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PRESIDENT CLINTON'S ECONOMIC REPORT CARD:
MAY 30, 1997

	Clinton Administration	*Best Since*	*Related Facts*
✓ **Unemployment and Inflation**	Combined rate: 8.7 percent	Lowest average since Johnson	Unemployment fell from 7.5 percent in 1992 to 4.9 percent in April 1997 -- the lowest in 24 years -- and has remained under 6 percent for 32 months.
✓ **Inflation**	2.8 percent per year	Lowest average since Kennedy	Underlying inflation -- excluding volatile food and energy components -- was lowest since the Kennedy Administration.
✓ **Employment**	12.1 million new jobs	Only Administration to exceed 11 million	93 percent of the net new jobs were in the private sector. Over two-thirds of recent employment growth has been in industry/occupation groups paying above-median wages.
✓ **Construction Jobs**	1.1 million new jobs	Fastest growth since Truman	Real construction output has grown 5.7 percent per year -- the fastest rate since the Kennedy Administration.
✓ **Consumer Sentiment**	Increased 14 percent from January 1993 to April 1997	Highest average since Eisenhower	University of Michigan sentiment index reached its highest level in 30 years. Conference Board measure reached its highest level in 28 years.
✓ **Deficit Reduction**	From 4.7 percent of GDP in 1992 to 1.4 in 1996. Expected to be under 1 percent in 1997	Largest fall since Truman	Deficit narrowed for four years in a row under one President for the first time since before the Civil War.
✓ **Business Investment**	Grew 10.5 percent per year	Fastest growth since Kennedy	Business investment averaged 7.7 percent of GDP -- the highest share for any Administration since World War II.
✓ **Homeownership**	Rose from 63.7 to 65.4 percent of households	Largest increase on record	Reached its highest level in 15 years.
✓ **Stock Market**	The Dow Jones rose from 3242 on 1/20/93 to 6844 on 1/20/97	Fastest growth since World War II	The real growth rate was higher than for any Administration since World War II.
✓ **Poverty Rate**	Declined from 15.1 in 1993 to 13.8 in 1995	Largest drop since Johnson	Real income for the bottom 20 percent of households has grown 6.8 percent between 1993 and 1995 -- after declining by 7.7 percent between 1979 and 1993.
✓ **Median Family Income**	Up $1,600 between 1993 and 1995	Fastest growth since Johnson	Real net worth per household grew 3.2 percent per year after falling over the previous 4 years.

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ECONOMIC PROGRESS IN CALIFORNIA UNDER PRESIDENT CLINTON

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for California after the first **51 months** of the Clinton Administration:

Improved Economic Conditions in California:

- The unemployment rate has dropped from 9.7% to 6.5%.
- California has added 977,700 new jobs or 230,047 **per year,** after losing 13,075 **per year** during the previous 4 years.
- California has added 921,500 new private-sector jobs or 216,824 **per year,** after losing 40,450 **per year** during the previous 4 years.
- California has added 108,900 new construction jobs or 25,624 **per year,** after losing 27,925 **per year** during the previous 4 years.
- New business incorporations have increased 4.5% **per year,** after decreasing 10.8% **per year** during the previous 4 years.
- The Help Wanted Index has increased 23.4%.
- Bank lending has increased 2.2% **per year,** after declining 1.5% **per year** during the previous 8 years.
- Consumer confidence has increased 88.2%.
- Business failures have declined 2.1% **per year,** after increasing 21.2% **per year** during the previous 4 years.

What President Clinton's Accomplishments Have Achieved for the People of California:

$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN CALIFORNIA: The national debt will be **more than $1 trillion** lower than was projected before the passage of the President's economic plan. That's about $15,000 of reduced federal debt for each family of four in California.

10 TIMES MORE CALIFORNIA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 2,146,915 working families in California will receive a tax cut. This compares to an increase in the income tax rate for only the 218,777 wealthiest taxpayers in California.

TAX CUT FOR 178,917 SMALL BUSINESSES IN CALIFORNIA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from $10,000 to $17,500. About 178,917 small businesses in California are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

4,959,000 CALIFORNIA WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 4,959,089 workers in California, and protects the jobs of 297,914 workers in California who are likely to use unpaid leave this year alone.

1.65 MILLION STUDENTS AND FORMER STUDENTS IN CALIFORNIA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 1.65 million California borrowers -- 1.16 million current borrowers and 490,000 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

MORE EVIDENCE THAT THE ECONOMY CONTINUES TO GROW STEADY AND STRONG UNDER PRESIDENT CLINTON

May 30, 1997

TODAY'S REVISED GDP DATA SHOW THAT THE AMERICAN ECONOMY CONTINUES TO ENJOY ROBUST GROWTH AND MODERATE INFLATION. IN THE FIRST QUARTER, THE ECONOMY GREW BY 5.8 PERCENT AT AN ANNUAL RATE -- THE FASTEST IN A DECADE. REAL INCOMES ARE RISING AND INFLATION REMAINS MODERATE.

- **Growth was 5.8 percent on an annualized basis.** Investment in business equipment rose 13.4 percent, and exports rose 11.2 percent.

- **Private-sector growth continues to be stronger than either of the previous two Administrations.** In the first quarter, the private sector grew by 7.1 percent at an annual rate. Under Clinton, the private sector has grown by 3.5 percent per year, compared to 3.0 percent under Reagan and 1.3 percent under Bush.

- **Inflation remains low.** Inflation as measured by the GDP price index was 2.2 percent in the first quarter. Consumer price inflation -- 2.8 percent per year -- is the lowest for any administration since John F. Kennedy was President.

- **First investment-led expansion in three decades.** Under President Clinton, business investment has increased at a 10.5 percent annual rate -- stronger than any Administration since JFK.

- **Once again the Administrations forecasts seem conservative.** In this year's budget, we projected growth for 1997 to be 2.2 percent -- and even if there is no growth for the rest of the year, we have already exceeded that.

WE HAVE 12.1 MILLION NEW JOBS. THE UNEMPLOYMENT RATE IS THE LOWEST IN 24 YEARS. THE ECONOMY CONTINUES TO EXPERIENCE STRONG GROWTH, RAPID INVESTMENT, AND LOW INFLATION.

EXPERTS AGREE THAT THE AMERICAN ECONOMY IS STRONG:

- ***Fortune*, 6/9/97**: "Business is booming, inflation is falling, jobs are plentiful, and American industry is way out in front. The U.S. economy is stronger than it's ever been before."

- **Allen Sinai, one of America's top economic forecasters, 4/30/97:** ``Job growth is good. Real income is rising. Sentiment is high. Unemployment is the lowest in years. Times are good for American consumers."

- **Mickey Levy, chief economist, NationsBank, 2/1/97:** "It's really the best of all worlds. Growth at a healthy pace, but with the economy not overheating and continued very favorable news on inflation."

- **Paul Volcker, former Chairman of the Federal Reserve, 8/3/96:** "It's been a remarkable period of steady growth, low inflation and low unemployment."

THE ECONOMY REMAINS ON THE RIGHT TRACK: LOW UNEMPLOYMENT AND STRONG JOB GROWTH

May 2, 1997

TODAY'S DATA SHOWS THAT THE UNEMPLOYMENT RATE HAS FALLEN TO ITS LOWEST LEVEL SINCE 1973. AND THE ECONOMY HAS CREATED MORE THAN 12 MILLION JOBS SINCE JANUARY 1993. THE ECONOMY CONTINUES TO EXPERIENCE STRONG GROWTH WITH LOW INFLATION.

- **Unemployment -- At 4.9% -- Is the Lowest Since 1973.**
  - The April unemployment rate reached 4.9 % -- its 32nd consecutive month below 6% and the lowest monthly rate since 1973. In 1992, the unemployment rate was 7.5%. [Source: BLS.]
  - The combined rate of unemployment and inflation has been lower under President Clinton than any other Administration since Lyndon Johnson was President. [Source: Based on data from BLS.]

- **12.1 Million New Jobs.**
  - During the Clinton Administration, the economy has added 12.1 million new jobs -- a faster annual rate of job growth than *any* Republican Administration since the Roaring 1920s. [Source: Based on data from the Bureau of Labor Statistics, Current Employment Statistics survey.]
  - The economy has added 2.7 million jobs over the past year.

- **Strong Private-Sector Job Growth.**
  - Over the past year, the private sector has added 2.5 million jobs -- almost twice the private-sector jobs than during the entire four-year period before President Clinton took office. [Source: Based on data from BLS.]
  - 93 percent of the 12.1 million new jobs under President Clinton have been in the private sector. [Source: Based on data from BLS.]

- **Turning The Corner In Basic American Industries.**
  - After losing 667,000 jobs in construction during the previous four years, 1,054,000 new construction jobs have been added since January 1993 -- that's a faster annual rate than any other Administration since Harry S Truman was President.
  - After losing 35,000 jobs in the auto industry during the Bush years, we have 100,000 new auto jobs since President Clinton took office. [Source: Bureau of Labor Statistics, Current Employment Statistics survey.]

THIS WEEK, WE ALSO LEARNED THAT THE ECONOMY GREW BY 5.6 PERCENT AT AN ANNUAL RATE IN THE FIRST QUARTER -- THE FASTEST IN A DECADE -- WHILE INFLATIONARY PRESSURES REMAIN LOW. EXPERTS AGREE THAT THE AMERICAN ECONOMY IS STRONG:

- **Allen Sinai, one of America's top economic forecasters, 4/30/97:** ``Job growth is good. Real income is rising. Sentiment is high. Unemployment is the lowest in years. Times are good for American consumers."

- **Mickey Levy, chief economist, NationsBank, 2/1/97:** "It's really the best of all worlds. Growth at a healthy pace, but with the economy not overheating and continued very favorable news on inflation."

- **Paul Volcker, former Chairman of the Federal Reserve, 8/3/96:** "It's been a remarkable period of steady growth, low inflation and low unemployment."