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Minimum Wage [binder] [2]

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April 24. 1996

Eric,

This note describes our search for the "Clinton opposed the minimum wage back in 1993" quote, our findings, and our response. Please contact me with any questions or just to discuss (202/456-2620)

Claim. As you are aware. Michael Kramer claims that President Clinton said in 1993 that hiking the minimum wage is "the wrong way to raise the incomes of low-wage earners." *[Attachment 1]*

Search. We have conducted an exhaustive search of the following sources and have yet to yield anything even close to this quote:

- All public presidential transcripts (includes all speeches, press conferences, remarks, releases, and questions asked of the President at public events).
- All internal transcripts (includes all private interviews on the President's schedule.)
- Lexis/Nexis search of all wires, transcripts, major papers, and magazines.
- Computerized search of Wall Street Journal and BNA (not available on Lexis Nexis)

Findings. The only quote we have come up with that even remotely resembles the Michael Kramer quote is from a speech that Candidate Clinton gave to the National Association of Manufacturers on June 24, 1992. *[Attachment 2]*

> In this speech, Clinton says: "We can increase the Earned Income Tax Credit by a couple of billion dollars a year and far more efficiently than raising the minimum wage, lift the working poor out of poverty."

Public Response. I have also attached for you our response to this claim that we release once Republicans started accusing the President of flip-flopping on this issue. [Attachment 3]

3RD STORY of Level 1 printed in FULL format.

Time

February 6, 1995, U.S. Edition

TION: POLITICS; Pg. 27

LENGTH: 862 words

1

HEADLINE: THE POLITICAL INTEREST;
Minimum Wage, Minimum Sense

BYLINE: Michael Kramer

BODY:

After 56 minutes of recycled campaign themes, Bill Clinton finally made some news during last week's State of the Union address: the minimum wage should climb, he said, because "you can't make a living on $4.25 an hour." That's for sure -- but as Clinton himself explained two years ago, hiking the minimum is "the wrong way to raise the incomes of low-wage earners."

First, some facts about the minimum wage and those who get it:

-- About 2.5 million Americans earn the minimum; 1.7 million more take home even less since the law doesn't cover them.
-- The minimum was first set at 25 cents an hour in 1938. Inflation has taken a heavy toll: since it was last raised from $3.35 in 1991, its value has fallen 50 cents.
-- Contrary to popular belief, about 80% of those who get the minimum (or less) ng to families with combined incomes above the poverty line (currently 627 for a family of four) and thus are not defined as poor.

Many economists worry about two pernicious effects of raising the minimum. The first concerns job loss. Standard theory holds that every hike in the wage triggers employee firings, with the least skilled axed first. That view has been challenged by several recent studies co-authored by Alan Krueger, the Labor Department's chief economist. A modest increase, says Krueger, would have "negligible negative employment effects" -- or, in plain English, next to no job losses. Negligible, though, is a term of art. Because wage-related costs like unemployment compensation and payroll taxes rise along with the basic wage, most experts say the contemplated hike to $5 an hour could cost between 40,000 and 100,000 jobs. "The consensus view has big problems with Krueger's results and methodology," says Texas A&M labor economist Finis Welch. "Alan ought to consider the old saw: If you drop an apple and it rises, question your experiment before concluding that the laws of gravity have been repealed."

But "even if Krueger's right and no one's fired," says University of Texas economist Daniel Hamermesh, "a raise will deter employers from hiring new workers. That's bad especially for young minorities -- over 30% of whom are unemployed -- because they're the people we want in the labor force, so they can begin learning basic job skills."

The other troubling question is, Who pays? "Businesses don't simply absorb increased wage costs," says Rob Shapiro, whom Labor Secretary Robert Reich tried d (and unsuccessfully) to enlist as a supporter of the raise because, as a top Clinton campaign adviser, it was Shapiro who once convinced Clinton that hiking the wage was counterproductive. "They pass them on in the form of higher prices, which are regressive because they're borne equally by all. Thus the vast majority of the 39 million poor Americans who won't benefit from a raise will be worse off, while a very few get more pay."

When Clinton agreed with this analysis more than two years ago, he urged enhancing the earned-income tax credit instead. "It's better targeted to low-income people because it pays a supplement to everyone who earns up to 150% of the poverty line," Clinton told me in 1992. "Those who work full time should be able to support a family above that line, which is what an expanded EITC can achieve."

Since many Republicans oppose hiking the minimum with near religious zeal ("I'll fight it with every fiber of my being," says House majority leader Dick Armey), the President's plan seems dead -- which may explain why some Clinton aides say the proposal won't be actively pushed.

What Clinton should fight for seems obvious: For openers, the President should further promote the EITC. Many Americans still don't know they qualify for it, and many of those who do get it don't realize they're also eligible for food stamps. Above all, Clinton should invest his dwindling political capital in an all-out drive for his job-retraining programs. Upgrading worker skills remains the surest route to increased incomes. As Clinton says, "What you earn depends on what you learn; the most effective way to help is to make workers more productive because wages reflect the value of what people produce."

Alluding to Krueger's work without naming him, the President said last week that the "weight of the evidence is that a modest increase [in the minimum wage] does not cost jobs." That may be so, but Clinton's calculation was primarily political. "We need the energized support of minorities and unionists, our core group of voters," says a Clinton adviser, "especially if there's another three-way race in 1996."

That view seems shortsighted for two reasons. First, the Democratic base alone won't re-elect Clinton, and the swing voters he most needs disdain old-fashioned liberal solutions like raising the minimum wage. Second, the President's real problem involves a perceived lack of resolution and stamina. If Clinton lets his proposed hike die quietly and holds instead to his original diagnoses and prescriptions (which were right then and are right now), he might come across more like a President than a perpetual candidate -- and possibly get the four more years he covets.

GRAPHIC: Picture, PAUL GOMEZ gets the $4.25 minimum wage cleaning up at a Chicago food market descColor., MICHAEL L. ABRAMSON FOR TIME

LANGUAGE: ENGLISH

LOAD-DATE: February 7, 1995

61 until this year, has risen from $22,500 a year to $149,095 a 37.5 percent increase when adjusted for inflation.

However, the minimum wage over that 35-year span increased from $1.15 an hour to $4.25. When adjusted for inflation, that's a 23.3 percent decline.

Dole's staff, however, pointed out that he supported raising the minimum wage in 1989 as part of a bipartisan compromise signed by then President Bush.

The Democratic National Committee's focus on Dole includes a new television ad criticizing him for opposing Clinton's version of the balanced budget.

''The president proposes a balanced budget protecting Medicare, education, the environment,'' the ad says. ''But Dole is voting no. The president cuts taxes for 40 million Americans. Dole votes no. ... Dole says no to the Clinton plans. It's time to say yes to the Clinton plans yes, to America's families.''

Dole has opposed most Clinton spending initiatives but the ad is somewhat misleading in suggesting Dole ''is voting no'' on Clinton proposals. It is true that Dole voted against the only version of the Clinton budget that was brought to a Senate vote. But what the ad doesn't mention is that Clinton's budget failed on a 99-0 vote with every Democrat joining Republicans in voting against it.

A DNC spokesman said the ad was airing in selected markets nationally but would not disclose the markets or the cost of the ad buy.

AP-04-01-96 1755EST

Distribution:

TO: sswirsky@dol.gov@INET
TO: cfillichio@dol.gov@INET
TO: lmlynch@dol.gov@INET
TO: sharris@dol.gov@INET
TO: rtejada@dol.gov@INET
TO: thowe@dol.gov@INET
TO: Carrie Wofford
TO: Jason S. Goldberg
TO: Pauline M. Abernathy
TO: Gene B. Sperling
TO: akrueger@pucc.princeton.edu@INET

67TH STORY of Level 1 printed in FULL format.

JUNE 24, 1992, WEDNESDAY

SECTION: IN THE NEWS

2

LENGTH: 9326 words

HEADLINE: REMARKS OF GOVERNOR BILL CLINTON
DEMOCRATIC PRESIDENTIAL CANDIDATE
TO THE NATIONAL ASSOCIATION OF MANUFACTURERS
THE CAPITAL HILTON
WASHINGTON, DC

BODY:

GOV. CLINTON: Thank you very much. (Applause.) Thank you. Thank you. (Continued applause.) Thank you very much.

Thank you very much President Jasinowski. Ladies and gentlemen, thank you for that warm welcome. Thank you for the critique of my economic plan. (Laughter.) And I will seek to respond to each of the things that you said as we go along.

Let me begin by saying that this has been an amazing election already. Nothing quite like it. The candidates have taken to the talk show circuits to relate directly to the American people, and even there have to endure a fair share of humbling experiences. I thought I had finally made it as a frustrated musician when I got to play saxophone on Arsenio Hall, only to hear him say he was certainly glad to see a Democrat blow something besides an election. (Laughter.)

I intended to go all across the country publicizing my humble roots, only to find Vice President Quayle saying that I was a member of the cultural elite. Now, since I may be the last person ever to seek the presidency who once lived in a home without indoor plumbing, I could not fathom how in the world I made the cultural elite, but I do think it may have something to do with the fact that I can spell "potato." (Laughter, applause.)

I have been bewildered by the reports of recent days where apparently Mr. Perot has been about the business of investigating Mr. Bush and his family and children. Mr. Bush has complained about that even though we know that the Republican National Committee has an investigative apparatus that rivals the KGB at is height. And I have the unenviable position of being just a guy who spent all of his time trying to investigate the problems of America and what we might do about them.

This is partly because of the way I have lived the last decade or more, as the governor of a state, always one of the poorest states in America, struggling to be more competitive in the global economy -- a state with a falling agricultural income that was completely beyond my control because of global forces and national policy; a state with a manufacturing base that when I became governor was strong, but fragile, very vulnerable to lost jobs because so many of the jobs were relatively low-skill, low-wage jobs in an increasingly competitive global economy.

I set about as governor of my state to do something I think our nation ought to do, to develop a national economic strategy -- except we did it on a state basis. And we decided we would root that strategy in manufacturing, in trying to keep our manufacturing base and enhance it. We were, I believe, the first state to offer a significant investment tax credit to existing manufacturers in this economy so that we can push them back into it in ways that will make them worthy employees for you. (Applause)

Next, there is a family investment component of this. As your president said, I [illegible] scale back but not eliminate all tax relief for middle class people for two reasons; one is there is the essence of fairness. This is a group of people whose taxes went up while their incomes went down, just the reverse of what happened to upper income people. That's very important. These are the people who are paying for the S&L bailout, these are the people who are paying for the interest cost on the debt, these are the people who are paying for a government that has lost its way while their own incomes are not going up. The more important thing is we are also taking a much higher percentage of most families incomes away from them and away from their children than we were 30 years ago. The children's tax deduction a generation ago really left a much higher percentage of people's income to raise their kids, so what I have left in this program is an election for most middle class taxpayers. You can take a children's tax credit or a modest income relief in the next few years so that we can build into this system reward for work and family. We talk about family values all the time in America, but the truth is we make it harder to raise kids than just about any country.

We talk about family values but the truth is we're about the only country without a family policy. That's why I favor the Family Leave Bill, even though it is unpopular among some employers, our competitors manage to do it, the Germans, the Europeans, others manage to do it, and I think we have to revere the rearing of children as still the most important work of any society.

The second thing this program does, which I hope you will all support, is to say that anybody who is out there working 40 hours a week, raising children, should have the benefit of a tax system that lifts them above the poverty line. We can increase the Earned Income Tax Credit by a couple of billion dollars a year and far more efficiently than raising the minimum wage, lift the working poor out of poverty.

The great explosion of poverty in the 1980s was among working people. When Los Angeles broke out in riots, the great unsung heroes in Los Angeles were the working poor whose children stayed home, who did not loot, who did not burn, who did not steal, who did not riot. There are millions of people in this country every day who are living on unsafe streets, in difficult housing, doing difficult jobs, working like crazy, obeying the law, playing by the rules, who literally do not make a poverty level wage or a wage above poverty. The Earned Income Tax Credit made refundable an increase can lift these people above the poverty line. They will invest that money by spending it in our society. We will get it back. It's one way of America saying "Hey, we're going to reward you. If you work hard, play by the rules, you work 40 hours a week, you got a kid in your house, the tax system ought not to leave you in poverty." I think it's a good idea and I hope you will support it. (Applause.)

This program also calls for changing the welfare system as we know it. It would require us to invest some more money in people on welfare, in education training, child care, and medical coverage for their children. It would say once -- then, after we do that, when you can get a job you must take it. You cannot stay on welfare if there is a job available once we have supported your children and empowered you to go to work. If no private sector job is available after two years, then you must do community service work. We have to end welfare as we know it. It should be a second chance, not a way of life. (Applause.)

I would say that this program would call for a very tough national system of child support enforcement to reinforce these family values. It is a national scandal that we have billions and billions and billions of dollars in

3

PRESIDENT CLINTON HAS ALWAYS SUPPORTED THE MINIMUM WAGE AS A WAY TO MAKE WORK PAY

April 2, 1996

CLAIMS THAT PRESIDENT CLINTON OPPOSED A MINIMUM WAGE INCREASE ARE JUST NOT TRUE.

- President Clinton has always supported the Minimum Wage -- and he has NEVER opposed a minimum wage increase. President Clinton has always supported increasing the minimum wage -- from the campaign in 1992 to the present. He specifically proposed a 90-cent increase 14 months ago.

- Republican Members point to a 10-word *Time* magazine quote from 1995 that alludes to President Clinton's opposition to the minimum wage in 1993. But. President Clinton didn't say any such thing. The statement *Time* refers to does not appear in any transcript, tape, or speech text.

- For four years now President Bill Clinton has fought for several provisions that would raise the standard of living of hard-working families, including: increasing the minimum wage, expanding the Earned Income Tax Credit, and providing health care coverage for working families.

- President Clinton initially focused his legislative agenda on raising workers' incomes and increasing economic security through expansion of the Earned Income Tax Credit and health care reform, but he has always supported a Minimum Wage increase. Together with his EITC expansion, the President's minimum wage increase would ensure that no parents would have to raise their children in poverty.

PRESIDENT CLINTON HAS ALWAYS SUPPORTED A MINIMUM WAGE INCREASE AS A WAY TO MAKE WORK PAY

SUPPORTED MINIMUM WAGE HIKES AS GOVERNOR. As Governor of Arkansas. Bill Clinton supported two increases in the state minimum wage. And he changed state minimum wage law to cover more workers.

1992: CANDIDATE CLINTON CALLS FOR EXPANDING EITC AND RAISE MINIMUM WAGE TO MAKE WORK PAY. In 1992, President Clinton proposed expanding the Earned Income Tax Credit and raising the minimum wage to keep pace with inflation in order to ensure that no parent who was willing to work full-time would have to raise their children in poverty.

- **In *Putting People First*,** Presidential Candidate Clinton and Vice-President Candidate Gore proposed to "increase the minimum wage to keep pace with inflation." (p. 127)

- **In the Clinton/Gore Welfare Information packet,** Candidate Clinton and Vice-President Candidate Gore proposed to make the minimum wage a fair wage, and index it to inflation because "working people shouldn't have to lose purchasing power just because of inflation." [Clinton/Gore Welfare Information Packet. September 9, 1992]

- **On October 30, 1992,** the *Star Tribune* wrote that Candidate Clinton wants to "increase the minimum wage to keep pace with inflation and expand the earned income tax credit to guarantee no full-time workers lives in poverty." [Star Tribune. October 30, 1992]

AUGUST 1993: PRESIDENT CLINTON EXPANDS EITC AS FIRST STEP TO MAKE WORK PAY. In 1993, President Clinton took the first necessary step to achieving the goal of ensuring that anyone who worked full-time didn't have to bring up their children in poverty: he expanded the Earned Income Tax Credit to provide a tax break for 15 million of our most hard-pressed households.

- **In April of 1993, *The Washington Post* wrote that:** "Mr. Clinton's goal is ambitious: to make sure that in households with children where at least one person works full-time, the family won't fall below the poverty line. Under current law, the maximum EITC benefit for a family with two or more children was scheduled to rise to $ 2,000 next year; Mr. Clinton would boost the maximum to $3,370 by 1995. He would also raise the benefits for families with one child and establish a small new credit for workers without children....***On top of this, Mr. Clinton would try to boost the earnings of the working poor by hiking the minimum wage.***" [The Washington Post, April 20, 1993 -- emphasis added]

IN 1994 PRESIDENT CLINTON FOUGHT FOR UNIVERSAL HEALTH CARE -- WHICH WOULD HAVE BEEN THE EQUIVALENT OF A MINIMUM WAGE INCREASE FOR MILLIONS OF LOW-WAGE WORKERS. NONETHELESS, HE STILL MAINTAINED HIS SUPPORT FOR A MINIMUM WAGE INCREASE.

- **JUNE OF 1994, *THE WASHINGTON POST* WROTE THAT:** "From health-care reform to ***a higher minimum wage*** to more training opportunities to increased earned-income tax credits to mandatory fringe benefits. the Clinton administration wants to increase dramatically the income security of the more than 6 million American adults whom it classifies as the 'working poor.'" [The Washington Post. June 26. 1994 -- emphasis added]

1995: PRESIDENT CLINTON PROPOSES MINIMUM WAGE INCREASE TO FULFILL COMMITMENT TO MAKE WORK PAY. On February 3. 1995. President Clinton put forward his proposal to increase the minimum wage from $4.25 to $5.15 over two years in two equal steps. This proposal would directly benefit 10 million American workers.

- **In his 1995 State of the Union, President Clinton called for Congress to raise the minimum wage:** "The goal of building the middle class and shrinking the underclass is also why I believe that you should raise the minimum wage. It rewards work. Two and a half million Americans -- 2.5 million Americans. often women with children, are working out there today for $4.25 an hour. In terms of real buying power, by next year that minimum wage will be at a 40-year low. That's not my idea of how the new economy ought to work.

  Now. I've studied the arguments and the evidence for and against a minimum wage increase. I believe the weight of the evidence is that a modest increase does not cost jobs. and may even lure people back into the job market. But the most important thing is. you can't make a living on $4.25 an hour. Especially if you have children. even with the working families tax cut we passed last year. In the past. the minimum wage has been a bipartisan issue, and I think it should be again. So I want to challenge you to have honest hearings on this; to get together; to find a way to make the minimum wage a living wage.

  Members of Congress have been here less than a month. but by the end of the week, 28 days into the new year, every member of Congress will have earned as much in congressional salary as a minimum wage worker makes all year long." [State of the Union Address to the Nation, January 25. 1995]

- **On February 3, 1995, President Clinton proposed raising the minimum wage from $4.25 to $5.15:** "Our job is to create enough opportunity for people to earn a living if they'll exercise the responsibility to work. That's why we fought so hard to expand the earned income tax credit - a working family tax cut for 15 million families - in 1993; precisely why we're calling on Congress today to raise the minimum wage 90 cents to $5.15 per hour.

  The only way to grow the middle class and shrink the underclass is to make work pay. And in terms of real buying power, the minimum wage will be at a 40-year low next year if we do not raise it above $4.25 an hour. If we're serious- let me say this. too. emphatically- if we are serious about welfare reform. then we have a clear obligation to make work attractive and to reward people who are willing to work hard...

  If in 1990, because the minimum wage had not been raised in such a long time, a Republican president and a Democratic Congress could raise the minimum wage, surely in 1995 - facing the prospect that work. full-time work. could be at a 40-year low in buying power unless we act - a Congress with a Republican majority and a Democratic president can do the same for the American people." [Announcement by President Bill Clinton of Minimum Wage Increase, February 3, 1995]

- **JUNE, 1995. At town hall meeting with Speaker Gingrich. the President reiterated his support for a minimum wage increase:** "The reason that I am for it is that I believe that -- first of all, I know that a significant percentage of people on the minimum wage are women workers raising their kids on their own. And I just believe that we shouldn't allow -- if we don't raise the minimum wage this year. then next year. after you adjust for inflation, it will be at a 40-year low...

  And I believe. if you go back to when they did it when -- the last time it was done was. when, '89 or something, I think. on balance, we did fine as a result of doing it. And I think we should do it again. [Remarks by President Clinton, Speaker Gingrich at Senior Center in Claremont, N.H., June 11, 1995]

- **In May 1995, President Clinton calls for minimum wage increase:** "I believe it is especially important to women that we raise the minimum wage this year. Women represent three out of five minimum wage workers, but only half the work force. I have done everything I could to create a climate in which people are encouraged to be successful parents and successful workers. I believe that. That's what the Earned Income Tax Credit was all about in 1993... But it isn't enough. If we do not raise the minimum wage this year, next year it will be in real dollar terms, the lowest it has been in 40 years. Now that is not my idea of what the 21st century American economy is all about. [Remarks at Women's Bureau Reception, May 19, 1995]

- **On Labor Day 1995, President Clinton tells California that the minimum wage should be raised:**"I also think we ought to raise the minimum wage. Let me tell you. if we don't raise the minimum wage this year. on January the 1st of next year. our minimum wage in terms of what the money will buy will be at a 40-year low. I want a high-wage, high-growth. high-opportunity, not a hard-work. low-wage 21st century. And I think you do. too. And that's what we ought to do." [Remarks at the Dedication of California State University at Monterey Bay in Monterey, California. September 4, 1995]

1996 PRESIDENT REITERATES HIS CALL FOR AN INCREASE IN THE MINIMUM WAGE

- **Speech to Keene State College, New Hampshire.** "[A]mong the greatest heroes in this country are the people who work 40 hours a week and do their best to raise their kids and only make the minimum wage. If we do not raise the minimum wage, this year it will drop to a 40-year low in terms of what it will buy. There is always a lot talk in Washington about family values. It's hard to raise a family on $4.25 an hour. Let's raise the minimum wage." [President Clinton. Keene, New Hampshire. February 17, 1996]

- **1996 State of the Union Address.** "More and more Americans are working hard without a raise. Congress sets the minimum wage. Within a year, the minimum wage will fall to a 40-year low in purchasing power. Four dollars and 25 cents an hour is no longer a minimum wage, but millions of Americans and their children are trying to live on it. I challenge you to raise their minimum wage." [President Clinton, State of the Union Address to Congress. January 23, 1996]

The Republican "Minimum Wage for Families Act," Less Than Meets the Eye

The Congressional majority just can't seem to vote to increase the minimum wage, and they can't seem to stop raising income taxes on hard working Americans. In their latest missive, they have offered an agenda of phony promises to workers while leaving out the one thing that could make a difference to millions of people right away -- an increase in the minimum wage.

Representatives Hutchinson (R-Ark) and Ballenger (R-NC) are preparing the "Minimum Wage for Families Act," that would restructure the EITC to focus on very low-wage families with children. The end is obviously laudable; the means are not:

- The Hutchinson-Ballenger bill would *take the EITC away* from childless workers.
  - *Adult* childless workers would be denied an increase in the minimum wage and, to add insult to injury would have their taxes raised as well.
  - This unwise tax policy would effectively raises taxes on one of the poorest groups of Americans (those who have incomes below $9,200) and the single group whose taxes have increased most in percentage terms since 1980.
  - This group of workers would owe taxes on income that was below the poverty line.

- The authors of the proposal can't seem to get their story straight. A mere 24 hours after announcing the outlines of their plan and in the face of mounting criticism of their approach, they have backed away from much of the very sketchy just released "details," including the claim that the "minimum wage" for workers with families would be raised to $7-$8 (one report has dropped this to $6-$7.50).

- They continue to contend that families with children would have their EITC restructured. Without details, it is impossible to know exactly how they would be affected, but one thing that we do know is that cutting the EITC for childless workers and illegal immigrants is not enough to yield the $15 billion budget saving initially mentioned. Now, they appear to be backing away from that level of savings as well. Nevertheless, several possibilities for how they might restructure the EITC exist:
  - The cuts in the existing program might take effect immediately, but the increases delayed. The program could then be budget-neutral or -positive over a six- or seven-year horizon, but lose money in the long run.
  - The EITC may be phased out much more rapidly. The authors may contemplate a two-tier phase-out linked to the child credit, effectively reducing or eliminating the credit for low-income workers. (The child credit is not part of this bill; these savings would not exist until it is enacted.)

- With the little that is known to date the proposal seems to be simply a restructuring of the current EITC. *It is not an hourly-wage supplement, and it does not raise the minimum wage.*

    - It will eliminate the EITC for some workers, (probably) increase the EITC for very low-wage workers with families with a higher credit rate, and recapture the credit more rapidly by increasing the phase-out rate.

    - Formal introduction is probably being delayed because even the authors do not yet know exactly how it will work. For instance, the draft language talked about monthly payments instead of an annual supplement, but without specifics on how to do this. (Under current law, workers can get an advance EITC but only 200 thousand out of 15 million recipients do. The mechanics are difficult.)

- This new proposal appears to be nothing but another shell game.

- Last year in the budget bill that the President vetoed, the Congressional majority voted to raise income taxes on nearly 13 million working families containing 14.5 million children by $31 billion, a per-family income tax hike averaging $332 in 1996 alone.

- Even accounting for the $500 child credit and the increase in the standard deduction, about 7.7 million families would pay an average of $318 in higher taxes under their plan.

- In their last seven-year budget offer this winter, the Congressional majority offered to raise income taxes on working families by "only" $15 billion, but the President again said NO to raising income taxes on working families.

- Now the Congressional majority says it wants to take the money it tried to take out of the pockets of working Americans, give some of it back to minimum-wage workers, and spend the rest on other tax provisions.

- Congress shouldn't raise income taxes on working families at all. Their proposal could push employers to lower wages, instead of raising them. And their program would create a whole new program just to avoid doing what every American knows is the right thing to do: raise the minimum wage.

DRAFT FOR DPC WEEKENDER

Republicans Attempt to Avoid Raising the Minimum Wage

The Hutchinson-Ballenger Proposal

Reps. Tim Hutchinson and Cass Ballenger have made a proposal which they claim is an increase in the minimum wage combined with an expansion of the Earned Income Tax Credit (EITC). It is neither. It is simply an attempt to distract attention from their failure to raise the wages of low-income families.

What the Republican proposal would do:

1. Cut the EITC by $15 billion over six years. Although the description of the proposal is vague, it sounds as if the Republicans are bringing back their failed attempt to cut the EITC. This includes eliminating the credit entirely for childless families with incomes of less than $9520.
2. Create a new three-tiered Federal payment to low-wage workers:

For workers in families without children	$0
For workers in families with one child	up to $2.75 per hour
For workers in families with two or more children	up to $3.75 per hour

The amount of the Federal payment would depend on what the employer pays.

3. **The Federal minimum wage would *remain at $4.25 per hour.***

The sponsors indicate that they intend for this program to be integrated into the $500 per child tax credit proposal which was in the vetoed Republican budget bill.

This proposal is **not an increase in the minimum wage. It is a subsidy to employers who do not pay their workers a livable wage.** This creates a wage subsidy that varies with family size; why should a childless worker be paid $4.25 per hour when a worker with children who is doing the same job be paid up to $8.00?

The key economic question is what incentives are created. This proposal has incentives to:

1. Employers to cut the wages of workers who make less than $7.00 (for workers with one child) or $8.00 (for workers with two or more children) and let the Federal government pick up the cost.

2. Increase fraud in the EITC rather than reduce it. Under this proposal, a minimum wage worker in a family with no children who receives the EITC would get no Federal payment and would lose his entire EITC. However, he can gain $5500 from this program if he claims to have a child, or $7500 for two non-existent children.

The Republican sponsors claim that this would save $15 billion over six years, but do not indicate how. This is the same amount that the last Republican budget in January proposed

DRAFT

to cut from the EITC, so the sponsors have obviously failed to include the costs of the new Federal subsidy to employers.

MEMORANDUM FOR GENE SPERLING

FROM: SETH HARRIS Seth

DATE: APRIL 22, 1996

SUBJECT: COMPENSATORY TIME/FLEXIBLE TIME

In response to your request, attached are summaries of two pending bills relating to "comp time" and "flex time."

H.R. 2391 by Representative Ballenger still resides in the House Economic and Educational Opportunities Committees. S. 1129 by Senator Ashcroft is in the Senate Labor and Human Resources Committee. Its House companion, H.R. 2723, is also in the EEO Committee.

Please let me know if you need any additional information.

VIA FAX
<u>Attachments</u>
cc: Anne Lewis
Cynthia Metzler
Vince Trivelli
Michael Kerr
Maria Echaveste
John Fraser
Geri Palast

HR 2391 COMPENSATORY TIME OFF BILL
(CONGRESSMAN BALLENGER)

H.R. 2391 provides that--

- Employees receive comp time at one and a half hours for all hours over 40 in a workweek;
- Comp time can only be provided if there is a collective bargaining agreement or other agreement between the worker and employer before any work is performed;
- Private sector employees could earn up to 240 hours of comp time a year and any comp time not used at the end of that year would have to be paid out at time and one-half the employee's regular rate;
- Certain public sector employees (police, fire fighter, emergency response, and those engaged in seasonal activities) could earn up 480 hours. All other public sector workers could earn up 240 hours. There is no requirement for paying out unused comp time for public sector workers.
- When an employee leaves the job, he or she would have to be paid any unused comp time at a rate that is not less than the average regular rate of the last three years or their final regular rate, whichever is higher; and
- Employees would be allowed to use their comp time within a reasonable time after making a request to the employer, if the time away does not unduly disrupt the employer's operations.

[NOTE: The bill is patterned after comp time provisions that already apply to State and local governments under the 1985 FLSA Amendments.]

LEVEL 1 - 3 OF 3 DOCUMENTS

FULL TEXT OF BILLS

104TH CONGRESS; 1ST SESSION
IN THE HOUSE OF REPRESENTATIVES
AS INTRODUCED IN THE HOUSE

H. R. 2391

1995 H.R. 2391; 104 H.R. 2391

<=1> Retrieve Bill Tracking Report

SYNOPSIS:
A BILL To amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees.

DATE OF INTRODUCTION: SEPTEMBER 21, 1995

DATE OF VERSION: SEPTEMBER 22, 1995 -- VERSION: 1

SPONSOR(S):
Mr. BALLENGER introduced the following bill; which was referred to the Committee on Economic and Educational Opportunities

TEXT:
* Be it enacted by the Senate and House of Representatives of the United* *States of America in Congress assembled,*
SECTION 1. SHORT TITLE.
This Act may be cited as the "Compensatory Time for All Workers Act of 1995".
SEC. 2. COMPENSATORY TIME.
Section 7(o) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(o)) is amended to read as follows:
"(o)(1) An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than 1 1/2 hours for each hour of employment for which overtime compensation is required by this section.
"(2) An employer may provide compensatory time under paragraph (1) only pursuant to-
"(A) applicable provisions of a collective bargaining agreement, memorandum of understanding, or any other agreement between the employer and representative of such employees; or
"(B) in the case of employees not covered by subparagraph (A), an agreement or understanding arrived at between the employer and employee before the performance of the work.
"(3) An employee, who is not an employee of a public agency, may accrue not more than 240 hours of compensatory time. Not later than January 31 of each calendar year, the employee's employer shall provide monetary compensation for any compensatory time off accrued during the preceding

calendar year which was not used prior to December 31 of the preceding year at a rate not less than 1 1/2 times the regular rate earned by the employee at the time the employee receives such payment. An employer may designate and communicate to the employer's employees a 12-month period other than the calendar year, in which case such compensation shall be provided not later than 31 days after the end of such 12-month period.

"(4) If the work of an employee of a public agency for which compensatory time may be provided included work in a public safety activity, an emergency response activity, or a seasonal activity, the employee engaged in such work may accrue not more than 480 hours of compensatory time for hours worked after April 15, 1986. If such work was any other work, the employee engaged in such work may accrue not more than 240 hours of compensatory time for hours worked after April 15, 1986. Any such employee who, after April 15, 1986, has accrued 480 or 240 hours, as the case may be, of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation.

"(5) An employee who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon termination of employment, be paid for the unused compensatory time at a rate of compensation not less than-

"(A) the average regular rate received by such employee during the last 3 years of the employee's employment, or

"(B) the final regular rate received by such employee, whichever is higher.

"(6) An employee-

"(A) who has accrued compensatory time off authorized to be provided under paragraph (1), and

"(B) who has requested the use of such compensatory time,

shall be permitted by the employee's employer to use such time within a reasonable period after making the request if the use of the compensatory time does not unduly disrupt the operations of the employer.

"(7) For purposes of this subsection-

"(A) the term 'overtime compensation' means the compensation required by subsection (a), and

"(B) the terms 'compensatory time' and 'compensatory time off' mean hours during which an employee is not working, which are not counted as hours worked during the applicable workweek or other work period for purposes of overtime compensation, and for which the employee is compensated at the employee's regular rate.".

S. 1129, THE WORK AND FAMILY INTEGRATION ACT

SUMMARY

S. 1129 (Ashcroft, R., MO) would amend the Fair Labor Standards Act (FLSA) to: (1) allow flexible and compressed work schedules without overtime pay, and compensatory time off instead of overtime pay; (2) allow employers to give priority treatment in hiring decisions to former employees who take leaves up to five years for "family care"; and (3) modify the "salary basis" test to maintain the exemption from minimum wage and overtime for executive, administrative and professional employees subject to certain leave and pay-docking policies.

Compressed Schedules: The bill would allow compressed schedules with a 160-hour basic work requirement over a four-week work period without payment of overtime premium pay. Part-time employees would be eligible for overtime the same as full-time employees, for hours worked in excess of the full-time compressed schedule. (The bill would also amend Title 5 of the U.S. Code to extend the same compressed schedules of 160 hours over a four-week work period to Federal employees.)

Flexible Schedules: The bill would allow flexible work schedules and "credit hours" to be accumulated to later reduce the length of the workweek or workday, and employees could request compensatory time off instead of payment of overtime premium pay. Up to 48 "credit hours" could be accumulated over the four-week work period for carryover to a succeeding four-week work period.

Participation: No employee could be required to participate in a compressed or flexible work schedule unless part of a valid collective bargaining agreement. Employers would be prohibited from coercing or intimidating employees or otherwise interfering with their rights to elect arrival and departure times, to work or not work a compressed schedule, to work or not work credit hours, or to request compensatory time off in lieu of overtime premium pay.

Overtime Hours: Under flexible schedules, overtime would be the hours beyond eight in a day or 40 in a week that are officially ordered in advance but would not include credit hours, and under compressed schedules, any hours in excess of the specified hours that make up the compressed schedule.

Priority Rehiring: An employer could give priority treatment in rehiring a former employee who has taken leave for up to five years to care for a son, daughter or parent without violating the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, or any other law. Benefits do not have to accrue during the family care period, and rehired employees gain no right, benefit, or position of employment other than one to which they were entitled before the family care period. A former employee may be required to periodically report to the employer on his/her status and intent to apply for reemployment. The bill would not diminish obligations under a collective bargaining agreement, nor is it intended to affect any leave benefit available under other law.

Salary Basis Test: The bill would modify the "salary basis" test in FLSA's "executive, administrative, and professional" employee exemption from minimum wage and overtime to retain the exemption despite employer policies that (1) reduce leave or pay for partial-day absences; (2) require fixed work schedules and the recording of actual hours worked; (3) provide extra pay (of any type or method) above the "salary"; or (4) suspend employees from work without pay for disciplinary reasons.

The bill does not state explicitly that "overtime hours" under **flexible or compressed schedules** must be paid at the time-and-one-half premium rate, nor does it expressly state whether comp time hours accrue at one-and-one-half-times the number of overtime hours worked or "straight-time" (hour-for-hour). The compliance with "*lesser* ***or*** *greater*" employee rights provision is confusing and contradictory, and would appear to obligate an employer to follow a less-than-compliant agreement or program.

The **rehiring preference** provisions draw concepts from the Family and Medical Leave Act, but the bill inappropriately inserts into FLSA what essentially amounts to an amendment to the anti-discrimination statutes (Title VII and ADEA). The provisions bear no relationship to the FLSA or its exemptions, and would be entirely misplaced if located as a part of FLSA's exemptions from minimum wage and/or overtime. The broad sweep of the bill's pre-emptive language could be interpreted to undercut employees' job restoration rights provided by the FMLA. The "lesser *or* greater" employee rights provision is confusing and contradictory.

The amendments to the **"salary basis"** rule are the same as the "Workplace Leave Fairness Act" (H.R. 946) and are intended to overturn a line of reasoning in a series of court decisions which holds that the "salary basis" test is not met where an employer's pay and attendance policies possess certain hourly attributes, e.g., where pay ends up being related to the number of hours worked (tracking or recording the number of hours worked (e.g., to bill clients); working an assigned schedule of hours; requiring that any absences from the assigned schedule, hour-for-hour, be covered by accrued leave). The bill's **retroactive** application may raise questions of equity. In addition, it would have the practical effect of eliminating any ability to provide a meaningful definition of "salary," as not much would be left to the fundamental concept of guaranteed pay.

Clean

not

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
LEGISLATIVE AFFAIRS

PHONE: 395-4790 / FAX: 395 3729

TO: Gene Sperling

FROM:

___ CHUCK KIEFFER ___ CHUCK KONIGSBERG

___ LISA KOUNTOUPES ✓ ALICE SHUFFIELD

___ KRISTEN PANERALI ___ NANCY BRANDEL

comments: Local Flex Letters - out last week

FAX #: 6-2878 PAGES: 7
PHONE NUMBER: ___ (includes cover page)

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

April 17, 1996

Honorable Ted Stevens
Chairman
Committee on Governmental Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

I am writing not only to restate the Administration's strong support for "Local Flex" legislation and our commitment to work with the Committee to secure passage of this type of legislation, but also to reiterate that we cannot support the bill unless changes the Administration has recommended are included in the final version.

The Administration firmly believes, as you do, in providing greater flexibility to State and local governments for the purpose of encouraging innovation and efficiency. The Oregon Option, the Memorandum of Understanding with the State of Connecticut, 59 welfare waivers, 12 Medicaid waivers, over 100 "Ed-Flex" education waivers, and the Empowerment Zone and Enterprise Community programs underscore this Administration's active, strong commitment to local empowerment and flexibility.

In a time of declining Federal resources, the granting of such well thought-out regulatory waivers and provision of flexible funding, coupled with a focus on results, are ways to increase the effectiveness of Federal support for local efforts that serve national goals. In the last Congress, the Administration worked closely with Senator Hatfield to develop demonstration legislation that would provide greater waiver authority for Federal assistance programs. Again in this Congress, we worked closely with Senator Hatfield and others to expand on this approach and to make waivers for Federal assistance programs available to all communities which are willing to develop comprehensive strategic plans with strong performance measurement and accountability criteria.

On September 21, 1995, the Vice President wrote the House Government Reform and Oversight Committee and the Senate Committee on Governmental Affairs to explain that the Administration would like to support S. 88 and H.R. 2086, the Local Empowerment and Flexibility Act, with some key, essential changes. John Koskinen, OMB's Deputy Director for Management, testified on September 20, 1995, before the House Subcommittee on Human Resources and Intergovernmental Relations and on December 5, 1995, before your Committee in support of the legislation and to again explain the changes we believe are critical to the effectiveness of the legislation. To assist the Committees, OMB and the agencies developed a "redline" redraft of the bill, indicating the changes necessary to accommodate each of the concerns identified in the Vice President's letter and John Koskinen's testimony. The redraft was coordinated with the agencies and was provided to Congressional staff. Again, in March 1996, we offered qualified support of the proposed Local Empowerment and Flexibility Act, with some key changes, in the President's FY 1997 Budget.

The Administration is deeply concerned by the shift of focus by some from affording flexibility in Federal assistance programs to making many fundamental statutes, including important health, safety, labor, educational, financial, environmental, and civil rights protections, subject to waiver. As we have explained consistently throughout the legislative process, while the core concept of the legislation is desirable policy, a number of major concerns need to be resolved before we can support a "local flex" bill.

We continue to believe that "local flex" legislation, if targeted to Federal financial assistance programs and made consistent with the administration's proposed changes to S. 88, can further our common goal of promoting greater efficiency and innovation in intergovernmental programs. We look forward to continuing to work with you to develop legislation to meet these ends without sacrificing important protections.

Sincerely,

Alice M. Rivlin

cc: Honorable Mark Hatfield
Honorable John Glenn
Honorable Carl Levin

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

April 17, 1996

Honorable Christopher Shays
Chairman
Subcommittee on Human Resources
and Intergovernmental Relations
Committee on Government Reform and Oversight
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

I am writing not only to restate the Administration's strong support for "Local Flex" legislation, but also to express disappointment that H.R. 2086, as approved by the Subcommittee, continues to include provisions which the Administration strongly opposes.

The Administration firmly believes, as you do, in providing greater flexibility to State and local governments for the purpose of encouraging innovation and efficiency. The Oregon Option, the Memorandum of Understanding with the State of Connecticut, 59 welfare waivers, 12 Medicaid waivers, over 100 "Ed-Flex" education waivers, and the Empowerment Zone and Enterprise Community programs underscore this Administration's active, strong commitment to local empowerment and flexibility.

In a time of declining Federal resources, the granting of such well thought-out regulatory waivers and provision of flexible funding, coupled with a focus on results, are ways to increase the effectiveness of Federal support for local efforts that serve national goals. In the last Congress, the Administration worked closely with Senator Hatfield to develop demonstration legislation that would provide greater waiver authority for Federal assistance programs. Again in this Congress, we worked closely with both you and Senator Hatfield to expand on this approach and to make waivers for Federal assistance programs available to all communities which are willing to develop comprehensive strategic plans with strong performance measurement and accountability criteria.

On September 21, 1995, the Vice President wrote the House Government Reform and Oversight Committee and the Senate Committee on Governmental Affairs to explain that the Administration would like to support S.88 and H.R. 2086, the Local Empowerment and Flexibility Act, with some key, essential changes. John Koskinen, OMB's Deputy Director for Management, testified on September 20, 1995, before your Subcommittee and on December 5, 1995, before the Senate Committee on Governmental Affairs in support of the legislation and to again explain the changes we believe are critical to the effectiveness of the legislation. To assist the Committees, OMB and the agencies developed a "redline" redraft of the bill, indicating the changes necessary to accommodate each of the concerns identified in the Vice President's letter and John Koskinen's testimony. The "redline" redraft was coordinated with the agencies and was provided to Congressional staff. Again, in March 1996, we supported the proposed Local Empowerment and Flexibility Act, with some key changes, in the President's FY 1997 Budget.

The Administration has reviewed the bill approved by your Subcommittee and is deeply concerned by the shift of focus from affording flexibility in Federal assistance programs to making many fundamental statutes, including important health, safety, labor, educational, environmental and civil rights protections, subject to waiver. As we have explained consistently throughout the legislative process, while the core concept of the legislation is desirable policy, a number of major concerns, including those described in more detail in the attachment, need to be resolved before we can support this bill.

We continue to believe that "local flex" legislation, if targeted to Federal financial assistance programs and made consistent with the redline draft, can further our common goal of promoting greater efficiency and innovation in intergovernmental programs. We look forward to continuing to work with you to develop legislation to meet these ends without sacrificing important protections.

Sincerely,

Alice M. Rivlin

Attachment

cc: Honorable William Clinger
Honorable Cardis Collins
Honorable Edolphus Towns
Honorable Mark Hatfield
Honorable Ted Stevens
Honorable John Glenn

Some major concerns with H.R. 2086,
The Local Empowerment and Flexibility Act of 1996
(as approved by the Subcommittee on Human Resources
and Intergovernmental Relations)

1. **Exclusions** -- The Subcommittee bill makes many fundamental statutes subject to waiver and allows standard-less alternative measures to supplant important statutory protections. These would include, among others, laws that preserve the environment, protect workers and their pensions, ensure the health and safety of Americans, provide for Federal financial accountability, safeguard certain civil and constitutional rights, and enforce the constitutional rights of disabled students under the Equal Protection Clause of the 14th Amendment and ensure the nondiscriminatory treatment of those students. The Administration continues to believe that because of their significance, these statutes should not be subject to waiver. We continue to support waivers for only those programs that provide Federal financial assistance, as was stated in the purposes section of the original legislation that was first considered by the last Congress and reintroduced in the Senate by Senator Hatfield as S.88. We continue to believe that a list of exclusions, which we have provided to the Subcommittee, must be included in the final legislation. The Administration cannot support legislation that would allow for the waiver of these vital statutes and the protections they provide.

2. **Community Empowerment Board (CEB)** – The Subcommittee bill makes the CEB a "superagency." It vests authority in the CEB to approve or revoke waivers and approve or terminate plans, rather than the "affected Federal agencies" as we proposed in our earlier redline redraft of H.R. 2086. The House bill also provides that the CEB – not the affected Federal agencies -- enter into a Memorandum of Understanding (MOU) with the applicant. These changes create problems in the administration of Federal programs, because the agencies and not the CEB have the legal responsibility and authority for administering grants, can ensure program requirements are met, and have the necessary program expertise and knowledge. In addition, the bill gives the CEB, not the agencies, the lead in setting a wide range of policies. In the spirit of reinvention and smaller government, we are opposed to creating a new bureaucracy to approve the waiver requests. We strongly support placing control over the waiver process with the respective agencies, with the CEB playing a coordinating role.

3. **Fungibility of Funds/Audit and Accountability Issues** -- As drafted, H.R. 2086 appears to allow broad fungibility of Federal grant funds and provides insufficient financial management and performance accountability. The Administration only supports waivers if "the plan will more effectively achieve the general goals of each Federal financial assistance program." H.R. 2086 would permit approval of local plans that commingle funds from several Federal agencies that, by statute, support activities different from those to be carried out under the Local Flexibility Plan. Moreover, the extent of the fungibility of Federal funds implied by the House bill raises significant legal and financial accountability issues for Federal agencies responsible for managing these grant

programs. The bill should not permit waiver of financial management and audit requirements that enable agencies to account for Federal funds to authorizing and appropriating committees of the Congress. Thus, the bill should prohibit waiver of the Single Audit Act of 1984 and not prevent the application of routine grants management accountability safeguards and cost principles.

4. **Waiver of Local Matching Requirements** -- Because H.R. 2086 is silent whether Federal requirements for local matching grants may be waived for Local Flexibility plans, it thus would permit such waivers. Our "redline" redraft bill would specifically prohibit such waivers. We strongly recommend that you add such a prohibition. From a policy perspective, a local share requirement not only provides more resources, but also invests the community seeking Federal grant funds with greater commitment to and stake in the project or activity. The Administration also believes that the availability of such a waiver authority is likely to dramatically distort the flow of applications the CEB receives. Many State and local governments are strapped for resources and would be hard pressed to resist pressures to seek waivers from the CEB every year of all local matching requirements.

5. **Application for funds and normal State role.** The bill would substitute the flexibility plan for a normal application for funding and negate any other application requirement -- including, it appears, any requirements that an applicant be a State, a school district, etc. In many programs, the Federal Government has a relationship only with a State. Under the House bill, local governments might seek to bypass the State and obtain funds directly from the Federal Government. In addition, this provision would substantially increase the complexity of flexibility proposals, and bog down the review process. Plans would have to include information needed to determine the allocation of funds. For competitive grants, there would have to be sufficient detail to compare the flexibility plan to other proposals. Thus, while we strongly believe in, and are working toward a streamlined and one-stop application process where feasible, formal application for and allocation of funds must be kept separate from the flexibility process. Further, it is not appropriate to by-pass the role of State governments and other partners who must remain involved in intergovernmental service delivery.

(1) Clean Bill

UNITED STATES DEPARTMENT OF COMMERCE
Office of the Secretary
Washington, D.C. 20230

April 22, 1996

MEMORANDUM TO: Laura Tyson
Gene Sperling
Kate Carr
Steve Ronnell
David Lane
Cheryl Bruner

FROM: Jeffrey Hunker JH

SUBJECT: DEVELOPING A CORPORATE CITIZENSHIP AWARD

In order to help frame the planning for the proposed Corporate Citizenship Award, in this memo I have outlined key elements of the Malcolm Baldrige National Quality Award, and also note some of the challenges in creating a 'Baldrige-type' Corporate Citizenship Award.

Background on the Malcolm Baldrige National Quality Award

Among the key factors contributing to the success of the Baldrige Award are the following:

- *Substantial and continuing support from its intended constituency -- the U.S. business community*: From the beginning, with the creation of the Foundation for the Malcolm Baldrige National Quality Award by prominent business leaders, the U.S. business community has and continues to provide substantial monetary and in-kind contributions;

- *Rigorous criteria*: A GAO analysis calls the Baldrige Award criteria "the most widely accepted formal definition of what constitutes a total quality management company." The Award criteria are designed not only to serve as the basis for making the Awards but also to permit each applicant to diagnose their overall performance management system -- and make improvements. Furthermore, each applicant receives a feedback report at the end of the Award review;

- *Universality:* The Award criteria focus on the requirements that all businesses -- especially those facing tough competitive challenges -- need to understand. The criteria, however, do not call for specific practices or organizational structures -- recognizing that there are many approaches depending on factors like the size, stage of development, or competitive challenges facing a business.

Key elements of the Baldrige -- and Corresponding Issues for the Corporate Citizenship Award

The table below outlines the major elements of the Baldrige Award structure -- with comments as appropriate on the corresponding issues for a Corporate Citizenship Award.

Malcolm Baldrige Award	Corporate Citizenship Award
Foundation for the Malcolm Baldrige Award -- main objective is to raise private funds to permanently endow the Award. Prominent business leaders serve as the Foundation Trustees. The Foundation raised approximately $10 million.	Discussions with business leaders ongoing; possible announcement of drive to form foundation at the May 16 event.
U.S. Government role: Commerce's National Institute of Standards and Technology (NIST) manages the Award program. NIST provides about $3.6 million (of the total $4 million annual cost). The **American Society for Quality Control (ASQC)** assists in administering the Award program under contract to NIST.	To be defined. Note that the Baldrige has and continues to be a substantial budget item for the Federal government. The same commitment of resources may not be appropriate/feasible for a Corporate Citizenship Award.
Board Of Overseers: the advisory group on the Award to the Department of Commerce -- appointed by the Secretary of Commerce, and consisting of distinguished leaders from all sectors of the U.S. economy. A critical role for the Board is to assess the how well the Award is serving the national interest.	

Board of Examiners: in 1996, about 270 business and quality experts (mostly senior corporate leaders) who evaluate Award applications, prepare feedback reports, and make Award applications. Of the Examiners, 9 are judges appointed by the Secretary, and 50 are senior examiners. Examiners are chosen through competitive application. .	Reflects commitment of the business community to the Baldrige.
Criteria and Framework: The core values and concepts embodied in the criteria are: Leadership Information and Analysis Strategic Planning Human Resource Development Process Management Business Results Customer Focus and Satisfaction These criteria are connected and integrated through a **Baldrige Award criteria framework** (attached). Attached also are specific elements of the criteria that relate to the concepts of corporate citizenship.	The President set forth the following principles: - family friendly - safe and secure workplace - adequate pension and medical benefits - invests in employees - partnership with employees Note that while many private sector awards exist for aspects of corporate responsibility, none (to my knowledge) have much degree of rigor in their criteria.

Key Challenges in Constructing a Baldrige-type Corporate Citizenship Award

The success and esteem of the Baldrige Award makes it a good model for the Corporate Citizenship Award; the public resources necessary to support the Baldrige, however, may not be appropriate to emulate. This means that the private sector may have a much greater role in supporting and shaping the Corporate Citizenship Award than -- at least in practice -- it has had in the Baldrige.

This raises at least two issues:

1) *It is critical that the business community wholeheartedly support the Corporate Citizenship Award.* Fundamentally this means that business must view the Award as providing a benefit,

rather than being viewed as an imposition. The support for the Baldrige reflects the recognition that quality is an important source of competitive advantage -- and one that at the time U.S. business lagged in. The Baldrige was a highly visible step to address that shortcoming.

Following this analogy, Corporate Citizenship Award criteria need to reinforce the strong link between corporate success -- as valued by the business community -- and corporate citizenship as outlined by the President.

2) *The criteria need to be rigorous and widely applicable*: There already exist many corporate responsibility awards with widely varying but seemingly subjective award criteria. If the Corporate Citizenship Award is to succeed, the criteria have to be rigorous without being narrowly prescriptive. Like the Baldrige, the criteria should be a useful framework for businesses to improve their operations -- whether or not the business actually applies for the Award.

The challenge of making the criteria both rigorous and widely applicable will be further complicated if responsibility for developing them mostly is in the hands of the private sector. Substantial analytic resources were committed by NIST in developing the Baldrige criteria. Similar or greater analytic challenges may exist in refining the Corporate Citizenship Award criteria.

I look forward to your comments on the above.

Attachments

1996 AWARD CRITERIA — ITEM LISTING

1996 Categories/Items		Point Values
1.0 Leadership		**90**
1.1 Senior Executive Leadership	45	
1.2 Leadership System and Organization	25	
1.3 Public Responsibility and Corporate Citizenship	20	
2.0 Information and Analysis		**75**
2.1 Management of Information and Data	20	
2.2 Competitive Comparisons and Benchmarking	15	
2.3 Analysis and Use of Company-Level Data	40	
3.0 Strategic Planning		**55**
3.1 Strategy Development	35	
3.2 Strategy Deployment	20	
4.0 Human Resource Development and Management		**140**
4.1 Human Resource Planning and Evaluation	20	
4.2 High Performance Work Systems	45	
4.3 Employee Education, Training, and Development	50	
4.4 Employee Well-Being and Satisfaction	25	
5.0 Process Management		**140**
5.1 Design and Introduction of Products and Services	40	
5.2 Process Management: Product and Service Production and Delivery	40	
5.3 Process Management: Support Services	30	
5.4 Management of Supplier Performance	30	
6.0 Business Results		**250**
6.1 Product and Service Quality Results	75	
6.2 Company Operational and Financial Results	110	
6.3 Human Resource Results	35	
6.4 Supplier Performance Results	30	
7.0 Customer Focus and Satisfaction		**250**
7.1 Customer and Market Knowledge	30	
7.2 Customer Relationship Management	30	
7.3 Customer Satisfaction Determination	30	
7.4 Customer Satisfaction Results	160	
TOTAL POINTS		1000

Award Criteria Framework

The core values and concepts are embodied in seven Categories, as follows:

1.0 Leadership
2.0 Information and Analysis
3.0 Strategic Planning
4.0 Human Resource Development and Management
5.0 Process Management
6.0 Business Results
7.0 Customer Focus and Satisfaction

The framework connecting and integrating the Categories is given in the figure below.

The framework has three basic elements:

Driver

Senior executive leadership sets directions, creates values, goals, expectations, and systems, and pursues customer and business performance excellence.

System

The system comprises the set of well-defined and well-designed processes for meeting the company's customer and overall performance requirements.

Goal

The basic aims of leadership and the purposes of the system are two-fold:

Customer and Marketplace Performance
Customer and marketplace performance means delivery of ever-improving value to customers, high levels of customer satisfaction, and a strong competitive position.

Business Performance
Business performance is reflected in a wide variety of financial and non-financial results, including human resource development and corporate responsibility.

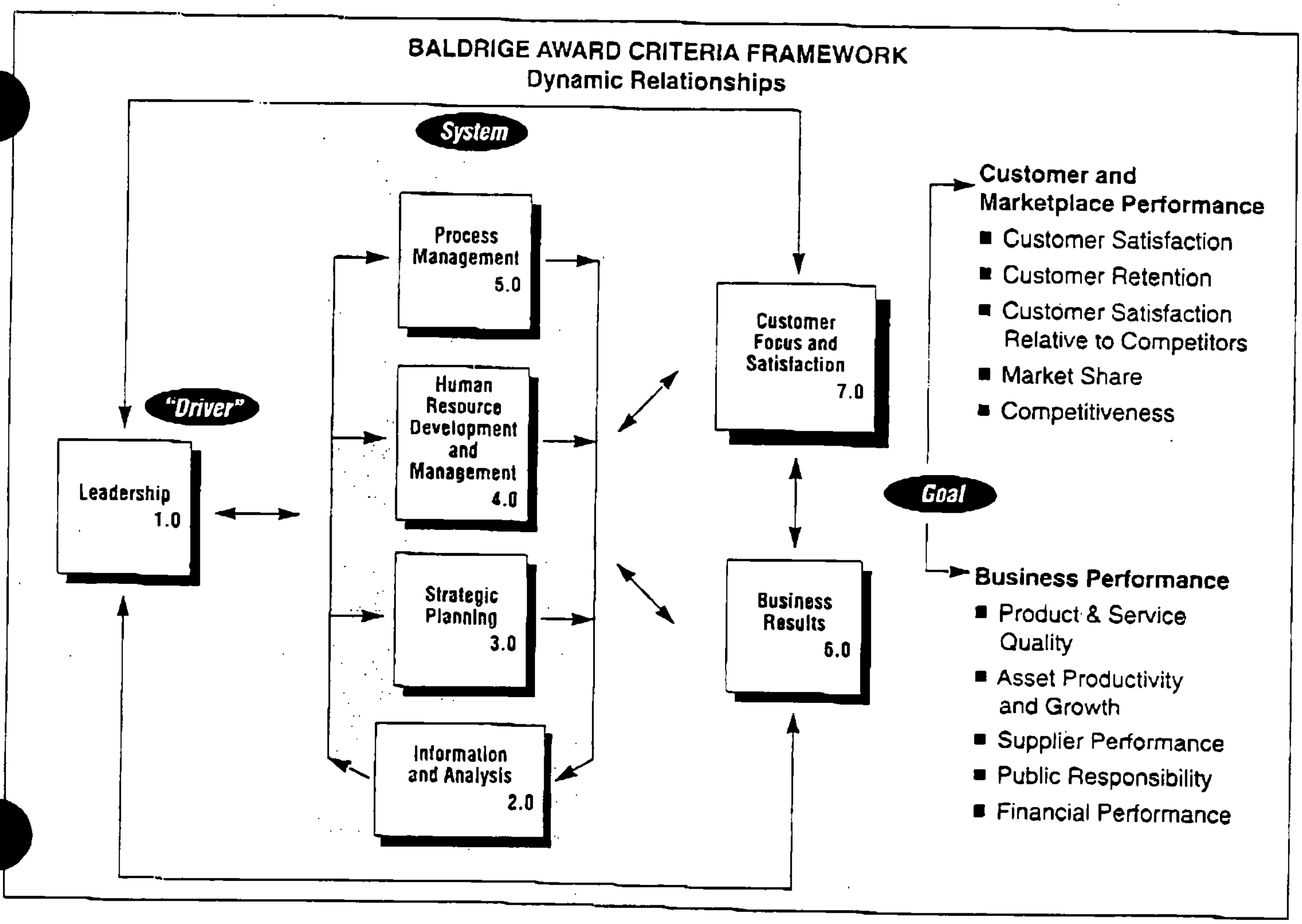
The seven Criteria Categories shown in the figure are subdivided into Items and Areas to Address:

Items

There are 24 Items, each focusing on a major requirement. Item titles and point values are given on page 3. The Item format is shown on page 27.

Areas to Address

Items consist of one or more Areas to Address (Areas). Information is submitted by applicants in response to specific requirements of these Areas.



1.3 Public Responsibility and Corporate Citizenship (20 pts.)

Describe how the company addresses its responsibilities to the public in its performance management practices. Describe also how the company leads and contributes as a corporate citizen in its key communities.

(A – D)

AREAS TO ADDRESS

a. how the company integrates its public responsibilities into its performance improvement efforts. Describe: (1) the risks and regulatory and other legal requirements addressed in planning and in setting operational requirements, measures, and targets; (2) how the company looks ahead to anticipate public concerns and to assess possible impacts on society of its products, services, facilities, and operations; and (3) how the company promotes legal and ethical conduct in all that it does.

b. how the company leads and contributes as a corporate citizen in its key communities. Include a brief summary of the types of leadership and involvement the company emphasizes.

Notes:

(1) Public responsibility issues (1.3a) relate to the company's impacts and possible impacts on society associated with its products, services, facilities, and operations. They include environment, health, safety, and emergency preparedness as they relate to any aspect of risk or adverse effect, whether or not these are covered under law or regulation. Health and safety of employees are not addressed in Item 1.3. Employee health and safety are covered in Item 4.4.

(2) Major public responsibility or impact areas should also be addressed in planning (Item 3.1) and in the appropriate process management Items of Category 5.0. Key results, such as environmental improvements, should be reported in Item 6.2.

(3) If the company has received sanctions under law, regulation, or contract [1.3a(3)] during the past three years, briefly describe the incident(s) and its current status. If settlements have been negotiated in lieu of potential sanctions, give an explanation. If no sanctions have been received, so indicate.

(4) The corporate citizenship issues appropriate for inclusion in 1.3b relate to efforts by the company to strengthen community services, education, health care, environment, and practices of trade or business associations. Examples of corporate citizenship appropriate for inclusion in 1.3b are:

- *influencing and helping trade and business associations to create school-to-work programs;*
- *communicating employability requirements to schools;*
- *influencing national, state, and local policies which promote education improvement;*
- *partnering with and charitable giving to schools, e.g., sharing computers and computer expertise;*
- *developing trade and business consortia to improve environmental practices;*
- *promoting volunteerism among employees;*
- *partnering with other businesses and health care providers to improve health in the local community; and*
- *influencing trade and business associations to engage in cooperative activities to improve overall U.S. global competitiveness.*

4.2 High Performance Work Systems (45 pts.)

Describe how the company's work and job design and compensation and recognition approaches enable and encourage all employees to contribute effectively to achieving high performance objectives.

(A – D)

AREAS TO ADDRESS

a. how the company's work and job design promote high performance. Describe how work and job design: (1) create opportunities for initiative and self-directed responsibility; (2) foster flexibility and rapid response to changing requirements; and (3) ensure effective communications across functions or units that need to work together to meet customer and/or operational requirements.

b. how the company's compensation and recognition approaches for individuals and groups, including managers, reinforce the effectiveness of the work and job design

Notes:

(1) Work design refers to how employees are organized and/or organize themselves in formal and informal, temporary or longer-term units. This includes work teams, problem-solving teams, functional units, departments, self-managed or managed by supervisors. In some cases, teams might involve individuals in different locations linked via computers or conferencing technology.

Job design refers to responsibilities and tasks assigned to individuals. These responsibilities and tasks help define education and training requirements.

(2) Examples of approaches to create flexibility [4.2a(2)] in work design might include simplification of job classifications, cross training, job rotation, work layout, and work locations. It might also entail use of technology and changed flow of information to support local decision making.

(3) Compensation and recognition (4.2b) refer to all aspects of pay and reward, including promotion and bonuses. The company might use a variety of reward and recognition approaches — monetary and non-monetary, formal and informal, and individual and group.

Compensation and recognition approaches could include profit sharing and compensation based on skill building, use of new skills, and demonstrations of self-learning. The approaches could take into account the linkage to customer retention or other performance objectives.

Employee evaluations and reward and recognition approaches might include peer evaluations, including peers in teams and networks.

4.3 Employee Education, Training, and Development (50 pts.)

Describe how the company's education and training address company plans, including building company capabilities and contributing to employee motivation, progression, and development.

(A – D)

AREAS TO ADDRESS

a. how the company's education and training serve as a key vehicle in building company and employee capabilities. Describe how education and training address: (1) key performance objectives, including those related to improving customer responsiveness and enhancing high performance work units; and (2) progression and development of all employees.

b. how education and training are designed, delivered, reinforced, evaluated, and improved. Include: (1) how employees and line managers contribute to or are involved in determining specific education and training needs and designing education and training; (2) how education and training are delivered; (3) how knowledge and skills are reinforced through on-the-job application; and (4) how education and training are evaluated and improved.

Notes:

(1) Education and training address the knowledge and skills employees need to meet their overall work objectives. This might include leadership skills, communications, teamwork, problem solving, interpreting and using data, meeting customer requirements, process analysis, process simplification, waste reduction, cycle time reduction, error-proofing, priority setting based upon cost and benefit data, and other training that affects employee effectiveness, efficiency, and safety. It might also include basic skills such as reading, writing, language, and arithmetic.

(2) Training for customer-contact (frontline) employees should address: (a) key knowledge and skills, including knowledge of products and services; (b) listening to customers; (c) soliciting comments from customers; (d) how to anticipate and handle problems or failures ("recovery"); (e) skills in customer retention; and (f) how to manage expectations.

(3) Determining specific education and training needs [4.3b(1)] might include use of company assessment or employee self-assessment to determine and/or compare skill levels for progression within the company or elsewhere. Needs determination should take into account job analysis — the types and levels of skills required — and the timeliness of training.

(4) Education and training delivery [4.3b(2)] might occur inside or outside the company and involve on-the-job, classroom, computer-based, or other types of delivery. This includes the use of developmental assignments within or outside the company to enhance employees' career opportunities and employability.

(5) How education and training are evaluated [4.3b(4)] could address: effectiveness of delivery of education and training; impact on work unit performance; and cost effectiveness of education and training alternatives.

4.4 Employee Well-Being and Satisfaction *(25 pts.)*

Describe how the company maintains a work environment and a work climate conducive to the well-being and development of all employees.

(A – D)

AREAS TO ADDRESS

a. how the company maintains a safe and healthful work environment. Include: (1) how employee well-being factors such as health, safety, and ergonomics are included in improvement activities; and (2) principal improvement requirements, measures and/or indicators, and targets for each factor relevant and important to the employees' work environment. Note any significant differences based upon differences in work environments among employee groups.

b. what services, facilities, activities, and opportunities the company makes available to employees to support their overall well-being and satisfaction and/or to enhance their work experience and development potential

c. how the company determines employee satisfaction, well-being, and motivation. Include a brief description of methods, frequency, the specific factors used in this determination, and how the information is used to improve satisfaction, well-being, and motivation. Note any important differences in methods or factors used for different categories or types of employees, as appropriate.

Notes:

(1) Examples of services, facilities, activities, and opportunities (4.4b) are: personal and career counseling; career development and employability services; recreational or cultural activities; non-work-related education; day care; special leave for family responsibilities and/or for community service; safety off the job; flexible work hours; outplacement; and retiree benefits, including extended health care. These services also might include career enhancement activities such as skills assessment, helping employees develop learning objectives and plans, and employability assessment.

(2) Examples of specific factors which might affect satisfaction, well-being, and motivation are: effective employee problem or grievance resolution; safety; employee views of leadership and management; employee development and career opportunities; employee preparation for changes in technology or work organization; work environment; workload; cooperation and teamwork; recognition; benefits; communications; job security; compensation; equality of opportunity; and capability to provide required services to customers. An effective determination is one that provides the company with actionable information for use in improvement activities.

(3) Measures and/or indicators of satisfaction, well-being, and motivation (4.4c) might include safety, absenteeism, turnover, turnover rate for customer-contact employees, grievances, strikes, worker compensation, as well as results of surveys.

(4) How satisfaction, well-being, and motivation information is used (4.4c) might involve developing priorities for addressing employee problems based on impact on productivity.

(5) Trends in key measures and/or indicators of well-being and satisfaction should be reported in Item 6.3.

GENE ET AL ...

CATO MIN WAGE ATTACK
FOR FILES

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NEWS RELEASE

CATO INSTITUTE

April 4, 1996

Increase minimum wage, increase unemployment
Cato scholar says wage hike proponents lack data

"Raising the federal minimum wage may increase the earnings of some workers, but only at the expense of those who lose their jobs or are never hired," says Edward L. Hudgins, Cato's director of regulatory studies. "Proponents of increasing the minimum wage argue that it will increase employment, but they lack data to support their assertion."

Hudgins cites, for example, the work of Alan Krueger, former chief economist for Secretary of Labor Robert Reich, and David Card, both with Princeton University. They purport to show that a minimum wage hike can boost employment.

But an analysis of their studies proves just the opposite, Hudgins says. In "Sense and Nonsense on the Minimum Wage," published in the Cato Institute's Regulation magazine, Texas A&M economists Donald Deere and Finis Welch, along with University of Chicago economist Kevin M. Murphy, conclude that minimum wage hikes reduce employment.

They note, for example, that New Jersey and Pennsylvania had teenage employment of 40.5 percent in 1988. In 1990 New Jersey raised its minimum wage to $5.05 per hour. In 1992 teenage employment in New Jersey dropped to 29.1 percent while Pennsylvania's changed only marginally to 36.8 percent.

In the same issue of Regulation, Cato associate policy analyst James Bovard documented how raising the cost of employment slows job creation, increases layoffs and inflates consumer prices.

###

Contact: Steve Berchem, vice president for communications, 202-789-5225
Edward Hudgins, director of regulatory studies, 202-789-5224
Peggy Ellis, director of government affairs, 202-789-5284

Members of Congress, Staff and Friends:
To receive copies of these articles, please call Kristin Bodenstedt, 789-5205

NEWS RELEASE

CATO INSTITUTE

April 5, 1996

Failure to address vital interests creates vacuum in U.S. foreign policy
Administration efforts abroad focus on peripheral issues, Cato paper says

"The Clinton administration is taking credit for progress on marginal issues while neglecting vital national security concerns," according to Jonathan Clarke, a research fellow in foreign policy studies at the Cato Institute.

In a new Cato study, "Instinct for the Capillary: The Clinton Administration's Foreign Policy 'Successes,'" Clarke argues that even if the administration's claims of achievement are accepted, most involve countries with little relevance to U.S. interests.

"The United States can boast only of peripheral foreign policy successes," writes Clarke. "Conspicuous by their absence from the state of the union message were any significant references to Russia, China, Western Europe or Japan. That omission is remarkable. The first two countries have the potential to become strategic adversaries if relations are bungled. Japan and the nations of Western Europe constitute important American security and economic interests."

The lack of a coherent policy toward the nations that matter most, Clarke argues, creates "a massive vacuum at what should be the epicenter of foreign policy." Noting that the United States has deteriorating relationships with China and Russia and confused relationships with West European and East Asian countries, he says that "the central question is not whether conditions are better in Haiti, Bosnia, or Ulster, but whether the United States is closer to war or peace with the great powers."

###

Foreign Policy Briefing no. 40

Contact: Ted Galen Carpenter, vice president for defense and foreign policy studies, 202-789-5235
Dave Quast, director of public affairs, 202-789-5266
Peggy J. Ellis, director of government affairs, 202-789-5284

Members of Congress, Staff and Friends:
For a copy of this study, please call Kristin Bodenstedt, 202-789-5205

AFL-CIO
815 Sixteenth Street, N.W.
Washington, D.C. 20006

Telecopier Transmission

Date: 4-8-96

FAX To: Tom O'Donnell, NEC + Gene Sperling

FAX Phone Number: 456-2878

From: Gerry Shea

Department: Asst to the President for Govt Affairs

Comments:

There is/are 12 pages following this cover sheet. Please call the following number if you have any questions:

AFL-CIO
President's Office
202/637-5224

We can automatically receive transmissions 24 hours a day.
Our FAX number is 202/508-6946.

American Federation of Labor and Congress of Industrial Organizations

815 Sixteenth Street, N.W.
Washington, D.C 20006
(202) 637-5000

April 4, 1996

TO: ALL NATIONAL AND INTERNATIONAL PRESIDENTS

Dear President:

Last Thursday both the Senate and the House voted not to allow a minimum wage increase to be voted on. At a time when corporate profits and executive salaries are soaring and wages of all workers need to be rising, failure to increase the minimum wage after five years has become a powerful symbol of congressional leaders' disregard for working people.

Congress should not and will not get away with this failure to meet working families' needs if we move quickly into action.

Background. In the Senate last week an amendment to raise the minimum wage from $4.25 an hour to $5.15 an hour in two annual increments of $0.45 was filibustered to death. The vote last Thursday to break the filibuster failed 55 to 45. All Democrats were joined by eight Republicans -- a clear majority of the Senate -- in an attempt to break the filibuster and vote on an increase in the minimum wage. The Senate proponents of a minimum wage increase have said they will offer such an amendment again and again until it prevails.

In the House last week a motion was made to include in legislation raising the federal debt limit an increase in the minimum wage from $4.25 an hour to $5.15 an hour in two annual increments of $0.45. The motion was objected to by the Republican leadership, and the House consequently voted on whether to consider the motion to include in the pending legislation an increase in the minimum wage. The vote was 192 to 228 not to consider the motion to increase the minimum wage, with five Democrats voting against the motion and seven Republicans joining 185 Democrats voting for the motion.

Action Steps. We need to move out aggressively and loudly to call attention to the Congress's disregard of working families' needs and sense of fairness.

Beginning this week the AFL-CIO and its unions will be mobilizing at the grassroots level in congressional districts around the country to attempt to achieve a majority for a minimum wage increase in the House. I urge you to have your local members contact those members of congress who voted against the minimum wage last week. Additionally, there will be concentrated grassroots mobilization efforts -- which will include TV and radio ads, direct mail, public events and workplace leafleting -- in at least 29 districts of members who voted against the minimum wage increase on March 28.

Enclosed is a list of the districts for concentrated activities with the assigned AFL-CIO staff and, where available, the contact person in a union that has volunteered to take responsibility for a multi-union and coalition event in the district. I urge you to contact your local people to encourage their participation in bringing the House of Representatives to its senses about the needs of workers in this country.

Enclosed as well for your information and use is information on how Senators and Representatives voted on the minimum wage, scripts for the TV and radio spots, information on where they will run, and a copy of the flyer that has been prepared for workplace distribution. The direct mail piece is virtually identical to the flyer, and both relate to a 6'x 3' "report card" which will be used to grade members of congress on their performance in many of the public events that are being set up.

We want to be visible educating and mobilizing our members on issues that working people care about. This is one of those times of opportunity and responsibility we cherish.

Sincerely,

John J. Sweeney

John J. Sweeney, President

APRIL 1996 RECESS
C.D. ASSIGNMENTS

April 5, 1996 2:00 p.m.

STATE	C.D.	MEMBER	AFL-CIO STAFF	LEAD AFFILIATE	ACTIVITY
AR	04	Jay Dickey	Marlene Nevé until 4/8 Tulsa 918-492-0576 Fax: 2607 4/8 AR State Fed., Little Rock 501-375-9101	IBT Ron Heath Local 73 Marlene knows him	IBT April 13 Hot Springs
CA	01	Frank Riggs (Right on min. wage)	Patti Garcia	AFSCME (will help) Judy Steinke 919-441-1570 Fax 919-441-3426	NO MINIMUM WAGE ACTIONS
CA	22	Andrea Seastrand	Sal Lopez c/o Embassy Suites 333 Madonna Rd., Rm. 342 San Luis Obispo, CA 93405 805-549-0800	AFSCME (will help) Andrea Strader 202-429-1183 Fax 202-22-3413	
CT	04	Christopher Shays	Not yet assigned		
CT	05	Gary Franks	Mike Noonan CT State AFL-CIO 56 Town Line Road Rocky Hill, CT 06067 203 571-6191 Should arrive on <u>Monday</u>	IBT Bob Nicklas, Leg. Dept. 202-624-8741 AFSCME (will help) Dominic Badolato 860-224-4000 Fax 860-224-3041	IBT April 11 @ 11 a.m.; Rep. Franks' ofc. 135 Grand St. Waterbury, CT
IA	04	Greg Ganske	Mark Smith, State Fed 2000 Walker Street Des Moines, IA 50317 515-262-9573	AFSCME (will help) Jan Corderman 515-246-1517 Fax 515-244-6467	State Fed Press Conference April 10 @ 11 am at State Fed
IL	05	Michael Flanagan	Charlie Stott, Reg. I 3315 Algonquin Road Suite 415 Rolling Meadows, IL 60008 708-255-4747		
IL	11	Jerry Weller	Charlie Stott	NALC Frank Kiefor 708-335-0222	NALC event TBA

IN	08	John Hostettler	Carlos Carillo, So IN CLC 210 N. Fulton Ave Evansville, IN 47710 812-422-2552	IUE Ray Oost 812-424-7596 Fax 812-424-7598 AFSCME (will help) Cordelia Lewis 317-624-6604 Fax 317-624-6609	IUE event TBA
KS	04	Todd Tiahrt	Harry Helser		
KY	01	Ed Whitfield	Jean Davis Holiday Inn Express 3994 Hinkleville Rd Paducah, KY 42001 502-442-8874 x316 Fax 502-443-3367	AFSCME (will help) Ron Reliford 901-525-3286 Fax 901-525-4822	
MD	02	Robert Ehrlich	Kevin Kistler Reg 3 Beulah Carter Reg 3 410 644-1010		
MA	03	Peter Blute	Rich Rogers MA State Fed. 617 227-8260	AFSCME (will help) Peter Wright & Charles Steffani 617-367-6000 Fax 617-367-6018	
MA	06	Peter Torkildsen (Right on min. wage)	Rich Rogers MA State Fed.	IUE Steve Herrick 617-598-2760 Fax 617-595-8770 AFSCME (will help) Wright & Steffani	IUE event TBA NO MINIMUM WAGE ACTIONS
ME	01	Jim Longley	Barbara Niccoli IBEW Local 567 240 Old Gray Rd Salmouth, ME 04105 207-797-8973 FAX 207-797-4041 Ken Morgan Maine State Fed. 207-947-0006	IBT Vaughn Thompson 207-767-2106 AFSCME (will help) John Basso 207-622-6191 Fax 207-622-6550	IBT **Cancelled**
MI	08	Dick Chrysler	Ken Fletcher MI State Fed 419 S. Washington Ave Lansing, MI 48933 517 487-5966	UAW (will help) Bruce McAttee 517-372-7201 AFSCME (will help) Pierrette Talley 517-374-1000 Fax 517-374-1007	

MS	03	Sonny Mont-gomery	Not yet assigned		
NE	02	Jon Christensen	Pat Jones, Omaha St 3000 Farnam Street Ste 5 East, Twin Towers Omaha, NE 68131 402-344-7149 Fax 402-346-6669		
NY	23	Sherwood Boehlert	Not yet assigned		
NY	25	James Walsh	Not yet assigned		
NC	04	Fred Heineman	Not yet assigned Inform State Fed-Chris Scott 919-833-6678	AFGE Ken Smith, Local 2345 919-286-0411 x 7250 Fax 919-286-1885; Bob Mechan, Leg Dpt. 202-639-6437 Fax 202-639-6492 NALC (will help) Tom Foust, retiree & State Pres, NALC 919-420-5248	AFGE Demonstration April 13 - 11:00 am North Raleigh - intersection of 6 Forks Rd. & Rowan (Middle School, site of media event, is on NE corner; Heineman's office)
NV	01	John Ensign	Victor Muñoz 5010 Indian River Dr. Apt. 439 Las Vegas, NV 89103 702-221-7938 FAX 702-452-9537 Danny Thompson, NV State Fed	IBT Mark Shumar, Local 631 (after 4/1/96) 702-385-1455; Bob Nicklas, Leg. Dept. 202-624-8741 AFSCME (will help) Bob Gagnier 702-882-3910 Fax 702-882-1202	IBT April 4, 5:30 pm outside of Ensign Town Hall mtg in Las Vegas
OH	01	Steve Chabot	John Klein c/o Rina Saperstein 6434 Pace Cincinnati, OH 45213 513 631-8930 SF 513-421-1846 Fax 513-345-8833	AFSCME Ron Malone Ralph Eckhardt 614-523-7750 Fax 614-523-7553	AFSCME event TBA

OH	06	Frank Cremeans	Not yet assigned	AFGE Jeaneen Summers, Local 1631 614-773-1141 x7440 Fax 614-772-7046; Bob Mechan, Leg Dpt. 202-639-6437 Fax 202-639-6492	AFGE Demonstration April 13 - 12 noon
OH	10	Martin Hoke	Clarence Frost Cleveland CLC 216-881-7200 Fax 216-881-9025	AFSCME Ron Malone Ralph Eckhardt 614-523-7750 Fax 614-523-7553 OH State Fed.	AFSCME/SF Hoke/LaTourette 4/10 11:30 a.m. Clevelanld AFL-CIO Laborer's Union Hall 3250 Euclid Ave. Cleveland, OH
OH	19	Steve LaTourette	Clarence Frost	Ditto	See Above
OR	05	Jim Bunn	George Curtin NW OR CLC 1125 S.E. Madison St Suite 103-A Portland, OR 97214 503-235-9444 Fax 503-233-8259	AFSCME Ken Allen 503-370-2552 503-244-7693	
TX	12	Pete Geren	Not yet assigned		
TX	09	Steve Stockman (Right on min. wage)	Gary Horton 2102 Mechanic Ste. 304 Galveston, TX 77550 CC 409 737-3993 765-8545 FAX 409 765-8630		Press Conference Monday 1:30 p.m., Texas City Labor's Univ. Hall NO MINIMUM WAGE ACTIONS
TX	14	Greg Laughlin	Doug Richardson Reg. 4 office 812 San Antonio St Austin, TX 78701 512-477-1811		

WA	01	Rick White	Dave Watson Reg. 9 office 206-431-1343 Diane McDaniel WA State Fed 206-281-8901 Fax 206-285-5805	AFSCME Bev Hermanson 360-352-7603 Fax 360-352-7608	AFSCME/SF event TBA
WA	09	Randy Tate	Dave Watson	Ditto	Ditto
WI	01	Mark Neumann	Diane Ebenreiter 6333 W. Bluemound Milwaukee, WI 53213 SF 414-771-0700 Sarah Rogers, St. Fed	IBT Ray DeHahn, Local 43 414-633-6387	IBT April 13 @ TBA in Racine

On March 28th the Senate failed to achieve cloture on debate on the Kennedy-Kerry minimum wage amendment. The vote was 55-45. All Democrats voted for cloture, as well as the following eight Republicans:

Jeffords (VT)
Cohen (ME)
Snowe (ME)
D'Amato (NY)
Hatfield (OR)
Roth (DE)
Specter (PA)
Santorum (PA)

On March 28th the House failed to recommit the debt ceiling bill with instructions to report the bill back to the House with the increase in the minimum wage included. The vote was 192-228. Only seven Republicans voted for the increase; five Democrats voted against:

Republicans Voting For	Democrats Voting Against
Duncan (TN)	Baesler (KY)
Gilman (NY)	Brewster (OK)
Leach (IA)	Geren (TX)
Riggs (CA)	Hall (TX)
Smith (NJ)	Montgomery (MS)
Stockman (TX)	
Torkildsen (MA)	

Members Not Voting

Bryant (D-TX)
Collins (D-IL)
Diaz-Balart (R-FL)
Fields (D-LA)
Filner (D-CA)
Fowler (R-FL)
Gingrich (R-GA)
McNulty (D-NY)
Ros-Lehtinen (R-FL)
Smith (R-WA)
Stokes (D-OH)
Weldon (R-PA)

Unless otherwise indicated above, Democrats voted for and Republicans voted against.

GREER, MARGOLIS
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& ASSOCIATES, INC.

AFL-CIO
TV :30
"1991"
g:\aflcio\1991
REVISED DRAFT – 04/03/96 9:45 AM

VIDEO	AUDIO
Average guy sitting at his kitchen table, speaking to camera.	
CG move: 1991: $4.25 an hour	1991 – THE MINIMUM WAGE WAS FOUR DOLLARS AND TWENTY-FIVE CENTS AN HOUR.
Graph: minimum wage vs. Corporate profits.	SINCE THEN, CORPORATE PROFITS AND CEO SALARIES HAVE SOARED.
	BUT WORKING FAMILIES HAVE LOST GROUND.
Hard-at-work shots. CG move: 1996: Still $4.25 an hour	AND THE MINIMUM WAGE IS STILL JUST FOUR TWENTY-FIVE AN HOUR.
Back to kitchen table.	OUR CONGRESSMAN (CONGRESSWOMAN/CONGRESSMEN) VOTED TO BLOCK A MINIMUM WAGE INCREASE... AFTER HE (SHE/THEY) VOTED TO CUT MEDICARE, CUT COLLEGE LOANS, ALL TO GIVE A TAX BREAK TO THE RICH.
Cut to Capitol Dome, working family. Add CG: Call Reps. Funderburk and Heineman 1-800-number Raise the minimum wage.	LET'S TELL CONGRESSMEN ~~FUNDERBURK~~ ~~AND~~ HEINEMAN – RAISE THE MINIMUM WAGE...
	AND START VOTING FOR AMERICA'S WORKING FAMILIES.

1010 Wisconsin Avenue, NW • Suite 800 • Washington, DC 20007 • (202) 338-8700 • FAX (202) 338-2334
2218 Main Street • Suite 202 • Santa Monica, CA 90405 • (310) 314-4800 • FAX (310) 314-4803

GREER MARGOLIS MITCHELL BURNS
GMMB&A
& ASSOCIATES, INC

AFL-CIO
Radio :60
"1991"
g:\aflcio\1991 Radio
04/03/96 – 10:29 AM

ANNCR: 1991. The minimum wage was four twenty-five an hour. Since then, corporate profits have soared and CEO salaries have skyrocketed. But working families have lost ground.

And the minimum wage is still just four twenty-five an hour. Who can raise a family on less than nine thousand dollars a year?

Think about this. Our Congressman (Congresswoman/Congressmen) made more while he (she/they) shut down the government for three weeks than a family earning minimum wage will make in a whole year.

Truth is, our Congressman (Congresswoman/Congressmen) actually voted to block a minimum wage increase. That's after he (she/they) voted to cut Medicare and cut college loans – all to give a big tax break to the rich.

Three out of four Americans agree, without an increase in the minimum wage, millions of working families will keep falling further behind.

Call 1-800-number. Let's tell Congressmen Funderburk and Heineman – raise the minimum wage. 1-800-number. Tell Congressmen Funderburk and Heineman to start voting for America's working families. Now that would be a change.

A message from the working men and women of the AFL-CIO.

1010 Wisconsin Avenue, NW · Suite 800 · Washington, DC 20007 · (202) 338-8700 · FAX (202) 338-2334

AFL-CIO MEDIA PLAN – REVISED 4/4/96

TELEVISION

Jay Dickey
Gary Franks
Andrea Seastrand
John Hostettler
Greg Ganske
Todd Tiahrt
Ed Whitfield
Dick Chrysler
Jon Christensen
John Ensign
Steve Chabot
Frank Cremeans
Greg Laughlin
Randy White and Rick Tate
Mark Neumann
Jim Longley
Jim Walsh and Sherwood Boehlert
Fred Heineman
Jim Bunn
Joe McDade

RADIO

Chris Shays
Peter Blute
Michael Flanagan and Jerry Weller
Robert Ehrlich
Martin Hoke and Steve LaTourette

Congressional Report Card

Congressman: Jay Dickey

ISSUE	GRADE

Narrowing The Wage Gap

F

Congressman Dickey voted against considering an increase in the minimum wage — the one step the Congress could take immediately to narrow the wage gap between the rich and the rest of us. H.R. 3136 (3/28/96)

Standing Up for Families and Seniors

F

Congressman Dickey voted to slash Medicare and Medicaid — the two programs seniors and disabled workers depend on — causing the average senior's health care costs to increase by $500 per year and allowing states to require adult children to pay for their parents' nursing home care. H.R. 2425 (10/19/95) and H.R. 2491 (10/26/95)

Providing Educational Opportunities

F

Congressman Dickey voted for more than $4 billion in cuts in elementary, secondary, and vocational education programs, as well as cuts in youth jobs programs. He also voted to cut student loans by $10 billion. H.R. 2127 (8/4/95) and H.R. 2491 (10/26/95)

Protecting Our Safety On The Job

F

Congressman Dickey voted to end inspection of many worksites by slashing funds for enforcement of safety and health on the job. He voted not only to stop an important new safety rule, but to prohibit the government from collecting any relevant data to prove there is a workplace hazard. H.R. 2127 (8/4/95)

Protecting Your Rights as Workers

F

Congressman Dickey voted for the so-called "TEAM Act," which allows employers to control who represents employees in discussions about wages, hours and other working conditions. H.R. 743 (9/27/95)

Putting the Right Balance in the Budget

F

Fair Spending. Congressman Dickey followed Newt Gingrich's lead and voted for drastic cuts in programs that working families need for health care, decent schools, safe streets and safety on the job, when there was a fairer, compromise alternative plan.

Fair Taxes. Congressman Dickey voted for a tax plan that gives $245 billion in tax breaks to primarily upper-income people and corporations. It gives $8,500 to someone earning $350,000 a year, while the average working family would get a $31 break and poor families would actually pay more.

President Clinton vetoed the package. H.R. 2491 (10/26/95)

Call 1-800-96AFLCIO

Tell your member of Congress to start supporting working families!

excerpt:

REMARKS BY GOVERNOR BILL CLINTON
NATIONAL ASSOCIATION OF MANUFACTURERS
WASHINGTON, D.C.
JUNE 24, 1992

Thank you. Thank you very much. Thank you very much, President Jazanowski. Ladies and gentlemen, thank you for that warm welcome. Thank you for the critique of my economic plan. And I will seek to respond to each of the things that you've said as we go along.

et me begin by saying that this has been an amazing election already, nothing quite like it. The candidates have taken to the talk show circuits to relate directly to the American people. And even there, have to endure a fair share of humbling experiences. I thought I had finally made it as a first rated musician when I got to play saxophone on Arsenio Hall, only to hear him say he was certainly glad to see a Democrat blow something besides an election.

I intended to go all across the country publicizing my humble roots only to find Vice-President Quayle saying that I was a member of the cultural elite. Since I may be the last person ever to seek the presidency who once lived in a home without indoor plumbing, I could not fathom how in the world I may be culturally elite, but I do think it may have something to do with the fact that I can spell "potato".

I have been bewildered by the reports of recent days where apparently Mr. Perot has been about the business of investigating Mr. Bush and his family and children. Mr. Bush has complained about that even though we know that the Republican National Committee has investigative apparatus that rivals the KGB at its height. And I have the unenviable position of being just a guy who spent all of his time trying to investigate the problems of America and what we might do about them.

This is partly because of the way I have lived the last decade or more, as a governor of a state, always one of the poorest states of America, struggling to be more competitive in the global economy. The state with a falling agricultural income that was completely beyond my control because of global forces and national policy. The state with a manufacturing base that when I became Governor was strong, but fragile, very vulnerable to lost lives(?) because so many of the jobs were relatively low-skilled, low-wage jobs in an increasingly competitive global economy.

I set about as Governor of my state to do something I think our nation ought to do, to develop a national economic strategy except we did it on a state basis. And we decided we would root that ooo

CENTER ON BUDGET AND POLICY PRIORITIES

Revised April 4, 1996

ASSESSING A $5.15-AN-HOUR MINIMUM WAGE

The proposal advanced by President Clinton and some members of Congress to increase the minimum wage to $5.15 an hour via two 45 cent increases is a positive step for low-wage workers. In terms of restoring the value of the minimum wage, however, it should be considered a moderate and partial step.

- Raising the minimum wage to $5.15 an hour in 1997 would make up only half of the ground that was lost to inflation during the 1980s.

- A minimum wage of $5.15 an hour in 1997 would be 15 percent below its average purchasing power during the 1970s, after adjusting for inflation.

- If the minimum wage were to have the same purchasing power in 1997 as it averaged during the 1970s it would need to equal $6.07 an hour, nearly $1 an hour higher than the proposed level.

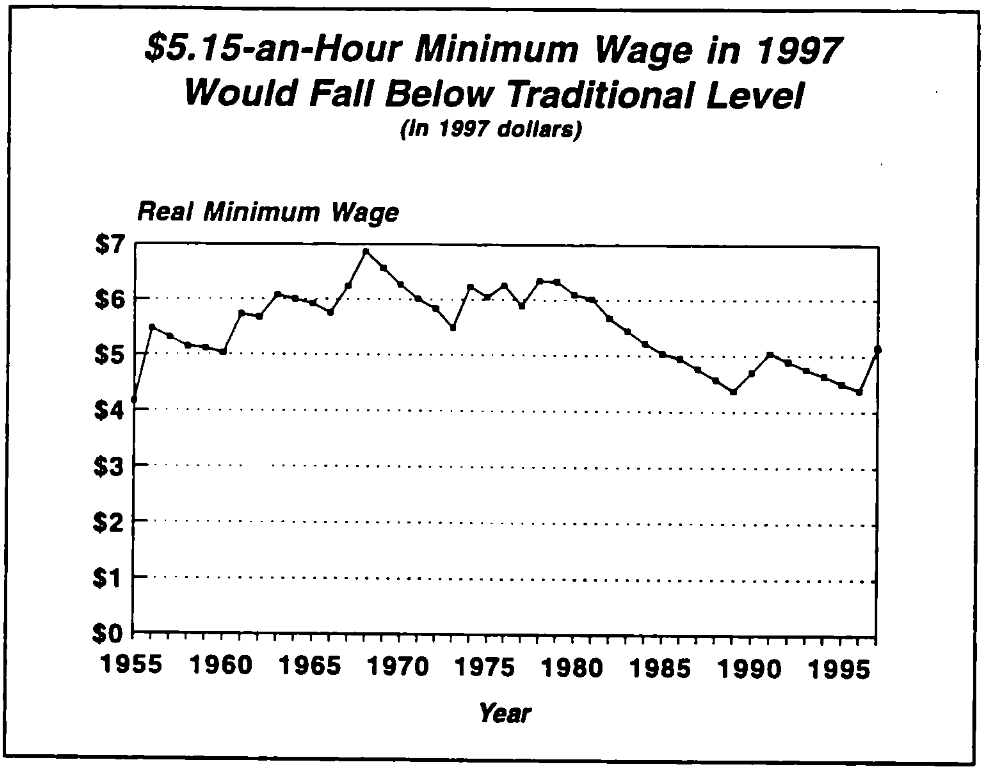
In essence, the $5.15 an hour proposal confronts Congress with a similar minimum wage decision to the one it confronted in 1989, when the last minimum wage increase was enacted. Adjusted for inflation, the value of the minimum wage in 1996 is now very close to its value in 1989 and the primary current proposal to raise the minimum wage is essentially the same as the legislation enacted in 1989 with sweeping bipartisan support.

Economic studies of the 1989 minimum wage legislation, moreover, have found that it had positive results and did not significantly undermine employment opportunities. At the turn of the decade a series of new studies examined increases in the minimum wage at both the federal and state level, with the preponderance of the evidence finding that they did *not* cause job losses. These include studies which examined the two-step 90 cent increase in the federal minimum wage at the turn of the decade as well as state increases to levels of $5.80 an hour in 1997 dollars.

Effect on the Value of the Minimum Wage

The explanation for why the value of the minimum wage would remain well below its traditional level even if it is raised to $5.15 an hour lies in the history of the minimum wage since 1981.

From January 1981 to April 1990, the minimum wage remained frozen at $3.35 an hour, despite a 48 percent jump in the cost of living. The minimum wage was then raised in two steps to $4.25 an hour. But these raises made up only some of the ground lost to inflation. In 1991, *after* the minimum wage was increased to $4.25 an hour, its value was 17 percent below its average level in the 1970s.



Since April 1991 the minimum wage has stood still while the cost of living has continued to rise, increasing by 15 percent during this period. Consequently, the purchasing power of the wage standard has deteriorated further.

- The purchasing power of the minimum wage is now 28 percent below its average value in the 1970s, after adjusting for inflation.

- The real value of the minimum wage is now essentially equivalent to its value in 1989 but is below its value for every other year going back to 1955. (See the text box on the next page.) The wage floor is tied for its lowest level in more than four decades.

- Similarly, changes in the minimum wage have not kept pace with changes in the wages of other workers in the economy. In the 1950s and the 1960s, the minimum wage averaged more than half of the average wage of

Congress Confronts Minimum Wage Decision Similar to 1989 Decision

Congress is now confronted with a minimum wage decision that is very similar to the decision it confronted in 1989, when the last minimum wage increase was enacted.

- In 1989, the minimum wage equaled $3.35 an hour. After adjusting for inflation, it was at its lowest level since 1955. Congress voted for and President Bush signed a bill that would raise the minimum wage by 90 cents via two 45 cent increments. This bill received the support of virtually all Democratic members of Congress and of about 80 percent of Republican members.

- Inflation has now eroded nearly all of the effects of this increase and the annual value of the minimum wage has returned to its 1989 level. Adjusted for inflation, a minimum wage of $3.35 an hour in 1989 is equivalent to a minimum wage of $4.24 an hour in 1996.

- The minimum wage is now $4.25 an hour. The primary proposal to increase the minimum wage would raise the minimum wage by 90 cents via two 45 cent increments, as the 1989 legislation did.

private nonsupervisory workers. In the 1970s, it averaged 46 percent of the average wage. Currently, it equals 36 percent of the average wage.

- Another comparison of interest is that during the 1960s and the 1970s, the earnings of a full-time minimum wage worker employed for the entire year typically were enough to lift a family of three out of poverty even without considering other sources of income. In 1996, full-time minimum wage earnings by itself will fall 29 percent below the estimated poverty line for a family of three.

A minimum wage of $5.15 an hour in 1997 would be a helpful step towards restoring the strength of the minimum wage. The wage standard, however, would fall well short of the benchmarks described above.

- The minimum wage would remain 15 percent below its traditional level of purchasing power. If the minimum wage were to have the same purchasing power in 1997 as it averaged in the 1970s, it would need to be $6.07 an hour. After adjusting for inflation, a minimum wage of $5.15 an hour in 1997 would be below its value throughout the nearly two-and-one-half decade period from 1961 to 1984.

- In 1997, the wage floor would equal 42 percent of the projected average nonsupervisory wage, substantially below the 50 percent benchmark.[1]

- Full-time year-round minimum wage earnings alone in 1997 would equal 83 percent of the estimated poverty line for a family of three.[2]

Moderate Increase Would Have Negligible Employment Effect

Recent experience with federal and state minimum wage reforms suggest that the federal minimum wage could be increased to $5.15 an hour in 1997 without causing adverse employment effects of a significant nature. This conclusion is based on an examination of important recent studies which used several different methodologies to assess the effects of raises in the federal minimum wage both across the nation and in particular states, as well as the effects of raising state minimum wages above the federal level.

Among the recent studies which found that the examined minimum wage increases did not cause job loss are:

- Studies of the federal minimum wage which examined the effects of raising the minimum wage in two 45 cent increases from $3.35 an hour in 1989 to $4.25 an hour in 1991.[3,4]

- A study of the effects of California increasing its minimum wage 90 cents from $3.35 an hour in 1987 to $4.25 an hour in 1988.[5] A minimum wage of $4.25 an hour in 1988 is equivalent to a minimum wage of $5.81 in 1997.

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[1] This projection assumes that the average private nonsupervisory wage increases at the same pace as inflation in 1996 and 1997.

[2] The recent expansion in the federal Earned Income Tax Credit helps fill this gap for certain minimum-wage families. But for most minimum-wage workers, the expanded EITC has not offset the fall in the value of the minimum wage. The minimum wage also has several advantages over the EITC — it does not raise marginal tax rates and is received in a timely manner throughout the year. The EITC and the minimum wage are best viewed as complementary policies and not as substitutes for each other.

[3] David Card, "Using Regional Variation in Wages to Measure the Effects of the Federal Minimum Wage," *Industrial & Labor Relations Review*, October 1992. The Card study examined only the first 45 cent increase.

[4] Lawrence Katz and Alan Krueger, "The Effect of the Minimum Wage on the Fast Food Industry," *Industrial & Labor Relations Review*, October 1992.

[5] David Card, "Do Minimum Wages Reduce Employment? A Case Study of California, 1987-89," *Industrial and Labor Relations Review*, October 1992.

- A study that examined the effects of New Jersey raising its state minimum wage by 80 cents, from $4.25 an hour to $5.05 an hour in 1992 ($5.82 in 1997 dollars).[6]

After reviewing these and other recent studies of federal and state minimum wage changes — including a study which updated what had generally been considered the best study of the employment effects of the minimum wage during the 1960s and the 1970s with information through 1986 and found only a small effect on teenage employment[7] — the noted Harvard labor economist Richard Freeman concluded:

> "That moderate increases in the minimum [wage] transferred income to the lower paid without any apparent adverse effect on employment ... at the turn of the 1990s is no mean achievement for a policy tool in an era when the real earnings of the less skilled fell sharply."[8]

These studies do not suggest or prove that *any* increase in the minimum wage — no matter how large — would have only desirable effects. But the outcomes of the studies suggest that the labor market functions in a more complicated manner than has been assumed by those contending that virtually any rise in the minimum wage results in a significant decrease in employment levels. For example, a higher minimum wage can make it easier for employers to fill vacancies and may decrease employee turnover. Both examples suggest circumstances in which a boost in the minimum wage can boost employment.

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[6] David Card and Alan Krueger, "Minimum Wages and Employment: A Case Study of the Fast Food Industry in New Jersey and Pennsylvania," *American Economic Review*, Volume 84, Number 4, September 1994. For a comprehensive analysis of the economics of the minimum wage, including several additional studies by Card and Krueger on the minimum wage and employment, see their book *Myth and Measurement: The New Economics of the Minimum Wage*, 1995.

[7] Alison J. Wellington, "Effect of the Minimum Wage on the Employment Status of Youths: An Update," *The Journal of Human Resources*, Winter 1991. Wellington found that a 10 percent increase in the minimum wage was associated with a 0.6 percent decrease in teenage employment and that the decrease was not statistically significant. Wellington updated the study conducted by economists for the federal Minimum Wage Study Commission, which found a 10 percent increase in the minimum wage to be associated with a one percent decrease in the employment of teenagers and found no strong evidence of any job loss for adults age 25 and over. Charles Brown, Curtis Gilroy, and Andrew Kohen, "Time-Series Evidence of the Effects of the Minimum Wage on Youth Employment and Unemployment," *The Journal of Human Resources*, Winter 1983. Many of the estimates of large job losses made during the debate over the appropriate size of the minimum wage in the late 1980s were based on the high range of studies from the 1960s and the 1970s, often ignoring the review and update of these studies by Brown, Gilroy, and Kohen.

[8] Richard B. Freeman, "Minimum Wages — Again!" *International Journal of MANPOWER*, Volume 15, Numbers 2/3, 1994.

The studies *do* suggest that when the minimum wage is at especially low levels, as it is today, the employment effects of a moderate increase in the minimum wage — such as the proposed increase to $5.15 an hour — are likely to be negligible.

(For a fuller discussion of the relationship between the minimum wage and employment, see the Center on Budget and Policy Priorities report "Four Years and Still Falling: The Decline in the Value of the Minimum Wage," January 11, 1995.)

Note on Inflation-adjustment Methodology Used in this Analysis

This analysis uses the latest projected inflation estimates from the Congressional Budget Office (released in December 1995): inflation of 3 percent in 1996, and of 3.1 percent in 1997.

In adjusting the value of the minimum wage for inflation, this report used the experimental measure of changes in the cost-of-living, called the "CPI-U-X1". This measure was used instead of the government's official measure, the "CPI-U", because some analysts believe the CPI-U did not accurately adjust for changes in housing costs prior to 1983, thereby overstating inflation. (This analytic issue is separate from recent discussions that inflation is currently being overstated.)

Although some analysts still believe the CPI-U is the preferable inflation measure to use for certain time-series, this report used the CPI-U-X1 so as to err on the conservative side. That is, if the CPI-U had been used instead of the CPI-U-X1, the erosion in the value of the minimum wage would have been shown to have been even larger. For example, using the CPI-U, if the minimum wage were to have the same value in 1997 as it averaged in the 1970s, it would need to equal $6.37, compared to the $6.07 figure mentioned in the full text that was generated by using the CPI-U-X1.

6/24/92

NAM - 1992 Speech

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who are paying for a government that has lost its way while their own incomes are not going up.

The more important thing is, we are also taking a much higher percentage of most families' incomes away from them and away from their children than we were 30 years ago. The children's tax deduction a generation ago really left a much higher percentage of people's income to raise their kids. So what I have left in this program is an election for most middle class taxpayers. You can take a children's tax credit or a modest income relief in the next few years so that we can build into this system reward for work in family.

We talk about family values all of the time in America, but the truth is, we make it harder to raise kids than just about any country. We talk about family values, but the truth is, we're about the only country without a family policy. That's why I favor the family leave bill. Even though it is unpopular among some employers, our competitors manage to do it. The Germans, the Europeans, others manage to do it. And I think we have to -- we have to revere the rearing of children as still the most important work of any society.

The second thing this program does, which I hope you will all support, is to say that anybody who is out there working 40 hours a week, raising children, should have a benefit of a tax system which lifts them above the poverty line. We could increase the earned income tax credit by a couple of billion dollars a year, and, far more efficiently than raising the minimum wage, lift the working poor out of poverty. The great explosion of poverty in the 1980s was among working people.

When Los Angeles broke out in riots, the great unsung heroes in Los Angeles were the working poor whose children stayed home, who did not loot, who did not burn, who did not steal, who did not riot. There are millions of people in this country everyday who are living on unsafe streets, in difficult housing, doing difficult jobs, working like crazy, obeying the law, playing by the rules, who literally do not make a poverty level wage or a wage above poverty.

The earned income tax credit, made refundable and increased, can lift these people above the poverty line. They will invest that money by spending it in our society. We will get it back. It's one way of America saying, "Hey, we're going to reward you. If you work hard, play by the rules, you work 40 hours a week, you've got a kid in your house, the tax system ought not to leave you in poverty." I think it's a good idea, and I hope you will support it.

This program also calls for changing the welfare system as we know it. It would require us to invest some more money in people on welfare in education, training, child care, medical coverage for their children. We'd say, then after we do that, when you can get

	Nominal Minimum Wage	Real Minimum Wage	
8901	3.35	$4.29	
8902	3.35	4.28	
8903	3.35	4.25	
8904	3.35	4.22	
8905	3.35	4.20	
8906	3.35	4.19	
8907	3.35	4.18	
8908	3.35	4.18	
8909	3.35	4.17	
8910	3.35	4.15	
8911	**3.35**	**4.13**	**Signed by Bush**
8912	3.35	4.12	
9001	3.35	4.08	
9002	3.35	4.06	
9003	3.35	4.05	
9004	**3.80**	**4.58**	**$0.45 INCREASE**
9005	3.80	4.57	
9006	3.80	4.54	
9007	3.80	4.52	
9008	3.80	4.48	
9009	3.80	4.45	
9010	3.80	4.42	
9011	3.80	4.41	
9012	3.80	4.39	
9101	3.80	4.38	
9102	3.80	4.37	
9103	3.80	4.37	
9104	**4.25**	**4.88**	**$0.45 INCREASE**
9105	4.25	4.86	
9106	4.25	4.85	
9107	4.25	4.84	
9108	4.25	4.83	
9109	4.25	4.81	
9110	4.25	4.81	
9111	4.25	4.79	
9112	4.25	4.77	
9201	4.25	4.77	
9202	4.25	4.76	
9203	4.25	4.74	
9204	4.25	4.73	
9205	4.25	4.72	
9206	4.25	4.70	
9207	4.25	4.69	
9208	4.25	4.68	
9209	4.25	4.67	
9210	4.25	4.65	
9211	4.25	4.64	
9212	4.25	4.64	
9301	4.25	4.62	
9302	4.25	4.61	
9303	4.25	4.60	
9304	4.25	4.59	
9305	4.25	4.57	
9306	4.25	4.57	
9307	4.25	4.56	
9308	4.25	4.56	
9309	4.25	4.55	
9310	4.25	4.53	
9311	4.25	4.52	
9312	4.25	4.51	
9401	4.25	4.51	
9402	4.25	4.50	
9403	4.25	4.49	
9404	4.25	4.48	
9405	4.25	4.47	
9406	4.25	4.46	
9407	4.25	4.44	
9408	4.25	4.43	
9409	4.25	4.42	
9410	4.25	4.42	
9411	4.25	4.40	
9412	4.25	4.39	
9501	4.25	4.38	
9502	4.25	4.37	
9503	4.25	4.36	
9504	4.25	4.35	
9505	4.25	4.34	
9506	4.25	4.33	
9507	4.25	4.32	
9508	4.25	4.31	
9509	4.25	4.31	
9510	4.25	4.29	
9511	4.25	4.29	
9512	4.25	4.28	
9601	4.25	4.27	
9602	4.25	4.26	
9603	4.25	4.25	Need $0.55 increase to restore its value to April 1991 level.

PRESIDENT CLINTON'S MINIMUM WAGE PROPOSAL WILL BENEFIT WORKING AMERICANS IN EVERY STATE

State-By-State Data From The Bureau Of Labor Statistics
April 1, 1996

Monday, April 1, marked the five-year anniversary of the last minimum wage increase. President Clinton has proposed a raise in the minimum wage by 90 cents over two years. This raise will mean an additional $1,800 in earnings for full-time minimum wage workers - enough to buy seven months of groceries.

Of the ten million American workers who would benefit from the raise in the minimum wage, two-thirds are adults, age 20 or over. The average minimum-wage worker brings home half of the family's earnings. Three out of five minimum wage workers are women.

The following is a state-by-state breakdown of the number of workers in each state who would benefit from the President's minimum wage proposal:

ALABAMA: President Clinton's proposal to increase the minimum wage would directly benefit 241,000 workers in Alabama, representing 22.3 percent of all hourly workers in the state.

ALASKA: Alaska has already raised its state minimum wage to $5.25.

ARIZONA: Benefits 183,000 workers in Arizona, representing 15.8 percent of all hourly workers in the state.

ARKANSAS: Benefits 144,000 workers in Arkansas, representing 21.7 percent of all hourly workers in the state.

CALIFORNIA: Benefits 1,220,000 workers in California, representing 16.1 percent of all hourly workers in the state.

COLORADO: Benefits 99,000 workers in Colorado, representing 9.4 percent of all hourly workers in the state.

CONNECTICUT: Benefits 76,000 workers in Connecticut, representing 9.8 percent of all hourly workers in the state.

DELAWARE: Benefits 20,000 workers in Delaware, representing 10.4 percent of all hourly workers in the state.

FLORIDA: Benefits 523,000 workers in Alabama, representing 15.1 percent of all hourly workers in the state.

GEORGIA: Benefits 239,000 workers in Georgia, representing 12.8 percent of all hourly workers in the state.

HAWAII: Hawaii has already raised its state minimum wage to $5.25.

IDAHO: Benefits 50,000 workers in Idaho, representing 15.9 percent of all hourly workers in the state.

ILLINOIS: Benefits 388,000 workers in Illinois, representing 12.2 percent of all hourly workers in the state.

INDIANA: Benefits 232,000 workers in Indiana, representing 12.0 percent of all hourly workers in the state.

IOWA: Benefits 122,000 workers in Iowa, representing 14.1 percent of all hourly workers in the state.

KANSAS: Benefits 137,000 workers in Kansas, representing 19.6 percent of all hourly workers in the state.

KENTUCKY: Benefits 182,000 workers in Georgia, representing 17.6 percent of all hourly workers in the state.

LOUISIANA: Benefits 246,000 workers in Louisiana, representing 24.6 percent of all hourly workers in the state.

MAINE: Benefits 41,000 workers in Maine, representing 12.2 percent of all hourly workers in the state.

MARYLAND: Benefits 103,000 workers in Maryland, representing 8.0 percent of all hourly workers in the state.

MASSACHUSETTS: Benefits 136,000 workers in Massachusetts, representing 8.5 percent of all hourly workers in the state.

MICHIGAN: Benefits 324,000 workers in Michigan, representing 11.9 percent of all hourly workers in the state.

MINNESOTA: Benefits 118,000 workers in Minnesota, representing 8.3 percent of all hourly workers in the state.

MISSISSIPPI: Benefits 162,000 workers in Mississippi, representing 25.2 percent of all hourly workers in the state.

MISSOURI: Benefits 222,000 workers in Missouri, representing 14.7 percent of all hourly workers in the state.

MONTANA: Benefits 44,000 workers in Montana, representing 19.7 percent of all hourly workers in the state.

NEBRASKA: Benefits 68,000 workers in Nebraska, representing 14.7 percent of all hourly workers in the state.

NEVADA: Benefits 57,000 workers in Nevada, representing 12.0 percent of all hourly workers in the state.

NEW HAMPSHIRE: Benefits 30,000 workers in New Hampshire, representing 8.6 percent of all hourly workers in the state.

NEW JERSEY: Benefits 133,000 workers in New Jersey, representing 7.2 percent of all hourly workers in the state.

NEW MEXICO: Benefits 62,000 workers in New Mexico, representing 15.0 percent of all hourly workers in the state.

NEW YORK: Benefits 475,000 workers in New York, representing 12.6 percent of all hourly workers in the state.

NORTH CAROLINA: Benefits 265,000 workers in North Carolina, representing 13.9 percent of all hourly workers in the state.

NORTH DAKOTA: Benefits 37,000 workers in North Dakota, representing 22.4 percent of all hourly workers in the state.

OHIO: Benefits 440,000 workers in Ohio, representing 13.7 percent of all hourly workers in the state.

OKLAHOMA: Benefits 174,000 workers in Oklahoma, representing 24.4 percent of all hourly workers in the state.

OREGON: Benefits 82,000 workers in Oregon, representing 9.9 percent of all hourly workers in the state.

PENNSYLVANIA: Benefits 430,000 workers in Pennsylvania, representing 13.1 percent of all hourly workers in the state.

RHODE ISLAND: Benefits 31,000 workers in Rhode Island, representing 11.6 percent of all hourly workers in the state.

SOUTH CAROLINA: Benefits 156,000 workers in South Carolina, representing 15.6 percent of all hourly workers in the state.

SOUTH DAKOTA: Benefits 32,000 workers in South Dakota, representing 15.9 percent of all hourly workers in the state.

TENNESSEE: Benefits 242,000 workers in Tennessee, representing 16.7 percent of all hourly workers in the state.

TEXAS: Benefits 943,000 workers in Texas, representing 20.4 percent of all hourly workers in the state.

UTAH: Benefits 69,000 workers in Utah, representing 13.1 percent of all hourly workers in the state.

VERMONT: Benefits 19,000 workers in Georgia, representing 11.2 percent of all hourly workers in the state.

VIRGINIA: Benefits 197,000 workers in Virginia, representing 11.2 percent of all hourly workers in the state.

WASHINGTON: Benefits 138,000 workers in Washington, representing 9.3 percent of all hourly workers in the state.

WEST VIRGINIA: Benefits 83,000 workers in West Virginia, representing 19.4 percent of all hourly workers in the state.

WISCONSIN: Benefits 209,000 workers in Wisconsin, representing 12.2 percent of all hourly workers in the state.

WYOMING: Benefits 25,000 workers in Wyoming, representing 20.2 percent of all hourly workers in the state.

# # #

WHITE HOUSE

Office of the Press Secretary

For Immediate Release | March 28, 1996

STATEMENT BY THE PRESIDENT ON THE MINIMUM WAGE

I am disappointed that the Republican leadership has again prevented the Congress from even voting on whether to raise the minimum wage and give 10 million Americans an immediate pay increase. With every day that the Republican leadership continues to stall, the value of the minimum wage continues to fall closer and closer to a 40-year low. Some of America's greatest working heroes are the parents who are trying to raise their kids, working full time at the minimum wage. If we value work and we value families, we ought to raise the value of the minimum wage. With the five-year anniversary of the last minimum wage increase next Monday, now is the time to put politics aside, raise the minimum wage, and help lift the lives of millions of America's workers.

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REWARDING WORK: THE CASE FOR INCREASING THE MINIMUM WAGE

The President's proposal would increase the minimum wage from \$4.25 to \$5.15 over two years, through two 45-cent increases. The last increase, passed by an overwhelming, bipartisan vote in 1989, and implemented in 1990 and 1991, was also a 90-cent increase in two 45-cent stages. For a full-time, year-round worker at the minimum wage, a 90-cent increase would raise yearly income by \$1,800 -- as much as the average family spends on groceries in over 7 months.

MAINTAINING THE HISTORIC VALUE OF WORK: Within a year, if the minimum wage is not increased, it will fall to its lowest real level in 40 years. Indeed, the value of the minimum wage is now 29 percent lower than it was in 1979, and has fallen nearly 50 cents in real value since its last increase in April of 1991. The first half of the President's 90-cent proposal simply restores the minimum wage to its value from the last increase.

RAISING THE MINIMUM WAGE PRIMARILY HELPS ADULT WORKERS -- MOST OF WHOM RELY ON THEIR MINIMUM WAGE JOBS TO SUPPORT THEIR FAMILIES: Over two-thirds of the workers who would benefit from the President's proposal are adults (69%); almost two-fifths (39%) are the sole breadwinners in their families; and the average minimum wage worker brings home half of his or her family's earnings. Thus, a rise in the minimum wage is a significant boost to the standard of living to millions of households.

REWARDS WORK OVER WELFARE: The minimum wage increase provides another crucial measure to reward work and ensure that there is a strong incentive to choose work over welfare.

BETWEEN 10 MILLION AND 13 MILLION WORKERS WOULD BENEFIT FROM THE PRESIDENT'S PROPOSAL TO INCREASE THE MINIMUM WAGE: An estimated 10 million hourly workers earn between \$4.25 and \$5.14 and would directly benefit from the President's proposal. Research indicates that an increase in the minimum wage to \$5.15 could have a "ripple" effect on the more than 3 million workers who earn within 60 cents of the new minimum wage.

EMPIRICAL EVIDENCE SHOWS THE PRESIDENT'S PROPOSAL CAN INCREASE WAGES WITHOUT COSTING JOBS: Nearly two dozen empirical studies have found that moderate increases in the minimum wage do not have a significant impact on employment. These studies include state-specific research that shows that higher state increases in the minimum wage did not result in significant job impacts. As Nobel Laureate Robert Solow stated: "[T]he evidence of job loss is weak. And the fact that the evidence is weak suggests that the impact on jobs is small."

A 90-CENT INCREASE IN THE MINIMUM WAGE WILL LIFT A FAMILY OF FOUR OUT OF POVERTY: The dramatic extension of the Earned Income Tax Credit helped lift hundreds of thousands of working families out of poverty. Yet, in 1996, even the EITC is not enough to lift above the poverty line a family of four making the minimum wage. With a 90-cent minimum wage increase, food stamps, and the EITC, a family of four with a year-round minimum wage worker would be lifted above the poverty line.

THE LAST MINIMUM WAGE -- ALSO 90 CENTS -- GARNERED STRONG BIPARTISAN SUPPORT. In 1989, the minimum wage was passed by votes of 382 to 37 (135 Republicans) in the House, and 89 to 8 in the Senate (36 Republicans) and was supported by Senator Dole and Rep. Gingrich.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release March 30, 1996

RADIO ADDRESS BY THE PRESIDENT TO THE NATION

The Oval Office

THE PRESIDENT: Good morning. Today I want to talk to you about what we can do to make sure that working Americans have the chance to make the most of their own lives, to raise their children in security and to become winners in economic change.

I want to talk about something very simple we can do to help our hardest-pressed working families: Raise the minimum wage. Our nation is living through a time of great change -- our greatest economic transformation since a hundred years ago when so many Americans moved from farm to factory. Now we're all moving into an age of information and technology and global trade.

Four years ago our economy was drifting, with high unemployment, a deficit twice as high as it is now and few new jobs. I took office determined to change our course, to cut the deficit in half in four years, invest in education and training, expand exports through tough trade agreements like the ones that opened Japan to our autos and auto parts, and to shrink and reform the government so that it works better and costs less. It's now the smallest it's been since 1965, but still strong enough to protect work place safety, pure food, clean air and water, to help Americans get the education they need, to grow the economy and to protect our seniors through Medicare.

In 1992, I told the American people that if we implemented our economic plan, two things would happen -- we'd get 8 million jobs, and the deficit would be cut in half. Well, last month, we learned that our economy has already created 8.4 million jobs, nearly all of them in the private sector since 1993. And now, in 1995 and 1996, over half of the jobs coming in to the economy are in high-wage industries. And just yesterday, the Congressional Budget Office certified that by the end of this year the deficit will be less than half of what it was when I took office. Over 8 million jobs, the deficit cut in half -- two important commitments kept to the American people.

We've also got the lowest rates of unemployment and inflation combined in 27 years, record numbers of new small businesses. Our auto and telecommunications industries now lead the world. We've got a 15-year high in home ownership. And, finally, we have halted the decade-long slide in real hourly earnings. But this is a record to build on, not to sit on.

As I said in my State of the Union, one of the main challenges we face is to make sure that this new economy with all of its opportunity doesn't leave people behind who are willing to work for their opportunities. We've got to make sure that every American has the education and training, the health care, the pensions to be secure in this time of change, and that if they change jobs, they can take their health care and their pensions with them.

And we have to get wages rising again in this country for working people. We've got to make sure that our lowest-paid workers keep up. That's why in 1993 I cut taxes for working people on modest incomes through the Earned Income Tax Credit, giving tax benefits to 15 million working Americans -- a down payment on a strong commitment that no one who works full-time and has children in the home should live in poverty. And that is why we must make sure the minimum wage is a living wage.

Today the minimum wage is $4.25 an hour. Over many years, both political parties have worked together to make sure it keeps up with the cost of living. In 1989, the current leaders of both the House and the Senate joined together with Democrats and Republicans to raise the minimum wage. It went fully into effect exactly five years ago this Monday.

But since then, the minimum wage has stayed unchanged while the cost of living goes up. This year if Congress doesn't raise the minimum wage, it will drop in value to a 40-year low. That's why I proposed last year that the Congress increase the minimum wage from $4.25 an hour to $5.15 an hour. For a parent working full-time, this $.90 an hour increase would help pay for groceries for seven months, or four months of rent, or months of child care. Tens of millions of Americans would benefit; 70 percent of them, adults. These are among our hardest working people. Six out of ten of them are working women, many trying to raise children and hold their families together. Others are just getting started in the work force, trying to get a hold on the first rung in the ladder; all of them trying hard to do the right thing -- to work. Raising the minimum wage would honor both work and family. We should not leave behind anyone who is willing to work hard as our country moves forward.

Now, a majority of the senators supported increase in the minimum wage. But the Republican leadership of the Senate has refused to allow the minimum wage even to come up for a vote. In fact, you need to know that a member of Congress who refuses to allow the minimum wage to come up for a vote made more money during last year's one-month government shutdown than a minimum wage worker makes in an entire year. Over the past five years, while the minimum wage has been stuck at $4.25 an hour, a senator's salary has gone up by a third. That is wrong.

I challenge the Republican leadership to stop blocking a vote and let the majority rule. Pass an increase in the minimum wage. And Congress should vow that the next time they want to raise their own pay, they ought to raise the minimum wage, too. We hear a lot of talk in Washington these days about old-fashioned family values. Well, it's hard to raise a family on $4.25 an hour, but millions of Americans are out there struggling to do it.

Now, we can do the right thing and create jobs and grow our economy. This is really an age of remarkable possibility for our nation. More of our people will have the chance to live out their dreams than ever before. But we need to make sure that every American can become a winner in this time of economic change.
If we don't want to grow apart as a people, we have to do the things that will enable us to grow together. Think about it. Support raising the minimum wage.

Thank you.

WIN ★IN★ '96

DEMOCRATIC ★ NATIONAL ★ COMMITTEE

Donald L. Fowler, *National Chair* • Christopher J. Dodd, *General Chair*

DNC RESEARCH DEPARTMENT

PH: 202/479-5130
FX: 202/479-5191

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FR: **Robin Bachman**

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COMMENTS:

What I've found on 1992 + min. wage.

FYI: Russell Horvitz is also looking at this.

Do you have a response prepared? We have an idea, but I'm wondering if you put it on paper?

Fax Number:

CLINTON/GORE
WELFARE REFORM
INFORMATION PACKET

September 9, 1992

Enclosures:

- The Clinton/Gore Plan
- The Clinton Record
- The Bush Record
- Republican Praise for Bill Clinton
- The Peach Program

National Campaign Headquarters • P.O. Box 615 • Little Rock, Arkansas 72203 • Telephone (501) 372-1992 • FAX (501) 372-2232

THE CLINTON/GORE PLAN:
END WELFARE AS WE KNOW IT

Bill Clinton has a plan to end welfare as we know it. He'll expand opportunity for welfare recipients. but demand responsibility by requiring those who can work to go to work after two years. He'll make sure work pays -- so that no one who works full-time has to raise a child in poverty. And he'll crack down on deadbeat parents who fail to pay their children's child support.

End Welfare As We Know It with a 2 Year Time Limit

- o Move People from Welfare to Work -- The Clinton plan will provide people with the education, training, job placement assistance and child care they need for up to two years -- so they can break the cycle of dependency. (Cost: $1-2 billion in first year; future net costs will depend on size of savings from reducing the welfare rolls.)
- o A 2 Year Limit -- After two years. those who can work will be required to go to work, either in the private sector or in meaningful community service jobs. They won't just pick up a check. They'll earn it.

Make Work Pay

- o A Living Wage -- The Earned Income Tax Credit will be expanded so that no one with a family who works full-time has to raise their children in poverty. (Cost: $2 billion when fully phased in.)
- o Savings Incentives for Welfare Recipients -- Welfare recipients shouldn't be penalized for helping themselves. The asset limit will be raised from $1,000 to $10,000 for savings to be used, for instance, for job training and college.
- o A Fair Minimum Wage -- The minimum wage will be indexed to keep pace with inflation. Working people shouldn't have to lose purchasing power just because of inflation.
- o Guaranteed Health Care -- Under the Clinton Plan, every American will be guaranteed affordable, quality health care. No one will be forced to stay on welfare to preserve their medical insurance.
- o A Strong Economy -- The Clinton administration will get our economy going again -- the single best policy for getting people from welfare to work.

Toughen Child Support Enforcement

- o Governments Don't Raise Children, Parents Do -- Bill Clinton will launch a nationwide crackdown on deadbeat parents: a national deadbeat databank. automatic wage withholding, early establishment of paternity, and reports to credit agencies of failures to pay. (Cost: $500 million)

Bill Clinton's plan to move people off welfare is fully budgeted in his national economic strategy, Putting People First. Clinton pays for every penny of new spending by reducing government waste, closing tax loopholes, and increasing taxes on the wealthiest 2 percent.

GEORGE BUSH'S WAR ON THE WORKING POOR

The Bush Record: More Poverty and More Welfare

- An explosion of poverty. Four million more Americans are poor today than when George Bush took office -- more than at any time since 1964. The poverty rate jumped from 13 percent in 1988 to 14.2 percent in 1991. (Census Bureau, 9/92)

- An explosion of welfare. The number of AFDC recipients increased 5 times more in four years of George Bush than in 12 years of Reagan and Carter. Between 1976 and 1988, the AFDC caseload grew by 5 percent. In four years of George Bush, it's grown by 25 percent. Today 1 out of 10 Americans is receiving food stamps -- more than ever before. (1992 Green Book; USDA, 7/92).

- An explosion of costs. Between 1988 and 1991, in current dollars, federal spending on AFDC increased by $2 billion, and spending on food stamps increased by $6 billion. (1992 Green Book)

- Millions of Americans playing by the rules and getting nothing. Five million Americans in families with a full-time worker are poor. One out of every five full-time workers does not earn enough to keep a family out of poverty. (David Ellwood, Poor Support; Census Bureau 3/92)

- Millions of parents without the child support they deserve. Two and a half million women receive none or only part of their child support awards -- more than ever before. Deadbeat parents owe $25 billion. (1992 Green Book; David Ellwood, Poor Support)

- Fewer Jobs. Under George Bush, the unemployment rate has risen from 5.4 percent in January 1989 to 7.6 percent in August of this year. Approximately 3 million more people are out of work today than when George Bush became president. (Bureau of Labor Statistics)

- Lower Wages. Real earnings are down. In constant dollars, real average hourly wages declined by 3 percent between January 1989 and May of this year. (Department of Labor)

- Lower Family Incomes. Because of George Bush's recession, median household income declined by $1,100 last year. (Census Bureau, 9/92)

The Bush Response: No Comment and No Policy

- George Bush said nothing about welfare reform -- literally -- until the campaign began. The Public Papers of the President show exactly two references to "welfare reform" to the end of 1991. Bush's acceptance speech in Houston shows none at all.

- Bush vetoed an expansion of the EITC. While Bush signed an earlier EITC increase, he vetoed the Tax Fairness and Growth Acceleration Act of 1992, which would have expanded the Earned Income Tax Credit. His reason: the act included a tax hike on the wealthiest 1 percent. (Veto Message, 3/20/92)

• <u>Now Bush wants to tinker.</u> Bush shows no presidential leadership. The centerpiece of his "plan" is more waivers for the few states that care enough to change welfare. The rest is piecemeal reform that won't provide job training or assistance, won't reward work, won't require work after two years, and won't increase child support enforcement.

• <u>And he'll gut child support.</u> In his Midsession Review, George Bush proposed more than $2 billion in cuts in child support enforcement. He suggested:

- "End child support payment to AFDC families" and cost 682,000 poor families $1,200 in annual income.
- "Reduce matching rate for child support enforcement" -- a change which could let thousands of deadbeat dads off the hook.

(OMB, <u>Midsession Review</u> [7/24/92]; CBO, <u>Reducing the Deficit</u> [2/92], <u>1992 Green Book</u>.)

• • • • •

PRAISE FOR BILL CLINTON'S RECORD ON WELFARE REFORM – FROM BUSH AND REAGAN

• <u>Bush Administration praises Project Success.</u> Bush's Department of Health and Human Services called Arkansas' Project Success "very capable.... reflecting sound management and administration at both State and county office levels and proficient service delivery at the local level." (HHS, 5/91)

• <u>Bush Administration gives Arkansas welfare program high marks.</u> In four out of five categories of welfare efficacy, Arkansas was ranked in the top five states in the country. In the fifth category, Arkansas was ranked in the top ten. (HHS, USDA, 1989-90)

• <u>Bush Administration praises Clinton's work.</u> On approving the Arkansas JOBS program, HHS official Norma Goldberg wrote: "The plan is one of the first in the country to be approved. This, we believe, is reflective of your commitment and that of the staff at the Department of Human Services to help Arkansans become self-sufficient. We look forward to working with the staff... in implementing this new and exciting program." (Letter, 6/23/89)

• <u>Ronald Reagan praises Bill Clinton on welfare reform.</u> At the Rose Garden signing of the Family Support Act, Ronald Reagan said "As lead Governor . . . on welfare reform for the National Governors Association, [Governor] Clinton consistently presented the interests of the states in getting welfare reform enacted." (Videotape on NBC Nightly News, 7/31/92)

THE CLINTON RECORD ON WELFARE REFORM IN ARKANSAS

Bill Clinton is a proven leader for welfare reform. For Arkansas, he has moved 17,000 people from welfare to work, cracked down on deadbeat parents, and provided tax relief for low-income families. He has also been a driving force behind national welfare reform, and helped guide to passage the landmark Family Support Act of 1988.

The Clinton Record: As the chart demonstrates, under Reagan and Bush, poverty rates and welfare rolls skyrocketed. At the same time in Arkansas, Bill Clinton lowered poverty rates and cut welfare rolls.

Lifting a Poor State Up
Driving a Great Nation Down
1979 - 1991

	% Change: Poverty Rate	% Change: AFDC Recipients
U.S.	+ 21%	+ 23%
Arkansas	- 9%	- 14%

Sources: U.S. Department of Commerce (9/92) and 1992 Green Book

Project Success: To comply with the Family Support Act he helped author, Governor Clinton implemented Project Success in 1989. By providing participants with Medicaid, child care, and other needed assistance, the program has moved 17,000 people from welfare to work in three years (Arkansas Department of Human Services). Arkansas implemented Project Success three months before federal law required and was one of only thirteen states in the country to prepare a program by that early date. A follow-up survey showed that 72 percent of the participants stayed off AFDC (Arkansas DHS).

National Leadership: In 1988, Bill Clinton led a major effort by the nation's governors to restructure the nation's welfare laws and secure congressional and White House approval of welfare-to-work legislation. The result was the Family Support Act of 1988, which requires welfare recipients to move toward independence through education, training and work. The act was based on a proposal adopted by the National Governor's Association in 1987, when Clinton was chairman.

Child Support Enforcement: Arkansas has also become a national leader in identifying fathers and aggressively enforcing child support orders. The state's Child Support Enforcement Unit withholds income for children's health care coverage, reports some overdue support payments to consumer reporting agencies, and establishes a rebuttable presumption of paternity in some cases. Child support collections grew by 20 percent in 1991 alone.

Tax breaks for the working poor: In 1991 Clinton eliminated taxes for 252,000 low income taxpayers, and reduced taxes for another 122,000 lower-middle-income people.

THE PEACH PROGRAM

Georgia created the PEACH (Positive Employment and Community Help) program in 1986 to help welfare recipients leave poverty and enter the labor force. The program currently has more than 11,000 participants, over 6,000 of whom are in training, education, and job search programs for more than 20 hours a week. The program represents a partnership of six state agencies.

The PEACH program is jointly funded by the federal and state governments and has been redesigned to comply with the requirements of the 1988 Family Support Act. In fiscal year 1993, more than $13 million in federal and over $8 million in state funds are budgeted for the program. The state's goal is to enroll 11 percent of AFDC recipients who meet federal eligibility requirements under the Family Support Act. Last year, the program succeeded in moving 2,600 welfare recipients into the workforce, and the State estimates that over five years the program has saved the state $10.6 million.

Clayton County

The Terrell Starr Resource Center is the main office in Clayton County of the Department of Family and Children's Services. Clayton County was one of the first counties in the state to implement a PEACH program. The county is currently home to 3,051 families receiving AFDC. Of these families, 1508 fall into categories for which services are mandated under the Family Support Act, and another 447 families have requested PEACH services. Of the total eligible caseload of 1,955 families, only 350 cases are currently assigned, 294 of which are active. The demand for PEACH services in Clayton County far exceeds the present capacity to provide them. Among the limitations are a lack of caseworkers, a lack of educational and training resources in the community, and a lack of jobs for those completing the program. Each of these problems is a major obstacle to large-scale welfare reform across the country.

Yes Program

Prior to his speech, Governor Clinton will be speaking privately with participants in a special Clayton County PEACH program called YES -- Youth, Education and Support. The YES Program was developed specifically with teen mothers in mind. The program currently serves 20-25 mothers receiving public assistance who have not finished high school. The program emphasizes education, in particular GED preparation, life-skills training, and computer literacy. Additional services designed to support the mothers while they are attending classes include child care, transportation assistance and counseling.

CLINTON • GORE ON LABOR

If America is to regain its competitiveness, we must revitalize the American workplace to increase productivity and expand opportunity. A Clinton/Gore Administration will not accept four more years in which Americans work harder for less money and pay more for health care, housing and education.

Using the power of the White House, Bill Clinton and Al Gore will improve education and job training, provide affordable and accessible health care for all Americans, increase worker safety, open foreign markets and create an environment in which workers at the front lines make decisions instead of simply following orders. Bill Clinton and Al Gore have received the endorsement of the national AFL-CIO and many other unions for their detailed proposals and impressive records on standing up for America's workers.

THE CLINTON/GORE PLAN

Think what America could become if we had the kind of partnership we need: a partnership between business and labor and education and government, committed to compete and win in the global economy.

• Sign the Workplace Fairness Act to ban permanent replacement of striking workers and preserve the collective bargaining process. Bill Clinton is committed to the rights of working men and women to organize and bargain collectively, and supports the repeal of Section 14b of the Taft-Hartley Act to create a level playing field between labor and management.

• Guarantee every American affordable, quality health care: control costs, improve quality, and expand preventive and long-term care by taking on the medical insurance industry and the drug companies.

• Help workers gain more power in their companies' day-to-day operations, the organization of their work places, and the type of compensation they receive

• Improve the quality and efficiency of government by working closely with public employee unions and organizations like the State Local Government Labor Management Committee to advance a positive understanding of the role of government.

• Increase the minimum wage to keep pace with inflation and enforce the prevailing wage protections provided by the Davis Bacon Act.

• Expand the Earned Income Tax Credit to guarantee a "working wage" so that no American who works full-time is forced to live in poverty.

• Eliminate tax deductions for excessive executive pay.

Tommy McFalls, International Representative for the United Paperworkers International Union: "Bill Clinton has stood with us in our fight to raise wages, protect jobs, enhance worker safety and expand opportunity for all people. When push comes to shove, Bill Clinton has always been in our corner."

• Stop giving tax breaks to American companies that shut down their plants here and ship American jobs overseas.

• Sign into law the Family and Medical Leave Act, which George Bush vetoed in 1990, to allow workers to take a leave of absence from work when a child is born or when a family member is ill.

• Provide lifetime training by requiring every employer to spend 1.5 percent of payroll for continuing education and training for all workers, not just executives — or pay the equivalent into a National Training Fund.

• Train non collegebound youth for high-wage, high quality jobs through a National Apprenticeship program that will pool the expertise of schools, local businesses and unions.

• Make adult literacy programs available by supporting clear and comprehensive state plans to teach everyone with a job to read and give every worker the chance to earn a General Equivalency Diploma.

• Support a Chemical Right-to-Know law to inform and protect workers and vigorously enforce worker safety regulations already on the books. Fully enforce Occupational Safety and Health Administration guidelines.

• Create hundreds of thousands of American jobs by opening up foreign markets and insisting that our trading partners tear down their trade barriers.

• Extend unemployment benefits to jobless workers in the event of a recession.

The Record

• Governor Clinton led Arkansas in creating manufacturing jobs at ten times the national rate. According to the Bureau of Labor Statistics, Arkansas ranked second in the nation in job creation for the year ended May 1992.

• Fought for high-quality, high-wage jobs. Arkansas ranked 6th in the nation in per capita income growth from 1990-1991.

• Instituted state-provided workplace safety training that resulted in significant reductions in worker accident rates.

• Supported several state minimum wage increases and changed the Arkansas minimum wage law to cover more workers.

• Reduced overtime eligibility thresholds from 44 hours per week to 40.

• Funded Arkansas Workplace Literacy programs and basic skills classes.

• Signed into law a bill that mandated labor qualifications for the Director of the Arkansas Department of Labor.

• Was the first Arkansas governor to recognize AFSCME as a bargaining unit at the Department of Labor.

• Received the endorsement of the Arkansas AFL-CIO in every gubernatorial campaign he entered.

• Senator Gore voted for the Workplace Fairness Act to ban permanent replacement of striking workers and preserve the collective bargaining process.

• Voted for unemployment compensation to provide an additional 13 weeks of extended benefits to unemployed workers in all states

• Cosponsored the Family and Medical Leave Act.

• Opposed Davis-Bacon amendments to create a sub-class of laborers working at lower wages.

• Opposed campaign finance amendments requiring unions to report in burdensome detail all direct or indirect expenditures related to candidates for office or political causes.

A LOOK AT SOME OF THE THINGS BILL CLINTON HAS DONE WITH LABOR IN ARKANSAS

- In the last half of the 1980s, Arkansas' percentage of total employment and manufacturing job growth outstripped that of all surrounding states and the United States.
- Governor Clinton recently signed a petition urging Congress to pass the Workplace Fairness bill and has spoken strongly in favor of the need to extend unemployment benefits to the unemployed.
- In 1991, $1 million dollars was ear marked for Arkansas' Workplace Literacy Programs. Since July 1, 1991, $593,919 has been allocated for work place basic skills classes in 142 industries.
- He supported two increases in the state minimum wage in 1991 and 1992. He reduced overtime eligibility from 44 hours to 40 hours a week.
- He made labor's Right To Know bills an administration priority and pushed for a Chemical Right To Know bill.
- Clinton was commended by the State AFL-CIO in 1991 for improving education in Arkansas.
- Clinton was the first Arkansas governor to recognize AFSCME as the bargaining unit at the Arkansas Department of Labor.
- He joined the AFL-CIO in fighting for a uniform residential landlord tenant law.
- In 1989, Clinton supported and signed into law an AFL-CIO initiated bill which mandated labor qualifications for the Arkansas Department of Labor director.

<u>PRESIDENT CLINTON HAS ALWAYS SUPPORTED A MINIMUM WAGE INCREASE AS A WAY TO MAKE WORK PAY</u>

- **Supported Minimum Wage Hikes As Governor.** As Governor of Arkansas, Bill Clinton supported two increases in the state minimum wage. And he changed state minimum wage law to cover more workers.

- **In April of 1993, *The Washington Post* wrote that:** "Mr. Clinton's goal is ambitious: to make sure that in households with children where at least one person works full-time, the family won't fall below the poverty line. Under current law, the maximum EITC benefit for a family with two or more children was scheduled to rise to $ 2,000 next year; Mr. Clinton would boost the maximum to $3,370 by 1995. He would also raise the benefits for families with one child and establish a small new credit for workers without children....*On top of this, Mr. Clinton would try to boost the earnings of the working poor by hiking the minimum wage.*" [The Washington Post, April 20, 1993]

- **In June of 1994, *The Washington Post* wrote that:** "From health-care reform to *a higher minimum wage* to more training opportunities to increased earned-income tax credits to mandatory fringe benefits, the Clinton administration wants to increase dramatically the income security of the more than 6 million American adults whom it classifies as the 'working poor.'" [The Washington Post, June 26, 1994]

- **In his 1995 State of the Union, President Clinton called for Congress to raise the minimum wage:** "The goal of building the middle class and shrinking the underclass is also why I believe that you should raise the minimum wage. It rewards work. Two and a half million Americans -- 2.5 million Americans, often women with children, are working out there today for $4.25 an hour. In terms of real buying power, by next year that minimum wage will be at a 40-year low. That's not my idea of how the new economy ought to work.

  Now, I've studied the arguments and the evidence for and against a minimum wage increase. I believe the weight of the evidence is that a modest increase does not cost jobs, and may even lure people back into the job market. But the most important thing is, you can't make a living on $4.25 an hour. Especially if you have children, even with the working families tax cut we passed last year. In the past, the minimum wage has been a bipartisan issue, and I think it should be again. So I want to challenge you to have honest hearings on this; to get together; to find a way to make the minimum wage a living wage.

  Members of Congress have been here less than a month, but by the end of the week, 28 days into the new year, every member of Congress will have earned as much in congressional salary as a minimum wage worker makes all year long." [State of the Union Address to the Nation, January 25, 1995]

- **On February 3, 1995, President Clinton proposed raising the minimum wage from $4.25 to $5.15:** "Our job is to create enough opportunity for people to earn a living if they'll exercise the responsibility to work. That's why we fought so hard to expand the earned income tax credit - a working family tax cut for 15 million families - in 1993; precisely why we're calling on Congress today to raise the minimum wage 90 cents to $5.15 per hour.

  The only way to grow the middle class and shrink the underclass is to make work pay. And in terms of real buying power, the minimum wage will be at a 40-year low next year if we do not raise it above $4.25 an hour. If we're serious- let me say this, too, emphatically- if we are serious about welfare reform, then we have a clear obligation to make work attractive and to reward people who are willing to work hard...

  If in 1990, because the minimum wage had not been raised in such a long time, a Republican president and a Democratic Congress could raise the minimum wage, surely in 1995 - facing the prospect that work, full-time work, could be at a 40-year low in buying power unless we act - a Congress with a Republican majority and a Democratic president can do the same for the American people." [Announcement by President Bill Clinton of Minimum Wage Increase, February 3, 1995]

- **At town hall meeting with Speaker Gingrich, the President reiterated his support for a minimum wage increase:** "The reason that I am for it is that I believe that -- first of all, I know that a significant percentage of people on the minimum wage are women workers raising their kids on their own. And I just believe that we shouldn't allow -- if we don't raise the minimum wage this year, then next year, after you adjust for inflation, it will be at a 40-year low...

  And I believe, if you go back to when they did it when -- the last time it was done was, when, '89 or something, I think, on balance, we did fine as a result of doing it. And I think we should do it again. [Remarks by President Clinton, Speaker Gingrich at Senior Center in Claremont, N.H., June 11, 1995]

- **In May 1995, President Clinton calls for minimum wage increase:** "I believe it is especially important to women that we raise the minimum wage this year. Women represent three out of five minimum wage workers, but only half the work force. I have done everything I could to create a climate in which people are encouraged to be successful parents and successful workers. I believe that. That's what the Earned Income Tax Credit was all about in 1993... But it isn't enough. If we do not raise the minimum wage this year, next year it will be in real dollar terms, the lowest it has been in 40 years. Now that is not my idea of what the 21st century American economy is all about. [Remarks at Women's Bureau Reception, May 19, 1995]

- **On Labor Day 1995, President Clinton tells California that the minimum wage should be raised**:"I also think we ought to raise the minimum wage. Let me tell you, if we don't raise the minimum wage this year, on January the 1st of next year, our minimum wage in terms of what the money will buy will be at a 40-year low. I want a high-wage, high-growth, high-opportunity, not a hard-work, low-wage 21st century. And I think you do, too. And that's what we ought to do." [Remarks at the Dedication of California State University at Monterey Bay in Monterey, California, September 4, 1995]

REWARDING WORK: THE CASE FOR INCREASING THE MINIMUM WAGE

The President's proposal would increase the minimum wage from $4.25 to $5.15 over two years, through two 45-cent increases. The last increase, passed by an overwhelming, bipartisan vote in 1989, and implemented in 1990 and 1991, was also a 90-cent increase in two 45-cent stages. For a full-time, year-round worker at the minimum wage, a 90-cent increase would raise yearly income by $1,800 -- as much as the average family spends on groceries in over 7 months.

MAINTAINING THE HISTORIC VALUE OF WORK: Within a year, if the minimum wage is not increased, it will fall to its lowest real level in 40 years. Indeed, the value of the minimum wage is now 29 percent lower than it was in 1979, and has fallen nearly 50 cents in real value since its last increase in April of 1991. The first half of the President's 90-cent proposal simply restores the minimum wage to its value from the last increase.

RAISING THE MINIMUM WAGE PRIMARILY HELPS ADULT WORKERS -- MOST OF WHOM RELY ON THEIR MINIMUM WAGE JOBS TO SUPPORT THEIR FAMILIES: Over two-thirds of the workers who would benefit from the President's proposal are adults (69%); almost two-fifths (39%) are the sole breadwinners in their families; and the average minimum wage worker brings home half of his or her family's earnings. Thus, a rise in the minimum wage is a significant boost to the standard of living to millions of households.

REWARDS WORK OVER WELFARE: The minimum wage increase provides another crucial measure to reward work and ensure that there is a strong incentive to choose work over welfare.

BETWEEN 10 MILLION AND 13 MILLION WORKERS WOULD BENEFIT FROM THE PRESIDENT'S PROPOSAL TO INCREASE THE MINIMUM WAGE: An estimated 10 million hourly workers earn between $4.25 and $5.14 and would directly benefit from the President's proposal. Research indicates that an increase in the minimum wage to $5.15 could have a "ripple" effect on the more than 3 million workers who earn within 60 cents of the new minimum wage.

EMPIRICAL EVIDENCE SHOWS THE PRESIDENT'S PROPOSAL CAN INCREASE WAGES WITHOUT COSTING JOBS: Nearly two dozen empirical studies have found that moderate increases in the minimum wage do not have a significant impact on employment. These studies include state-specific research that shows that higher state increases in the minimum wage did not result in significant job impacts. As Nobel Laureate Robert Solow stated: "[T]he evidence of job loss is weak. And the fact that the evidence is weak suggests that the impact on jobs is small."

A 90-CENT INCREASE IN THE MINIMUM WAGE WILL LIFT A FAMILY OF FOUR OUT OF POVERTY: The dramatic extension of the Earned Income Tax Credit helped lift hundreds of thousands of working families out of poverty. Yet, in 1996, even the EITC is not enough to lift above the poverty line a family of four making the minimum wage. With a 90-cent minimum wage increase, food stamps, and the EITC, a family of four with a year-round minimum wage worker would be lifted above the poverty line.

THE LAST MINIMUM WAGE -- ALSO 90 CENTS -- GARNERED STRONG BIPARTISAN SUPPORT. In 1989, the minimum wage was passed by votes of 382 to 37 (135 Republicans) in the House, and 89 to 8 in the Senate (36 Republicans) and was supported by Senator Dole and Rep. Gingrich.

SENATOR DOLE AND THE MINIMUM WAGE: WHAT A DIFFERENCE 7 YEARS MAKES

Senator Dole Blocks Vote On Minimum Wage Increase. On March 26, Senator Robert Dole -- in his first official act as the Republican presidential nominee -- blocked a vote to increase the minimum wage and provide a pay raise for 10 million hard-working Americans. As Congress continues to delay, the real value of the minimum wage continues to fall toward its lowest level in 40 years.

President's Proposal Helps Restore Lost Value Since Last Increase. President Clinton's proposal to raise the minimum wage is the same one supported by Senator Dole in 1989 -- a 90-cent increase in two equal steps over two years.

- Since the last increase five years ago, the real value of the minimum wage has fallen nearly 50 cents. *The first half of the President's proposal doesn't even restore the minimum wage to its value from the last increase.*

Five Years Is Too Long Without A Raise. The five-year anniversary of the last minimum wage increase was April 1; now is the time for Senator Dole to put politics aside, raise the minimum wage, and help lift the lives of 10 million workers.

- Seventy percent of these workers are adults and many are trying to raise their children on $4.25 an hour.
- The average minimum wage worker brings home half of his or her family's earnings and four out of 10 minimum wage workers are the sole breadwinner in their household.
- For someone who works full-time at the minimum wage, President Clinton's proposal would provide an additional $1,800 in earnings -- that's enough money for the average American family to buy groceries for seven months.

Since Senator Bob Dole Came To Washington 36 Years Ago, The Real Value Of Congressional Pay Is Up And The Minimum Wage Is Down. Since 1960 -- the year Senator Bob Dole was elected to Congress -- the real value of congressional pay has increased by over $24,000, an increase of 22 percent. During the same period, the real value of the minimum wage has declined by nearly 60 cents, a fall of 13 percent.

<u>RAISING THE MINIMUM WAGE: THEN & NOW</u>

1989: Congress passes a 90-cent increase in the minimum wage -- in two equal steps over two years -- with overwhelming, bipartisan support.

NOW: President Clinton proposes to increase the minimum wage by 90-cents, in two equal steps over two years.

1989: **Senator Bob Dole** votes for a 90-cent increase in the minimum wage.

NOW: **Senator Bob Dole** calls current 90-cent minimum wage increase "very controversial" and said "there are going to be a lot of young people who lose their jobs, and a lot of them will be black teenagers." [Source: Elizabeth Shogren, "Dole Gains Upper Hand. Avoids Vote on Raising Minimum Wage," *Los Angeles Times*. March 27, 1996; and Adam Clymer, "Dole Blocks Move To Vote On A Rise For Minimum Wage," *The New York Times*, March 27, 1996..]

1989: **Senator Bob Dole**: "[S]ome Democrats would rather score a penny's worth of political points instead of giving working men and women the healthy 90-cent (an hour) increase President Bush has been trying to give them." [Source: Robert Green, "House Fails To Override Bush's Veto Of Minimum Wage Hike, *The Reuter Business Report*, June 14, 1989.]

NOW: **Senator Bob Dole** will not allow a vote on President Clinton's proposal to give working men and women a healthy 90-cent an hour pay increase "today, not tomorrow, and not next week." [Source: Adam Clymer, "Dole Blocks Move To Vote On A Rise For Minimum Wage," *The New York Times*, March 27, 1996.]

1989: **Senator Bob Dole**: "[T]his is not an issue where we ought to be standing and holding up anybody's getting a 30 to 40 cents an hour pay increase, at the same time that we're talking about capital gains." [Source: *Congressional Quarterly Almanac 1989*]

NOW: **Senator Bob Dole** is talking about a capital gains tax cut. He voted for a $77 billion capital gains tax cut over ten years, 75 percent of which would have gone to people with six-figure salaries. Yet, Senator Dole is "standing and holding up" 10 million workers earning less $5.15 an hour from getting a pay raise.

1989: **Senator Bob Dole:** "I never thought the Republican Party should stand for squeezing every last nickel from the minimum wage."[Source: *Congressional Quarterly Almanac 1989*]

NOW: **Senator Bob Dole** "blocks move to vote on a rise for minimum wage" as the last nickel is squeezed from the real value of the minimum wage and it approaches a 40-year low. [Source: Adam Clymer, "Dole Blocks Move To Vote On A Rise For Minimum Wage," *The New York Times*, March 27, 1996.]

1989: The real value of the minimum wage was at its lowest level since 1955. So **Senator Bob Dole** voted to increase the minimum wage.

NOW: If it is not increased, the real value of the minimum wage will hit at its lowest level since 1955. And **Senator Bob Dole** blocked a vote to increase the minimum wage.

1989: The majority of studies showed that a modest minimum wage increase -- like a 90-cent raise -- would cost jobs. And **Senator Bob Dole** still voted for a minimum wage increase.

NOW: The majority of recent studies show that a modest minimum wage increase -- like a 90-cent raise -- would <u>not</u> cost jobs. And **Senator Bob Dole** blocked a vote to increase the minimum wage.

- In fact, in the fall of 1995, 101 economists -- including 3 Nobel Prize winners -- signed a statement of support for a minimum wage increase that said: "[T]he evidence from recent economic studies of the effects of increases in federal and state minimum wages at the end of the 1980s and in the early 1990s -- as well as updates of the traditional time-series studies -- suggests that the employment effects were negligible or small."

BOB DOLE:

MINIMUM WAGE

1961: Voted Against Increasing The Minimum Wage From $1 to $1.15 Per Hour. On March 24, 1961, Dole voted against passage of H.R. 3935, the Fair Labor Standards Amendments of 1961. The bill as amended by Reps. Ayres and Kitchin, raised the minimum wage for the 23.9 million covered workers from $1 to $1.15 an hour, and extended minimum wage coverage (at $1 an hour) but not overtime coverage to 1,300,000 additional workers. Passed 341-35 [CQ Almanac, p. 514]

On May 3, 1961, Dole also voted against adoption of the conference report on H.R. 3935, the Fair Labor Standards Amendments of 1961. The conference report raised the minimum wage for 23.9 million workers already covered by the Fair Labor Standards Act to $1.25 an hour, reached in two steps over two years, and extended minimum-wage coverage (at $1.25 an hour, reached after four years) and overtime coverage (with some exceptions) to about 3,624,000 additional workers, mainly in the retail trades. Agreed to 230-196 [CQ Almanac, p. 518]

1966: Dole Voted Against Minimum Wage Increase - From $1.25 to $1.60
Dole voted against HR 13712, to increase the minimum wage for non-farm workers from $1.25 to $1.60, and to bring non-farm workers into coverage, as well as extended coverage to an additional 7.9 million workers. [May 26, 1966, 303-93, # 60, CQ Almanac, 1966, p. 882]

1974: Dole Voted for Passage of Minimum Wage Increase - From $1.60 to $2.30
Dole voted for passage of S 2747, which raised the minimum wage for most non-Farm workers from $1.60 to $2.00 one month after enactment and an additional increase to $2.40 one year later. The bill also extended minimum wage coverage to an additional 6.7 million workers. [March 7, 1974, 69-22, # 58, CQ Almanac, 10-S]

From the floor of the Senate:

- "I am pleased to support the conference report on the minimum wage bill. . . It primarily seeks to assure a decent living for the American workingman and woman. . . The conference report embodies the traditional concern we have had in this country for the well-being of working people. A living wage for a fair day's work is a hallmark of the American economic philosophy." [March 28, 1974, CR 8768]

1977: Dole Voted for Passage of Minimum Wage Increase - From $2.30 to $3.40
Dole voted for HR 3744, which raised the minimum wage from $2.30 in 1977 to $2.65 in 1978 to $2.90 in 1979 to $3.15 in 1980 to $3.40 in 1981. The bill also made changes in definition of tip earners and other changes in wage laws. The conference report, adopted by voice vote, too the 1981 value down to $3.35. [October 7, 1977, 63-24, # 548, CQ Almanac, 78-S]

From the floor of the Senate:

- "I do not oppose increasing the statutory minimum wage. Inflation has continued to increase to cost of living for each American. Next to our elderly, low-income workers are among the hardest hit by the ravages of inflation. Since the justification for the minimum wage is to insure every working person a livable wage, periodic adjustments may be necessary. . .

  If and when the minimum wage should be increased again, Congress should face its responsibility and enact the necessary legislation. [October 7, 1977, CR 32906]

1987: Dole Opposed Increase In Minimum Wage From $3.35 -- Advocated Sub-minimum Wage. In March of 1987, Dole opposed Democratic legislation to increase the minimum wage from $3.35 because he believed it would lead to higher inflation. Dole also said he supported President Reagan's proposal to create a new, sub-minimum wage for teenagers. [BNA, 3/5/87]

1988: Dole Blames Labor For Not Backing Legislation To Allow A "Training Wage." Dole and Senate Republicans tried to scuttle the 1988 Democratic attempt to raise the minimum wage by offering legislation creating a "training wage" -- below the minimum wage. Dole attacked labor leaders for not supporting the GOP proposal. "The reason we're not getting consideration of our training wage is that the labor unions don't want it... It's not the Republicans versus the Democrats; it's the Republicans versus the labor leaders. They're telling us we can take this [minimum wage proposal] or leave it; we're not going to play games." [AP, 9/22/88]

1988: Dole Voted for Proceeding to Minimum Wage Bill. Dole voted in favor of the Byrd motion to proceed to consideration of a bill to raise the minimum wage to $4.55 over three years. [CQ Almanac, 1988, vt. 330, 53-S]

1988: Dole Voted Against Ending Filibuster On Minimum Wage. Dole voted against a Kennedy motion to invoke cloture on, and therefore end, a Hatch-led filibuster of legislation increasing the minimum wage to $4.55 over three years. The motion failed, 56-35. [*AFL-CIO Report on Congress*, 1988, vote #336, CQ Almanac, 1988, p. 55-S

1989: Dole Sponsored Motion To Recommit Minimum Wage. Dole sponsored a motion to recommit minimum wage legislation back to the Labor and Human Resources Committee, with instructions to report it back with the Bush administration minimum wage plan, which included raising the minimum wage to $4.25 over three years as well as a six-month training wage. [*AFL-CIO Report on Congress*, 1989, vote #38, p. 11-S]

1989: Dole Voted To Increase Minimum Wage. Dole voted for passage of HR 2710, which increased the minimum wage from $3.35 to $4.25 an hour, over two years, and provide a training wage which would last 6 months for employees aged 16 to 19. Democrats originally tried to raise it to $4.55 but was vetoed by the President and the House did not override the veto. Dole voted against that bill. [CQ Almanac, 1989, 54-S, vt. 292]

"I don't think the Republican Party should be known as the party that tried to squeeze the last nickel out of minimum wage." [UPI, October 31, 1989]

Remarks from the Senate floor during various debates over the minimum wage increase:

- *After passage:* "For the simple truth is that everybody won. The President won. Congress won. But, most importantly, the working poor of this country won. And that is good news for all Americans." [November 1, 1989, CR 14472]

- *June 14:* "We have had opportunities to do something really worthwhile for the working men and working women of this country; opportunities to increase the minimum wage.

  And we could have done it easily, with a 90-cent increase over a 3-year period in the minimum wage and a 6-month training wage from, $3.35 to $4.25 an hour, . . .

  Last week--on this floor--I urged Congress to stop playing politics with the minimum wage. I said that playing politics might be fun for some of us around here--but it is not fun for those in this country who really want--and need--a minimum wage increase.. . .

  I know I have said it before. But I must say it once again. I supported-- and I continue to support--a minimum wage increase. I voted for it in the past and my record is pretty good. And that is why I--along with my distinguished colleague from Utah--hope that we will be able to reach agreement on a minimum wage bill that will be acceptable to the President." [June 14, 1989, CR 6600]

- *May 17:* "I supported--and I continue to support--a minimum wage increase. I continue to stand by the President. And I commend him for fulfilling a campaign promise by going forward with his own minimum wage proposal. . .

  I have said that as a Republican I am not going to stand here and say you can live on $3.25 an hour or $4.55 an hour. [May 17, 1989, CR 5475]

- *April 11:* "To be sure, I am all for helping the working poor. I have spent most of my public life supporting causes on behalf of the working poor. And no one would deny that the working poor are the ones who most deserve a wage increase." [April 11, 1989, CR 3579]

- *April 11:* "He [President Bush] has already said that he would go along with an increase in the minimum wage. Ronald Reagan said no for 8 years and made it stick--$3.35 for 8 years. George Bush said, well, it is time--as the Senator from Massachusetts and others said, the Senator from Utah--that we take a look at the minimum wage and make adjustments. So we did. Over a 3- year period, it is going to be 90 cents per hour higher." [April 11, 1989, CR 3579]

1993: Dole Calls Proposal To Increase Minimum Wage A "Big, Big Mistake." On CBS's "Face The Nation" in August of 1993, Clinton Labor Secretary Robert Reich suggested raising the hourly minimum wage from it's 1990 level, $4.25 per, and indexing it to automatically reflect cost of living increases. Reich noted that because of inflation, workers receiving the minimum wage earn less than they did in the 1970s and 1980s.

On the same program, Dole said that linking the minimum wage increases to the cost of living "would be a big, big mistake and I don't even think it would pass" in Congress. [AP, 8/23/93]

1995: Provided The One Vote Margin That Allowed The GOP To Kill Debate On Raising The Minimum Wage. Dole voted to table the Kennedy Amendment to express he sense of the Senate that the Senate should debate and vote on an amendment to raise the minimum wage before the end of the first session of the 104th Congress. The motion to table, and thus kill the amendment, passed by a one vote margin, provided by Dole, 49-48. [Legislate, 7/31/95, Vt. 1344]

1995: Again Voted Against Allowing Debate on the Minimum Wage. Three months later, Dole against voted against a Kennedy motion to express the Sense of the Senate that the Senate should debate and vote on an amendment to raise the minimum wage before the end of the first session of the 104th Congress. The motion failed 51-48/ [Legislate, 10/27/95, Vt. 1519]

1996: Dole Delays Vote on Minimum Wage. Dole put off a vote on minimum wage that Kennedy and other Senate members were attempted to bring to the floor. Through parliamentary maneuvers, Dole recommitted the bill and then ended the days session. [AP, 3/26/96]

1974:

"I am pleased to support the conference report on the minimum wage bill. . . It primarily seeks to assure a decent living for the American workingman and woman. . . The conference report embodies the traditional concern we have had in this country for the well-being of working people. A living wage for a fair day's work is a hallmark of the American economic philosophy."

-- *Bob Dole on the Senate floor.* [March 28, 1974, CR 8768]

1977:

"I do not oppose increasing the statutory minimum wage. Inflation has continued to increase to cost of living for each American. Next to our elderly, low-income workers are among the hardest hit by the ravages of inflation. Since the justification for the minimum wage is to insure every working person a livable wage, periodic adjustments may be necessary. . .

If and when the minimum wage should be increased again, Congress should face its responsibility and enact the necessary legislation.

-- *Bob Dole on the Senate floor* [October 7, 1977, CR 32906]

1989:

"I have said that as a Republican I am not going to stand here and say you can live on $3.25 an hour or $4.55 an hour."

-- *Bob Dole on the Senate Floor*

[May 17, 1989, CR 5475]

1989:

"To be sure, I am all for helping the working poor. I have spent most of my public life supporting causes on behalf of the working poor. And no one would deny that the working poor are the ones who most deserve a wage increase."

--Bob Dole on the Senate Floor

[April 11, 1989, CR 3579]

1989:

"[T]his is not an issue where we ought to be standing and holding up anybody's getting a 30 to 40 cents an hour pay increase, at the same time that we're talking about capital gains. I never thought the Republican Party should stand for squeezing every last nickel from the minimum wage."

-- *Bob Dole in Congressional Quarterly Almanac 1989*

1989:

"[S]ome Democrats would rather score a penny's worth of political points instead of giving working men and women the healthy 90-cent (an hour) increase President Bush has been trying to give them."

-- Bob Dole in Robert Green, "House Fails To Override Bush's Veto Of Minimum Wage Hike, *The Reuter Business Report,* *June 14, 1989.*

2

PRESIDENT CLINTON'S MINIMUM WAGE PROPOSAL WILL BENEFIT WORKING AMERICANS IN EVERY STATE

State-By-State Data From The Bureau Of Labor Statistics
April 1, 1996

Monday, April 1, marked the five-year anniversary of the last minimum wage increase. President Clinton has proposed a raise in the minimum wage by 90 cents over two years. This raise will mean an additional $1,800 in earnings for full-time minimum wage workers - enough to buy seven months of groceries.

Of the ten million American workers who would benefit from the raise in the minimum wage, two-thirds are adults, age 20 or over. The average minimum-wage worker brings home half of the family's earnings. Three out of five minimum wage workers are women.

The following is a state-by-state breakdown of the number of workers in each state who would benefit from the President's minimum wage proposal:

ALABAMA: President Clinton's proposal to increase the minimum wage would directly benefit 241,000 workers in Alabama, representing 22.3 percent of all hourly workers in the state.

ALASKA: Alaska has already raised its state minimum wage to $5.25.

ARIZONA: Benefits 183,000 workers in Arizona, representing 15.8 percent of all hourly workers in the state.

ARKANSAS: Benefits 144,000 workers in Arkansas, representing 21.7 percent of all hourly workers in the state.

CALIFORNIA: Benefits 1,220,000 workers in California, representing 16.1 percent of all hourly workers in the state.

COLORADO: Benefits 99,000 workers in Colorado, representing 9.4 percent of all hourly workers in the state.

CONNECTICUT: Benefits 76,000 workers in Connecticut, representing 9.8 percent of all hourly workers in the state.

DELAWARE: Benefits 20,000 workers in Delaware, representing 10.4 percent of all hourly workers in the state.

FLORIDA: Benefits 523,000 workers in Alabama, representing 15.1 percent of all hourly workers in the state.

GEORGIA: Benefits 239,000 workers in Georgia, representing 12.8 percent of all hourly workers in the state.

HAWAII: Hawaii has already raised its state minimum wage to $5.25.

IDAHO: Benefits 50,000 workers in Idaho, representing 15.9 percent of all hourly workers in the state.

ILLINOIS: Benefits 388,000 workers in Illinois, representing 12.2 percent of all hourly workers in the state.

INDIANA: Benefits 232,000 workers in Indiana, representing 12.0 percent of all hourly workers in the state.

IOWA: Benefits 122,000 workers in Iowa, representing 14.1 percent of all hourly workers in the state.

KANSAS: Benefits 137,000 workers in Kansas, representing 19.6 percent of all hourly workers in the state.

KENTUCKY: Benefits 182,000 workers in Georgia, representing 17.6 percent of all hourly workers in the state.

LOUISIANA: Benefits 246,000 workers in Louisiana, representing 24.6 percent of all hourly workers in the state.

MAINE: Benefits 41,000 workers in Maine, representing 12.2 percent of all hourly workers in the state.

MARYLAND: Benefits 103,000 workers in Maryland, representing 8.0 percent of all hourly workers in the state.

MASSACHUSETTS: Benefits 136,000 workers in Massachusetts, representing 8.5 percent of all hourly workers in the state.

MICHIGAN: Benefits 324,000 workers in Michigan, representing 11.9 percent of all hourly workers in the state.

MINNESOTA: Benefits 118,000 workers in Minnesota, representing 8.3 percent of all hourly workers in the state.

MISSISSIPPI: Benefits 162,000 workers in Mississippi, representing 25.2 percent of all hourly workers in the state.

MISSOURI: Benefits 222,000 workers in Missouri, representing 14.7 percent of all hourly workers in the state.

MONTANA: Benefits 44,000 workers in Montana, representing 19.7 percent of all hourly workers in the state.

NEBRASKA: Benefits 68,000 workers in Nebraska, representing 14.7 percent of all hourly workers in the state.

NEVADA: Benefits 57,000 workers in Nevada, representing 12.0 percent of all hourly workers in the state.

NEW HAMPSHIRE: Benefits 30,000 workers in New Hampshire, representing 8.6 percent of all hourly workers in the state.

NEW JERSEY: Benefits 133,000 workers in New Jersey, representing 7.2 percent of all hourly workers in the state.

NEW MEXICO: Benefits 62,000 workers in New Mexico, representing 15.0 percent of all hourly workers in the state.

NEW YORK: Benefits 475,000 workers in New York, representing 12.6 percent of all hourly workers in the state.

NORTH CAROLINA: Benefits 265,000 workers in North Carolina, representing 13.9 percent of all hourly workers in the state.

NORTH DAKOTA: Benefits 37,000 workers in North Dakota, representing 22.4 percent of all hourly workers in the state.

OHIO: Benefits 440,000 workers in Ohio, representing 13.7 percent of all hourly workers in the state.

OKLAHOMA: Benefits 174,000 workers in Oklahoma, representing 24.4 percent of all hourly workers in the state.

OREGON: Benefits 82,000 workers in Oregon, representing 9.9 percent of all hourly workers in the state.

PENNSYLVANIA: Benefits 430,000 workers in Pennsylvania, representing 13.1 percent of all hourly workers in the state.

RHODE ISLAND: Benefits 31,000 workers in Rhode Island, representing 11.6 percent of all hourly workers in the state.

SOUTH CAROLINA: Benefits 156,000 workers in South Carolina, representing 15.6 percent of all hourly workers in the state.

SOUTH DAKOTA: Benefits 32,000 workers in South Dakota, representing 15.9 percent of all hourly workers in the state.

TENNESSEE: Benefits 242,000 workers in Tennessee, representing 16.7 percent of all hourly workers in the state.

TEXAS: Benefits 943,000 workers in Texas, representing 20.4 percent of all hourly workers in the state.

UTAH: Benefits 69,000 workers in Utah, representing 13.1 percent of all hourly workers in the state.

VERMONT: Benefits 19,000 workers in Georgia, representing 11.2 percent of all hourly workers in the state.

VIRGINIA: Benefits 197,000 workers in Virginia, representing 11.2 percent of all hourly workers in the state.

WASHINGTON: Benefits 138,000 workers in Washington, representing 9.3 percent of all hourly workers in the state.

WEST VIRGINIA: Benefits 83,000 workers in West Virginia, representing 19.4 percent of all hourly workers in the state.

WISCONSIN: Benefits 209,000 workers in Wisconsin, representing 12.2 percent of all hourly workers in the state.

WYOMING: Benefits 25,000 workers in Wyoming, representing 20.2 percent of all hourly workers in the state.

# # #

PRESIDENT CLINTON HAS ALWAYS SUPPORTED THE MINIMUM WAGE AS A WAY TO MAKE WORK PAY

April 2, 1996

CLAIMS THAT PRESIDENT CLINTON OPPOSED A MINIMUM WAGE INCREASE ARE JUST NOT TRUE.

- President Clinton has always supported the Minimum Wage -- and he has NEVER opposed a minimum wage increase. President Clinton has always supported increasing the minimum wage -- from the campaign in 1992 to the present. He specifically proposed a 90-cent increase 14 months ago.

- Republican Members point to a 10-word *Time* magazine quote from 1995 that alludes to President Clinton's opposition to the minimum wage in 1993. But, President Clinton didn't say any such thing. The statement *Time* refers to does not appear in any transcript, tape, or speech text.

- For four years now President Bill Clinton has fought for several provisions that would raise the standard of living of hard-working families, including: increasing the minimum wage, expanding the Earned Income Tax Credit, and providing health care coverage for working families.

- President Clinton initially focused his legislative agenda on raising workers' incomes and increasing economic security through expansion of the Earned Income Tax Credit and health care reform, but he has always supported a Minimum Wage increase. Together with his EITC expansion, the President's minimum wage increase would ensure that no parents would have to raise their children in poverty.

PRESIDENT CLINTON HAS ALWAYS SUPPORTED A MINIMUM WAGE INCREASE AS A WAY TO MAKE WORK PAY

SUPPORTED MINIMUM WAGE HIKES AS GOVERNOR. As Governor of Arkansas, Bill Clinton supported two increases in the state minimum wage. And he changed state minimum wage law to cover more workers.

1992: CANDIDATE CLINTON CALLS FOR EXPANDING EITC AND RAISE MINIMUM WAGE TO MAKE WORK PAY. In 1992, President Clinton proposed expanding the Earned Income Tax Credit and raising the minimum wage to keep pace with inflation in order to ensure that no parent who was willing to work full-time would have to raise their children in poverty.

- **In *Putting People First*,** Presidential Candidate Clinton and Vice-President Candidate Gore proposed to "increase the minimum wage to keep pace with inflation." (p. 127)

- **In the Clinton/Gore Welfare Information packet,** Candidate Clinton and Vice-President Candidate Gore proposed to make the minimum wage a fair wage, and index it to inflation because "working people shouldn't have to lose purchasing power just because of inflation." [Clinton/Gore Welfare Information Packet, September 9, 1992]

- **On October 30, 1992,** the *Star Tribune* wrote that Candidate Clinton wants to "increase the minimum wage to keep pace with inflation and expand the earned income tax credit to guarantee no full-time workers lives in poverty." [Star Tribune, October 30, 1992]

AUGUST 1993: PRESIDENT CLINTON EXPANDS EITC AS FIRST STEP TO MAKE WORK PAY. In 1993, President Clinton took the first necessary step to achieving the goal of ensuring that anyone who worked full-time didn't have to bring up their children in poverty: he expanded the Earned Income Tax Credit to provide a tax break for 15 million of our most hard-pressed households.

- **In April of 1993, *The Washington Post* wrote that:** "Mr. Clinton's goal is ambitious: to make sure that in households with children where at least one person works full-time, the family won't fall below the poverty line. Under current law, the maximum EITC benefit for a family with two or more children was scheduled to rise to $ 2,000 next year; Mr. Clinton would boost the maximum to $3,370 by 1995. He would also raise the benefits for families with one child and establish a small new credit for workers without children....***On top of this, Mr. Clinton would try to boost the earnings of the working poor by hiking the minimum wage.*"** [The Washington Post, April 20, 1993 -- emphasis added]

IN 1994 PRESIDENT CLINTON FOUGHT FOR UNIVERSAL HEALTH CARE -- WHICH WOULD HAVE BEEN THE EQUIVALENT OF A MINIMUM WAGE INCREASE FOR MILLIONS OF LOW-WAGE WORKERS. NONETHELESS, HE STILL MAINTAINED HIS SUPPORT FOR A MINIMUM WAGE INCREASE.

- **JUNE OF 1994, *THE WASHINGTON POST* WROTE THAT:** "From health-care reform to ***a higher minimum wage*** to more training opportunities to increased earned-income tax credits to mandatory fringe benefits. the Clinton administration wants to increase dramatically the income security of the more than 6 million American adults whom it classifies as the 'working poor.'" [The Washington Post. June 26, 1994 -- emphasis added]

1995: PRESIDENT CLINTON PROPOSES MINIMUM WAGE INCREASE TO FULFILL COMMITMENT TO MAKE WORK PAY. On February 3, 1995, President Clinton put forward his proposal to increase the minimum wage from $4.25 to $5.15 over two years in two equal steps. This proposal would directly benefit 10 million American workers.

- **In his 1995 State of the Union, President Clinton called for Congress to raise the minimum wage:** "The goal of building the middle class and shrinking the underclass is also why I believe that you should raise the minimum wage. It rewards work. Two and a half million Americans -- 2.5 million Americans, often women with children, are working out there today for $4.25 an hour. In terms of real buying power, by next year that minimum wage will be at a 40-year low. That's not my idea of how the new economy ought to work.

  Now, I've studied the arguments and the evidence for and against a minimum wage increase. I believe the weight of the evidence is that a modest increase does not cost jobs. and may even lure people back into the job market. But the most important thing is, you can't make a living on $4.25 an hour. Especially if you have children. even with the working families tax cut we passed last year. In the past, the minimum wage has been a bipartisan issue, and I think it should be again. So I want to challenge you to have honest hearings on this; to get together; to find a way to make the minimum wage a living wage.

  Members of Congress have been here less than a month, but by the end of the week, 28 days into the new year, every member of Congress will have earned as much in congressional salary as a minimum wage worker makes all year long." [State of the Union Address to the Nation, January 25, 1995]

- **On February 3, 1995, President Clinton proposed raising the minimum wage from $4.25 to $5.15:** "Our job is to create enough opportunity for people to earn a living if they'll exercise the responsibility to work. That's why we fought so hard to expand the earned income tax credit - a working family tax cut for 15 million families - in 1993; precisely why we're calling on Congress today to raise the minimum wage 90 cents to $5.15 per hour.

  The only way to grow the middle class and shrink the underclass is to make work pay. And in terms of real buying power, the minimum wage will be at a 40-year low next year if we do not raise it above $4.25 an hour. If we're serious- let me say this, too, emphatically- if we are serious about welfare reform, then we have a clear obligation to make work attractive and to reward people who are willing to work hard...

  If in 1990, because the minimum wage had not been raised in such a long time, a Republican president and a Democratic Congress could raise the minimum wage, surely in 1995 - facing the prospect that work, full-time work, could be at a 40-year low in buying power unless we act - a Congress with a Republican majority and a Democratic president can do the same for the American people." [Announcement by President Bill Clinton of Minimum Wage Increase, February 3, 1995]

- **JUNE, 1995. At town hall meeting with Speaker Gingrich, the President reiterated his support for a minimum wage increase:** "The reason that I am for it is that I believe that -- first of all, I know that a significant percentage of people on the minimum wage are women workers raising their kids on their own. And I just believe that we shouldn't allow -- if we don't raise the minimum wage this year, then next year, after you adjust for inflation, it will be at a 40-year low...

  And I believe, if you go back to when they did it when -- the last time it was done was, when, '89 or something, I think, on balance, we did fine as a result of doing it. And I think we should do it again. [Remarks by President Clinton, Speaker Gingrich at Senior Center in Claremont, N.H., June 11, 1995]

- **In May 1995, President Clinton calls for minimum wage increase:** "I believe it is especially important to women that we raise the minimum wage this year. Women represent three out of five minimum wage workers, but only half the work force. I have done everything I could to create a climate in which people are encouraged to be successful parents and successful workers. I believe that. That's what the Earned Income Tax Credit was all about in 1993... But it isn't enough. If we do not raise the minimum wage this year, next year it will be in real dollar terms, the lowest it has been in 40 years. Now that is not my idea of what the 21st century American economy is all about. [Remarks at Women's Bureau Reception, May 19, 1995]

- **On Labor Day 1995, President Clinton tells California that the minimum wage should be raised:**"I also think we ought to raise the minimum wage. Let me tell you, if we don't raise the minimum wage this year, on January the 1st of next year, our minimum wage in terms of what the money will buy will be at a 40-year low. I want a high-wage, high-growth, high-opportunity, not a hard-work, low-wage 21st century. And I think you do, too. And that's what we ought to do." [Remarks at the Dedication of California State University at Monterey Bay in Monterey, California, September 4, 1995]

1996 PRESIDENT REITERATES HIS CALL FOR AN INCREASE IN THE MINIMUM WAGE

- **Speech to Keene State College, New Hampshire.** "[A]mong the greatest heroes in this country are the people who work 40 hours a week and do their best to raise their kids and only make the minimum wage. If we do not raise the minimum wage, this year it will drop to a 40-year low in terms of what it will buy. There is always a lot talk in Washington about family values. It's hard to raise a family on $4.25 an hour. Let's raise the minimum wage." [President Clinton, Keene, New Hampshire, February 17, 1996]

- **1996 State of the Union Address.** "More and more Americans are working hard without a raise. Congress sets the minimum wage. Within a year, the minimum wage will fall to a 40-year low in purchasing power. Four dollars and 25 cents an hour is no longer a minimum wage, but millions of Americans and their children are trying to live on it. I challenge you to raise their minimum wage." [President Clinton, State of the Union Address to Congress, January 23, 1996]

DEMOCRATIC NATIONAL COMMITTEE
COMMUNICATIONS OFFICE
FAX TRANSMISSION

PHONE:	CHERYL KELLY:	(202) 488-5034
	DAVID SELDIN:	(202) 488-5033
	ANDY SOLOMON:	(202) 488-5064

FAX: (202) 488-5081

TO: JASON GOLDBERG PAGES (W/COVER) 2

FROM: DAVID SELDIN

FAX: ______________________

COMMENTS: ______________________

If there are any problems with this transmission, please contact the DNC Communications Department at the phone number listed above.

DRAFT

BACKGROUND MEMORANDUM
April 2, 1996

TO: Editors and Correspondents

FROM: David Eichenbaum,
DNC Director of Communications

RE: Truth Squad -- President Clinton's "Opposition" to Minimum Wage Increases

Republicans seem to have honed the message they are using to try to justify their opposition to a minimum wage increase. They are circulating a *Time* magazine clip in which it was reported that President Clinton felt that raising the minimum wage "was the wrong way to raise the incomes of low-wage earners."

Here's the problem – he never said it. President Clinton never said that he thought the minimum wage was the wrong way to raise the incomes of low-wage earners. It's not in any transcript, tape, or speech text of anything that Bill Clinton has said as President, Presidential candidate, Governor, Attorney General, law professor, or high school saxophonist.

The closest we can find is that he did say in a speech to the National Association of Manufacturers on June 24, 1992 that "we could increase the earned income tax credit by a couple of billion dollars a year, and, far more efficiently than raising the minimum wage, lift the working poor out of poverty." That's just what the President's 1993 economic plan did.

But that does not preclude supporting increasing the minimum wage. In fact, Bill Clinton raised Arkansas' minimum wage as Governor, and proposed indexing the minimum wage rate during the 1992 campaign. The campaign's position paper on welfare reform said that, "working people shouldn't have to lose purchasing power just because of inflation."

In short, Republicans should not be able to get away with saying that the President opposed a minimum wage increase. I hope you will be vigilant about not letting them continue to spread this blatant untruth.

DNC RESEARCH FAX

TO: GENE

FAX#: 2878

FR: TOM JANENDA
202/479-5109

DATE: 3/28/96

PAGES: ~~5~~ 6

****

RE: I UNDERSTAND THIS IS STILL UNDER DISCUSSION, BUT HERE IS OUR BACKUP.

-T

DNC - -- - :30 "Assault"

"We gave him a balanced budget and he vetoed it...let's veto Bill Clinton."

The facts?

The President proposes a balanced budget protecting Medicare, education, environment.

But Dole is voting no.

The President cuts taxes for 40 million Americans.

Dole votes no.

The President bans assault weapons; says welfare recipients must work.

Dole: no to the Clinton plan.

It's time to say yes to the Clinton plan -- yes, to America's families.

"Assault"

:30

Text:	Documentation:
"We gave him a balanced budget and he vetoed it ... let's veto Bill Clinton."	Dole: "We sent him the first balanced budget in a generation; he vetoed it. We're going to veto Bill Clinton in November 1996." [Remarks after Junior Super Tuesday Primaries, Dole Campaign Headquarters, 3/5/96]
The facts?	
The President proposes a balanced budget protecting Medicare, education, the environment.	The Congressional Budget Office's analysis certifies that the President's seven year budget will result in a "surplus of $1 billion in 2002." [CBO letter to Speaker Gingrich, 1/6/96] Medicare: Strengthens Medicare and guarantees its solvency for over a decade without the Republican's $270 billion cut. Education: The President's plan increases education and training programs by over 20% over 1993 levels. Environment: The President's plan increases environmental enforcement, state grants, research and technology by 23% in his balanced budget plan. [FY97 Budget Report]
But Bob Dole is voting no.	Bob Dole voted "no" on President Clinton's 10-year balanced-budget plan on October 24, 1995. [Senate vote No. 498] And Dole said "no" to the President's balanced budget priorities on November 17, 1995 when he voted for passage of the Republican budget reconciliation bill (conference report). The GOP budget reconciliation: [Senate Vote No. 584] • Cut Medicare by $270 billion and Medicaid by $164 billion over seven years. [President Clinton's Reasons for Vetoing the Republican Budget: 82 Selected Issues, 12/6/95] • Cut education and training by $30 billion over 7 years. [Impact of the Republican Budget, White House, 11/30/95] • Republicans cripple efforts to enforce environmental laws by cutting EPA's budget 25% from the President's request. [President Clinton's Reasons for Vetoing the Republican Budget: 82 Selected Issues, 12/6/95]

The President cuts taxes for 40 million Americans.	Working Families: The President's 1993 economic plan gives "over 21 million workers and their families by providing a tax credit averaging nearly $1,400. Working families with earnings of up to $28,524 per year may be eligible for the EITC [working families tax credit]." [Treasury Department, 6/15/95]
Dole votes no.	On August 6, 1993, Dole voted against President Clinton's 1993 Economic Plan. [CQ Almanac, 1993 (vote #247; Passed 51-50)]
The President bans assault weapons; says welfare recipients must work.	Assault Weapons: The President signed the assault weapons ban -- banning 19 types of semi-automatic assault style weapons, as a part of the larger Crime Bill, on September 13, 1994. The ban is working. According to Bureau of Alcohol Tobacco and Firearms, the number of assault weapons traced to crimes fell in the first eight months of 1995 by nearly 18.4%. [Handgun Control Inc. citing BATF, The Assault Weapons Ban Questions and Answers, 2/96] Work requirements: The President's welfare plan moves people from welfare to work. It includes: "tough work requirements"; more funding for child care; "incentives to reward States for placing people in jobs"; and strict time limits (a two year time limit on benefits and a five year lifetime limit). [FY97 Budget Report]
Dole: no to the Clinton plan.	Assault Weapons: On August 24, 1994, Dole voted against passage of the conference report of the Clinton crime bill, which included the assault weapons ban. [Reuters North American Wire, 8/24/94] Welfare Reform: On June 14, 1994, President Clinton released his plan to reform welfare. Bob Dole opposed the plan before having seen it, saying at a press conference: *"We still don't have the bill.... but we have real differences with his approach."* [Federal News Service, 6/14/94] And two weeks later on June 29, 1994, Dole said: *"Welfare reform will not happen this year..."* [Cleveland Plain Dealer, 6/29/94]
It's time to say yes to the Clinton plan -- yes, to America's families.	

SENATE VOTES 582, 583, 584

	582	583	584
ALABAMA			
Shelby	Y	Y	Y
Heflin	Y	N	N
ALASKA			
Murkowski	Y	Y	Y
Stevens	Y	Y	Y
ARIZONA			
Kyl	Y	Y	Y
McCain	?	Y	Y
ARKANSAS			
Bumpers	Y	N	N
Pryor	Y	N	N
CALIFORNIA			
Boxer	Y	N	N
Feinstein	N	N	N
COLORADO			
Brown	Y	Y	Y
Campbell	Y	Y	Y
CONNECTICUT			
Dodd	N	N	N
Lieberman	N	N	N
DELAWARE			
Roth	N	Y	Y
Biden	N	N	N
FLORIDA			
Mack	Y	Y	Y
Graham	Y	N	N
GEORGIA			
Coverdell	Y	Y	Y
Nunn	Y	Y	N
HAWAII			
Akaka	N	N	N
Inouye	Y	N	N
IDAHO			
Craig	Y	Y	Y
Kempthorne	Y	Y	Y
ILLINOIS			
Moseley-Braun	N	N	N
Simon	N	N	N
INDIANA			
Coats	Y	Y	Y
Lugar	Y	Y	Y
IOWA			
Grassley	Y	Y	Y
Harkin	Y	N	N
KANSAS			
Dole	Y	Y	Y
Kassebaum	Y	Y	Y
KENTUCKY			
McConnell	Y	Y	Y
Ford	Y	N	N
LOUISIANA			
Breaux	Y	Y	N
Johnston	Y	N	N
MAINE			
Cohen	Y	Y	N
Snowe	Y	Y	Y
MARYLAND			
Mikulski	Y	N	N
Sarbanes	Y	N	N
MASSACHUSETTS			
Kennedy	Y	N	N
Kerry	N	N	N
MICHIGAN			
Abraham	Y	Y	Y
Levin	Y	N	N
MINNESOTA			
Grams	Y	Y	Y
Wellstone	Y	N	N
MISSISSIPPI			
Cochran	Y	Y	Y
Lott	Y	Y	Y
MISSOURI			
Ashcroft	Y	Y	Y
Bond	Y	Y	Y
MONTANA			
Burns	Y	Y	Y
Baucus	Y	Y	N
NEBRASKA			
Exon	Y	N	N
Kerrey	Y	N	N
NEVADA			
Bryan	Y	N	N
Reid	Y	N	N
NEW HAMPSHIRE			
Gregg	Y	Y	Y
Smith	?	Y	Y
NEW JERSEY			
Bradley	N	N	N
Lautenberg	N	N	N
NEW MEXICO			
Domenici	Y	Y	Y
Bingaman	Y	N	N
NEW YORK			
D'Amato	Y	Y	Y
Moynihan	Y	N	N
NORTH CAROLINA			
Faircloth	Y	Y	Y
Helms	Y	Y	Y
NORTH DAKOTA			
Conrad	Y	N	N
Dorgan	Y	N	N
OHIO			
DeWine	N	Y	Y
Glenn	Y	N	N
OKLAHOMA			
Inhofe	Y	Y	Y
Nickles	Y	Y	Y
OREGON			
Hatfield	Y	Y	Y
Vacancy			
PENNSYLVANIA			
Santorum	Y	Y	Y
Specter	Y	N	Y
RHODE ISLAND			
Chafee	Y	N	Y
Pell	N	N	N
SOUTH CAROLINA			
Thurmond	Y	Y	Y
Hollings	N	N	N
SOUTH DAKOTA			
Pressler	Y	Y	Y
Daschle	Y	N	N
TENNESSEE			
Frist	Y	Y	Y
Thompson	Y	Y	Y
TEXAS			
Gramm	?	Y	Y
Hutchison	Y	Y	Y
UTAH			
Bennett	Y	Y	Y
Hatch	Y	Y	Y
VERMONT			
Jeffords	Y	Y	Y
Leahy	N	N	N
VIRGINIA			
Warner	Y	Y	Y
Robb	Y	N	N
WASHINGTON			
Gorton	N	Y	Y
Murray	Y	N	N
WEST VIRGINIA			
Byrd	Y	N	N
Rockefeller	Y	N	N
WISCONSIN			
Feingold	Y	N	N
Kohl	Y	N	N
WYOMING			
Simpson	Y	Y	Y
Thomas	Y	Y	Y

KEY

- Y Voted for (yea).
- # Paired for.
- + Announced for.
- N Voted against (nay).
- X Paired against.
- — Announced against.
- P Voted "present."
- C Voted "present" to avoid possible conflict of interest.
- ? Did not vote or otherwise make a position known.

Democrats *Republicans*

ND Northern Democrats SD Southern Democrats

Southern states - Ala., Ark., Fla., Ga., Ky., La., Miss., N.C., Okla., S.C., Tenn., Texas, Va.

582. S 440. National Highway System/Conference Report. Adoption of the conference report to designate a new 160,000-mile National Highway System and to repeal all federal speed limits and motorcycle helmet laws. Adopted (thus sent to the House) 80-16: R 47-3; D 33-13 (ND 24-12, SD 9-1), Nov. 17, 1995.

583. HR 2491. Fiscal 1996 Budget-Reconciliation/Antitrust Provisions. Abraham, R-Mich., motion to waive the Budget Act with respect to the Exon, D-Neb., point of order against provisions in the conference agreement to the bill that would have granted special antitrust rules for provider service networks and would have exempted physician office laboratories from the 1988 amendments to the Clinical Lab Improvement Act. Motion rejected 54-45: R 51-2; D 3-43 (ND 1-35, SD 2-8), Nov. 17, 1995. A three-fifths majority vote (60) of the total Senate is required to waive the Budget Act. (Subsequently, the chair upheld the Exon point of order and the extraneous provisions were struck from the bill.)

584. HR 2491. Fiscal 1996 Budget-Reconciliation/Further Amendment to Conference Agreement. Motion to recede and concur in the conference agreement to the bill with a further amendment to strike provisions, favored by doctors, that would relax antitrust rules for provider service networks and exempt physician office laboratories from the 1988 amendments to the Clinical Lab Improvement Act. The conference agreement would reduce projected spending by $894 billion and taxes by $245 billion over seven years to provide for a balanced budget by fiscal 2002. Over seven years, the conference report would reduce projected spending on Medicare by $270 billion, Medicaid by $163 billion, welfare programs by $82 billion, the earned-income tax credit by $32 billion, agriculture programs by $12 billion and federal employee retirement programs by $10 billion. The bill would grant a $500 per-child tax credit for families with incomes up to $110,000, reduce taxes on capital gains income, and expand eligibility for Individual Retirement Accounts. The bill would allow oil drilling in the Arctic National Wildlife Refuge in Alaska; impose royalties for hardrock mining on federal lands; cap the federal direct student loan program; and increase the federal debt limit from $4.9 trillion to $5.5 trillion. Motion agreed to (thus sending the conference report back to the House) 52-47: R 52-1; D 0-46 (ND 0-36, SD 0-10), Nov. 17, 1995. A "nay" was a vote in support of the president's position.

SENATE VOTES 495, 496, 497, 498, 499, 500, 501, 502

	495	496	497	498	499	500	501	502
[illegible]ABAMA								
Shelby	Y	Y	Y	N	N	Y	Y	Y
Heflin	N	Y	N	N	Y	Y	N	N
ALASKA								
Murkowski	Y	Y	Y	N	N	Y	Y	Y
Stevens	Y	Y	Y	N	N	Y	Y	Y
ARIZONA								
Kyl	Y	Y	Y	N	N	Y	Y	Y
McCain	Y	Y	Y	N	N	Y	Y	Y
ARKANSAS								
Bumpers	N	Y	N	N	Y	Y	N	N
Pryor	N	Y	N	N	Y	Y	N	N
CALIFORNIA								
Boxer	N	Y	N	N	Y	Y	N	N
Feinstein	N	Y	N	N	Y	Y	N	N
COLORADO								
Brown	Y	Y	Y	N	N	Y	Y	Y
Campbell	Y	Y	Y	N	N	Y	Y	Y
CONNECTICUT								
Dodd	N	Y	N	N	Y	Y	N	N
Lieberman	Y	Y	N	N	Y	Y	N	N
DELAWARE								
Roth	Y	Y	Y	N	N	Y	Y	Y
Biden	N	Y	N	N	Y	Y	N	N
FLORIDA								
Mack	Y	Y	Y	N	N	Y	Y	Y
Graham	N	Y	N	N	Y	Y	N	N
GEORGIA								
Coverdell	Y	Y	Y	N	N	Y	Y	Y
Nunn	?	Y	N	N	N	Y	N	N
HAWAII								
Akaka	N	Y	N	N	Y	Y	N	N
Inouye	?	Y	N	N	Y	Y	N	N
IDAHO								
Craig	Y	Y	Y	N	N	Y	Y	Y
Kempthorne	Y	Y	Y	N	N	Y	Y	Y
ILLINOIS								
Moseley-Braun	N	Y	N	N	Y	Y	N	N
[illegible]on	N	Y	N	N	Y	Y	N	N
[illegible]ANA								
[illegible]ats	Y	Y	Y	N	N	Y	Y	Y
Lugar	Y	Y	Y	N	N	Y	Y	Y
IOWA								
Grassley	Y	Y	Y	N	N	Y	Y	Y
Harkin	N	Y	N	N	Y	Y	N	N
KANSAS								
Dole	Y	Y	Y	N	N	Y	Y	Y
Kassebaum	?	Y	Y	?	N	Y	Y	Y
KENTUCKY								
McConnell	Y	Y	Y	N	N	Y	Y	Y
Ford	N	Y	N	N	Y	Y	N	N
LOUISIANA								
Breaux	N	Y	N	N	Y	Y	N	N
Johnston	N	Y	N	N	Y	Y	N	N
MAINE								
Cohen	Y	Y	Y	N	N	Y	Y	N
Snowe	Y	Y	Y	N	N	Y	Y	Y
MARYLAND								
Mikulski	N	Y	N	N	Y	Y	N	N
Sarbanes	N	Y	N	N	Y	Y	N	N
MASSACHUSETTS								
Kennedy	N	Y	N	N	Y	Y	N	N
Kerry	N	Y	N	N	Y	Y	N	N
MICHIGAN								
Abraham	Y	N	Y	N	N	Y	Y	Y
Levin	N	Y	N	N	Y	Y	N	N
MINNESOTA								
Grams	Y	Y	Y	N	N	Y	Y	Y
Wellstone	N	Y	N	N	Y	Y	N	N
MISSISSIPPI								
Cochran	Y	Y	Y	N	N	Y	Y	Y
Lott	Y	Y	Y	N	N	Y	Y	Y
MISSOURI								
Ashcroft	Y	Y	Y	N	N	Y	Y	Y
Bond	Y	Y	Y	N	N	Y	Y	Y
MONTANA								
Burns	Y	Y	Y	N	N	Y	Y	Y
Baucus	N	Y	N	N	Y	Y	N	N
NEBRASKA								
Exon	N	Y	N	N	Y	Y	N	N
Kerrey	?	Y	N	N	Y	Y	N	N
NEVADA								
Bryan	N	Y	N	N	Y	Y	N	N
Reid	N	Y	N	N	Y	Y	N	N
NEW HAMPSHIRE								
Gregg	Y	Y	Y	N	N	Y	Y	Y
Smith	Y	Y	Y	N	N	Y	Y	Y
NEW JERSEY								
Bradley	?	?	?	?	Y	Y	N	N
Lautenberg	N	Y	N	N	Y	Y	N	N
NEW MEXICO								
Domenici	Y	Y	Y	N	N	Y	Y	Y
Bingaman	N	Y	N	N	Y	Y	N	N
NEW YORK								
D'Amato	Y	Y	Y	N	N	Y	Y	Y
Moynihan	N	Y	N	N	Y	Y	N	N
NORTH CAROLINA								
Faircloth	?	Y	Y	N	N	Y	Y	Y
Helms	?	Y	Y	N	N	Y	Y	Y
NORTH DAKOTA								
Conrad	N	Y	N	N	Y	Y	N	N
Dorgan	N	Y	N	N	Y	Y	N	N
OHIO								
DeWine	Y	Y	Y	N	N	Y	Y	Y
Glenn	N	Y	N	?	Y	Y	N	N
OKLAHOMA								
Inhofe	Y	Y	Y	N	N	Y	Y	Y
Nickles	Y	Y	Y	N	N	Y	Y	Y
OREGON								
Hatfield	Y	N	Y	N	N	Y	Y	Y
Vacancy								
PENNSYLVANIA								
Santorum	Y	Y	Y	N	N	Y	Y	Y
Specter	Y	Y	Y	N	Y	Y	Y	N
RHODE ISLAND								
Chafee	Y	N	Y	N	N	Y	Y	Y
Pell	N	Y	N	N	Y	Y	N	N
SOUTH CAROLINA								
Thurmond	Y	Y	Y	N	N	Y	Y	Y
Hollings	N	Y	N	N	Y	Y	N	N
SOUTH DAKOTA								
Pressler	Y	Y	Y	N	N	Y	Y	Y
Daschle	?	Y	N	N	Y	Y	N	N
TENNESSEE								
Frist	Y	Y	Y	N	N	Y	Y	Y
Thompson	Y	Y	Y	N	N	Y	Y	Y
TEXAS								
Gramm	Y	Y	Y	N	N	Y	Y	Y
Hutchison	Y	Y	Y	N	N	Y	Y	Y
UTAH								
Bennett	Y	Y	Y	N	N	Y	Y	Y
Hatch	Y	Y	Y	N	N	Y	Y	Y
VERMONT								
Jeffords	Y	N	Y	N	N	Y	Y	Y
Leahy	N	Y	N	N	Y	Y	N	N
VIRGINIA								
Warner	Y	Y	Y	N	N	Y	Y	Y
Robb	N	Y	N	N	Y	Y	N	N
WASHINGTON								
Gorton	Y	Y	Y	N	N	Y	Y	Y
Murray	N	Y	N	N	Y	Y	N	N
WEST VIRGINIA								
Byrd	N	N	N	N	Y	Y	N	N
Rockefeller	N	Y	N	N	Y	Y	N	N
WISCONSIN								
Feingold	N	Y	N	N	Y	Y	N	N
Kohl	N	Y	N	N	Y	Y	N	N
WYOMING								
Simpson	Y	Y	Y	N	N	Y	Y	Y
Thomas	Y	Y	Y	N	N	Y	Y	Y

KEY

- Y Voted for (yea).
- # Paired for.
- \+ Announced for.
- N Voted against (nay).
- X Paired against.
- — Announced against.
- P Voted "present."
- C Voted "present" to avoid possible conflict of interest.
- ? Did not vote or otherwise make a position known.

Democrats *Republicans*

ND Northern Democrats SD Southern Democrats

Southern states - Ala., Ark., Fla., Ga., Ky., La., Miss., N.C., Okla., S.C., Tenn., Texas, Va.

495. S 1322. U.S. Israeli Embassy Relocation/Tax Cut Limitation. Roth, R-Del., motion to table (kill) the Dorgan, D-N.D., amendment to express the sense of the Senate that tax cuts should be limited to those making under $250,000 and the savings should be used to reduce the proposed cuts in Medicare spending, the federal health insurance program for the poor. Motion agreed to 51-40: R 50-0; D 1-40 (ND 1-31, SD 0-9), Oct. 23, 1995. *(Story, p. 3318)*

496. S 1322. U.S. Israeli Embassy Relocation/Passage. Passage of the bill to move the U.S. Israeli embassy from Tel Aviv to Jerusalem by 1999. The bill would allow the president to delay the move if he determined that it was in the interest of national security. Passed 93-5: R 49-4; D 44-1 (ND 34-1, SD 10-0), Oct. 24, 1995. A "nay" was a vote in support of the president's position. *(Story, p. 3318)*

497. S 1328. Renewing Federal Judgeships/Hungry and Uninsured Children. Wellstone, D-Minn., motion to table (kill) the Wellstone amendment to express the sense of the senate that if the fiscal 1996 budget-reconciliation bill increases the number of hungry or medically uninsured children by the end of fiscal 1996, then Congress will adopt legislation to halt these increases. Motion agreed to 53-45: R 53-0; D 0-45 (ND 0-35, SD 0-10), Oct. 24, 1995.

* **498. S 1328. Renewing Federal Judgeships/Clinton Budget Proposal.** Hatch, R-Utah, amendment to express the sense of the Senate that Congress shall enact President Clinton's budget as revised on June 13, 1995. Rejected 0-96: R 0-52; D 0-44 (ND 0-34, [illegible]D 0-10), Oct. 24, 1995.

[illegible]499. S 1357. Fiscal 1996 Budget-Reconciliation/Medicare Reductions. Rockefeller, D-W.Va., motion to commit the bill to the Senate Finance Committee, with instructions to report it back to the Senate within three days with an elimination of any Medicare reductions beyond the $89 Billion necessary to maintain solvency of the hospital insurance trust fund through 2006 and to make up the difference through a reduction in tax cuts for upper-income taxpayers. The bill calls for $270 billion in Medicare savings over 7 years. Motion rejected 46-53: R 1-52; D 45-1 (ND 36-0, SD 9-1), Oct. 26, 1995. *(Story, p. 3290)*

500. S 1357. Fiscal 1996 Budget-Reconciliation/Medicare Fraud and Abuse. Abraham, R-Mich., amendment to instruct the secretary of Health and Human Services to establish programs encouraging individuals to report information on incidents of fraud or abuse against the Medicare program and to suggest methods to improve Medicare efficiency. Individuals reporting fraud or abuse could be paid a portion of the money collected. Adopted 99-0: R 53-0; D 46-0 (ND 36-0, SD 10-0), Oct. 26, 1995. *(Story, p. 3290)*

501. S 1357. Fiscal 1996 Budget-Reconciliation/Earned-Income Tax Credit. Domenici, R-N.M., motion to table (kill) the Bradley, D-N.J., motion to commit the bill to the Senate Finance Committee with instructions to report it back within three days after eliminating the $43 billion reduction in the Earned-Income Tax Credit, a tax relief for poor families, and instead repealing federal tax preferences aimed at private sector companies. Motion agreed to 53-46: R 53-0; D 0-46 (ND 0-36, SD 0-10), Oct. 26, 1995. *(Story, p. 3290)*

502. S 1357. Fiscal 1996 Budget-Reconciliation/Medicaid. Domenici, R-N.M, motion to table (kill) the Graham, D-Fla., motion to commit the bill to the Senate Finance Committee, with instructions to report it back within three days with an elimination of any reductions in the Medicaid program beyond $62 billion over a seven-year period and to pay for the difference by reducing tax cuts for upper-income taxpayers. The bill would reduce projected Medicaid spending by $182 billion over seven years. Motion agreed to 51-48: R 51-2; D 0-46 (ND 0-36, SD 0-10), Oct. 26, 1995. *(Story, p. 3290)*

BOB DOLE:

MINIMUM WAGE

1961: Voted Against Increasing The Minimum Wage From $1 to $1.15 Per Hour. On March 24, 1961, Dole voted against passage of H.R. 3935, the Fair Labor Standards Amendments of 1961. The bill as amended by Reps. Ayres and Kitchin, raised the minimum wage for the 23.9 million covered workers from $1 to $1.15 an hour, and extended minimum wage coverage (at $1 an hour) but not overtime coverage to 1,300,000 additional workers. Passed 341-35 [CQ Almanac, p. 514]

On May 3, 1961, Dole also voted against adoption of the conference report on H.R. 3935, the Fair Labor Standards Amendments of 1961. The conference report raised the minimum wage for 23.9 million workers already covered by the Fair Labor Standards Act to $1.25 an hour, reached in two steps over two years, and extended minimum-wage coverage (at $1.25 an hour, reached after four years) and overtime coverage (with some exceptions) to about 3,624,000 additional workers, mainly in the retail trades. Agreed to 230-196 [CQ Almanac, p. 518]

1966: Dole Voted Against Minimum Wage Increase - From $1.25 to $1.60
Dole voted against HR 13712, to increase the minimum wage for non-farm workers from $1.25 to $1.60, and to bring non-farm workers into coverage, as well as extended coverage to an additional 7.9 million workers. [May 26, 1966, 303-93, # 60, CQ Almanac, 1966, p. 882]

1974: Dole Voted for Passage of Minimum Wage Increase - From $1.60 to $2.30
Dole voted for passage of S 2747, which raised the minimum wage for most non-Farm workers from $1.60 to $2.00 one month after enactment and an additional increase to $2.40 one year later. The bill also extended minimum wage coverage to an additional 6.7 million workers. [March 7, 1974, 69-22, # 58, CQ Almanac, 10-S]

From the floor of the Senate:

- "I am pleased to support the conference report on the minimum wage bill. . . It primarily seeks to assure a decent living for the American workingman and woman. . . The conference report embodies the traditional concern we have had in this country for the well-being of working people. A living wage for a fair day's work is a hallmark of the American economic philosophy." [March 28, 1974, CR 8768]

1977: Dole Voted for Passage of Minimum Wage Increase - From $2.30 to $3.40
Dole voted for HR 3744, which raised the minimum wage from $2.30 in 1977 to $2.65 in 1978 to $2.90 in 1979 to $3.15 in 1980 to $3.40 in 1981. The bill also made changes in definition of tip earners and other changes in wage laws. The conference report, adopted by voice vote, too the 1981 value down to $3.35. [October 7, 1977, 63-24, # 548, CQ Almanac, 78-S]

From the floor of the Senate:

- "I do not oppose increasing the statutory minimum wage. Inflation has continued to increase to cost of living for each American. Next to our elderly, low-income workers are among the hardest hit by the ravages of inflation. Since the justification for the minimum wage is to insure every working person a livable wage, periodic adjustments may be necessary. . .

  If and when the minimum wage should be increased again, Congress should face its responsibility and enact the necessary legislation. [October 7, 1977, CR 32906]

1987: Dole Opposed Increase In Minimum Wage From $3.35 – Advocated Sub-minimum Wage. In March of 1987, Dole opposed Democratic legislation to increase the minimum wage from $3.35 because he believed it would lead to higher inflation. Dole also said he supported President Reagan's proposal to create a new, sub-minimum wage for teenagers. [BNA, 3/5/87]

1988: Dole Blames Labor For Not Backing Legislation To Allow A "Training Wage." Dole and Senate Republicans tried to scuttle the 1988 Democratic attempt to raise the minimum wage by offering legislation creating a "training wage" – below the minimum wage. Dole attacked labor leaders for not supporting the GOP proposal. "The reason we're not getting consideration of our training wage is that the labor unions don't want it... It's not the Republicans versus the Democrats; it's the Republicans versus the labor leaders. They're telling us we can take this [minimum wage proposal] or leave it; we're not going to play games." [AP, 9/22/88]

1988: Dole Voted for Proceeding to Minimum Wage Bill. Dole voted in favor of the Byrd motion to proceed to consideration of a bill to raise the minimum wage to $4.55 over three years. [CQ Almanac, 1988, vt. 330, 53-S]

1988: Dole Voted Against Ending Filibuster On Minimum Wage. Dole voted against a Kennedy motion to invoke cloture on, and therefore end, a Hatch-led filibuster of legislation increasing the minimum wage to $4.55 over three years. The motion failed, 56-35. [*AFL-CIO Report on Congress*, 1988, vote #336, CQ Almanac, 1988, p. 55-S

1989: Dole Sponsored Motion To Recommit Minimum Wage. Dole sponsored a motion to recommit minimum wage legislation back to the Labor and Human Resources Committee, with instructions to report it back with the Bush administration minimum wage plan, which included raising the minimum wage to $4.25 over three years as well as a six-month training wage. [*AFL-CIO Report on Congress*, 1989, vote #38, p. 11-S]

1989: Dole Voted To Increase Minimum Wage. Dole voted for passage of HR 2710, which increased the minimum wage from $3.35 to $4.25 an hour, over two years, and provide a training wage which would last 6 months for employees aged 16 to 19. Democrats originally tried to raise it to $4.55 but was vetoed by the President and the House did not override the veto. Dole voted against that bill. [CQ Almanac, 1989, 54-S, vt. 292]

"I don't think the Republican Party should be known as the party that tried to squeeze the last nickel out of minimum wage." [UPI, October 31, 1989]

Remarks from the Senate floor during various debates over the minimum wage increase:

- *After passage:* "For the simple truth is that everybody won. The President won. Congress won. But, most importantly, the working poor of this country won. And that is good news for all Americans." [November 1, 1989, CR 14472]

- *June 14:* "We have had opportunities to do something really worthwhile for the working men and working women of this country; opportunities to increase the minimum wage.

  And we could have done it easily, with a 90-cent increase over a 3-year period in the minimum wage and a 6-month training wage from, $3.35 to $4.25 an hour, . . .

  Last week--on this floor--I urged Congress to stop playing politics with the minimum wage. I said that playing politics might be fun for some of us around here--but it is not fun for those in this country who really want--and need--a minimum wage increase.. . .

  I know I have said it before. But I must say it once again. I supported-- and I continue to support--a minimum wage increase. I voted for it in the past and my record is pretty good. And that is why I--along with my distinguished colleague from Utah--hope that we will be able to reach agreement on a minimum wage bill that will be acceptable to the President." [June 14, 1989, CR 6600]

- *May 17:* "I supported--and I continue to support--a minimum wage increase. I continue to stand by the President. And I commend him for fulfilling a campaign promise by going forward with his own minimum wage proposal. . .

  I have said that as a Republican I am not going to stand here and say you can live on $3.25 an hour or $4.55 an hour. [May 17, 1989, CR 5475]

- *April 11:* "To be sure, I am all for helping the working poor. I have spent most of my public life supporting causes on behalf of the working poor. And no one would deny that the working poor are the ones who most deserve a wage increase." [April 11, 1989, CR 3579]

- *April 11:* "He [President Bush] has already said that he would go along with an increase in the minimum wage. Ronald Reagan said no for 8 years and made it stick--$3.35 for 8 years. George Bush said, well, it is time--as the Senator from Massachusetts and others said, the Senator from Utah--that we take a look at the minimum wage and make adjustments. So we did. Over a 3- year period, it is going to be 90 cents per hour higher." [April 11, 1989, CR 3579]

1993: Dole Calls Proposal To Increase Minimum Wage A "Big, Big Mistake." On CBS's "Face The Nation" in August of 1993, Clinton Labor Secretary Robert Reich suggested raising the hourly minimum wage from it's 1990 level, $4.25 per, and indexing it to automatically reflect cost of living increases. Reich noted that because of inflation, workers receiving the minimum wage earn less than they did in the 1970s and 1980s.

On the same program, Dole said that linking the minimum wage increases to the cost of living "would be a big, big mistake and I don't even think it would pass" in Congress. [AP, 8/23/93]

1995: Provided The One Vote Margin That Allowed The GOP To Kill Debate On Raising The Minimum Wage. Dole voted to table the Kennedy Amendment to express he sense of the Senate that the Senate should debate and vote on an amendment to raise the minimum wage before the end of the first session of the 104th Congress. The motion to table, and thus kill the amendment, passed by a one vote margin, provided by Dole, 49-48. [Legislate, 7/31/95,Vt. 1344]

1995: Again Voted Against Allowing Debate on the Minimum Wage. Three months later, Dole against voted against a Kennedy motion to express the Sense of the Senate that the Senate should debate and vote on an amendment to raise the minimum wage before the end of the first session of the 104th Congress. The motion failed 51-48/ [Legislate, 10/27/95, Vt. 1519]

1996: Dole Delays Vote on Minimum Wage. Dole put off a vote on minimum wage that Kennedy and other Senate members were attempted to bring to the floor. Through parliamentary maneuvers, Dole recommitted the bill and then ended the days session. [AP, 3/26/96]

1974:

"I am pleased to support the conference report on the minimum wage bill. . . It primarily seeks to assure a decent living for the American workingman and woman. . . The conference report embodies the traditional concern we have had in this country for the well-being of working people. A living wage for a fair day's work is a hallmark of the American economic philosophy."

-- *Bob Dole on the Senate floor.* [March 28, 1974, CR 8768]

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"I do not oppose increasing the statutory minimum wage. Inflation has continued to increase to cost of living for each American. Next to our elderly, low-income workers are among the hardest hit by the ravages of inflation. Since the justification for the minimum wage is to insure every working person a livable wage, periodic adjustments may be necessary. . .

If and when the minimum wage should be increased again, Congress should face its responsibility and enact the necessary legislation.

-- *Bob Dole on the Senate floor* [October 7, 1977, CR 32906]

1989:

"I have said that as a Republican I am not going to stand here and say you can live on $3.25 an hour or $4.55 an hour."

-- *Bob Dole on the Senate Floor*

[May 17, 1989, CR 5475]

1989:

"To be sure, I am all for helping the working poor. I have spent most of my public life supporting causes on behalf of the working poor. And no one would deny that the working poor are the ones who most deserve a wage increase."

--*Bob Dole on the Senate Floor*

[April 11, 1989, CR 3579]

Minimum Wage

Who Will Benefit from an Increase

Percent and number of workers earning between $4.25 and $5.14, 1994 by State

State	Percent	Number	Total Workforce
Alabama	16.9%	285,250	1,685,378
Alaska	4.0%	9,649	242,062
Arizona	12.6%	200,320	1,585,686
Arkansas	16.4%	158,238	965,807
California	10.9%	1,317,125	12,127,105
Colorado	8.9%	145,651	1,640,033
Connecticut	6.1%	87,158	1,439,916
D.C.	7.8%	20,292	259,418
Delaware	9.5%	31,341	330,946
Florida	12.3%	675,928	5,487,763
Georgia	11.9%	361,887	3,048,241
Hawaii	3.7%	17,880	480,246
Idaho	13.9%	62,524	450,302
Illinois	10.8%	545,647	5,042,948
Indiana	12.4%	315,718	2,547,137
Iowa	10.9%	131,759	1,212,250
Kansas	12.6%	133,752	1,059,508
Kentucky	14.6%	216,866	1,482,340
Louisiana	19.9%	313,605	1,573,058
Maine	10.6%	48,687	458,273
Maryland	5.7%	131,265	2,313,451
Massachusetts	6.4%	168,035	2,627,191
Michigan	10.5%	420,386	4,012,846
Minnesota	9.2%	192,018	2,096,493
Mississippi	17.0%	176,194	1,034,793
Missouri	11.9%	262,483	2,208,150

Source: Economic Policy Institute. Sample includes both hourly and salaried workers.

Minimum Wage

Who Will Benefit from an Increase

Percent and number of workers earning between $4.25 and $5.14, 1994 by State

State	Percent	Number	Total Workforce
Montana	16.3%	52,057	318,486
Nebraska	13.1%	94,150	718,211
Nevada	9.3%	61,273	656,804
New Hampshire	7.8%	39,958	511,753
New Jersey	5.2%	173,441	3,348,923
New Mexico	13.2%	79,495	600,549
New York	8.7%	614,715	7,068,130
North Carolina	11.3%	345,913	3,053,341
North Dakota	18.2%	46,574	256,552
Ohio	10.7%	500,596	4,684,163
Oklahoma	17.0%	210,881	1,240,985
Oregon	7.0%	88,685	1,275,129
Pennsylvania	10.2%	494,870	4,868,376
Rhode Island	9.2%	37,704	408,758
South Carolina	12.8%	196,066	1,537,776
South Dakota	14.5%	40,899	281,344
Tennessee	12.7%	280,727	2,211,843
Texas	14.7%	1,128,064	7,682,789
Utah	12.8%	104,305	817,055
Vermont	7.5%	18,189	241,558
Virginia	9.8%	280,233	2,863,031
Washington	7.2%	157,979	2,201,188
West Virginia	16.3%	103,752	638,043
Wisconsin	9.0%	210,757	2,342,266
Wyoming	16.8%	32,310	192,655
U.S. Total	11.0%	11,823,252	107,431,043

Source: Economic Policy Institute. Sample includes both hourly and salaried workers.