dream, and making sure this is the strongest, finest country in the world in the 21st century. I am not going to do that. And you shouldn't put up with it. (Applause.) You shouldn't put up with it.

Now, here's what I mean. I'm going to give you the 10 greatest hits or so of this present budget. This is not the Letterman show and so it won't all be funny. You may have to laugh a couple of times to keep from crying, but here's what this is really about. Here's what the real contract is.

We all say we believe in honoring our parents for what they have done for us. And Medicare is a way of honoring our parents. We have to slow the rate of growth of medical inflation. We have to secure the Medicare Trust Fund. I presented a budget which will do that.

We have to recognize that health care is changing. I have no problem with giving seniors the option to join managed care plans if they can get lower costs or better services. I think we should do that. I'm sympathetic with doctors and hospitals and their need to have some changes in the law so they can work together to compete with insurance companies to provide managed care. I'm not against that.

But I'll tell you what I am against. I'm against this budget that was passed that, believe it or not, makes it easier to commit waste, fraud and abuse when the federal government says up to 10 percent of the money may be wasted. They passed a budget to make it easier to commit waste, fraud and abuse, but harder for the poorest, the oldest and the sickest seniors to make sure their health care needs are met. That is wrong. I don't like it; I won't support it; and if it passes, I will veto it. (Applause.) It is wrong. (Applause.)

I want to talk to you about the Medicaid program. There's a lot of AFSME workers here -- (applause) -- who work in health care institutions that depend on Medicaid. New York City has a whole health care network that depends not just on Medicare, but Medicaid. Most people think Medicaid is the welfare health program. Let me tell you -- 70 percent of the Medicaid money goes to the elderly and the disabled for nursing home care, for in-home care, for physician care. Thirty percent of the Medicaid money does go to poor people, not all of them on welfare; some of them even working for very poor wages. And most of that money goes to take care of the little children. Over one in five children in the United States of America is eligible for

Medicaid help for health care.

And all those kids, they may not be in your family, but they're your kids. And 20 years from now, they're either going to be in jail or in school or in the workplace. And they're going to be a big part of our future. And I don't know about you, but when I retire, I want them out there working, making lots of money, taking care of me. And I want to take care of their health right now. (Applause.)

So my idea of the 21st century is not a Medicaid program that takes away the money that helps the poorest seniors to pay their part of the Medicare program. That's right -- they get rid of it -- \$10 billion. We help the poorest old folks pay their co-pays. We help them pay the fees they owe under Medicare because they don't have any money. There's a lot of old folks out there -- there's folks still living on \$300 a month. This budget takes it all away. And there's been a study which estimates that it may take at least a million elderly people out of the Medicare program.

I was in Texas the other night at a fundraiser, and doctor came up to me. A doctor came up to me, and he said, you keep fighting on this. He said, I've been a doctor a long time. I remember when I did not have any older patients -- before Medicare, before Medicaid, when I had no older patients, because older people were too proud to come to the doctor if they couldn't pay their bills, so a lot of them just stayed home and got sick and died. It is wrong. I will not put up with it. (Applause.) It is not right. (Applause.) And you shouldn't put up with it either. (Applause.) It is not right. (Applause.) It is not right. (Applause.)

I want to tell you one more thing about this Medicaid plan. It says, oh, we're going to block-grant this to the states. We're going to get these terrible federal rules and regulations out of the state's hair. I was a governor for 12 years. I used to sing that song. (Laughter.) I believe in that.

Our administration -- don't you let anybody tell you this is about state's right -- our administration has given more waivers, more freedom to get out from under rules to state governments to experiment with moving people from welfare to work or serving more people, getting health insurance to more people than the last two administrations combined. More in 2.5 years than they did in 12 years. (Applause.) This is not about giving the states flexibility. (Applause.)

But let me tell you the kind of things they want to let the states do, and what they don't want to let the states do, and it will tell you what's really behind this. They've adopted their Medicaid programs. And among other things, they say that the state ought to get Medicaid block-granted, and they ought to have the right to get rid of the so-called spousal impoverishment rule.

That's government language. You know what that means? That means if an elderly

couple lived to be 78 years old, and they've been married 50 years and they're living on their Social Security, and one of gets so sick that he or she needs to go in the nursing home, they want to give back to the state governments the right to tell the one that doesn't go to the nursing home: You want your wife or your husband to get any help? You've got to sell your car, sell your house, clean out your bank account, give it to us, and then we'll give you a little help. We don't know how you're going to live. I don't like that. That is not my idea of the 21st century I want to live in.

But you know what? In the next breath, do you know what they did? They took away from the states -- they say, we're going to give you lots of flexibility and a little less money. And we want you to run it however you want to, but, oh, oh, there's one thing you've been doing we're not going to let you do anymore. Right now you can bargain with the drug companies to get the lowest possible price for drugs for elderly people and little kids. And we're not going to let you do that anymore, because the drug companies don't want us to. So I'm sorry, you will have to do more with less money, but here's something you can't do. I don't know about you, but I don't get driving up the price of drugs and driving old folks into the poor house. I don't think that's right. That's not the America I want to live in. And I'm going to do everything I can to stop it. And I want you to help me. (Applause.)

Now, I want to talk to you about education. You ask anybody in the Congress, are you for education? They say, absolutely. But you've always got to ask the next question -- the first question is never enough. I'll tell you, you know the best story I know about that -- you know, there's a -- this minister was sort of a -- not a very effective minister, and people would go to sleep in his sermons. And he was overcome, and he prayed day in and day out for inspiration so he could finally give a barn-burning sermon, and everybody would stand up. And their hearts would be purified and their spiritual zeal would be great.

So he worked so hard on this, and he showed up, and he gave the sermon of his. And people were stomping and clapping, and even in this staid church were shouting amen. And he got to the final line of his sermon -- he said, I want everybody that wants to go to heaven to stand up. And the whole congregation stood up, except one woman that hadn't missed church in 45 years. And he was crestfallen. He said, Sister Jones, don't you want to go to heaven when you die? And she leapt up -- she said, I'm sorry, I thought you were trying to get up a load to go right now. (Laughter and applause.)

So you always got to ask the next question. Everybody's for education. Our budget balances the budget and increases our investment in education by \$40 billion -- by \$40 billion over seven years -- by making choices and setting priorities. Why? Because if 22 percent of the kids in this country are poor enough to be on Medicaid, they need a little extra help through Head Start to get off to a good start in school. (Applause.) Because a lot of schools are too poor to have the class sizes they need or the computers we want them to have; because a lot of kids are in danger going to and from school. And we need to give schools more help to remain safe and drug-free; because we want to make it possible for everybody to go to college.

When I ran for President, I came here and I made a specific commitment. I said if you will vote for me and get me elected, I'll do everything I can to cut the cost of college loans, to improve the repayment on college loans, and then to be tougher on people who default. We cut the default rate in half, but we also cut the cost of college loans. We made repayment easier. And to boot, we added more scholarships.

And enrollment is going up, but nowhere near what we need. I want every middle class family in this country and every poor family in this country to be able to send their kids to college. And I don't want anybody ever from now on to have to walk away from a college education because of the cost. That's my idea of the 21st century. (Applause.)

So when the Congress presents a budget that says, no, it's all right if several thousand more kids -- 20, 30, whatever it is -- more kids don't get to go to Head Start and we have to remove them; it's all right if we don't help as many schools with safe and drug-free programs as we were; it's all right if a whole lot of schools now can't use that money for their poor kids for the smaller classes and the computers; it's okay if because the people that lost money on the direct loan program, the special interests, want their money back. So we're just going to kill this program that the government's running that got lower cost college loans and better repayment terms. We're going to get rid of that and to boot, we'll get rid of somewhere between 150,000 and 380,000 scholarships. I don't know about you folks, that is not the kind of America I want for the 21st century. And I'm going to do everything I can to stop it. It is wrong. (Applause.) And it's bad for our economy. It doesn't make sense. (Applause.)

And we're getting a little closer to home now. You say to people, are you for family values? Why, of course we are -- who could be against it? Most of those who were there last time -- they're in the majority now -- when we asked them to stand up for family values by adopting the Family and Medical Leave Law, they said no. And we said yes. And there are families that are stronger today because of the Family and Medical Leave Law because they don't lose their jobs when there's a kid sick, or a parent dying, or one of them gets sick. (Applause.) It's a better country. It's a stronger country. And it's a stronger economy because of that. (Applause.)

So what do we mean? Well, family values to me means safe streets, a clean environment, economic opportunity, fair taxes, secure pensions -- let's just start there. Well, at least one House of Congress wants to eliminate our program to put 100,000 police on the street and to give communities -- the only block grant they don't like is the one we passed to give communities the power to do what they can to prevent crime, to give our children something to say yes to instead of something to say no to -- the one all the mayors love, all the governors love, everybody thinks is great -- they don't like that. Well, making us less safe is not my idea of family values.

Then they want to put 315 of our national parks and other national facilities up for sale, including Franklin Roosevelt's home where I was today. I know you find some of this

unbelievable, but it's true. That's on the list. They have proposed to do all kinds of things to make it harder to preserve clean air, clean water, safe food. That's not my idea of family values.

In economic opportunity -- there's not a company in America that if they could avoid it in 1995 would cut research, technology or training. But this budget cuts research, technology and training. That's not my idea of how to build strong families.

And worst of all, there's \$148 billion of hidden taxes and fees on working families while they propose to give people in my income group a tax cut. And that's not my idea of the kind of 21st century I want to live in. (Applause.)

Now, I want you to listen to this. The Wall Street Journal -- hardly an arm of the Democratic Party -- (laughter) -- reported the other day that if this tax -- this budget passes with all of the taxes in it, and all the cuts in it -- with all the tax cuts in it, the group of Americans as a group who make less than \$30,000 a year, which is 51 percent of the American people, will have greater tax hikes than tax cuts. I get a tax cut and we're going to soak people like that?

You know, in 1993, one of the best things about our economic program was that we doubled the family tax credit, the earned income tax credit which has bipartisan support, signed into law by Gerald Ford, supported by Ronald Reagan, increased by George Bush, and we doubled it. Why? Because I wanted to be able to say to the American people, look, you got to choose work and family over welfare and dependence. And anybody who'll work 40 hours a week with children in the house -- I don't care how low their pay is -- we will not tax them into poverty, we will use the tax system to lift them out of poverty. That is the principle. That is the principle. (Applause.) And it's the right thing to do.

I mean, I thought the game plan was we were supposed to be growing the middle class and shrinking the under class. They want to cut this by more than I increased it. They want to kick people out of the middle class and then pull the ladder up so poor people can't work their way into it. You want to get more people on welfare? Raise taxes on people with two kids making \$11,000-\$12,000 a year -- and they will say, no thank you. This does not make sense. It violates our values. It violates our interest. It is bad for the economy. It is wrong for America. And if I can stop it with a veto pen, or with my voice or whatever it takes, I am going to do everything I can to stop it. And I want you to help me, too. (Applause.)

AUDIENCE: Veto! (Applause.)

THE PRESIDENT: This is the last issue I want you to focus on. These are great hits. I want you to remember this. I want you to go home, I want you to talk to friends in the workplace and I want you to talk to friends who aren't in your union. I want you to talk to people at church, at the bowling alley, at the ballpark -- wherever two or more are gathered. I want you to talk to people. I want people to know about this.

This is their country, just like it's your country. This is not about me or the Republicans in Congress. It's about the future of the American family, the future of the American workplace, the future of the United States. And so I want you to listen to this. This is the greatest last hit.

During the 1980s, when, you know, that "everything goes" decade where everything was going to trickle down to ordinary people -- thousands and thousands of corporations transferred some \$20 billion out of their employees' pension funds for buy-outs and other purposes. An awful lot of workers lost their life savings. Last December one of the proudest things I was able to do in the last Congress, even after the November election, the Congress passed a bill that saved 8.5 million American pensions and stabilized 40 million others that were in danger of being in trouble.

I don't know what the retirement income of 48.5 million Americans is worth to the strength, the stability of America; to our pro-family, pro-work values; to our economic future. But I think it's worth an awful lot.

Now, as if we haven't learned anything from the '80s and didn't have to do that, this Republican budget would allow companies to withdraw money from their workers' pension funds to use it for whatever reason they want.

AUDIENCE: Nooo!

THE PRESIDENT: For whatever reason they want. Corporate buyouts, bonuses, any reason.

AUDIENCE: Don't let them do it, Bill!

THE PRESIDENT: Now, folks, we just had to fix this last year. You know, I don't remember as well as I used to -- (laughter) -- my circuits are kind of jammed. But I can at least remember what I did last year. (Laughter.) That is not my idea of what I want America to look like in the 21st century, taking good middle class people that worked hard all their lives, paid into their pension, showed up at work, did everything they were supposed to, and, oh, I'm sorry, your pension is gone. One of two things is going to happen. Either the government will have to bail it out again; in which case, the deficit reduction won't take place; or we'll throw them into the street and we'll one more time shrink the middle class and grow the under class.

Say no to that. Say no to looting the pension funds. Say no, it's wrong. It's wrong. (Applause.)

And, look, the thing that bothers me about this is that this budget would snatch defeat from the jaws of victory. This country is in better shape than it was two and a half years ago. We're moving in the right direction. What we need to do is build on what we've done, not tear it down. We need to build on middle class economics. We need to build on an economy that has

the largest number of new small businesses in history. We need to build on the best time for education in the last 30 years, in the last Congress. We need to build on medical reforms that are slowing the rate of medical inflation without stripping elderly people of the security and dignity of knowing that their health care is there. We do not need to tear it down. We need to prove we can make the environment and the economy go together, not walk away from our common responsibilities.

Folks, this is about more -- even more than all the things that we are concerned about that directly affect any of us individually. This is about what kind of country we're going to be. This is about what kind of people we're going to be. It's about whether we're going to live by the values we all say we believe in. It's about whether the American Dream is going to be alive in the 21st century. And what we really have to do is to do what that sign says -- if we'll just stand up for America's working families, if we'll just do what we know is right, if we'll use every tool at our command -- I will use the tools at my command, but I want you to go home and I want you to talk to people in the streets and say we're moving this country; this country is going into the 21st century.

Don't let these people take us back. If it takes a veto, you'll have it. But I need you in the streets standing up for America's future.

God bless you and thank you. (Applause.)

END

6:27 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary
(Pittsburgh, Pennsylvania)

For Immediate Release

September 24, 1997

REMARKS BY THE PRESIDENT
TO AFL-CIO BIENNIAL CONVENTION

David Lawrence Convention Center
Pittsburgh, Pennsylvania

10:25 A.M. EDT

THE PRESIDENT: Thank you very much. I am delighted to be here. Thank you for the warm welcome. Thank you for the fast introduction. (Laughter.)

The last time I spoke at your convention it was two days before you elected John and Rich and Linda. And I must say, from the outside, it seems to me that they have done a remarkable job, and I know that you must be very, very proud of them. (Applause.)

I am delighted to be here with Secretary Herman, and Deputy Secretary Kitty Higgins, and Secretary Slater, a number of other members of the administration. I should mention one other -- the successor at the White House to Alexis Herman, former Assistant Secretary of Labor for Wage and Hours Maria Echevesta. We're all glad to be here. (Applause.)

I also want to say right at the outset that I am very glad that you voted to support campaign finance reform. Now there will be a vote on the Senate floor, and that will be a time of testing. But I have made clear where I stand. All 45 of our Democratic senators have made clear where they stand. You have now made clear where you stand. We will soon see where the Senate stands, and then where the House stands. This is a good time to make our campaign finance laws better, and I thank you for your crucial role in it. (Applause.)

On a very personal word, I might say, I came in a few moments ago and I was able to hear Sandy Feldman and hear your tribute to our friend, Al Shanker. And I cannot tell you how much I appreciate that. Under his leadership, and Sandy's, the AFT has been a constant supporter of educational opportunity and educational excellence -- a clear signal that working professionals can be organized for the objectives, the legitimate objectives of the union movement. And one of those objectives would be excellence on the job. And there is no more important place to have excellence on the job than in educating our children. So I'm very, very grateful for the AFT and for Sandy Feldman. (Applause.)

With your new leadership team and the new energy I feel of the presidents who are here on this great stage and all of you in the audience, your members back home, it is clear that American labor once again has a clear voice and you are making it heard. You made it heard loud and proud in the boardrooms of

Unite Parcel Service. You made it heard in the halls of the Capitol, standing up to a barrage of anti-worker legislation. (Applause.)

You're making it heard in the strawberry and mushroom fields of California, in the fiery tones of Arturo Rodriguez, with noble echoes of Cesar Chavez. (Applause.) You're making it heard in nursing homes in Minnesota, giving new strength to women workers. And you're making it heard right here in Pittsburgh through the steelworkers biggest organizing campaign in more than 60 years. This must be a proud time for the men and women of the AFL-CIO. (Applause.)

Our nation can clearly see and hear that American labor is back. Thanks in no small part to your leadership in the workplace and your involvement in the political process, America is back, too.

Six years ago, when I announced my candidacy for President, I said that America had a vital mission for the 21st century -- to keep the American Dream alive for every person responsible enough to work for it, to keep America the world's strongest force for peace and freedom and prosperity, and to bring our people together across all the lines that divide us into one America. America's oldest, most incandescent ideals -- opportunity for all, responsibility from all, a community of all. That is what has to illuminate our path as we stride forward to address the challenges of a new era.

I pledged then to take America in a new direction -- toward the future, not the past; toward unity, not division; with America leading, not following; putting people and values, not power politics, first; reforming government not to do everything or do nothing, but to give all our people the tools they need to make the most of their own lives; and beginning by building an economy that works for all, not the few.

We started with a new economic policy for the new economy, putting in place a bold new strategy to shrink the deficit and balance the budget, invest in our people and lower unfair trade barriers to our goods and services. The philosophy was solid and simple: remove the impediments that have restrained the American people and give them the tools and training to help them race ahead. By reducing the nation's massive deficits, we could free our people of the dead weight that slowed their every step from the early 1980s. By investing in their education and health, we would enable them to run fast and strong over the long run. By reducing trade barriers, we would knock down the unfairly high hurdles that we have had to leap over for far too long, and build bridges to new democracies with growing economies to ensure our leadership for peace and freedom well into the next century.

The strategy has succeeded: nearly 13 million new jobs; America leading the world in auto production once again; unemployment below five percent; over a million new construction jobs, a half a million transportation jobs, a half a million new jobs for machine operators, auto jobs having the fastest increase since Lyndon Johnson's administration; the biggest drop in welfare rolls in history, with welfare reform that is tough on work, but pro-child and pro-family; dramatic drops in crime year after year, putting 100,000 more community police officers on the street and the Brady Bill preventing 250,000 sales of handguns to people with criminal or mental health histories that indicates they should not have them. We

know we have more to do, but together we have made progressive government work again.

Let's look at three crucial elements of our economic strategy -- reducing the deficit, investing in our people, expanding exports. First, deficit reduction. Back in 1993, when I introduced our first deficit reduction plan, we both knew it was important to get our fiscal house in order. And we did it the right way -- we did it while increasing investments in our people. And we did it without a single Republican vote, cutting the huge deficit of \$290 billion 87 percent before the balanced budget law passed. (Applause.)

After a new majority took control of Congress in 1994, they tried to cut the deficit in the wrong way. They sent me a budget that made unjustifiably deep cuts in Medicare, that increased taxes on working Americans, that allowed corporations to raid their workers' pensions, that cut enforcement of worker safety laws, that slashed funding for education and training by \$30 billion. With your support, I vetoed that budget and the veto was upheld. (Applause.)

Later, when they pushed a balanced budget with a harmful independent contractor provision, a misguided privatization scheme for Medicaid, and a shameful plan to deny workfare participants the minimum wage, you and I stood firm together. We stood firm together. And I thank you for your support for that opposition. (Applause.)

I believe this balanced budget that I signed honors our workers and our values and our future. And I will explain by going to the second element of our economic strategy -- investing in our people. In the new economy the most precious resources America has are the skills and securities of working Americans. Here, too, we are succeeding. After decades of working harder and longer for lower wages, millions of working Americans finally are getting a raise. And it's about time.

Since I took office the yearly income of the typical family is up \$1,600. Wages are rising again. In 1995 and 1996, over half the new jobs created in this economy paid above the average wage. With your strong support, we also increased the minimum wage and dramatically increased the earned income tax credit -- it is now worth about \$1,000 a year to the typical family of four with an income of less than \$30,000. And this summer, I signed into law a \$500-per-child tax credit that will mean \$1,000 in take-home pay for a typical family with two children. And I didn't sign the bill until we made it work for rookie police officers, teachers and others of modest means the Republican majority would have left out of their budget and tax cut plans.

From 1945 until the mid-1970s, all of us grew together in America. Each group of our economy, from the lowest 20 percent to the highest, increased their incomes, but, actually, in percentage terms, those in the bottom 40 percent grew slightly faster than those in the upper 40 percent. And that was as it should have been. We were sharing our prosperity and growing together.

Then, unfortunately, we began to grow apart, partly because of developments in the global economy, historic developments that could not be reversed and offer us great opportunity of seize them -- partly, I believe, because of wrongheaded policies in the United States government throughout

the 1980s.

Fortunately, now it looks like our hard work and your hard work is paying off and America is starting to grow together again. I believe the general sense that this should be so is one of the reasons for the renewed success and receptivity of the efforts that you are making all over America.

But we cannot rest. We cannot rest until every single American has a fair chance to reap the rewards of the American economy. That is why, above all, investing in people means giving every American the best education in the world.

Our balanced budget includes the largest increase in aid to education since 1965, when President Johnson was in office, and the biggest increase to help people to go on to college since the G.I. Bill was passed 50 years ago. (Applause.) The budget has \$1 billion more for Head Start; more money to help our schools achieve excellence; the America Reads program to mobilize a million volunteers, organized by our national service program, AmeriCorps, which has already given 70,000 young people a chance to work and serve in their communities and earn the money for college.

It contains money to help connect every classroom and library in this country to the Internet by the year 2000. It also contains a new HOPE Scholarship to guarantee access to all Americans to at least two years of college; other tuition tax credits for all college and skills training; an IRA you can withdraw from, tax-free, to pay for your own education or your children's education; the biggest increase in Pell Grants in two decades; a million, total, work-study slots now; and doubling aid for dislocated workers.

When you put all this together, we can really say for the first time in the history of this country, we have opened the doors of college education to every American who is willing to work for it money will not be an obstacle again. (Applause.)

There is still a lot to do. First of all, we have to pass every year for the next five years the funds necessary to make good on the budget agreement. Secondly, we have got to increase the quality of education in our public schools. I have sought to provide more options to parents in public school through public school choice and allowing teachers to organize new charter schools within public school districts. But I also know we need national standards. Every other major economy in the world educates its children according to national academic standards. And I have called for national standards and voluntary national exams to begin with 4th grade reading and 8th grade math to see how our children are doing. Voluntary exams developed not by politicians, but by a non-political board; not by the Department of Education, but financially supported by the Department of Education.

There are those who say no to this, no the standards, no to the idea that we ought to have accountability. Some of them, frankly, don't believe all our children can learn. Some of them see some dark plot to take over local schools. All I see is reading is the same in Minnesota as it is in Maine, and mathematics is the same in Washington as it is in Florida. And our children had better know it if they expect to compete in the world of the 21st century. (Applause.)

There are also those in the Congress who say no to

every effort we make to expand educational opportunity -- those who failed to close the Department of Education, but would still like to cut it down; those who still would reduce our commitment to scholarships and grants and shut down completely innovative initiatives, like America Reads, even though we know -- we know -- that 40 percent of our 3rd graders still cannot read independently on their own. We know that and we cannot afford to back up; we need to bear down.

So I need to ask your help again on education in the tough days ahead. With your help we can open up opportunity, build up education and shake up the status quo crowd that fights every effort we make to lift up our children.

We are making progress in this country in education. The teachers of this country are doing a better job. The principals are doing a better job. Parents are steadily getting more involved. We are learning how to come to grips with all the social problems that our kids bring to school. This year, on international exams, a representative sample of our children by race, by region, by income -- for the first time the 4th graders scored above the global average in mathematics and science. So I know all children can learn, and I know we've got people who can do the job. We just have to support them and bear down and do more of the kinds of things that we know will work.

Al Shanker, for his whole adult life, advocated national standards and meaningful measures and then all the efforts necessary to give every kid in this country a chance to learn. And I am not going to back away from this if it takes me every last minute of the next three years and however many months and days I've got left. And you ought to be there, too, because there's nothing more important for the future of this country than giving our kids a decent education. (Applause.)

Investing in our people also means protecting the rights of workers, to demand their rights. Over the past four years we've defeated callous attempts to repeal prevailing wage laws, to bring back company unions, to weaken occupational safety laws. We cracked down on sweatshops and fought to protect your pension funds and make pensions more portable. I have vetoed every piece of anti-labor legislation that has crossed my desk, and I will continue to do so. (Applause.) Thank you.

A lot of the people pushing these bills have missed the main point: the key to success in tomorrow's economy is people, and you cannot move into the 21st century by restoring the labor policies of the 19th century. I will oppose it, you will oppose and we will prevail. (Applause.)

In that context, let me just say one more word about the UPS strike. I and, indeed, my entire administration believe deeply in the collective bargaining process. In the UPS strike collective bargaining worked. UPS and the Teamsters reached an historic settlement that recognizes that companies have to invest in their workers in order to be competitive in the 21st century. I did the right thing to let the process work. The parties got together, they worked through it and we got a good result. (Applause.) Thank you.

Investing in people also means expanding access to health care, quality health care. The Family and Medical Leave law that you worked so hard for, the very first bill I signed as President, ensures that millions of people don't have to choose between being good parents and good workers. I still hear from

citizens as I travel across the country and just stop at airports, or in crowds in communities and shake hands -- people still come up to me and say, that law changed my life, saved my family, has meant more to me than anything the government has done in my life. It is a good thing and I thank you for your support of it. (Applause.)

The Kennedy-Kassebaum law helps millions to keep their health care if they take a new job or if someone in their family gets sick. The new balanced budget spends \$24 billion to expand health care to 5 million of the most vulnerable Americans -- 5 million children, almost all in working families, without health insurance. That is the largest investment in health care since the creation of Medicaid in 1965. Never -- never -- would this have happened unless you had helped me wage the fight we waged and lost to give health insurance to every American family that doesn't have it. And sometimes you have to lose a battle. I'm glad we fought for it. I'm proud that you helped me. And those kids are going to get insurance because of the issues we raised in 1994. (Applause.)

Finally, I ask for your support to help me pass sweeping legislation to keep tobacco, our number one health problem, out of the hands of our children. The health of our children is my bottom line and I believe it should be the bottom line of the tobacco industry as well.

The final component of our three-part economic strategy, one that is just as essential for the future growth and the future wage growth of our economy, is our continuing work to open new markets and give American workers a fair break. I know we don't see eye to eye on fast track, but I think I owe it to you to tell you exactly why I feel so passionately about it. And I think I've earned the right to be heard on it. (Applause.)

Fast track authority is a tool that has been given by Democratic Congresses to Republican Presidents and Presidents, indeed, of both parties for more than 20 years now. It simply says that if the President or his representative, his trade representative, negotiates a trade agreement, then the Congress has to vote on it if it rises to the level of comprehensive agreement, but must vote it up or down, so that the other country does not believe it is having to negotiate with 535 people in addition to the person with whom they negotiated.

We cannot create enough good jobs and increase wages if we don't expand trade. There's a simple reason why. Indeed, about a third of the economic growth that has produced 13 million new jobs over the past four and a half years has come from selling more American products overseas. Here's why: We have four percent of the world's population and we enjoy 22 percent of the world's wealth. If we want to keep the 22 percent of the wealth we have as four percent of the world's people, we have to sell something to the other 96 percent.

And this did not happen by accident. There were over 220 trade agreements signed in the first four years of this administration. In the over 20 agreements signed with Japan, in those areas our exports went up by over 80 percent.

The information technology agreement that we just signed, worldwide, covering 90 percent of information technology services in the world, under residual fast track authority that covered that area amounts to a \$5-billion tax or tariff cut on American products -- high value-added products, many of which are

made by union workers.

Now, in the next 15 years, the developing countries in Latin America and Asia will grow three times as fast as the United States, Europe and Japan. As I told the United Nations a couple of days ago, early in the next century, about 20 nations comprising half of the world's people will move from the ranks of low-income nations to middle-income nations. They are going to grow in a world economy. We are going to participate in that growth to a greater or lesser extent. The more fair trade deals we have to allow us entry into their markets where we've been at a significant disadvantage for too long, the more we will participate.

You know that our own markets are among the most open in the world. We were able to get 220 trade agreements in the first four years because we made people know that if they wanted access to our open markets, they were going to have to open theirs. We have to insist upon this treatment. If we don't act and we don't lead, nobody else will level the playing field for us.

Indeed, our competitors in the other wealthy countries, in Europe and Japan, would just as soon we not make these trade agreements. They can make them because they read the same predictions we do -- they know that their economies are only going to grow a third as fast as the ones in Latin America and Asia as well, and they are looking for some way in to protect their workers and their longtime economic security.

We can compete if given a fair chance. Last year, I had a chance to visit the Jeep Cherokee plant in Toledo -- a UAW plant producing tens of thousands of right-wheel-drive jeeps for export to Japan and other markets we thought hard to open up for them. They have 700 new jobs at that plant, and I think it's the oldest auto plant in the United States of America still operating. The global economy is working for them. I am determined to see that it works for everyone.

Should we ask other people to adhere to global standards on the environment? Of course, we should. I think you could make a strong case that no administration has done more to preserve and protect the environment against onslaughts than ours has. Should we acknowledge that global trade can pull the rug out from some of our people? Of course, it could. At every period of economic change in our country's history, that has happened to people. The difference is that we have to be committed to give more aid, to do more for people who are suffering, who are displaced. Because nobody should be left behind in the global economy. Nobody. That's why we double funding for displaced workers. That's why I know we have to do more. We don't have to leave people behind. Everybody should have the right to keep a good job and to go into tomorrow.

But we can only do that with a growing population if we continue to grow the economy. So the trick is to get the right economic growth package, to create the right mix of new jobs, to try to make sure always more than half of your new jobs are paying above average wage and not leave people behind. It's not easy to do, but this administration is committed to doing it. And I think we have demonstrated that commitment time and again.

We also have to recognize that the global economy is on a fast track. It is changing amazingly. For example, every month -- every month -- millions and millions of new contacts are

made on the Internet. Every single month. It's exploding like nothing ever has, creating all kinds of networks of commerce and bringing people close together in new and unusual ways. We have to figure out how to make this work for us. If it doesn't work for us, it will work against us.

I believe leaving our trade relations on hold with the fastest growing economies in the world will not create a single job in America, and it certainly won't raise environmental standards or labor standards in other countries. This year -- this year alone, so far, two-thirds of the increase in America's trade has come from Canada to the southern tip of South America, our neighbors. Two-thirds. We could do better. This year, leaders from Europe have gone to South America to tell them that the United States no longer cares about their markets, or the cooperation and leadership that goes along with working with them. They say that their future should be with Europe, and they should organize to give Europe considerations and breaks in opening their markets, and leave us out.

Now, think about it. Think about Chile, or Brazil or Argentina. Their markets are more closed to us than ours are to them. We still are selling more just because they're growing so much. But we know they'll grow a lot more over the next 10 to 20 years. They now need things that we sell and things that your people produce better than any other group of people in the world.

This is not about NAFTA or factories moving there to sell back to here. I think all of us agree it is highly unlikely anyone will move a factory to Chile to sell back to here. This is about how we can best seize our opportunities in the economy that is emerging, and how 4 percent of the world's people can continue to maintain 20 to 22 percent of the world's wealth, and continue to grow the economy so incomes can rise and new jobs can be created.

Now, I know this is a difficult debate and I know we disagree about it. But the debate over fair trade and fast track should itself be fair. It should also be open and honest. I have personally sat alone in the White House and listened to talk shows where your representatives were on the shows, because I wanted to hear the arguments and hear the concerns and know the things that you want. And you know we have had exhaustive numbers of meetings between the administration and leaders of the labor movement. We ought to have an open, fair and honest debate. We are trying to move as much as we can on a lot of the concerns that you have raised.

But I also want to say that I think we share too many values and priorities to let this disagreement damage our partnership. You just think of all of the things that I reeled off that we've done together and all of the things we've stood against in the last five years. I have worked to make this economy work for middle-class Americans. I care about making sure everybody has a chance and making sure nobody is left behind. But I can't build a better future without the tools to do the job, and America can't lead if it's bringing up the rear.

At the moment of our greatest economic success in an entire generation, we shouldn't be reluctant about the future; we ought to seize it and shape it. And I think I also have to say to you that there are a lot of good members of Congress who agree with me about our trade policy who also stood for the minimum wage. They agree with me about our trade policy, but they fought

to provide health care for 5 million more kids. They support open trade, but they also fought to protect Medicare and Medicaid and education and the environment, and to open the doors of college to all Americans.

And when the majority in Congress wanted to do so, they stood against them and fought with you against the Contract on America. They fought with you against attempts to repeal the prevailing wage laws, to weaken unions and workplace health and safety laws. They did so in the face of intense pressure. They have fought for you and for all working people, and they deserve our support. If they were to lose their positions because they stood up for what they believe was right for America's future, who would replace them, and how much harder would it be to get the necessary votes in Congress to back the President when he stands by you against the majority?

America is far better off when the friends of working people stand together without letting one issue trump all the others. Friends and allies don't participate in the politics of abandonment; they band together -- disagreeing when they must -- but banding together.

I pledge to do that, and I hope you will, too. We've got a lot to do -- in education, in making sure Medicare and Social Security are there for the next generation of parents, in bridging the divide of race and all of the differences that are now taking place in this country. That's an area where you've always been out front, and I want to close with that. Because you can help -- perhaps more than almost any other group in America -- to bridge the divides and to preserve the bonds of community.

When I leave you, I'm going home to Arkansas, and tomorrow I will try to focus our nation on a haunting but hopeful moment in our country's struggle to make America the nation live up to America the idea -- a day, 40 years ago, when nine brave African American boys and girls, shielded from a hateful crowd by United States Army paratroopers, walked through the doors of Little Rock Central High School for the first time. I will honor the courage and vision of those whose eyes were fixed on the prize of equal educational opportunity without regard to race.

There are still a lot of doors we have to open. There are still some doors we have to open wider. And now, unfortunately, there are some doors we've got to work hard from being shut again. There is also a new reality we're all going to have to come to grips with that very few Americans have thought about. It will change the workplace. It will change communities. It will change the way we do our business as citizens. That reality is that we are not simply a black-white nation, we are not simply a black-Hispanic-Native-American-white nation. Instead, we are a nation now of nearly all the peoples of the world, with greater diversity in how we work and live together, and greater integration in how we work and live together than virtually any other democracy on Earth. And within the ranks of Caucasians and blacks and Latinos and Asians, there is increasing ethnic and cultural diversity.

As we become the most diverse democracy on Earth -- and make no mistake about it, we are becoming that -- today, only Hawaii has no majority race. Within a decade, probably within four or five years, California, our largest state with 13 percent of our population, will have no majority race. And sometime before the next century is half done, America will have

no majority race. Are we going to embrace this? Are we going to say that we celebrate our diversity, but we're united by something more important? Or are we going to let it get away from us and drift off into little enclaves and weaken our country and our future and our children's future? You're in a unique position to help. (Applause.)

Labor has a tradition here, established by visionaries like A. Philip Randolph and Walter Reuther. Labor has helped generations of African Americans and new immigrants to gain dignity and respect. Your members reached across racial and ethnic lines to fight for a common future and personal dignity. Few institutions in America can claim anything like the record of the labor movement in fighting for equal opportunity.

(Applause.)

It was for that reason and for her own merit that I appointed your Executive Vice President, Linda Chavez Thompson, a member of my Race Advisory Commission. (Applause.) She has seen discrimination firsthand. She knows discrimination is not a thing of the past, but she is determined to see that it has no place in our future. I am grateful for her help, and I ask you for yours.

A century ago the working men and women of labor imagined an America where older people had health security, where African Americans enjoyed equal protection under the law, where working people had the right to organize and fight for a better life. Because they imagined it and because they worked for it, it's the America we're living in today.

Now it is up to us to imagine the America of the 21st century. And on every issue I discussed today, that is all I ask you to do. Imagine it, based on what we now know. Imagine an America in which every child has a world-class education; in which every family can fairly balance the demands of work and child-rearing; in which we lift living standards here and around the world; in which we learn to grow our economy and preserve the common environment which is our home; in which our oldest values of opportunity, responsibility and community guide us into a new time of greatest opportunity.

As American working men and women have shown time and time again, if we imagine it and we work at it, we will build it -- an America for our children, always eager for tomorrow. You have brought new energy to the labor movement. You have brought new energy to America. Let us work to build that into a future we can be proud of.

Thank you, and God bless you. (Applause.)

END

11:04 A.M. EDT

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

April 20, 1997

REMARKS BY THE PRESIDENT
TO THE UNITED AUTO WORKERS SPRING CONFERENCE

The Sheraton Washington

6:50 P.M. EDT

THE PRESIDENT: Thank you. (Applause.)

Q We love you, man.

THE PRESIDENT: Thank you. I love you, too. And I appreciate you.

President Yokich, Secretary Treasurer Wyse, to the officers and the ladies and gentlemen of the United Auto Workers: I came here more than anything else to say two things -- number one, thank you very much for helping me and the Vice President become the first Democratic ticket to be reelected in 60 years. Thank you very much. Thank you. (Applause.) The second thing I came here to say is that if we do the right things, we can build that bridge to the 21st century together.

You know, we've had a lot of monumental fights in Washington in the last four years. That's not all bad and it was to be expected. You have lived through in the last few years the biggest economic change to occur in the United States and in the world since the global Depression of the 1920s and the 1930s. And this one, thank goodness, has not let to global depression, but you know how much things are changing.

And when I became President there were a lot of assumptions here in Washington that had come to dominate our country's thinking and politics, during the years when the presidents of the other party dominated the White House. People believed that you could talk about the deficit, but you didn't really have to do anything about it; that if there was anything done to help labor it was, by definition, bad for business. People believed that government was always the enemy. And they believed that the only kind of tax cuts that were any good were ones that cut taxes on the very wealthiest Americans because they would somehow benefit everyone

else by trickling down.

I came here believing we could balance the budget in a way that as fair to all Americans, get interest rates down and help grow the economy, which would help people who have capital and invested, but it would also help to lower car payments and home mortgages and college loan payments and make this country strong in the world again. I came here believing that the only long-term way to strengthen the American economy was to build the middle class, and that meant we had to be pro-worker and pro-business and we could do both. (Applause.)

I came here believing that in a country that now has only about four percent of the world's population, if we want to continue to enjoy about 20 percent of the world's wealth we're going to have to get some other people to buy our goods, but we could only have free trade if it was also fair trade. And we have 200 separate trade agreements to show for our efforts in that in the last four years. All of these things you helped to make possible.

And if you think about the debates going on in Washington today -- if you think about the fights we had in '95 and '96, which the American people were heard loud and clear on -- they said, we don't believe the government is always the enemy. They said, we do think we have a responsibility to protect education and the environment and the integrity of our health care programs. They said, you can balance the budget without hurting ordinary Americans or trampling on the poor.

And I think that message is out there. I agree with President Yokich; you came about 10,000 votes short of having our party win the House of Representatives again because they outspent us 4, 5 or 6 to 1 the last 10 days. But we did a pretty good job. And, by the way, I'm proud of the fact that you invested in our campaigns and helped us and fought for us and stood up for us and stood with us. (Applause.)

You hear all this talking today, people forgot what was at stake there. In 1993 when we passed that economic plan our opponents said it was the end of civilization as we know it. Remember all the things they said? Unemployment will go up, the deficit will go up, the world's just going to go to pieces in America because of the President's economic plan.

Well, in four years this country produced over 11.5 million new jobs for the first time in any presidential term. They were wrong and you were right. (Applause.) You were right -- 107,000 of them were in the auto industry. Unemployment now is down to 5.2 percent, a nine-year low. (Applause.) In 1995, average wages started to rise again for the first time in 20 years. And last year over half of the new jobs were in higher-wage categories, in dramatic contrast to most of the new jobs we got in the years before we took office. We are moving in the right direction. You have supported the right policies. You should be proud of it and you should make sure the American people know it. (Applause.)

In 1992, the year before I took office, Japan produced 28 percent more autos than

American workers. By 1994, America had passed Japan for the first time since 1979 -- and you're still ahead of them. And I'm proud of you. (Applause.) In 1995, we finally got an auto agreement. And I'm proud to report that last year, in the first full year of that agreement, American auto sales went up by 34 percent in Japan, European sales went up by 10 percent; overall car sales only went up by three percent. If you give people the chance to buy American, even in Japan, they will buy American because you're putting out the finest cars in the world today. (Applause.)

Auto parts sales went up 20 percent last year. They're now double what they were in 1992 in Japan. We have a long way to go and we made that clear yesterday and we intend to keep working. But it makes the point I want to make: If we can open these markets to American products, the American people paid the price and you paid the price in the tough and difficult years of the 1980s and the early 1990s to dramatically increase quality and productivity. And you deserve the chance to sell your products anywhere in the world, and if you can you're going to do very well. (Applause.)

Over 4 million more Americans own their own home. More than 10 million Americans have refinanced their homes with lower interest rates. The welfare rolls in four years dropped a record 2.8 million. We moved more people from welfare to work in the last four years than went on welfare in the first 25 years of the program. Don't tell me we can't reform the welfare system; we can -- we can move people from welfare to work if we do it right. (Applause.)

And that is just the beginning. We have got to do more. And as I said, I never believed that being pro-growth, pro-private sector and pro-business meant being anything other than pro-worker, pro-union and pro-family. (Applause.) I believe they are consistent and I believe that the record proves that when we work together and when we're fair to everybody we produce more, people feel better and they're more productive. And I think it's time that everybody understood that we don't want to be a hard-work, low-wage economy; we want to be a hard-work, smart-work, high-wage economy in which we all work together. (Applause.)

That's why I worked with you to defeat attempts to repeal the prevailing wage laws, to bring back company unions, to weaken work place health and safety laws. That's why I fought for a tax cut that used to be supported also by members of the other party -- the earned income tax credit. Since 1993, we've ratcheted up now so that the average family of four with an income of \$30,000 or less and two kids in the home has \$1,000 lower tax bill than they did four years ago. Now they can go out and buy cars again. I think that's the right sort of tax cut in America, to reward working people, and I think we're stronger because of it. (Applause.)

And I thank you for your support for the minimum wage increase. No person who works 40 hours a week in a country that preaches that people who are welfare ought to go to work should live in poverty when they're working full-time and trying to support their children. And we don't have to tolerate it. (Applause.)

On July 1st, the historic legislation you helped to enact to make sure workers don't lose their health insurance if they lose their jobs takes effect. We've made pensions more affordable and we've cracked down on pension fraud and abuse. Today, the fund that guarantees 42 million private sector pensions has saved the pensions of 8.5 million Americans that were in danger when I took office and now has a surplus for the first time in its over 20 year history. We are moving to make work rewarded in this country and get the kind of security and support it deserves. (Applause.)

As Steve said, since I took office I have vetoed every piece of anti-worker legislation that has landed on my desk. And I will continue to do just that. (Applause.) Thank you.

Now, I want to ask you for help on some other things, as well. First of all, I want you to help me get Alexis Herman confirmed as Secretary of Labor. (Applause.) Now, listen to this: she was voted out of the committee unanimously. Every Republican in the committee voted for her. She gets to the floor, we're assured she's going to be brought to a vote, and all of the sudden they decide that maybe they can get me to change some of the executive actions I have taken to try to prevent anti-union activities when it comes to government contracts by saying, we just won't give you a Secretary of Labor. We'll show you we don't agree with what you're doing. You got elected, you have the power to do it, the people voted for you. We voted your nominee out of committee unanimously. Some of her strongest support came from Republicans who knew her well and knew that she was a good and able woman and tried to be fair to business as well as labor. They knew she had a history in the Labor Department, a history of experience and they said, okay, she's qualified; we all voted for her in committee, you won the election, you have the power to do this. But if you do it we might not ever give you a Secretary of Labor.

Now, I don't think that's a very good way to run a railroad. You know, I don't refuse to work with them because they won the election. I know they wouldn't have voted for me, and that goes two ways. (Applause.) The American people made this decision. They put us both in the boat and they told us to row, and we've got to figure out how to get the oars going in the same direction. That's what we've got to do. (Applause.)

And we're working hard to do that. We're working hard on this Chemical Weapons treaty to try to reduce the danger of chemical warfare to our soldiers. Every chairman of the Joint Chiefs of Staff in our major military organizations have endorsed this -- every chairman of the Joint Chiefs of Staff since President Carter's administration. And we're going to have to do it together. We'll never get a balanced budget unless we do it together.

Now, this is something we have to do together. And I'd like to say to them and to say to you, if they think I'm wrong about something I've done we ought to sit down and talk about it. But we've got a qualified person and Labor has been out a Secretary too long -- let's have a Secretary of Labor and confirm Alexis Herman. And I ask for your help to do it. (Applause.)

Twelve million people have taken advantage of the Family and Medical Leave law since

I signed it in 1993 -- the first bill I signed. Many people who have good jobs have family and medical leave through their contracts. But a lot of people don't. And we've proved now that if you help people succeed at home, so they're not worried sick at work about their children or their parents, you let them take a little time off for that, actually workplace performance goes up. We haven't lost jobs or lost small businesses since the Family and Medical Leave law came into effect. In fact, we've had a record number of new businesses started in every single year I've been President.

That's why I want to expand the Family and Medical Leave law, to give people a little time off every year to go to regular doctor's appointments with their children and with their parents if they're sick, or to go to regular parent-teachers conferences at the school. We've got to have the parents if we're going to improve the quality of education and I think it will be a good thing to do. (Applause.)

I also would like to say to you that we have more work to do on this budget. Now, in the last four years -- when I came here people laughed at me when I said we could reduce the deficit and increase our investment in education, in medical research, in technology, in fighting crime and in our future. Well, now we've got four years of declining welfare rolls, four years of declining crime rates. Every expert in America now admits we were right when they fought us in trying to put 100,000 more police on the street. We know we can do this.

But we also see that people are saying, well, maybe this recovery can't go on, maybe interest rates are going up, maybe if they don't, inflation will come back. You've seen all this. We need to go on and balance this budget to keep this recovery going. That will remove any question about inflation coming back in the economy and will keep interest rates down. It will make cars more affordable here and abroad. It will keep UAW members working, it will keep America strong. But we have got to do it in a way that protects the integrity of the things we fought two long years for in 1995 and 1996 -- for education, for the environment, for the integrity of these health programs. We have got to do that.

This balanced budget of mine does exactly that. It provides tax cuts for education and health care, to help raise a child and buy and sell a home. It protects Medicare and Medicaid, but adds a lot of years to the Medicare trust fund. It is something that I'm very proud of in terms of what it does for medical research and for protecting the environment. And it is also very, very good for education. If you look at the future, we know that we have got to improve the performance of our schools if we want all of our children to have good jobs with growing incomes. We know that. (Applause.) We know that most of this has to be done at the local level with support from the states, but we know the national level and we in the national government have a responsibility as well.

My budget makes an unprecedented commitment of \$51 billion to make sure that by the year 2000 every 8-year-old will be able to read on his or her own, every 12-year-old can log on to the Internet, every 18-year-old can go on to college, and every adult can continue to learn for a

lifetime and get the skills necessary to get good jobs. (Applause.)

I've laid out a 10-point plan for education, I just want to mention three to you. Number one, we have got to quit hiding behind the idea that we have local control of our schools and using that for an excuse not to have national standards in education. All of our competitors have national standards in education. (Applause.) And I am not talking about federal government standards, I'm talking about national standards. But I have challenged all the states to meet them and to give all of our children a test in reading at the 4th grade level and a test in math at the 8th grade level by 1999. And I hope you will support me in that wherever you come from in every state in America. It is the right and moral thing to do for our country. (Applause.)

We ought to open the doors of college to everybody who's prepared to work for it. I want to give a \$1,500 tax credit, modeled on the HOPE Scholarship in Georgia, America's HOPE Scholarship. That's about what it costs at any community college in the country. I want to give it for two years to open the doors of college for at least two more years to make them just as universal as a high school diploma is today by the year 2000. And we can do that. (Applause.) I think we ought to give people a \$10,000 tax deduction for the cost of any college tuition after high school, any higher education. It will help a lot of people in this room, I would imagine. (Applause.)

And because we can never forget the people who don't make enough money to take tax deductions, I've also proposed the biggest increase in the Pell Grant scholarships for needy students in 20 years, so we can all have the chance to go on. The average age of people in college is going up steadily every year. It will continue to go up. You probably all know friends of yours in their 30s, in their 40s, maybe in their 50s, who had to go back and get retrained. And we ought to have a system that makes it possible for every American who wants to work, who's willing to work, who needs an education to get it for a lifetime. It is simple and it is good for the American economy. We ought to do it. (Applause.)

The last thing I want to say about that is, I've been trying for four years through Democratic and Republican Congresses to get the Congress to adopt my G.I. Bill for America's Workers. And I know there have been a lot of questions about it. Essentially, what I want to do is take 70 separate training programs, put them in a grant and just give a chit, give a skills grant to people who are unemployed or underemployed, and say, you take it to the place nearest you which will be most likely to get you a job. Almost every American is within driving distance of a community college. This would include union-sponsored training programs, anything else, just whatever is necessary and whatever is most handy to get a job -- the G.I. Bill for America's Workers.

I think we've wasted a lot of money on intermediaries and government employees. We've got all this money here, give it to the people who are unemployed and you can go after them, everybody else can who wants to train them. But I believe a G.I. bill for people. I think most people have enough sense to figure out on their own in their own communities what would

be most likely to put them back in the work force at a higher wage. And I hope you'll help me pass the G.I. Bill for America's Workers. (Applause.)

And just because we got beat on our attempt to say that everybody in America who works for a living and all their children ought to have access to health care, I hope you won't quit trying to expand health care access to the American people who need it. (Applause.) Thank you.

I have proposed new legislation to crack down on Medicare fraud. I've appointed a new commission on health care quality to make sure that the lower costs of today's managed plans doesn't dilute the quality of them. We've moved to help fight breast cancer by making women 40 and over eligible for mammograms who are covered by federal programs, which I think is important. (Applause.)

In my balanced budget plan we are moving to try to stop the sort of drive-by mastectomies, where women with breast cancer are basically operated on and put out of the hospital in a matter of a few hours. We are moving to cover respite care for Alzheimer's victims, because there are so many families who care for a family member with Alzheimer's. And having lost an aunt and an uncle to Alzheimer's, I know it's a seven day a week, 24 hour a day job. We can actually save a lot of money over the long run if we help give those families a little help for respite care if they're willing to take care of those folks in their homes. It's so much less expensive and if families want to do it we ought to help cut them a little slack, I think. (Applause.)

We also want to give people access to health insurance when they temporarily are between jobs or lose their jobs. We want to make it easier for them, affordable for them to keep their health insurance. Nearly half of the children who lose their insurance do so because their parents lose or change a job. And my budget would provide coverage for up to half of the 10 million children today who do not have health insurance. I think it's very important to do more to try to cover children and to cover people who are between jobs. (Applause.)

Well, these are just a few of the things that I could be talking to you about tonight. They are big things. This will affect the way people live for generations to come. And while you're here, I want to ask you to think about that. We've had a lot of fun tonight. We've cheered and we're glad we won the election -- sorry we lost a few Congress seats. We're proud of the fights we fought and we're awfully glad America is in better shape than it was four years ago. (Applause.) But what I want you to think about it is what kind of America have you worked all your life for. What do you want this country to look like in 20 years, 25 years, when your children are your age, when your grandchildren are your age. I think about it every day. Every day.

When I look at these kids out in this audience I know if we do the right things they will have more chances to live out their dreams than any generation of Americans. That's the first thing I want. (Applause.) The second thing I want is for America to be the world's leading force

for peace and freedom and prosperity a generation from now, just like it is today, because I know the whole world will be better off if that is the case. And the third thing I want, that I see as I look at all of you from your different backgrounds, is I want us to be one America. (Applause.)

We're going to become more and more diverse racially, ethnically, religiously. If we can keep the Democratic culture the values of America, if we can overcome our own prejudices and fears, if we can learn to respect each other's differences and enjoy our own difference, but be bound together by what unites us, then in a world that is every day consumed by the problems of the Middle East or Africa or Northern Ireland or Bosnia, America will surely be the light of the world. (Applause.) And the labor movement has always stood for the proposition that anybody that was willing to work hard for a living ought to be given a fair chance to make it in the United States of America. Always. (Applause.)

I love being with you. I'm very grateful. I'm glad you reelected me. I'm having a good time, limp and all. (Laughter.) But, remember, you can't stop thinking about what you want it to be like in a generation, because the world is changing in profound and fast ways. And we have to do a good job now and a good job for all these children who are here. I think we're going to do it, together. Thank you. God bless you.

END

7:19 P.M. EDT

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

April 19, 1993

REMARKS BY THE PRESIDENT
TO THE BUILDING AND CONSTRUCTION TRADES UNION, AFL-CIO

The Washington Hilton

11:53 A.M. EDT

THE PRESIDENT: Thank you very much, Bob. And thank you ladies and gentlemen for that wonderful, wonderful reception.

AUDIENCE MEMBER: My hero! (Laughter.)

THE PRESIDENT: I don't know about that, but I'm up here fighting for you every day, I'll tell you that. (Applause.)

I like looking out into a big crowd into the faces of people who have worked hard and played by the rules and tried to make this country work again. I thank you for the help you gave me last November when we said together we wanted to change this country; we wanted to break the gridlock in Washington; we wanted to change the priorities and put our people first again; we wanted to develop a high-wage, high-growth economy.

And we knew that do it we'd have to do some very tough things. All of us knew that going in. We knew that these decisions would be difficult and that they wouldn't come overnight and that the country had been going in one direction for more than a decade and you couldn't turn it around overnight. But everyone knew that we had to reduce this awful federal deficit; we had to increase our investment in our people and jobs at the same time; we had to address the health care crisis now. We're spending 15 percent of our national income on health care with 37 million people uninsured, 100,00 people a month losing their health insurance, and more and more money every year going to health care instead of invest in jobs and growth and the economy. We knew we had to make some changes.

I made some commitments to you, and I told you that if you'd vote for me, I'd try to bring fairness and growth and opportunity back to America. I tried to do everything that I said I'd do. I've confronted some different and difficult circumstances, but we are moving ahead.

I have been gratified, frankly, by most of what has happened here in the last two-and-a-half months. Congress passed a resolution endorsing the budget plan I presented to reduce the deficit and increase investment in jobs and education and training in record time. They have never passed a budget plan that fast.

And then I said, well, now I think we ought to have an emergency jobs plan to try to jump-start this economy, to put a half a million more people back to work through direct investment in the public and private sector over the next year and a half because this

economy doesn't seem to be creating any jobs, even though everybody tells us we're in a recovery.

And there was broadbased support for that, for creating jobs and using the money to immunize children and to rebuild our community and to rebuild our infrastructure. The bill swept through the House and is supported by a majority of the Senate.

A few weeks ago we had a meeting of business and labor leaders that included Bob Georgine and Lane Kirkland and some of the biggest business people in this country saying we need the jobs bill. And the labor movement has shown real leadership on this issue in working in partnership with business on the concept of investment.

I tried to look hard at this economy and ask what we can do. How can we move this economy forward? How can we do it in the short-term and in the long-term? Over the long-term, we've got to bring the deficit down. That gets interest rates down. You've seen that already. Interest rates have come down since the election. And billions of dollars are being refinanced in homes, in car loans, in commercial loans, in business loans. And that's going to mean more jobs for people like you. But it also means that we have to have some direct investment to create jobs in this economy. We've got to get the economy moving. There are those who say, well, we're in a recovery and things are going fine. Well, I don't know about you, but 16 months of seven percent unemployment or more is not fine with me. I ran because I thought we could do better. (Applause.)

You know, people ask me all the time what is the real difference about being President? Is it really different? And I have to tell you, after just a couple of months, I've got an enormous amount of sympathy with every predecessor I ever had who got out of touch. (Laughter.)

You know, you live in the nicest public housing in America -- (laughter); and somebody drives you around everywhere; and you're always being protected because you are at some risk; and you've got the nicest airplane anybody ever saw -- (laughter); and nobody except your wife and your momma and your nearest family can call you by your first name anymore without violating protocol. Before you know it, you're just walking around in a bubble.

The other day -- this is a true story -- the other day I came down from the upper residence floor of the White House down to the first floor -- the big floor -- and I was going to a meeting, and I didn't know it but my wife had had a meeting with a bunch of other people, and when the elevator door opened I found myself standing in the midst of 20 or 30 people. I didn't know them, and I just shook hands with them, and said hello, and went on and -- to give you an example of how bad it is -- this very nice person working at the White House said: oh, Mr. President, I'm so sorry I let you out in the middle of those people. (Laughter.) And so I looked at him and I said: That's okay young man, I used to be one myself. (Laughter and applause.)

It's so easy for people who make decisions here to forget. You know, everybody that makes a decision here has got a job. Everybody that makes a decision here that affects your life, got a good education. Everybody that makes a decision here has got a good health care plan, and has pretty good security because we keep taking in tax dollars.

And it's important that we think about where other people are. Unemployment in building trades across the board is

about 14 percent, about twice the national average. And yet we know we're spending much less of our income investing in building things, in the infrastructure and in construction and things that really make a country rich over the long run than almost all of our competitors.

We also know that every wealthy country in the world is having trouble creating jobs. All the rich countries are. Even Japan's seen its unemployment rate go up some, and theirs is lower than everybody else's because their economy is more closed. But all the wealthy countries -- including Japan, including Germany -- are having difficulty creating jobs. This is not just an American problem. But we need to find the courage and the creativity to solve the problem. We're not like some of those countries who give you your wages for a year and a half and all of your benefits if you lose the job. In America people need to work. And you just think about it, about half our problems would go away overnight if everybody in this country who wanted to work had a job. (Applause.)

There are more than a million fewer jobs in the private sector now than there were before this recession began. Almost -- virtually all the net growth in employment has come in local, state and federal government. And if you will forgive me, that's not a very sound basis for long-term economic recovery, because their bills are all paid by somebody else. The somebody elses need the work. And that's what we're trying to do.

Last year, more businesses failed than at any time in memory. Last month we lost a total of net 22,000 jobs, including 59,000 construction jobs. There are now 16 million Americans who are looking for the wages and dignity of full-time work. There may be more who aren't on the roles who have just given up trying.

I've taken a lot of heat because I have cut government programs that some people in my own party like a lot. I offered a program that had 200 specific budget cuts, a program that will reduce this deficit by about \$500 billion over five years. I don't think the government can do everything or should try to do everything. And a lot of what we used to do either doesn't need to be done or must be done by state and local government or the private sector. But I am not willing to say when seven percent of our people are unemployed and have been for 16 months; when millions more are underemployed; when business is under so much pressure that 100,000 Americans a month are losing their health insurance; when city after city after city in this country is full of young people who won't have anything to do this summer and have never had a good job and need to have the experience of working; that we shouldn't do more to create real opportunity and to have the dignity of work and to develop the capacity of our people.

I just think we can do better. I did not ask for this job for the honor, great as it is, of living in the White House and riding around in all the limousines and the airplanes. It is a very great honor to be President, but you can only do honor to the job if you get up every day and try to make things better and change things. (Applause.) That's why I asked you to give me the job. (Applause.)

Now, I need your help today, because I know that the building trades have been willing in the past to endorse builders, whether they were Republicans or Democrats. And you have been willing to endorse people that you thought at the state level -- members of Congress and others at the state level -- who would help you to put people to work. Some of the people you endorsed are now involved in the Senate filibuster of the jobs plan.

Now, this plan will create hundreds of thousands of jobs. Is it the answer to all our problems? No. Is it big enough? Probably not, but it's about as big as it can be given the size of the deficit and the fact that we've got to bring that down and keep interest rates down. Will it hurt the economy? No.

We want to put people to work in construction. We also want to rehire thousands of police officers who have lost their jobs so they can do a better job protecting people from crime. You know, there was a fascinating article on Los Angeles the other day before the verdict in the King case, which said that in all neighborhoods without regard to race or income people wanted more police officers. They wanted community policing. They knew it would reduce the possibility of abusive police power if they had enough police on the street so that they knew their neighbors. They worked together to prevent crime as well as to catch criminals. And people felt less tension and more community.

That's what's also in this jobs plan. In your industry, a \$450 billion a year industry, we can create about 23,000 to 25,000 jobs directly, quickly -- quickly -- if this bill will pass. We can give 700,000 young people a chance to have a job this summer that will not only be a real job but will require them to do some more work on their education so that they will learn even as they earn.

We will provide some loans to small businesses where most of the new jobs are created. The Republican Party has been a champion of this small business program in the past as they have been of the community development block grants -- Republican mayors all over America supporting my jobs program as the Republican senators say how bad the community development block grant is. They used to trust mayors and governors when they had a Republican in the White House; I don't know what this has got to do with me. (Laughter.) They've still got the same mayors and governors they had before.

It's time to stop playing politics and move forward. Many of the projects funded by this jobs plan have sat on the shelves for years while deficits exploded and investments in the things that make the economy strong and the people strong have been totally neglected.

Now, what are my opponents saying? Why did they say it's okay for the minority to keep the majority from even voting on this bill? They say this bill adds to the deficit. Well, I'll give you four arguments against that. I want you to give it back to them before you leave town.

First, they're more than happy to pay for unemployment benefits to be extended. That is, they say, okay, we'll vote for that in emergency funding. But they won't create any money to put people to work so they don't have to draw unemployment. Now, we tried it their way for 12 years. They always voted to extend unemployment benefits. I'd like to extend employment benefits. That's a lot better than unemployment benefits. (Applause.)

Second thing you need to know is, because of some savings in the defense budget, which have already occurred, we could pass every dollar in this jobs bill and still be below the target for total discretionary federal spending set by these folks in Congress before I ever got here. They never tell you that.

Third thing you need to know, as I said, is that we have proposed 200 specific budget cuts that will more than pay for this modest amount of extra spending. And very often in the past, these

same folks have voted to spend money this year and pay for it in the years ahead in a five-year budget plan.

And, finally -- and maybe most importantly, many and perhaps most of the Senators who are blocking consideration of our plan have actually voted for emergency measure after emergency measure after emergency measure -- just like this for 12 years, often in legislation that wasn't paid for. And they didn't have much trouble with it then when their guys were in the White House.

This plan puts people to work. It's paid for. It doesn't shift jobs overseas, it puts jobs on the streets of America. (Applause.) Many of the people who are leading this filibuster voted for a stimulus plan like this under President Reagan back in 1983. We did some quick research over the weekend. It appears that 28 times in the last 12 years many of the same people who are holding this bill up voted to do the same thing I'm asking for to the tune of over \$100 billion, often for foreign aid, and for other things that didn't have nearly as much to do with affecting the lives of the American people in Main Street America. And it's time to help Main Street America.

We had an election in November that said stop this gridlock, stop the partisan bickering, compromise, work together, move the country forward, and start by putting the American people back to work. That's what this is all about. (Applause.) Don't listen to those arguments. (Applause.)

So that's it. When they say, oh, we can't add to the deficit, say, well, you guys -- you guys; not the Democrats -- you guys -- you voted for 12 years for these kinds of things, often to help countries, why not help us? One. (Applause.) Two, you've got \$500 billion in deficit reduction; it'll cover this real well.

Three, you're still under the spending targets that you adopted before President Clinton ever got to town. And, four, we need this jobs plan. We don't need to fund just unemployment benefits, we want to fund employment benefits. (Applause.)

This whole thing has got to be about enabling people to live up to their potential. I went on these buses all across the country with Hillary and Al and Tipper Gore, and we went into little towns and big cities. Over and over and over again, what I left those encounters with was the sense that Americans were yearning just to be themselves as fully as they could be. And you can't do that if you can't have a job. You can't do that if you can't get a decent education. You can't do that if you think no matter how hard you work you, can't take care of your family if they get sick. You can't do that if you think you can never change jobs without losing your health benefits.

But if you think about it, we live in a world where the power of people is uppermost. We live in a country where, thank God, no one is a dictator. We have to work together. We have to be able to put aside our partisan labels and, sometimes our personal prejudices and think about what it takes to pull people together and give everybody a chance to be the most they can be. That's what the whole purpose of politics is.

And when this bill was held up, I didn't like it, but I offered to compromise -- to take some of the jobs out of it, though it grieves me to try to respond to some of the specific speeches that were given by Republican senators on the floor of the Senate.

And so far what have they said to my good faith offer? Same old thing -- stonewall. This is the deficit; we can't add to the deficit. Folks, this is the crowd that had the government for 12 years. They took the deficit from \$1 trillion to \$4 trillion. Have they no shame. How can they say this? (Applause.) What is going on? Sometimes I think the secret to success in this town is being able to say the most amazing things with a straight face. (Laughter.)

We're going to get the deficit down. We're going to try to keep interest rates down. But we've got to invest in people, and we've got to try to create jobs. Will this work wonders? No. Will it work some good? Yes, you bet it will. (Applause.) It is an effort -- did I even campaign on this -- no. You endorsed me without asking me to promise an emergency jobs program. I offered this program for the simple reason that I looked at the performance of this economy and its difficulty in creating jobs. Then I looked around the world and I saw all these other countries having the same exact problem we were having, and I thought we've got to try something else. And I'll tell you something, if we get this done and it doesn't work, I'll try something else. (Applause.) We're living in a new and different time where we've got to try. (Applause.)

I ask you, every one of you that ever had a chance to make it because you joined this union, because somebody invested in a project that gave you a chance to work, because you had the opportunity to raise a family and have a house, educate kids. Just take a little time now and ask the people you know in the United States Congress -- who have all made it -- to think about how together we can provide these opportunities for others. The arguments they are using just don't hold water. They don't measure against the facts of what they have done in the past and what the facts of this budget that I have presented are. This is a modest program to give hope and opportunity to people in this country who need it, and to try to get the job engine going in America again.

I have compromised. I have held out my hand. I think it's time for somebody to reach back across the divide of party politics and put the American people first. And you can help get it done today. I hope you will.

Thank you, and God bless you. (Applause.)

END12:13 P.M. EDT

THE WHITE HOUSE

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October 23, 1995

REMARKS BY THE PRESIDENT
TO AFL-CIO CONVENTION

Sheraton New York Hotel and Towers
New York, New York

5:45 P.M. EDT

THE PRESIDENT: Thank you very much for the wonderful welcome. Thank you, Tom, for the great introduction. I wish I'd been here to hear it. (Laughter.) But I appreciate it.

You know, I've taken so many controversial positions in the last three years, I thought I'd come here and tell you what you ought to do in this election. (Laughter.) You should elect -- listen to this -- you ought to elect an Irish American from the Bronx who comes out of the Service Employees Union. (Laughter and applause.)

I just want you to know that whatever you do, I intend to be there with you every step of the way. And I know how important this is. (Applause.) Thank you.

Let me say before I get into my remarks, I have just come, as I think all of you know, from Hyde Park in a meeting with President Yeltsin of Russia. We made a lot of progress today in agreeing to work toward peace in Bosnia, something that concerns every citizen of the world whose conscience has been shocked by all the children and other innocent people who have been killed there.

We also agreed on working together, very importantly, to control the spread of nuclear materials, something that is a very serious problem in the aftermath of the Cold War, to minimize the prospect that terrorists will ever be able to get small amounts of nuclear material and make bombs out of them.

And finally, President Yeltsin agreed with me that we should go for the strongest possible comprehensive nuclear test ban treaty next year. And that means we will probably get it and the world will be much safer as a result of it. (Applause.)

I know that you have -- all of you -- and I came here more than anything else just to thank you, because I know that you have waged a strong and passionate grass-root campaign for a year now to oppose the cuts in worker safety and job training, in education and health care, being considered in the Congress. The White House mail room is jammed with postcards from union retirees. (Applause.) Thank you. This may be the high-tech age, but you have got the Capitol Hill switchboards groaning with calls from your members. And I say, send more. (Applause.) And I know that those ads you're running have gotten some members of Congress suffering with heartburn. And we just need to pour it on a little more. I thank you for that. (Applause.)

I come here today with a simple message: This is a very great country. You helped to make it that way. We're on the edge of a new century. We're living in a time of great change. No one can perceive clearly all the implications of that change.

We know that we've moved from an industrial age to an information and technology age, which, as all of you know if your own experience, even industry and agriculture is infused today with more technology. We know we have moved from the bipolar world of the Cold War to a global village in which we have undreamed of new possibilities, but also a lot of new vulnerabilities because of the changes that are going on.

And we know we've got to somehow harness this change to benefit ordinary people in our country and throughout the world. We have to do it consistent with the basic values that made America great and that make life worth living; values that your movement embodies -- a commitment to opportunity for every American; to the dignity of work; to the commitment that the family should be strengthened and children should be nurtured, and parents should be honored; a recognition that we have to go forward or backward together and, therefore, it is crazy for us to be divided by race, by region, by income and any way that in any way saps our strength; and the determination to keep this country the strongest nation on Earth.

Those are the things which have animated the labor movement in the later half of the 20th century. And those are the values that will take us into the 21st century.

Three years ago, you helped the American people to send me to Washington to uphold these values and to turn our economy around. I had a commitment to make the American Dream real for all Americans in the 21st century and to make sure that our country would remain the strongest country in the world. I had a simple strategy to harness change to benefit all of us. I thought we needed to be faithful to the mainstream values I just mentioned. I thought we needed a middle class economic strategy to grow the middle and shrink the under class. I thought we needed a modern government that would be less bureaucratic, more entrepreneurial, but still strong enough to take care of the business that the people need done.

The lion's share of the credit belongs to you and the rest of the American people, but we're moving in the right direction. And I know that our policies had something to do with it. We've got 7.5 million new jobs in this country after the slowest job growth in the country since the Great Depression in the four years before I took office. We've got 2.5 million more homeowners, 2 million new small businesspeople, the lowest combined rate of inflation and unemployment in 25 years. Our country is safer and stronger -- (applause) -- our country is safer and stronger. For the first time since the dawn of the nuclear age, there's not a single solitary nuclear missile pointed at the people of the United States of America. And I'm proud of that. (Applause.)

And by the grace of God, from Northern Ireland to Haiti, to the Middle East, now to Bosnia, the United States is a strong partner in pushing for peace.

Maybe most important of all, this country seems to be slowly coming together around its values again. It's hard to turn a great country around, but when we get going in a certain direction, we can make a real difference. In almost every state, in this great city where you're meeting, the crime rate is down, the murder rate is down,

the welfare rolls are down, the food stamp rolls are down. Believe it or not, the poverty rate is down, and the teen pregnancy rate has dropped for two years in a row. America is coming back and moving together. (Applause.)

And we proved you could do it together. Instead of just condemning the government the way my predecessors did, we made a partnership with the federal employees and in a balanced and fair and disciplined way. (Applause.) We tried to downsize the government so that this big government attack is a myth today. But we left our government strong enough for the employees that are there to do their jobs. And we just didn't throw anybody on the street -- we gave them good buyout provisions. We tried to protect their retirement. We treated them and their families with decency and the honor and the respect they were entitled to after the years they had served the United States of America. (Applause.) And that's the way this ought to be done everywhere. (Applause.)

Let me tell you what the federal employees are doing -- just a few things. I could talk all day about it. But federal employees working in the Commerce Department, in the Export-Import Bank, in other areas, have helped to create good jobs, many of them union jobs, in America by increasing our exports 4 percent, 10 percent, and 16 percent this year, in the last three years. A lot of that was done because of the aggressive actions by people who work for the United States government.

The Federal Emergency Management Agency -- we've had as many natural disasters to deal with in the last three years as any time I can remember. And it is probably the most popular arm of the federal government because the federal employees have been there in a timely, aggressive, effective fashion when they were needed, whether it was for floods in the Middle West or fires and earthquakes in the West, or anything else. And I am proud of that. (Applause.)

And let me tell you something I'm especially proud of. BusinessWeek Magazine, which is hardly an arm of the federal government or the Democratic Party, every year gives awards to businesses that perform at the highest level of efficiency in a number of categories. And one of their categories is for customer service over the telephone. So the businesses that compete, for example, are Southwest Airlines or L.L. Bean, or, you know, anybody that you call on the telephone. You know who won this year? The Social Security Administration of the federal government won that award. (Applause.)

These federal employees operate a Medicare program that has a two-percent administrative cost, lower than any private insurance program in the United States of America. (Applause.) Something you rarely hear about in the debate going on in Congress today. They have implemented a crime bill that's putting 100,000 police on the streets of America, and they're doing it on time and under budget. They have implemented the motor voter law, the family leave law, both those things that you helped to get.

They have been able to be much tougher in getting -- capturing large quantities of drugs before they come into this country without going into a bunch of immigrant bashing. They have been able to discipline -- in a disciplined way strengthen our ability to reduce the problems of illegal immigration in the United States. And they have fought discrimination, something that was out of fashion for the federal government to do until this administration came in. And I thank them for it. (Applause.)

And guess what? We've been able to prove you can grow the

economy and be decent to working people, something that the people who were there before and the people who are in the Congress today in the dominant positions apparently don't believe. If you look at what's happened -- and I'm sure Tom mentioned a lot of this -- but when we repealed my predecessors' antiunion executive orders that denied American workers their rights from private industry to public service, it didn't hurt the economy. The economy got better, not worse. (Applause.) When we said in no uncertain terms that you ought to have a fair, decent, effective NLRB, and we did our best to provide that, the economy got better, not worse. It didn't undermine the American economy. (Applause.)

When we refused to go along with repealing Davis-Bacon and the service contract law, the economy didn't collapse; it helped to create more high-wage jobs, not fewer. (Applause.) And when we began to crack down on sweatshops where unscrupulous employers make illegal immigrants work in prison-like conditions, depriving them of the minimum wage, overtime pay, a safe workplace and the right to organize, it will make us stronger, not weaker. (Applause.)

And when we have refused to go along with the attempts of some people to weaken our ability to provide a safe workplace, it has not weakened the economy, it has helped to make the American economy stronger. It is time we accepted a fundamental lesson -- treating working people in a decent, fair, human, enlightened way gives you a stronger American economy, not a weaker one. (Applause.)

AUDIENCE: Four more years! Four more years! Four more years! Four more years! Four more years!

THE PRESIDENT: Thank you. Now, we do have some real challenges before us. You and I know that this recovery benefits have not been spread evenly to all Americans. We know that we've been in a time of increasing inequality. By the way, this is what usually happens when you move from one economic model to another. When we move from the Agricultural Age to the Industrial Age, the labor movement grew up because there were so many people who were being exploited, not benefitting from the benefits of the new Industrial Age. So whenever you change in a huge way the way people work and live and relate to each other and the rest of the world, some will be well-positioned and do well; others will not be.

That's why people need to come together, because you know in the end you cannot sustain progress unless everybody can benefit. That's one of the big reasons we had the Great Depression, because people did not understand that everybody had to have a stake in the future in order for free enterprise to flourish.

And so we have that happening today -- where people who are well-positioned tend to do well; others work harder for less and become more insecure. There are some fundamental things we have to do about it. First and most elementally, it is high time we raise the minimum wage. It is wrong -- (applause.) If we do not do that, next year the minimum wage will reach a 40-year low in purchasing power. That is not my idea of the 21st century America I want our children and grandchildren to live in. I want us to go up together.

It also will be good business. People will have more money to consume, and people who are presently out of the work force will be attracted to get back into it. There is no evidence, no evidence -- and I have read all the studies; at least I've read fair summaries of all the studies. I don't want to -- (laughter.) There is no evidence that the minimum wage, a modest increase in the minimum wage will cause unemployment. There is every evidence that it will strengthen America

and bring us together. (Applause.)

The second thing I think we need to do is to make some changes that recognize that there is a fundamental difference in the nature of unemployment today and unemployment 30 years ago. The unemployment compensation system, the whole set-up was designed for people who were laid off when there was a slowdown, and then picked right back up by their employers when the economy picked up again. It was designed to give people a way to just get by until they got called back.

As recently as 30 years ago, 80 percent -- 85 percent of the people who were laid off and collected unemployment were called back to the same job from which they were laid off. Today, over 80 percent of the people who are laid off are not called back to the same job for which they are laid off. All of you know that. Therefore, I have proposed having the Labor Department, working with the Education Department, create a G.I. Bill for America's workers which consolidates all of our training programs, puts more money into it, and gives every person who loses a job a right to get a voucher to take to the program that you want, whether it's a union apprenticeship program, a union training program, the local community college. Whatever is best needed for the people that are unemployed, they ought to have it. (Applause.) And I think we ought to do it immediately. (Applause.)

The second thing that we ought to do, if we're going to have a tax cut we ought to target it to working families and what they need the most, which is help raising their children, paying for their child care, and getting an education. So I think we ought to have a tax deduction for the cost of all education after high school. Now, that would help working people a lot. That would help. (Applause.)

The third thing I will say is -- and I know we have sometimes disagreed on this -- I believe we win when we expand trade. So it's not enough to have more free trade, which I favor, we also have to have more fair trade. That's what the Japanese auto agreement was about. And thank you, Owen Bieber, for supporting us and for finally giving us a chance to crack some of those markets that have been denied American workers for too long. And we're going to keep doing things like that all the way down. (Applause.)

Against that background this is how I think you ought to see this balanced budget fight. What has worked for us the last two and a half years? Mainstream values -- work and family and responsibility and community -- and treating people with dignity, all people, without regard to their race or their region or income. Believing that you have to lift working people up if you want other people to do well. That has worked for us.

What's worked for us? Middle class economics. Help the small business people; help the entrepreneurs; also help to grow the middle class working people and shrink the under class. That's what works. That's what is at stake in this budget battle.

This is not -- I want to say this and I want you to go home and tell everybody you know this -- this is not a battle about balancing the budget. That has nothing to do with what is going on in Washington today. I gave the Congress a balanced budget. You'd be better off if we could balance the budget. When we quadrupled the debt in 12 years before I showed up, what happened? We had to spend more and more money on interest on the debt; we had less and less money to invest in worker training, in new technology, and the kinds of things that will grow the economy, raise incomes, educate our children.

It would be a good thing to do. But we have to do that, like everything else, consistent with our values and our objectives. That is what is at stake. It is what kind of America are we going to live in.

I've given the Congress a balanced budget that cuts all kinds of spending; it eliminates hundreds of programs; but it increases our investment in education, in technology, in research. It protects instead of hurts the old, the poor, the disable, the little children on Medicare and Medicaid. It supports investment in worker safety and in a clean environment, and in the kinds of national treasures that we share together. That is the kind of balanced budget we need.

And that is what I want to talk to you about. I am not about to do something that I think will prevent us from doing what I ran for President to do -- giving every American a shot at the American Dream, and making sure this is the strongest, finest country in the world in the 21st century. I am not going to do that. And you shouldn't put up with it. (Applause.) You shouldn't put up with it.

Now, here's what I mean. I'm going to give you the 10 greatest hits or so of this present budget. This is not the Letterman show and so it won't all be funny. You may have to laugh a couple of times to keep from crying, but here's what this is really about. Here's what the real contract is.

We all say we believe in honoring our parents for what they have done for us. And Medicare is a way of honoring our parents. We have to slow the rate of growth of medical inflation. We have to secure the Medicare Trust Fund. I presented a budget which will do that.

We have to recognize that health care is changing. I have no problem with giving seniors the option to join managed care plans if they can get lower costs or better services. I think we should do that. I'm sympathetic with doctors and hospitals and their need to have some changes in the law so they can work together to compete with insurance companies to provide managed care. I'm not against that.

But I'll tell you what I am against. I'm against this budget that was passed that, believe it or not, makes it easier to commit waste, fraud and abuse when the federal government says up to 10 percent of the money may be wasted. They passed a budget to make it easier to commit waste, fraud and abuse, but harder for the poorest, the oldest and the sickest seniors to make sure their health care needs are met. That is wrong. I don't like it; I won't support it; and if it passes, I will veto it. (Applause.) It is wrong. (Applause.)

I want to talk to you about the Medicaid program. There's a lot of AFSME workers here -- (applause) -- who work in health care institutions that depend on Medicaid. New York City has a whole health care network that depends not just on Medicare, but Medicaid. Most people think Medicaid is the welfare health program. Let me tell you -- 70 percent of the Medicaid money goes to the elderly and the disabled for nursing home care, for in-home care, for physician care. Thirty percent of the Medicaid money does go to poor people, not all of them on welfare; some of them even working for very poor wages. And most of that money goes to take care of the little children. Over one in five children in the United States of America is eligible for Medicaid help for health care.

And all those kids, they may not be in your family, but they're your kids. And 20 years from now, they're either going to be in jail or in school or in the workplace. And they're going to be a big part of our future. And I don't know about you, but when I retire, I

want them out there working, making lots of money, taking care of me. And I want to take care of their health right now. (Applause.)

So my idea of the 21st century is not a Medicaid program that takes away the money that helps the poorest seniors to pay their part of the Medicare program. That's right -- they get rid of it -- \$10 billion. We help the poorest old folks pay their co-pays. We help them pay the fees they owe under Medicare because they don't have any money. There's a lot of old folks out there -- there's folks still living on \$300 a month. This budget takes it all away. And there's been a study which estimates that it may take at least a million elderly people out of the Medicare program.

I was in Texas the other night at a fundraiser, and doctor came up to me. A doctor came up to me, and he said, you keep fighting on this. He said, I've been a doctor a long time. I remember when I did not have any older patients -- before Medicare, before Medicaid, when I had no older patients, because older people were too proud to come to the doctor if they couldn't pay their bills, so a lot of them just stayed home and got sick and died. It is wrong. I will not put up with it. (Applause.) It is not right. (Applause.) And you shouldn't put up with it either. (Applause.) It is not right. (Applause.) It is not right. (Applause.)

I want to tell you one more thing about this Medicaid plan. It says, oh, we're going to block-grant this to the states. We're going to get these terrible federal rules and regulations out of the state's hair. I was a governor for 12 years. I used to sing that song. (Laughter.) I believe in that.

Our administration -- don't you let anybody tell you this is about state's right -- our administration has given more waivers, more freedom to get out from under rules to state governments to experiment with moving people from welfare to work or serving more people, getting health insurance to more people than the last two administrations combined. More in 2.5 years than they did in 12 years. (Applause.) This is not about giving the states flexibility. (Applause.)

But let me tell you the kind of things they want to let the states do, and what they don't want to let the states do, and it will tell you what's really behind this. They've adopted their Medicaid programs. And among other things, they say that the state ought to get Medicaid block-granted, and they ought to have the right to get rid of the so-called spousal impoverishment rule.

That's government language. You know what that means? That means if an elderly couple lived to be 78 years old, and they've been married 50 years and they're living on their Social Security, and one of gets so sick that he or she needs to go in the nursing home, they want to give back to the state governments the right to tell the one that doesn't go to the nursing home: You want your wife or your husband to get any help? You've got to sell your car, sell your house, clean out your bank account, give it to us, and then we'll give you a little help. We don't know how you're going to live. I don't like that. That is not my idea of the 21st century I want to live in.

But you know what? In the next breath, do you know what they did? They took away from the states -- they say, we're going to give you lots of flexibility and a little less money. And we want you to run it however you want to, but, oh, oh, there's one thing you've been doing we're not going to let you do anymore. Right now you can bargain with the drug companies to get the lowest possible price for drugs for elderly people and little kids. And we're not going to let

you do that anymore, because the drug companies don't want us to. So I'm sorry, you will have to do more with less money, but here's something you can't do. I don't know about you, but I don't get driving up the price of drugs and driving old folks into the poor house. I don't think that's right. That's not the America I want to live in. And I'm going to do everything I can to stop it. And I want you to help me. (Applause.)

Now, I want to talk to you about education. You ask anybody in the Congress, are you for education? They say, absolutely. But you've always got to ask the next question -- the first question is never enough. I'll tell you, you know the best story I know about that -- you know, there's a -- this minister was sort of a -- not a very effective minister, and people would go to sleep in his sermons. And he was overcome, and he prayed day in and day out for inspiration so he could finally give a barn-burning sermon, and everybody would stand up. And their hearts would be purified and their spiritual zeal would be great.

So he worked so hard on this, and he showed up, and he gave the sermon of his. And people were stomping and clapping, and even in this staid church were shouting amen. And he got to the final line of his sermon -- he said, I want everybody that wants to go to heaven to stand up. And the whole congregation stood up, except one woman that hadn't missed church in 45 years. And he was crestfallen. He said, Sister Jones, don't you want to go to heaven when you die? And she leapt up -- she said, I'm sorry, I thought you were trying to get up a load to go right now. (Laughter and applause.)

So you always got to ask the next question. Everybody's for education. Our budget balances the budget and increases our investment in education by \$40 billion -- by \$40 billion over seven years -- by making choices and setting priorities. Why? Because if 22 percent of the kids in this country are poor enough to be on Medicaid, they need a little extra help through Head Start to get off to a good start in school. (Applause.) Because a lot of schools are too poor to have the class sizes they need or the computers we want them to have; because a lot of kids are in danger going to and from school. And we need to give schools more help to remain safe and drug-free; because we want to make it possible for everybody to go to college.

When I ran for President, I came here and I made a specific commitment. I said if you will vote for me and get me elected, I'll do everything I can to cut the cost of college loans, to improve the repayment on college loans, and then to be tougher on people who default. We cut the default rate in half, but we also cut the cost of college loans. We made repayment easier. And to boot, we added more scholarships.

And enrollment is going up, but nowhere near what we need. I want every middle class family in this country and every poor family in this country to be able to send their kids to college. And I don't want anybody ever from now on to have to walk away from a college education because of the cost. That's my idea of the 21st century. (Applause.)

So when the Congress presents a budget that says, no, it's all right if several thousand more kids -- 20, 30, whatever it is -- more kids don't get to go to Head Start and we have to remove them; it's all right if we don't help as many schools with safe and drug-free programs as we were; it's all right if a whole lot of schools now can't use that money for their poor kids for the smaller classes and the computers; it's okay if because the people that lost money on the direct loan program, the special interests, want their money back. So we're

just going to kill this program that the government's running that got lower cost college loans and better repayment terms. We're going to get rid of that and to boot, we'll get rid of somewhere between 150,000 and 380,000 scholarships. I don't know about you folks, that is not the kind of America I want for the 21st century. And I'm going to do everything I can to stop it. It is wrong. (Applause.) And it's bad for our economy. It doesn't make sense. (Applause.)

And we're getting a little closer to home now. You say to people, are you for family values? Why, of course we are -- who could be against it? Most of those who were there last time -- they're in the majority now -- when we asked them to stand up for family values by adopting the Family and Medical Leave Law, they said no. And we said yes. And there are families that are stronger today because of the Family and Medical Leave Law because they don't lose their jobs when there's a kid sick, or a parent dying, or one of them gets sick. (Applause.) It's a better country. It's a stronger country. And it's a stronger economy because of that. (Applause.)

So what do we mean? Well, family values to me means safe streets, a clean environment, economic opportunity, fair taxes, secure pensions -- let's just start there. Well, at least one House of Congress wants to eliminate our program to put 100,000 police on the street and to give communities -- the only block grant they don't like is the one we passed to give communities the power to do what they can to prevent crime, to give our children something to say yes to instead of something to say no to -- the one all the mayors love, all the governors love, everybody thinks is great -- they don't like that. Well, making us less safe is not my idea of family values.

Then they want to put 315 of our national parks and other national facilities up for sale, including Franklin Roosevelt's home where I was today. I know you find some of this unbelievable, but it's true. That's on the list. They have proposed to do all kinds of things to make it harder to preserve clean air, clean water, safe food. That's not my idea of family values.

In economic opportunity -- there's not a company in America that if they could avoid it in 1995 would cut research, technology or training. But this budget cuts research, technology and training. That's not my idea of how to build strong families.

And worst of all, there's \$148 billion of hidden taxes and fees on working families while they propose to give people in my income group a tax cut. And that's not my idea of the kind of 21st century I want to live in. (Applause.)

Now, I want you to listen to this. The Wall Street Journal -- hardly an arm of the Democratic Party -- (laughter) -- reported the other day that if this tax -- this budget passes with all of the taxes in it, and all the cuts in it -- with all the tax cuts in it, the group of Americans as a group who make less than \$30,000 a year, which is 51 percent of the American people, will have greater tax hikes than tax cuts. I get a tax cut and we're going to soak people like that?

You know, in 1993, one of the best things about our economic program was that we doubled the family tax credit, the earned income tax credit which has bipartisan support, signed into law by Gerald Ford, supported by Ronald Reagan, increased by George Bush, and we doubled it. Why? Because I wanted to be able to say to the American people, look, you got to choose work and family over welfare and dependence. And anybody who'll work 40 hours a week with children in the house -- I don't care how low their pay is -- we will not tax them into poverty, we will use the tax system to lift them out of poverty.

That is the principle. That is the principle. (Applause.) And it's the right thing to do.

I mean, I thought the game plan was we were supposed to be growing the middle class and shrinking the under class. They want to cut this by more than I increased it. They want to kick people out of the middle class and then pull the ladder up so poor people can't work their way into it. You want to get more people on welfare? Raise taxes on people with two kids making \$11,000-\$12,000 a year -- and they will say, no thank you.

This does not make sense. It violates our values. It violates our interest. It is bad for the economy. It is wrong for America. And if I can stop it with a veto pen, or with my voice or whatever it takes, I am going to do everything I can to stop it. And I want you to help me, too. (Applause.)

AUDIENCE: Veto! (Applause.)

THE PRESIDENT: This is the last issue I want you to focus on. These are great hits. I want you to remember this. I want you to go home, I want you to talk to friends in the workplace and I want you to talk to friends who aren't in your union. I want you to talk to people at church, at the bowling alley, at the ballpark -- wherever two or more are gathered. I want you to talk to people. I want people to know about this.

This is their country, just like it's your country. This is not about me or the Republicans in Congress. It's about the future of the American family, the future of the American workplace, the future of the United States. And so I want you to listen to this. This is the greatest last hit.

During the 1980s, when, you know, that "everything goes" decade where everything was going to trickle down to ordinary people -- thousands and thousands of corporations transferred some \$20 billion out of their employees' pension funds for buy-outs and other purposes. An awful lot of workers lost their life savings. Last December one of the proudest things I was able to do in the last Congress, even after the November election, the Congress passed a bill that saved 8.5 million American pensions and stabilized 40 million others that were in danger of being in trouble.

I don't know what the retirement income of 48.5 million Americans is worth to the strength, the stability of America; to our pro-family, pro-work values; to our economic future. But I think it's worth an awful lot.

Now, as if we haven't learned anything from the '80s and didn't have to do that, this Republican budget would allow companies to withdraw money from their workers' pension funds to use it for whatever reason they want.

AUDIENCE: Nooo!

THE PRESIDENT: For whatever reason they want. Corporate buyouts, bonuses, any reason.

AUDIENCE: Don't let them do it, Bill!

THE PRESIDENT: Now, folks, we just had to fix this last year. You know, I don't remember as well as I used to -- (laughter) -- my circuits are kind of jammed. But I can at least remember what I did last year. (Laughter.) That is not my idea of what I want America to look like in the 21st century, taking good middle class people that

worked hard all their lives, paid into their pension, showed up at work, did everything they were supposed to, and, oh, I'm sorry, your pension is gone. One of two things is going to happen. Either the government will have to bail it out again; in which case, the deficit reduction won't take place; or we'll throw them into the street and we'll one more time shrink the middle class and grow the under class.

Say no to that. Say no to looting the pension funds. Say no, it's wrong. It's wrong. (Applause.)

And, look, the thing that bothers me about this is that this budget would snatch defeat from the jaws of victory. This country is in better shape than it was two and a half years ago. We're moving in the right direction. What we need to do is build on what we've done, not tear it down. We need to build on middle class economics. We need to build on an economy that has the largest number of new small businesses in history. We need to build on the best time for education in the last 30 years, in the last Congress. We need to build on medical reforms that are slowing the rate of medical inflation without stripping elderly people of the security and dignity of knowing that their health care is there. We do not need to tear it down. We need to prove we can make the environment and the economy go together, not walk away from our common responsibilities.

Folks, this is about more -- even more than all the things that we are concerned about that directly affect any of us individually. This is about what kind of country we're going to be. This is about what kind of people we're going to be. It's about whether we're going to live by the values we all say we believe in. It's about whether the American Dream is going to be alive in the 21st century. And what we really have to do is to do what that sign says -- if we'll just stand up for America's working families, if we'll just do what we know is right, if we'll use every tool at our command -- I will use the tools at my command, but I want you to go home and I want you to talk to people in the streets and say we're moving this country; this country is going into the 21st century.

Don't let these people take us back. If it takes a veto, you'll have it. But I need you in the streets standing up for America's future.

God bless you and thank you. (Applause.)

END

6:27 P.M. EDT

THE WHITE HOUSE

Office of the Press Secretary
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For Immediate Release

September 24, 1997

REMARKS BY THE PRESIDENT
TO AFL-CIO BIENNIAL CONVENTION

David Lawrence Convention Center
Pittsburgh, Pennsylvania

10:25 A.M. EDT

THE PRESIDENT: Thank you very much. I am delighted to be here. Thank you for the warm welcome. Thank you for the fast introduction. (Laughter.)

The last time I spoke at your convention it was two days before you elected John and Rich and Linda. And I must say, from the outside, it seems to me that they have done a remarkable job, and I know that you must be very, very proud of them. (Applause.)

I am delighted to be here with Secretary Herman, and Deputy Secretary Kitty Higgins, and Secretary Slater, a number of other members of the administration. I should mention one other -- the successor at the White House to Alexis Herman, former Assistant Secretary of Labor for Wage and Hours Maria Echevesta. We're all glad to be here. (Applause.)

I also want to say right at the outset that I am very glad that you voted to support campaign finance reform. Now there will be a vote on the Senate floor, and that will be a time of testing. But I have made clear where I stand. All 45 of our Democratic senators have made clear where they stand. You have now made clear where you stand. We will soon see where the Senate stands, and then where the House stands. This is a good time to make our campaign finance laws better, and I thank you for your crucial role in it. (Applause.)

On a very personal word, I might say, I came in a few moments ago and I was able to hear Sandy Feldman and hear your tribute to our friend, Al Shanker. And I cannot tell you how much I appreciate that. Under his leadership, and Sandy's, the AFT has been a constant supporter of educational opportunity and educational excellence -- a clear signal that working professionals can be organized for the objectives, the legitimate objectives of the union movement. And one of those objectives would be excellence on the job. And there is no more important place to have excellence on the job than in educating our children. So I'm very, very grateful for the AFT and for Sandy Feldman. (Applause.)

With your new leadership team and the new energy I feel of the presidents who are here on this great stage and all of you in the audience, your members back home, it is clear that

American labor once again has a clear voice and you are making it heard. You made it heard loud and proud in the boardrooms of Unite Parcel Service. You made it heard in the halls of the Capitol, standing up to a barrage of anti-worker legislation. (Applause.)

You're making it heard in the strawberry and mushroom fields of California, in the fiery tones of Arturo Rodriguez, with noble echoes of Cesar Chavez. (Applause.) You're making it heard in nursing homes in Minnesota, giving new strength to women workers. And you're making it heard right here in Pittsburgh through the steelworkers biggest organizing campaign in more than 60 years. This must be a proud time for the men and women of the AFL-CIO. (Applause.)

Our nation can clearly see and hear that American labor is back. Thanks in no small part to your leadership in the workplace and your involvement in the political process, America is back, too.

Six years ago, when I announced my candidacy for President, I said that America had a vital mission for the 21st century -- to keep the American Dream alive for every person responsible enough to work for it, to keep America the world's strongest force for peace and freedom and prosperity, and to bring our people together across all the lines that divide us into one America. America's oldest, most incandescent ideals -- opportunity for all, responsibility from all, a community of all. That is what has to illuminate our path as we stride forward to address the challenges of a new era.

I pledged then to take America in a new direction -- toward the future, not the past; toward unity, not division; with America leading, not following; putting people and values, not power politics, first; reforming government not to do everything or do nothing, but to give all our people the tools they need to make the most of their own lives; and beginning by building an economy that works for all, not the few.

We started with a new economic policy for the new economy, putting in place a bold new strategy to shrink the deficit and balance the budget, invest in our people and lower unfair trade barriers to our goods and services. The philosophy was solid and simple: remove the impediments that have restrained the American people and give them the tools and training to help them race ahead. By reducing the nation's massive deficits, we could free our people of the dead weight that slowed their every step from the early 1980s. By investing in their education and health, we would enable them to run fast and strong over the long run. By reducing trade barriers, we would knock down the unfairly high hurdles that we have had to leap over for far too long, and build bridges to new democracies with growing economies to ensure our leadership for peace and freedom well into the next century.

The strategy has succeeded: nearly 13 million new jobs; America leading the world in auto production once again; unemployment below five percent; over a million new construction jobs, a half a million transportation jobs, a half a million new jobs for machine operators, auto jobs having the fastest increase since Lyndon Johnson's administration; the biggest drop in welfare rolls in history, with welfare reform that is tough on work, but pro-child and pro-family; dramatic drops in crime year after year, putting 100,000 more community

police officers on the street and the Brady Bill preventing 250,000 sales of handguns to people with criminal or mental health histories that indicates they should not have them. We know we have more to do, but together we have made progressive government work again.

Let's look at three crucial elements of our economic strategy -- reducing the deficit, investing in our people, expanding exports. First, deficit reduction. Back in 1993, when I introduced our first deficit reduction plan, we both knew it was important to get our fiscal house in order. And we did it the right way -- we did it while increasing investments in our people. And we did it without a single Republican vote, cutting the huge deficit of \$290 billion 87 percent before the balanced budget law passed. (Applause.)

After a new majority took control of Congress in 1994, they tried to cut the deficit in the wrong way. They sent me a budget that made unjustifiably deep cuts in Medicare, that increased taxes on working Americans, that allowed corporations to raid their workers' pensions, that cut enforcement of worker safety laws, that slashed funding for education and training by \$30 billion. With your support, I vetoed that budget and the veto was upheld. (Applause.)

Later, when they pushed a balanced budget with a harmful independent contractor provision, a misguided privatization scheme for Medicaid, and a shameful plan to deny workfare participants the minimum wage, you and I stood firm together. We stood firm together. And I thank you for your support for that opposition. (Applause.)

I believe this balanced budget that I signed honors our workers and our values and our future. And I will explain by going to the second element of our economic strategy -- investing in our people. In the new economy the most precious resources America has are the skills and securities of working Americans. Here, too, we are succeeding. After decades of working harder and longer for lower wages, millions of working Americans finally are getting a raise. And it's about time.

Since I took office the yearly income of the typical family is up \$1,600. Wages are rising again. In 1995 and 1996, over half the new jobs created in this economy paid above the average wage. With your strong support, we also increased the minimum wage and dramatically increased the earned income tax credit -- it is now worth about \$1,000 a year to the typical family of four with an income of less than \$30,000. And this summer, I signed into law a \$500-per-child tax credit that will mean \$1,000 in take-home pay for a typical family with two children. And I didn't sign the bill until we made it work for rookie police officers, teachers and others of modest means the Republican majority would have left out of their budget and tax cut plans.

From 1945 until the mid-1970s, all of us grew together in America. Each group of our economy, from the lowest 20 percent to the highest, increased their incomes, but, actually, in percentage terms, those in the bottom 40 percent grew slightly faster than those in the upper 40 percent. And that was as it should have been. We were sharing our prosperity and growing together.

Then, unfortunately, we began to grow apart, partly

because of developments in the global economy, historic developments that could not be reversed and offer us great opportunity of seize them -- partly, I believe, because of wrongheaded policies in the United States government throughout the 1980s.

Fortunately, now it looks like our hard work and your hard work is paying off and America is starting to grow together again. I believe the general sense that this should be so is one of the reasons for the renewed success and receptivity of the efforts that you are making all over America.

But we cannot rest. We cannot rest until every single American has a fair chance to reap the rewards of the American economy. That is why, above all, investing in people means giving every American the best education in the world.

Our balanced budget includes the largest increase in aid to education since 1965, when President Johnson was in office, and the biggest increase to help people to go on to college since the G.I. Bill was passed 50 years ago. (Applause.) The budget has \$1 billion more for Head Start; more money to help our schools achieve excellence; the America Reads program to mobilize a million volunteers, organized by our national service program, AmeriCorps, which has already given 70,000 young people a chance to work and serve in their communities and earn the money for college.

It contains money to help connect every classroom and library in this country to the Internet by the year 2000. It also contains a new HOPE Scholarship to guarantee access to all Americans to at least two years of college; other tuition tax credits for all college and skills training; an IRA you can withdraw from, tax-free, to pay for your own education or your children's education; the biggest increase in Pell Grants in two decades; a million, total, work-study slots now; and doubling aid for dislocated workers.

When you put all this together, we can really say for the first time in the history of this country, we have opened the doors of college education to every American who is willing to work for it money will not be an obstacle again. (Applause.)

There is still a lot to do. First of all, we have to pass every year for the next five years the funds necessary to make good on the budget agreement. Secondly, we have got to increase the quality of education in our public schools. I have sought to provide more options to parents in public school through public school choice and allowing teachers to organize new charter schools within public school districts. But I also know we need national standards. Every other major economy in the world educates its children according to national academic standards. And I have called for national standards and voluntary national exams to begin with 4th grade reading and 8th grade math to see how our children are doing. Voluntary exams developed not by politicians, but by a non-political board; not by the Department of Education, but financially supported by the Department of Education.

There are those who say no to this, no the standards, no to the idea that we ought to have accountability. Some of them, frankly, don't believe all our children can learn. Some of them see some dark plot to take over local schools. All I see is reading is the same in Minnesota as it is in Maine, and

mathematics is the same in Washington as it is in Florida. And our children had better know it if they expect to compete in the world of the 21st century. (Applause.)

There are also those in the Congress who say no to every effort we make to expand educational opportunity -- those who failed to close the Department of Education, but would still like to cut it down; those who still would reduce our commitment to scholarships and grants and shut down completely innovative initiatives, like America Reads, even though we know -- we know -- that 40 percent of our 3rd graders still cannot read independently on their own. We know that and we cannot afford to back up; we need to bear down.

So I need to ask your help again on education in the tough days ahead. With your help we can open up opportunity, build up education and shake up the status quo crowd that fights every effort we make to lift up our children.

We are making progress in this country in education. The teachers of this country are doing a better job. The principals are doing a better job. Parents are steadily getting more involved. We are learning how to come to grips with all the social problems that our kids bring to school. This year, on international exams, a representative sample of our children by race, by region, by income -- for the first time the 4th graders scored above the global average in mathematics and science. So I know all children can learn, and I know we've got people who can do the job. We just have to support them and bear down and do more of the kinds of things that we know will work.

Al Shanker, for his whole adult life, advocated national standards and meaningful measures and then all the efforts necessary to give every kid in this country a chance to learn. And I am not going to back away from this if it takes me every last minute of the next three years and however many months and days I've got left. And you ought to be there, too, because there's nothing more important for the future of this country than giving our kids a decent education. (Applause.)

Investing in our people also means protecting the rights of workers, to demand their rights. Over the past four years we've defeated callous attempts to repeal prevailing wage laws, to bring back company unions, to weaken occupational safety laws. We cracked down on sweatshops and fought to protect your pension funds and make pensions more portable. I have vetoed every piece of anti-labor legislation that has crossed my desk, and I will continue to do so. (Applause.) Thank you.

A lot of the people pushing these bills have missed the main point: the key to success in tomorrow's economy is people, and you cannot move into the 21st century by restoring the labor policies of the 19th century. I will oppose it, you will oppose and we will prevail. (Applause.)

In that context, let me just say one more word about the UPS strike. I and, indeed, my entire administration believe deeply in the collective bargaining process. In the UPS strike collective bargaining worked. UPS and the Teamsters reached an historic settlement that recognizes that companies have to invest in their workers in order to be competitive in the 21st century. I did the right thing to let the process work. The parties got together, they worked through it and we got a good result. (Applause.) Thank you.

Investing in people also means expanding access to health care, quality health care. The Family and Medical Leave law that you worked so hard for, the very first bill I signed as President, ensures that millions of people don't have to choose between being good parents and good workers. I still hear from citizens as I travel across the country and just stop at airports, or in crowds in communities and shake hands -- people still come up to me and say, that law changed my life, saved my family, has meant more to me than anything the government has done in my life. It is a good thing and I thank you for your support of it. (Applause.)

The Kennedy-Kassebaum law helps millions to keep their health care if they take a new job or if someone in their family gets sick. The new balanced budget spends \$24 billion to expand health care to 5 million of the most vulnerable Americans -- 5 million children, almost all in working families, without health insurance. That is the largest investment in health care since the creation of Medicaid in 1965. Never -- never -- would this have happened unless you had helped me wage the fight we waged and lost to give health insurance to every American family that doesn't have it. And sometimes you have to lose a battle. I'm glad we fought for it. I'm proud that you helped me. And those kids are going to get insurance because of the issues we raised in 1994. (Applause.)

Finally, I ask for your support to help me pass sweeping legislation to keep tobacco, our number one health problem, out of the hands of our children. The health of our children is my bottom line and I believe it should be the bottom line of the tobacco industry as well.

The final component of our three-part economic strategy, one that is just as essential for the future growth and the future wage growth of our economy, is our continuing work to open new markets and give American workers a fair break. I know we don't see eye to eye on fast track, but I think I owe it to you to tell you exactly why I feel so passionately about it. And I think I've earned the right to be heard on it. (Applause.)

Fast track authority is a tool that has been given by Democratic Congresses to Republican Presidents and Presidents, indeed, of both parties for more than 20 years now. It simply says that if the President or his representative, his trade representative, negotiates a trade agreement, then the Congress has to vote on it if it rises to the level of comprehensive agreement, but must vote it up or down, so that the other country does not believe it is having to negotiate with 535 people in addition to the person with whom they negotiated.

We cannot create enough good jobs and increase wages if we don't expand trade. There's a simple reason why. Indeed, about a third of the economic growth that has produced 13 million new jobs over the past four and a half years has come from selling more American products overseas. Here's why: We have four percent of the world's population and we enjoy 22 percent of the world's wealth. If we want to keep the 22 percent of the wealth we have as four percent of the world's people, we have to sell something to the other 96 percent.

And this did not happen by accident. There were over 220 trade agreements signed in the first four years of this administration. In the over 20 agreements signed with Japan, in

those areas our exports went up by over 80 percent.

The information technology agreement that we just signed, worldwide, covering 90 percent of information technology services in the world, under residual fast track authority that covered that area amounts to a \$5-billion tax or tariff cut on American products -- high value-added products, many of which are made by union workers.

Now, in the next 15 years, the developing countries in Latin America and Asia will grow three times as fast as the United States, Europe and Japan. As I told the United Nations a couple of days ago, early in the next century, about 20 nations comprising half of the world's people will move from the ranks of low-income nations to middle-income nations. They are going to grow in a world economy. We are going to participate in that growth to a greater or lesser extent. The more fair trade deals we have to allow us entry into their markets where we've been at a significant disadvantage for too long, the more we will participate.

You know that our own markets are among the most open in the world. We were able to get 220 trade agreements in the first four years because we made people know that if they wanted access to our open markets, they were going to have to open theirs. We have to insist upon this treatment. If we don't act and we don't lead, nobody else will level the playing field for us.

Indeed, our competitors in the other wealthy countries, in Europe and Japan, would just as soon we not make these trade agreements. They can make them because they read the same predictions we do -- they know that their economies are only going to grow a third as fast as the ones in Latin America and Asia as well, and they are looking for some way in to protect their workers and their longtime economic security.

We can compete if given a fair chance. Last year, I had a chance to visit the Jeep Cherokee plant in Toledo -- a UAW plant producing tens of thousands of right-wheel-drive jeeps for export to Japan and other markets we thought hard to open up for them. They have 700 new jobs at that plant, and I think it's the oldest auto plant in the United States of America still operating. The global economy is working for them. I am determined to see that it works for everyone.

Should we ask other people to adhere to global standards on the environment? Of course, we should. I think you could make a strong case that no administration has done more to preserve and protect the environment against onslaughts than ours has. Should we acknowledge that global trade can pull the rug out from some of our people? Of course, it could. At every period of economic change in our country's history, that has happened to people. The difference is that we have to be committed to give more aid, to do more for people who are suffering, who are displaced. Because nobody should be left behind in the global economy. Nobody. That's why we double funding for displaced workers. That's why I know we have to do more. We don't have to leave people behind. Everybody should have the right to keep a good job and to go into tomorrow.

But we can only do that with a growing population if we continue to grow the economy. So the trick is to get the right economic growth package, to create the right mix of new

jobs, to try to make sure always more than half of your new jobs are paying above average wage and not leave people behind. It's not easy to do, but this administration is committed to doing it. And I think we have demonstrated that commitment time and again.

We also have to recognize that the global economy is on a fast track. It is changing amazingly. For example, every month -- every month -- millions and millions of new contacts are made on the Internet. Every single month. It's exploding like nothing ever has, creating all kinds of networks of commerce and bringing people close together in new and unusual ways. We have to figure out how to make this work for us. If it doesn't work for us, it will work against us.

I believe leaving our trade relations on hold with the fastest growing economies in the world will not create a single job in America, and it certainly won't raise environmental standards or labor standards in other countries. This year -- this year alone, so far, two-thirds of the increase in America's trade has come from Canada to the southern tip of South America, our neighbors. Two-thirds. We could do better. This year, leaders from Europe have gone to South America to tell them that the United States no longer cares about their markets, or the cooperation and leadership that goes along with working with them. They say that their future should be with Europe, and they should organize to give Europe considerations and breaks in opening their markets, and leave us out.

Now, think about it. Think about Chile, or Brazil or Argentina. Their markets are more closed to us than ours are to them. We still are selling more just because they're growing so much. But we know they'll grow a lot more over the next 10 to 20 years. They now need things that we sell and things that your people produce better than any other group of people in the world.

This is not about NAFTA or factories moving there to sell back to here. I think all of us agree it is highly unlikely anyone will move a factory to Chile to sell back to here. This is about how we can best seize our opportunities in the economy that is emerging, and how 4 percent of the world's people can continue to maintain 20 to 22 percent of the world's wealth, and continue to grow the economy so incomes can rise and new jobs can be created.

Now, I know this is a difficult debate and I know we disagree about it. But the debate over fair trade and fast track should itself be fair. It should also be open and honest. I have personally sat alone in the White House and listened to talk shows where your representatives were on the shows, because I wanted to hear the arguments and hear the concerns and know the things that you want. And you know we have had exhaustive numbers of meetings between the administration and leaders of the labor movement. We ought to have an open, fair and honest debate. We are trying to move as much as we can on a lot of the concerns that you have raised.

But I also want to say that I think we share too many values and priorities to let this disagreement damage our partnership. You just think of all of the things that I reeled off that we've done together and all of the things we've stood against in the last five years. I have worked to make this economy work for middle-class Americans. I care about making sure everybody has a chance and making sure nobody is left

behind. But I can't build a better future without the tools to do the job, and America can't lead if it's bringing up the rear.

At the moment of our greatest economic success in an entire generation, we shouldn't be reluctant about the future; we ought to seize it and shape it. And I think I also have to say to you that there are a lot of good members of Congress who agree with me about our trade policy who also stood for the minimum wage. They agree with me about our trade policy, but they fought to provide health care for 5 million more kids. They support open trade, but they also fought to protect Medicare and Medicaid and education and the environment, and to open the doors of college to all Americans.

And when the majority in Congress wanted to do so, they stood against them and fought with you against the Contract on America. They fought with you against attempts to repeal the prevailing wage laws, to weaken unions and workplace health and safety laws. They did so in the face of intense pressure. They have fought for you and for all working people, and they deserve our support. If they were to lose their positions because they stood up for what they believe was right for America's future, who would replace them, and how much harder would it be to get the necessary votes in Congress to back the President when he stands by you against the majority?

America is far better off when the friends of working people stand together without letting one issue trump all the others. Friends and allies don't participate in the politics of abandonment; they band together -- disagreeing when they must -- but banding together.

I pledge to do that, and I hope you will, too. We've got a lot to do -- in education, in making sure Medicare and Social Security are there for the next generation of parents, in bridging the divide of race and all of the differences that are now taking place in this country. That's an area where you've always been out front, and I want to close with that. Because you can help -- perhaps more than almost any other group in America -- to bridge the divides and to preserve the bonds of community.

When I leave you, I'm going home to Arkansas, and tomorrow I will try to focus our nation on a haunting but hopeful moment in our country's struggle to make America the nation live up to America the idea -- a day, 40 years ago, when nine brave African American boys and girls, shielded from a hateful crowd by United States Army paratroopers, walked through the doors of Little Rock Central High School for the first time. I will honor the courage and vision of those whose eyes were fixed on the prize of equal educational opportunity without regard to race.

There are still a lot of doors we have to open. There are still some doors we have to open wider. And now, unfortunately, there are some doors we've got to work hard from being shut again. There is also a new reality we're all going to have to come to grips with that very few Americans have thought about. It will change the workplace. It will change communities. It will change the way we do our business as citizens. That reality is that we are not simply a black-white nation, we are not simply a black-Hispanic-Native-American-white nation. Instead, we are a nation now of nearly all the peoples of the world, with greater diversity in how we work and live together, and greater integration in how we work and live

together than virtually any other democracy on Earth. And within the ranks of Caucasians and blacks and Latinos and Asians, there is increasing ethnic and cultural diversity.

As we become the most diverse democracy on Earth -- and make no mistake about it, we are becoming that -- today, only Hawaii has no majority race. Within a decade, probably within four or five years, California, our largest state with 13 percent of our population, will have no majority race. And sometime before the next century is half done, America will have no majority race. Are we going to embrace this? Are we going to say that we celebrate our diversity, but we're united by something more important? Or are we going to let it get away from us and drift off into little enclaves and weaken our country and our future and our children's future? You're in a unique position to help. (Applause.)

Labor has a tradition here, established by visionaries like A. Philip Randolph and Walter Reuther. Labor has helped generations of African Americans and new immigrants to gain dignity and respect. Your members reached across racial and ethnic lines to fight for a common future and personal dignity. Few institutions in America can claim anything like the record of the labor movement in fighting for equal opportunity.

(Applause.)

It was for that reason and for her own merit that I appointed your Executive Vice President, Linda Chavez Thompson, a member of my Race Advisory Commission. (Applause.) She has seen discrimination firsthand. She knows discrimination is not a thing of the past, but she is determined to see that it has no place in our future. I am grateful for her help, and I ask you for yours.

A century ago the working men and women of labor imagined an America where older people had health security, where African Americans enjoyed equal protection under the law, where working people had the right to organize and fight for a better life. Because they imagined it and because they worked for it, it's the America we're living in today.

Now it is up to us to imagine the America of the 21st century. And on every issue I discussed today, that is all I ask you to do. Imagine it, based on what we now know. Imagine an America in which every child has a world-class education; in which every family can fairly balance the demands of work and child-rearing; in which we lift living standards here and around the world; in which we learn to grow our economy and preserve the common environment which is our home; in which our oldest values of opportunity, responsibility and community guide us into a new time of greatest opportunity.

As American working men and women have shown time and time again, if we imagine it and we work at it, we will build it -- an America for our children, always eager for tomorrow. You have brought new energy to the labor movement. You have brought new energy to America. Let us work to build that into a future we can be proud of.

Thank you, and God bless you. (Applause.)

END

11:04 A.M. EDT

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

October 25, 1995

STATEMENT BY THE PRESIDENT

There were plenty of winners in today's AFL-CIO election. The working men and women of the labor movement benefit the most. If every American got to choose in every election between candidates such as these, this country would be a better place.

I offer my hearty congratulations to John Sweeney, who has led one of the most progressive, growing and innovative unions in America. He has been a force for inclusion and activism and has already left a deep and positive imprint on the labor movement.

The outgoing President, Tom Donahue, has been a source of strength and leadership in the labor movement for decades. Working men and women are fortunate for his many years of service, his integrity and his dedication.

The theme of AFL-CIO convention was "Stand Up for America's Working Families." My Administration stands with John and the other newly elected officers as we work together in the months and years ahead on issues important to America's working families.

-30-30-30-

place in 1993, we've created the strongest peacetime economy in our history. We have turned record federal deficits into record surpluses, and now most of your budgets are in healthy surplus.

With the historic welfare reform bill I signed in 1996, and the hard work of the nation's governors, we have cut the welfare rolls in half, to their lowest level in 32 years. And earlier this week in Chicago I was proud to announce that every one of your states is meeting the work requirements of the new welfare law.

With the bipartisan balanced budget bill I signed in 1997, we created the \$24 billion Children's Health Insurance Program, the largest expansion of children's health coverage since the enactment of Medicaid. We have waived or eliminated scores of regulations to give states more flexibility in administering Medicaid, including one we all wanted repealed—the Boren amendment.

With the federalism executive order I signed last week, we put to rest an issue that had divided us for too long. We worked together in good faith to produce an agreement that protects the needs and rights of states, while also protecting the ability of the federal government to do what it must do. I think it is a remarkable accomplishment. We have many other joint undertakings that testify to the strength of our partnership—from Millennium Communities to our National Performance Review Partnership. And in so many areas we share a common vision. Strong schools and more accountability. Smart growth and more livable communities. Expanded international trade.

The partnership we have forged and the prosperity we have created gives us an opportunity few generations have ever enjoyed—the opportunity to truly shape the future. If we act together, we can meet our big, long-term challenges for the 21st century -- the aging of America, the education of our children, sustaining our long-term economic growth. That is why I have proposed using the surplus to pay down the debt for the first time since 1835; to extend the life of Social Security; to secure and modernize Medicare; and to meet our obligations in education, training, national defense, science and technology, Medicaid, and preserving the environment. Then we can give the rest of the surplus back in tax cuts—including tax cuts for our New Markets Initiative, to give American investors the same incentives to invest in poor neighborhoods in America as we give them today to invest in poor countries around the world.

Naturally, I was disappointed, though not surprised, with the tax plan Congress passed last week. Their tax plan is so big, so bloated, that there will be no money left for to pay down the debt; no money left to extend the life of Social Security and Medicare; no money for new markets; no money left to invest in our people.

If I were to sign their plan—which I won't--by force of law we would have to sequester, or cut, \$89 billion over the next five years from a range of vital areas. We would have to cut \$32 billion from Medicare, at a time when we should be investing more. We would have to eliminate entirely Social Service Block Grants, which support everything from Meals on Wheels for seniors to child care for low-income families. We would eliminate crop insurance so important to our farmers especially in times like these. We would have to make devastating cuts in payments to states under the Mineral Leasing Act. Major cuts in student loans; in child support enforcement, and in many, many other areas.

These are crucial programs to every governor in this room, regardless of party. I think it is no coincidence that one of the four Republican senators who voted against the majority's

THE WHITE HOUSE

Office of the Press Secretary
(New York, New York)

KLIP / Temp. J. J. J.
Kenn - Jefferson
October 7, 1999

For Immediate Release

STATEMENT BY THE PRESIDENT

LAST WK
Today the Senate passed a spending bill that woefully shortchanges America's children. The Senate Labor, Health and Human Services, and Education appropriation bill fails to make vital investments in our nation's schools. It undermines the commitment we made last year to hire quality teachers and reduce class size in the early grades. It underfunds after-school programs and such important efforts as the GEAR UP mentoring program, education technology, and adult literacy.

If this bill were to come to me in its current form, I would veto it. I have already sent Congress a budget for the programs in this bill that provides for essential investments and is fully paid for. I urge Congress again to work on a bipartisan basis to develop legislation that truly strengthens public education and other key national priorities.

The bill passed by the Senate is a catalog of missed opportunities and misguided priorities. I am particularly disappointed that the Senate defeated a common-sense measure to make schools accountable for results. The Bingaman-Reed-Kerry amendment would have set aside funds for states to turn around failing schools. By rejecting it, the Senate lost a chance to make accountability more than just a slogan. The Senate also rejected amendments to increase the number of qualified teachers in high-need districts and to help states improve the quality of their teaching forces.

The Senate properly rejected two wrong-headed amendments that would have hurt workers. One would have barred implementation of the ergonomics rule so key to safeguarding worker health. The other would have barred enforcement of the Davis-Bacon law in natural disaster areas, a law which assures workers appropriate wages.

While the Senate did make important strides by committing to increase child care funding next year, the bill underfunds many other efforts, including public health priorities in preventive health, programs that give millions of Americans better access to health care, and critical social services for vulnerable families. The bill also does not provide aid to families caring for elderly or ill relatives through the Family Caregiver initiative. Even worse, in expressing support for an across-the-board cut in all discretionary programs, the Senate has shown its unwillingness to address America's needs in a responsible and comprehensive way. This bill is unacceptable, and I cannot support it.

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Nelson Lichtenstein says that in order to seriously expand union coverage the AFL-CIO will need tens of thousands of homegrown organizers that it cannot possibly afford. In order to inspire these people to devote a large part of their lives to unionism, the AFL-CIO must move a vision of "rights-conscious industrial democracy" to the top of the nation's social agenda. This in turn requires a "democratic participatory union culture" which Lichtenstein says threatens the prerogatives of entrenched local and national union bureaucracies.

These points are clearly well taken. But union democracy is a complex issue. Indeed, it is the democratic nature of unions that often makes it hard for leaders to broaden labor's agenda beyond the immediate interests of the rank and file. For example, the voting membership of union locals often strongly resists shifting union resources from servicing existing members to organizing new members. Politically, labor leaders who support a broad, "rights-conscious" agenda -- from abortion to welfare -- are regularly criticized as being out of touch precisely because their members prefer a narrower agenda more directly relevant to their immediate needs. Getting members to expand their vision would seem to require more skilled and imaginative leadership as much as more democratic procedures.

To describe these internal tensions is to paint a picture of the huge job ahead for those who would revive the American labor movement. The enormity of the task has led many liberals to despair of labor ever again being the engine of social progress that it was mid-century, and to distance themselves from labor's fate. This is a fatal political mistake.

First, the news of labor's impending demise is premature. For example, it is conventional wisdom that the "new economy" with its decentralized work sites makes it almost impossible to organize a union. But early in 1999, the Services Employees International Union won an election to represent 75,000 home health care workers in Los Angeles who have no permanent work site at all.

Second, and most important, labor remains the foundation of progressivism at every level of American politics. Take away the influence of the labor movement on today's society and you are left with the social conditions of the turn of the last century. The distribution of income, wealth, and power in the next century will hinge on the outcome of these debates over labor's future. We should all pay attention.

WORK DISCUSSED IN THIS ESSAY

Stanley Aronowitz

From the Ashes of the Old: American Labor and America's Future

(Houghton Mifflin Company, 1998).

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Morton Bahr

From the Telegraph to the Internet (National Press Books, 1998).

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Draft 10/11/99 6:30am
Josh Gottheimer

**CHIEF OF STAFF JOHN D. PODESTA
REMARKS TO AFL-CIO CONVENTION
CALIFORNIA
October 12, 1999**

I want to thank you for giving me the opportunity to be here today. Unions have been an important part of my life for many years. My brother Tony worked as a lawyer for the Teamsters back in Chicago, my Chief of Staff Karen Tramontano paid her way through law school as a unionized truck driver, and then later served as XXX, and I spent twenty years on Capitol Hill advocating the issues so important to all of you.

As many of you know, your president and I work closely together. And I can tell you first-hand that John is one, tough negotiator. But I got him to agree that if I came here and talked to you this morning, he would stop trying to unionize my White House staff. In fact, every time John comes to the White House, he makes it harder and harder for my staff to believe me when I tell them that a fifteen hour work day is normal; that three dollars an hour is a living wage, and that heat and air conditioning really are luxury items.

I'm sure it doesn't surprise you that everywhere John goes he's looking for ways to make the AFL-CIO a bigger, stronger, better union. John, you've given the AFL-CIO a new sense of purpose, determination and inclusiveness. For that every worker in America owes you a debt of gratitude.

I want to congratulate all of you on a very successful year. Your membership is at its highest point in recent history. Your workers are negotiating better contracts, with increased wages and benefits. And your voice is resonating with a renewed level of strength and determination. As the theme of this convention makes clear, your thirteen million members are improving the lives of our nation's working families, bringing fairness and dignity to the workplace, and securing social and economic equity for America's workers.

Woodrow Wilson once said: "A nation is as great, and only as great, as her rank and file." That observation is clearly still true today, and the best evidence is right here in this room. The AFL-CIO is stronger than it has ever been, while America is stronger and more prosperous than it has ever been. And the fact that both those things are true is no coincidence. For the bounty we enjoy today is the result of the hard work that you and your members do every day – and of changes we have made together over the last six and a half years

our efforts have helped
And it took a lot of work to get America working again. In the 12 years before President Clinton and Vice President Gore came to the White House, irresponsible policies in Washington piled deficit upon deficit and quadrupled the national debt. Interest rates and unemployment were rising, wages were stagnant, and growth was slow.

President Clinton and Vice President Gore believed that with your help we could get America back on track. It would take two things: bringing down our budget deficit and bringing

A collection of handwritten signatures and scribbles in black ink, located at the bottom of the page. The signatures are overlapping and somewhat illegible, but appear to be from multiple individuals. Some of the more distinct marks include a large 'Z' or '2' on the left, and several sets of loops and lines that could be initials or full names.

 Lowell A. Weiss
10/07/99 04:57:33 PM

Record Type: Record

To: Joshua S. Gottheimer/WHO/EOP@EOP

cc:

Subject: final

Draft 10/7/99 4:30pm
Lowell Weiss

PDM

**PRESIDENT WILLIAM J. CLINTON
REMARKS ON PATIENTS' BILL OF RIGHTS
NEW YORK, NEW YORK
October 7, 1999**

This afternoon, the House of Representatives took an important and very encouraging step forward in the effort to give the American people, at long last, a real Patients' Bill of Rights. After rejecting watered-down legislation, the House voted to approve the strong, bipartisan Patients' Bill of Rights sponsored by Charlie Norwood and John Dingell.

The passage of this bill represents a major victory for every family in every health plan. It says you have the right to the nearest emergency room care and the right to see a specialist. The right to know that you can't be forced to switch doctors in the middle of a cancer treatment or pregnancy. The right to hold your health plan accountable if it causes you or a loved one great harm. It shows that America will no longer allow the unfeeling practices of some health plans to add to the pain of injury or disease. It proves that America is committed to putting patients first.

But let me be clear: We still have much work to do. Together, we must ensure that the Patients' Bill of Rights is paid for. And when House and Senate negotiators meet in Conference, Republican leaders must resist the urge to weaken the patient protections guaranteed in the Norwood-Dingell bill; they must not undo behind closed doors what they did before the eyes of the public. They must also resist the urge to load up the final legislation with poison-pill provisions they know I cannot sign.

But today, I congratulate Members of both political parties in the House for making the responsible choice. And I thank Rep. Norwood and Dingell for their leadership and dogged determination. We all have shown that when we work together, we can use this moment of prosperity to meet our families' most vital needs.

Labor, Revitalized With New Recruiting, Has Regained Power and Prestige

By STEVEN GREENHOUSE

When John J. Sweeney took the helm of the A.F.L.-C.I.O. four years ago, the labor movement was spiraling downward. It was steadily losing membership, politicians had dismissed it as a toothless has-been and much of the public viewed it as an irrelevant dinosaur.

Four years later, on the eve of the labor federation's convention in Los Angeles, things have turned around.

Vice President Al Gore and former Senator Bill Bradley are tripping over each other to win the A.F.L.-C.I.O. endorsement in next year's Presidential election. Lawmakers are being attentive once again as unions play a heavyweight role in Congress, pushing for a patients' bill of rights and a higher minimum wage.

Workers at DaimlerChrysler and the Boeing Company have hit grand slams in their latest contracts by negotiating hefty raises, and union

organizers have pulled off their biggest victory in six decades, adding 74,000 health-care workers in Los Angeles in one swoop.

Inspired by Mr. Sweeney's preaching about the need to reverse labor's slide — membership peaked at 21 million in 1979 before falling to a low of 16 million in 1997 — unions expect to organize more than 500,000 new members this year, more than five times the number the year Mr. Sweeney took office.

Suddenly, labor seems to have so much cachet that doctors, psychologists, graduate teaching assistants, limousine drivers and even fashion models are rushing to join.

"Sweeney has dramatically increased labor's visibility," said Robert B. Reich, a former Secretary of Labor. "He's turned the A.F.L.-C.I.O. into a more formidable political force. I haven't met anyone who doesn't believe John Sweeney has been terrific for organized labor. But having said that, the obstacles for

labor are still very large."

American unions are still in many ways swimming against the tide.

Globalization has hindered union efforts to raise wages as companies have continued to close unionized factories and have moved the work overseas. The nation's recent explosion in jobs has been concentrated in small business and high technology, areas where unions have made little headway.

Businesses have also been far more aggressive in battling unionization drives, while the Republican majorities in the House and Senate have routinely proposed legislation that is considered anti-union.

In addition, repeated reports of corruption seem to turn labor's progress into two steps forward and one step back.

Four years ago, many officials acknowledged that unions would have little power if the decline in membership was not reversed. The reason: if only 15 percent of an industry was

organized, unionized companies could argue that they would not be able to compete with nonunion companies if they were too generous at the bargaining table.

Today, unions represent 13.9 percent of the work force in the United States, down sharply from 35 percent in the 1950's. Many economists say labor's declining power has been a major reason wages for most Americans have climbed slower than inflation since 1979.

Mr. Sweeney won the A.F.L.-C.I.O.'s presidency after he and several other union presidents joined to push out his predecessor, Lane Kirkland. They complained that Mr. Kirkland, who died last August, seemed to pay more attention to helping workers in Poland than in the United States.

From day one, Mr. Sweeney's goal has been to reverse the decline in membership and power — and he has realized that to do so he must rejuvenate labor's oh-so-boring im-

age and form alliances across society.

One of his successes has been Union Summer, a program in which more than 1,000 college students have worked as summer interns, persuading many of them that helping workers was a cause worth devoting their lives to. The A.F.L.-C.I.O. has also set up a program called "Street Heat" where union activists in more than a dozen cities will quickly mobilize to hold raucous demonstrations during disputes.

In addition, the A.F.L.-C.I.O. is planning to make computers and Internet service available at discounted prices to the federation's 13 million members in an effort to bring workers closer together and to make them easier to mobilize. With the push of a button, a union president could E-mail thousands of members and urge them to E-mail state or Federal officials.

Today in Los Angeles, the labor federation is kicking off a campaign with immigrant groups as part of an effort to focus on the needs of immigrants. Union leaders said they want to attract more immigrants and help improve the lives of workers in low-paying jobs like janitors, hotel maids and farmhands.

Mr. Sweeney deliberately increased the movement's focus on low-paid workers after the A.F.L.-C.I.O., which includes 68 unions, was perceived as being preoccupied with labor's well-paid elite in auto plants and steel mills.

By focusing on low-paid workers, Mr. Sweeney has improved the movement's moral stature, causing hundreds of academics and members of the clergy to support labor in a way not seen in decades.

Even some of his most vocal opponents give Mr. Sweeney credit.

"Ever since Lane Kirkland passed away this summer, we heard how his work in fighting Communism around the world is what he will be remembered for," said Jeffrey McGuinness, president of LPA, a Washington-based management association that represents 250 companies. "John Sweeney will be remembered for reinvigorating the labor movement and getting back to basics. His job is to make the labor movement grow again, and he is moving aggressively in that direction."

Probably the biggest change wrought by Mr. Sweeney was to get the A.F.L.-C.I.O. and its member unions to focus on recruiting — the key to the movement's survival.

Four years ago, unions on average spent less than 3 percent of their budget on organizing, but Mr. Sweeney

has persuaded many unions to raise that to 10 percent. The Hotel Employees and Restaurant Employees Union now spends more than 30 percent of its budget on organizing, while the union Mr. Sweeney once headed, the Service Employees International Union, spends 45 percent on organizing.

That seems to be paying off. The service employees' union, which has more than 400 full-time organizers, expects to add almost 200,000 members this year, to 1.3 million.

Every few weeks, Mr. Sweeney has issued news releases boasting of another organizing win. After nearly a century, the Union of Needletrades, Industrial and Textile Employees recently organized 5,200 workers at six Fieldcrest Cannon plants in Kannapolis, N.C. — the heart of anti-union

Some gains, but obstacles still remain for unions.

country.

With Puerto Rico recently giving its Government workers the right to join unions, about 66,000 public employees there are expected to vote to unionize this year.

These developments make A.F.L.-C.I.O. officials optimistic that for the first time in decades, unions might be able to reverse the decline in membership. To achieve that goal, unions need to organize at least 500,000 additional workers.

Some A.F.L.-C.I.O. officials said they hope to soon unionize one million additional workers each year, but many labor experts say that might be optimistic. The booming high-tech sector has resisted organizing efforts, and unions still continue to lose nearly half of unionization elections.

"The first step to revitalizing the labor movement is stop the shrinking, and I believe that's happened," said Richard Hurd, a Cornell University professor of labor relations. "Does this translate into a revitalized labor movement that's on a permanent upward track? The answer to that, is it's still premature to say."

The New York Times

SATURDAY, OCTOBER 9, 1999

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City Hall Strategy: Giuliani Quietly Builds Apparatus for Senate Race

By ELISABETH BUMILLER

For months, Rudolph W. Giuliani has said that the best way to run for United States Senate is to be a good Mayor, without distractions from a campaign apparatus. But in the weeks since Labor Day, Mr. Giuliani's unannounced race against Hillary Rodham Clinton has entered a new stage, as City Hall and the Mayor's closest aides quietly build the foundation of an aggressive, very Republican campaign.

Peter Powers, the friend of four decades who ran Mr. Giuliani's three campaigns for mayor, is once again playing the central role as Mr. Giuliani's chief political adviser. Other key figures, many of them veterans of the Mayor's campaigns, have already begun the political trench work, from filming footage for future commercials to sizing up Mrs. Clinton's stump style.

At the same time, Mr. Giuliani's Senate exploratory committee is continuing to raise the \$15 million to \$20 million he needs for the race, although as his expected Senate announcement date of early 2000 draws closer, several aides have privately expressed concern about the pace of his fund-raising.

"He doesn't realize the juggernaut that's about to hit him," said one adviser, referring to the First Lady's all-but-certain Senate campaign. "This is not Ruth Messinger. This is not David Dinkins." Mr. Giuliani

trounced Ms. Messinger in the 1997 mayoral race and defeated Mr. Dinkins, the incumbent, in 1993.

This adviser, like nearly everyone interviewed for this article, requested anonymity, because the Mayor has told his aides not to talk about the campaign.

One adviser complained that it was like "pulling teeth" to get the Mayor to attend fund-raisers outside the city, and that it was impossible to raise \$20 million in the city alone. But aides still say they are confident that Mr. Giuliani can raise \$7 million by the end of the year. They also say, in part with the defensive intention of lowering expectations, that they know that Mrs. Clinton will raise as much as \$25 million in all, and \$10 million by the end of the year.

Meanwhile, Mr. Giuliani — who endorsed Gov. Mario M. Cuomo, the soul of the liberal establishment, for re-election in 1994, and then barely endorsed Bob Dole for President in 1996 — has begun to cloak himself in what aides are suddenly calling his "core philosophy" of Republicanism as he seeks his party's votes in the suburbs and upstate. In past years, Mr. Giuliani has allied himself not only with Mr. Cuomo but also the Liberal Party to win in an overwhelmingly Democratic city.

In a speech last week at the Ronald Reagan Presidential Library in Simi Valley, Calif., Mr. Giuliani called the man he served as associate attorney

general "a force for good in the world," and concluded, "Let us be thankful that he was born, and that the human family can reap the countless benefits that his life has brought us."

Although Mr. Giuliani still needs Democratic votes to win in a Democratic state, his aides point out that

Now a Pataki Republican with a 'core philosophy.'

Reagan carried New York in 1980 and 1984, and that Mr. Giuliani still embraces typically Democratic issues like gun control and choice in abortion. "He's running as a George Pataki Republican," an adviser said. "That's a pretty smart thing to do."

The Mayor and the Republican Governor have feuded for years, but the two recently reached a truce. The public end to their quarrel seems to be driven, at least on Mr. Giuliani's part, by his need to have the Governor on his side in the Senate campaign. This week the new alliance was on extravagant display, as Mr. Giuliani and Mr. Pataki nearly fell over each other with praise during a three-day Presidential campaign

trip to New York by Gov. George W. Bush of Texas.

On Wednesday, Mr. Giuliani eagerly took Mr. Bush on a tour of the city he says he has revived, and he used the opportunity to cite his welfare-to-work program as an example of "compassionate conservatism," Mr. Bush's credo.

Although the official position at City Hall is that there is no campaign yet, Mr. Giuliani's political ambitions spill over into nearly every aspect of city government. "There is nothing we do here that doesn't have a political impact," said Joseph J. Lhota, the Deputy Mayor for operations, who runs the city while Mr. Giuliani is away on political trips.

Mr. Lhota, like all other advisers at City Hall, said Mr. Giuliani's fierce assault on the Brooklyn Museum of Art for an exhibition that the Mayor has declared offensive and anti-Catholic was not politically motivated, but came from his true beliefs. But several advisers nonetheless said they thought that Mr. Giuliani's position could help him with upstate voters who are distrustful of what they consider the sinful city.

Other aides, while insisting that the campaign has not yet begun, are thinking ahead in strategic detail. "It seems to me that the challenge is to identify where outside the city you're going to get out the vote," one adviser said this week. "We lost in 1989 because we didn't get out the vote. So

who out there in the Republican Party really brings his county out? Who talks about getting his county out, and then doesn't do it? Where do you have to fill in with your own people?"

At the moment, there are no campaign meetings at City Hall, not least because city laws prohibit Mr. Giuliani's senior appointed officials from raising money and also restrict their political activity on the job. Advisers say the election does not come up at the Mayor's 8 A.M. staff meeting, or at a much smaller 9 A.M. meeting in the Mayor's office. But Mr. Giuliani's inner circle regularly gets together with cigars late in the evening on the porch of Gracie Mansion, overlooking the East River, and discusses the campaign there, or in the mansion's library when the weather is bad.

Some of the key roles are already taking shape. Randy Levine, the Deputy Mayor for economic development, is in charge of the Mayor's relationships with upstate and national Republicans. Adam Goodman, Mr. Giuliani's media strategist in the 1997 mayoral campaign, is in far more frequent contact with the Mayor, and oversaw the filming, for future campaign commercials, of a speech Mr. Giuliani gave last week at the Reagan Presidential Library.

Mr. Goodman's former partner, Rick Wilson, has replaced Cristy F. Lategano, the Mayor's former Director of Communications, as City Hall liaison to the campaign.

The New York Times

SATURDAY, OCTOBER 9, 1999