Family Report

For Working Parents, Mixed News at Home

Children Praise Them but Note Stress

By KIRSTIN DOWNEY GRIMSLEY and JACQUELINE L. SALMON
Washington Post Staff Writers

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High school senior Emily Small, of Arlington, is quick to detect the signs of work pressure in her parents' lives. Her mother, Susan, 49, a part-time teacher, breaks out in hives; her father, Joe, 52, a lawyer who often works 11-hour days, turns snappish, and his sense of humor disappears.

Those are the days, Small says, when she doesn't mention that she has had a good day because she can tell from her dad's face that he hasn't.

"Those are the times you don't go near him," said Emily, 17, adding that she wishes her father could work fewer days and not worry so much about work when he is home. "He's so stressed," she said.

Two-thirds of U.S. children share similar worries about their parents, mainly because of what they perceive as work-related stress and fatigue, according to a new study of family life by researcher Ellen Galinsky, president of the Families and Work Institute, a New York think tank that tracks workplace trends. The study, among the first to take such questions to children rather than their parents, is sparking debate on talk shows and at kitchen tables across the country, as families seek to navigate through the conflicting pressures of life.

Launched in the Washington area in 1997 and then broadened to 15 states, the new research comes at a time when other studies show Americans working harder and longer, with many feeling intense financial pressures, in some cases because of overspending.

Galinsky's study is based on random surveys of 1,023 children in grades 3 through 12 who filled out questionnaires, as well as on in-depth interviews with 170 parents and children and telephone interviews of 605 other employed parents. The findings are published in a new book called "Ask the Children: What America's Children Really Think About Working Parents."

Galinsky, interviewed at a Washington hotel last week, said that children from the Washington area and New York City were particularly aware of their parents' stress levels, heightened, she said, by long commutes, traffic congestion, the high cost of living and raised expectations for achievement.

In general, children in the study gave their parents high marks in parenting but wished they were under less stress—even as the children indicated they worried about their families' finances.

Contrary to parents' beliefs, most youngsters didn't say they want more time with their parents. Instead, they want better communication and more "focused" time, with parents being less strained and tired. About 56 percent of employed parents thought their offspring wanted more time with them, but only 10 percent of the children wished for more time with their mother, and 15.5 percent said the same of their father.

"The major issue for kids is not that parents work," Galinsky said. "What kids are concerned about is how they work."

Children in the study didn't view employed and at-home mothers differently, or mothers who work full or part time—grading them about the same on attributes such as "making me feel important and loved," "spending time talking with me" and "knowing what is really going on in my life."

Although no one is publicly disputing Galinsky's findings, some family research organizations disagree with her interpretations.

The book is "a guilt-buster," said Janet Parshall, of the Family Research Council, a Washington-based advocacy group. "This [book says] to working mothers in particular, 'Don't worry about it; your kids love it when you work.' "

Parshall said working mothers are understandably stressed because they have to jam so many tasks into short periods, but she said it's a choice many women make freely. Galinsky's study, she said, is "trying to assuage that decision that the working mom makes to go out and self-actualize because she is living, sadly, in a culture that is devaluing the pricelessness of motherhood."

Galinsky said that she shares the Family Research Council's interest in improving family life, but that Parshall's belief that many women work out of choice is in error; in most households, Galinsky said, women work out of financial necessity.

Household income for families has remained almost flat over the last 20 years despite the mass entrance of mothers into the work force, studies have shown. "Most parents are not running to get ahead," Galinsky writes. "Essentially, they are running to stay in place, to preserve their standard of living."

Barbara Schneider, co-director of the Alfred P. Sloan Center on Parents, Children and Work at the University of Chicago, has studied 1,200 high-schoolers nationwide over the last nine years. Like Galinsky, Schneider found no long-term negative effect from having a working mother.

"There are other problems in children's lives, and it's not the fact

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"that their parents are working," she said. "It's the fact that their parents aren't communicating with them that they have the most problems with."

Rather than children being focused on their working mothers, the bigger issue is the work status of their fathers, Galinsky reported. Children gave nonemployed fathers and those who work part time lower grades when it comes to making them feel "important and loved." Galinsky speculated that reflects societal expectations that men should be the economic providers, or that men who are unemployed may be depressed and nonresponsive to their children.

Even though studies have shown that today's fathers do more with their children, the children still view dads more negatively than moms. About 92 percent of Galinsky's subjects gave their mothers high marks for "being there for me when I am sick," compared with less than 75 percent who said that about their fathers; about 71 percent of moms but only 62 percent of dads were described as "being involved with what is happening to me at school."

Rockville father Peter Boyce juggles the demands of his three daughters and his job as director of conservation for the Department of Defense. Boyce, 53, has been leading his daughters' Girl Scout troops for nine years and eats lunch at his desk to get home early for family time. When he and his wife adopted their third child, Boyce came to work late each morning for six months.

Galinsky and other researchers say the long work hours increasingly common in the United States appear to be taking a toll on family life. An analysis released this month by the International Labour Organization, a United Nations agency, found that Americans now surpass every other industrialized nation in time spent on the job, with U.S. workers putting in the equivalent of two weeks more per year than the Japanese.

Over the last two decades, American fathers' time at work has increased by 3.1 hours per week, according to the Families and Work Institute; for mothers, it's 5.2 hours. Employed fathers with children younger than 18 now work an average of 50.9 hours per week; working mothers, 41.4 hours.

Galinsky cites "the relentless volley of work ... the fact that there is no safe haven," as a stress-builder. "E-mail, voice mail, cell phones and portable computers all have eroded the boundaries between work time and nonwork time. They foster expectations of an instant response, of 24-hour-a-day availability," she writes.

Indeed, many companies are demanding greater productivity from their work force, said management consultant Mary Symmes, who counsels overstressed workers: "Employees tend to feel they have to work tougher, harder, longer hours. Employers' demands have increased. Everything is speeding up, going faster."

Life is "100 percent more stressful" than it used to be, agreed Dan Lagasse, 39, an Alexandria father of three (soon to be four) who said that in his job maintaining communications systems for the defense industry, "we work 365 days a year, 24 hours a day." The price, he said, is that he sometimes feels he has "no family life at all."

About 34 percent of children in Galinsky's study wished their parents were less stressed and tired. Even young children can pick up on the tension.

Seven-year-old Emilie Svenhager, of Lake Ridge, vividly recalls what it was like when her mother, Petra, 35, a single parent, managed a retail store at Potomac Mills earlier this year. Sometimes "she came home in the middle of the night," said Emily, and "she'd yell at the cat."

Some of that parental stress is self-imposed. Symmes said she sees a steady stream of workers who are "overachievers who can't rest for a minute" and who add more and more activities to their schedules until major problems erupt.

E. Thomas Garman, professor of consumer affairs and family financial management at Virginia Tech, said parents' materialism may contribute to feelings of financial stress. In one group of upper-middle-income workers in the Midwest that Garman studied, about 40 percent reported financial stresses, particularly in comparison to neighbors they perceived as more affluent.

"Now it's not just trying to keep up with the Joneses," he said. "Now it's more like they are trying to keep up with [Bill] Gates."

Some of that can be blamed on mass consumerism, but some is actual need. Nationally, about one in every five children lives below the poverty line ($16,600 for a family of four). Garman's studies have found that in families that earn the nation's median income—$37,000—about 90 percent report financial stress.

One-quarter of the children in Galinsky's study wished their parents made more money; children who reported their families have a "hard time buying the things we need" were more likely to wish their moms and dad earned more. Galinsky said these children may see more money as a way to lessen family stress.

Even though her family lives a typical middle-class life, Rockville teenager Adrienne Boyce feels nervous about the future when she sees her parents struggle to balance their lives.

"It's a lot of work," said Boyce, 17, a senior at Richard Montgomery High School. "In addition to what you do 9 to 5, you also have to do other chores like make beds, clean the house, go grocery shopping, look after the car, pay your bills. It's kind of discouraging to know that in addition to working all that time, you have to do other things, too."

Ruby Shamir
05/12/99 03:00:44 PM

Record Type: Record

To: June Shih/WHO/EOP, Paul D. Glastris/WHO/EOP

cc: Nicole R. Rabner/WHO/EOP, Thomas L. Freedman/OPD/EOP

Subject: Work/Family

Based on her conversation with Paul, Nicole has asked me to compile information and facts on work and family trends [attached]. The document is somewhat confusing because the data itself -- particularly on telecommuting and working at home trends -- is a patchwork of some inconsistent studies.

With regard to telecommuting and working at home here are some highlights of statistics [not from government research]:

According to CyberDialogue data, we could reliably say that the number of people who make some part of their living from the home has more than doubled in this decade alone, from 25.3 million in 1990 to 54.6 million in 1998.

According to CyberDialogue data, since the President took office the number of telecommuters has doubled from 7.3 million in 1993 to 15.7 million in 1998.

Also on work hours:

According to the Bureau of Labor Statistics, the average workweek has lengthened considerably for people in a wide-range of professions - from managers to truck drivers - who are in their child-rearing years.

Please contact me with questions. 65696.

Family-Work Trends 5-12-99.dc

Families CEA Report

Moms Spend More Hours On Paid Jobs

By JOHN M. BERRY
Washington Post Staff Writer

The time married women with children spend working outside the home for pay has almost doubled in the past three decades, to an average of 1,200 hours per year, leaving them much less time for other things, including caring for their children, the Council of Economic Advisers said in a report released yesterday.

The share of families headed by a single parent, usually a woman, rose to 30 percent of all families from 13 percent, and the number of hours worked annually by single parents also rose by about 300 hours during the same period, from 1969 to 1996, the report said.

"The increase in time mothers spend in paid work, combined with the shift toward single-parent families, has resulted in families on average experiencing a decrease of

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22 hours per week in time available outside of paid work that parents could spend with children," CEA Chairman Janet L. Yellen said at a news conference.

There is no recent data available to indicate whether parents have actually reduced the number of hours spent caring for their children or cut back on other activities, CEA member Rebecca Blank said. The time spent on some activities, such as meal preparation, may have been reduced by

All types of families experienced substantial increases in hours of paid work.

eating out or buying food that requires less time to cook.

In addition, the average number of children per family has declined to 1.88 in 1996 from 2.37 in 1969.

While some families, particularly those headed by a single parent, may be "time-poor," Yellen said that the added hours of work have made the average family "better off economically today than in 1969."

"Women's wages have increased as well as their hours worked for pay, so that women's annual earnings have gone up substantially," Yellen told reporters.

Wives' hourly wages increased by 52 percent from 1969 to 1996, while those of single parents increased by 17 percent, she said.

The report, "Families and the Labor Market, 1969-1999: Analyzing the 'Time Crunch,'" was prepared to buttress the Clinton administration's desire to find ways, whether through government policies or within the private sector, to ease the strictures of that "time crunch."

Yellen said the time pressure on families "raises challenges for policymakers seeking to promote strong families, including the need for flexibility in paid work hours, the need for available and affordable child care, the need to support the earnings of families with low-wage earning parents and the need to encourage two-parent families to form and stay together."

The report said the share of married women with children under 18 at home who worked for pay rose to 68 percent in 1996 from 38 percent in 1969.

The increase was smaller for single mothers because 53 percent of them already were working for pay in 1969. By 1996, that share was up to 66 percent, almost the same as for mothers with a husband present.

The increase in the share of mothers working for pay "has been widespread throughout the population," the report continued.

All types of families, whether defined by education levels of the parents, the presence of young children, or the race or ethnicity of the head of the household, experienced substantial increases in hours of paid work.

And that is all the result of increasing work by women. Hours of paid work by husbands fell slightly, from 2,211 in 1969 to 2,132 hours in 1996. But husbands on average worked the equivalent of a full-time, 40-hour-a-week job. Wives, by working an average of 1,200 hours a year, typically worked less than full time.

While the trends described in the report were seen in all types of families, in some cases they were much more pronounced.

For instance, "families whose head had gone to college increased the hours of paid work much more than those whose head had less education," it said.

The difference was due both to the wives' hours increasing more in the more well-educated family and the husband's hours decreasing less.

At the same time, families with pre-school-age children increased their hours of paid work more than those with only school-age children. That was partly the result of the fact that in 1969, many fewer women with pre-school-age children worked than did those with school-age kids.

Blank said that both the larger rise in hours worked by women with more education and the increase in the share of working mothers with young children likely reflects a reduction in barriers to women working in better-paying jobs with career tracks.

The Washington Post
TUESDAY, MAY 25, 1999

~~Letter~~
Fami. Rept.

STATEMENT OF
JANET L. YELLEN, Chair of Council of Economic Advisors
and
BRUCE REED, Assistant to the President for Domestic Policy

Enclosed is a copy of a recent report by the Council of Economic Advisors -- *Families and the Labor Market, 1969-1999: Analyzing the "Time Crunch"* -- which we believe is important and useful in understanding the challenges facing the American family today. This report summarizes dramatic changes experienced by the American family in the last three decades: changes in parents' time at paid jobs, changes in income and who earns it, changes in family size and structure, and changes in time available for children. Through this report, we seek to further our national discussion of policies that could help parents balance work and family and thus strengthen American families. One of the most striking findings in this report is that families on average have experienced a decrease of 22 hours per week (14 percent) in time available outside of paid work that was formerly available to be spent with their children.

The report also shows that the hours American parents work in paid jobs have increased enormously since 1969, due to a dramatic shift of mothers' time from the home to the labor market. In 1969, 38 percent of married mothers worked for pay; in 1996, 68 percent did so. Paid employment of single mothers rose from 53 percent to 66 percent during the same time period, so that single parents increased their average hours of paid work by 297 hours per year (28 percent). Wives' paid work time increased by 576 hours per year (93 percent), while that of husbands decreased slightly. At the same time, the share of families with a single parent has expanded greatly since 1969, from 13 percent to 30 percent of all families. This has increased the proportion of families that are "cash-strapped" and "time-poor."

The average family is better off economically today than in 1969. Women's wages have increased as well as their hours worked for pay, so that women's annual earnings have gone up substantially. Wives' hourly wages increased by 52 percent between 1969 and 1996, while those of single parents increased by 17 percent.

The reduction in parents' available time outside of market work raises challenges for policy-makers seeking to promote strong families, including the need for flexibility in paid work hours, the need for available and affordable child care, the need to support the earnings of families with low-wage earning parents, and the need to encourage two-parent families to form and stay together.

Here are some ideas to get things going. Please get you thoughts back to me tomorrow morning – by 10:00 am so we can move this along.

We have three papers almost in hand:

- The CEA paper could be an attachment to Deputies' options paper
- My guess is that much of the FDA paper could also be suitable for an attachment
- The DOS paper provides back ground that would likely be included up front in the options paper.

Draft Outline for Options Paper

Statement of Purpose:

Provide background and present a range of options for discussion and possible action on how best to ensure public confidence in our agricultural biotechnology products and ensure market assess for exports of processed food products and bulk commodities.

Introduction:

DOS material that sets international picture
FDA/EPA/UDSA piece that sets the domestic picture

Economics:

Brief summary of CEA piece

Major USG options and pros and cons (may not be mutually exclusive):

All analysis should touch on international as well as domestic impact, since I don't think you can easily separate them. There are likely many ways to approach these options, but it isn't the purpose of this paper to identify all the possibilities. I think what we need is agreement on a USG overall approach. Once we decide on one or the other or some combination, we can provide deputies with details.

Inaction Option

1) Status quo – we let market forces dictate outcomes

Action Options

2) Tighten pre-market review

3) Voluntary labeling – industry/market driven with or without federal role in standard setting (is industry labeling of product voluntary if importing nations require it?)

Families and the Labor Force

Family Report

I. Conventional wisdom

There is a popular perception of a "time bind" -- that families are working more in the marketplace and are pressed for time at home. Relatedly, there is a belief that much of this increase in work has been done simply to maintain family income. In other words, Americans are working harder -- and families are being squeezed for time -- simply to stay in place.

Paper will look at:
- Is this true? And in particular, for what *groups* is it true?
- What are the causes {of whatever is true)
- What are the consequences

II. Are Families Working More? Trends in Hours of Market Work

A. Are Americans Working More in the Marketplace?

Include a brief discussion of problems in measuring hours of work. Report annual hours worked, annual weeks worked, and hours of work per week, by sex, marital status, and presence of children, education and age of head (25-54, 55-64).

1. Women's working hours increase, while men's decrease. On net, annual hours of work for both men and women increase.

   - Estimates from the CPS for the 18+ population from 1969 to 1989 show that annual hours of work increased by 276 hours for women, decreased by 139 hours for men, for a net per capita increase of 86 hours. Estimates from 1976 to 1993 for the working age population (25-54) show stable hours for men and an increase for women of 412 hours (45%).

2. Differences for key demographic groups:
   a. Marital Status and Presence of Children: Married women had largest increase in work from 1969 to 1989. Single mothers had largest increase from 1989 to 1996.
   b. Education of Head: Largest increase in work for most educated men and women.
   c. Age of Head: Work effort declines for 55-64 relative to 25-54.

B. Effects on Family Hours of Work and Family Incomes (see attached)

1. Change in hours of work and family income for families with children.

2. Changes in work hours, earnings, and total family income by marital status and education of head for families with children.

3. Changes in work hours, earnings, and total family income by marital status and family income quintile.

III. Causes of above trends in hours and income.

A. On average, women's real wages have increased, while men's have decreased.

B. Changes in social programs (particularly EITC and welfare reform for post 1989 trends).

C. Trends in family structure (single parenthood; number of children), timing of births and age of parents at birth.

D. Changing societal values / norms about role of women / mothers in market place

IV. Changes in other requirements on families (keep short)

A. Increases in single parent families

B. Decreases in numbers of children per family

C. Changes in numbers of elderly dependents trends in number of children, number of elderly

V Consequences of above trends in hours and income on family well-being

A. *Time Devoted to Children:* How do families adjust to increase in market work and how does this affect well-being of children?

1. Available time use data from 1965 to 1985 suggests that on average most increases in women's work was offset by decreases in housework and not in time with children.

2. However, effects may differ for resource and time-constrained families, such as single parent families and low-earning couples. Available research suggests that single parents have less time for leisure, less time for child care and that they have higher levels of stress than married couples.

B. *Changes in Household Allocation of Time:*

1. The increase in women's financial contributions to families may affect family consumption patterns. For example, some research has found that money allocated to mothers has a larger impact on children's consumption than money allocated to fathers.

2. Greater women's work activity may be important to insure their long-run financial security, particularly in the light of increases in divorce /separations, which imply that women can not rely on the husband's income as a lifetime source of income support.

3. Changes in father vs mother's role in house care and child-care may affect children's socialization and learning.

C. *Dynamic Considerations:* What are consequences of concentration of work into younger years, and increase in free time when older?

VI. Policy

Things this administration has done to help with balancing work and family:

FMLA
EITC
Child tax credit
Child care initiative

Do we want to also talk about family-friendly business practices? (e.g. flex time, telecommuting etc. see Treasury report on child care.)

Over the entire 15-year period, the combined average husband-wife hourly wage increased only 1.8 percent—the equivalent of a real hourly wage increase of less than 30 cents over the entire period, or 2 cents each year!

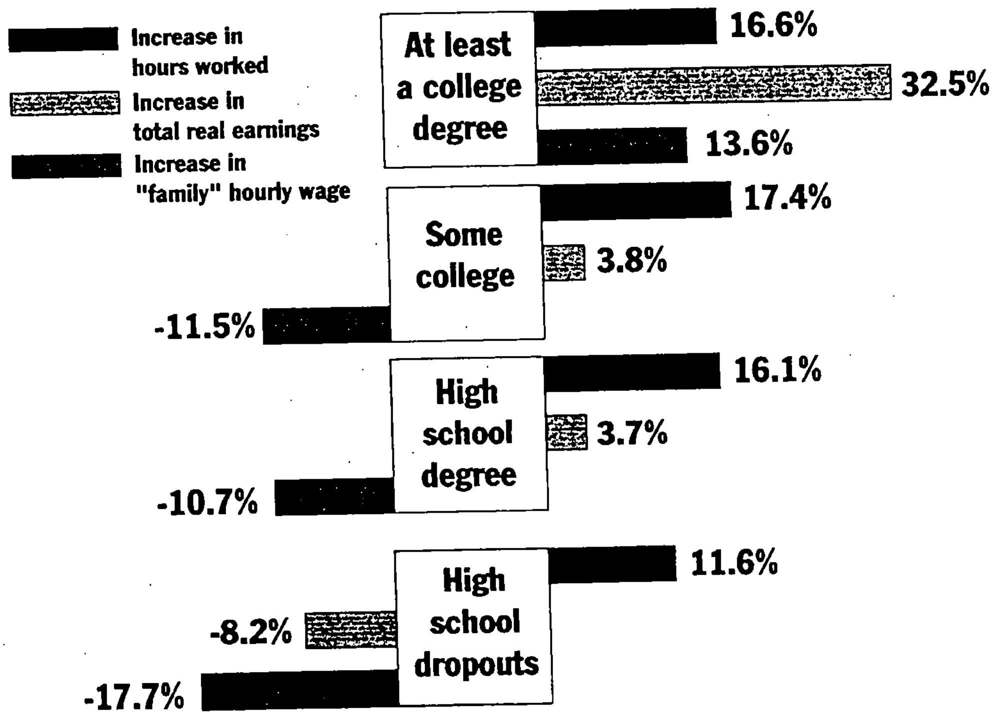
As such, Schor's "squirrel cage" does not appear to be far off the mark. American mythology holds that long hours will pay off in a steadily increasing standard of living; in other words, sacrificing time with family can pay for a dishwasher or microwave and, down the road, a more expensive college for one's children. Yet from a purely material perspective, all the extra hours from the "average" working family have yielded only a very modest improvement in the amount of goods and services they can buy.

But even this story is too sanguine for most families. When we break down the hours and earnings data by education group the tale gets even more depressing. Most Americans are not working harder so they can afford a fancier minivan; they're just trying to make payments on their old car or cover the rent. When you remove from the equation families headed by a worker with at least a college degree, it turns out that the enormous increase in work effort over the past 20 years has allowed families to maintain their old standard of living—but almost nothing more. For families headed by high school dropouts, the situation is the most dismal. Between 1973 and 1988, such families increased their annual work effort by nearly 12 percent yet ended up with 8 percent less annual income. For families headed by high school graduates or some college, work effort was up by 16 to 17.4 percent, producing less than a 4 percent increase in total earnings. These families are trapped in an *Alice in Wonderland* world, running faster and faster just to stay in the same place. For all of these families, the "family" hourly wage has fallen precipitously, by as much as 17 percent in the case of the high school dropout.

Of course, more work still pays off for one group: families headed by a college graduate. These families increased their work effort by about the same percentage as those headed by high school graduates or those with some college, yet their material consumption standard increased by nearly a full third between 1973 and 1988.

. . . AND FOR WHAT?

Particularly for families where the breadwinners don't have much education, working harder hasn't meant higher living standards. The least educated, in fact, are still slipping further behind.



Source: Authors' calculations based on data from the PSID.

Marital Couples

67-89

Blue stone Rose..

Family Rec -

Robin J. Bachman 09/14/98 11:33:17 AM

Record Type: Record

To: Mary L. Smith/OPD/EOP

cc:

Subject: this might be helpful

This is what I'm going to send to CEA

here's our women and kids doc:

women98.wpd

And some good NEC material

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Jonathan Orszag 09/02/98 12:40:49 PM

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Subject:

thennow.801 invest.804 chicken.804

I updated these to reflect the newest data we got....

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Melissa G. Green
09/04/98 10:55:08 AM

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Subject: Final Fall Priorities Doc

For Hill Members, OPL, and Friends

fall.3pg

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PRESIDENT CLINTON AND VICE PRESIDENT GORE:
Supporting Women and Families

EXPANDING ECONOMIC OPPORTUNITIES:

- **Protecting Families.** The Family & Medical Leave Act (FMLA) enables workers to take up to 12 weeks unpaid leave to care for a new baby or ailing family member without jeopardizing their job. Millions of workers have already benefited from FMLA since its enactment. The President also proposed expanding the Family & Medical Leave Act to allow workers up to 24 hours per year of unpaid leave for parent-teacher conferences or routine medical care for a child.
- **Cutting Taxes for 15 Million Working Families** by extending the Earned Income Tax Credit.
- **Increasing the Minimum Wage from $4.25 to $5.15**, giving six million women a raise.
- **Narrowing the Wage Gap**. Last year, the median earnings of women working full-time increased 2.4 percent. In 1996, the median earnings of women represented 74 percent of the median earnings for men, the narrowest gap ever.
- **Fighting for Paycheck Equity**. Called on Congress to pass legislation to strengthen laws prohibiting wage discrimination.
- **Highest Home Ownership Rate in History**. There are more than 68 million American families who own homes, more than six million new homeowners since the President took office. Women's home ownership is increasing at a faster rate than the rest of the country -- up five percent since the first quarter of 1994.
- **Increasing Pension Security**. Fought for legislation that has expanded pension coverage, made pensions more secure for 40 million American workers and retirees, and simplified pension plan administration. Promoting new efforts to encourage retirement savings.
- **Saving Social Security First**. In 1999, nearly 60 percent of all Social Security beneficiaries will be women. Social Security will be the major source of retirement income for a majority of these women. President Clinton is committed to saving Social Security for the 21st Century and has urged that budget surpluses should be reserved pending Social Security reform.

MAKING OUR HOMES AND COMMUNITIES SAFER:

- **Putting 100,000 More Police on the Streets.** Already nearly 80,000 officers have been funded through the 1994 Crime Bill, on the way to 100,000 more police on the streets and in our communities. And violent crime has dropped six years in a row - the longest period of decline in 60 years.
- **Signed the Assault Weapons Ban, the Brady Bill and an Extension of Brady into Law**. The Brady Law has already kept handguns away from 250,000 persons including felons, fugitives and individuals convicted of domestic violence misdemeanors or who are under restraining orders. The President signed into law the extension of the Brady Law, which prohibits anyone convicted of a domestic violence offense -- misdemeanor or felony -- from

owning or possessing a firearm.

- **Signed Megan's Law** allowing community-notification of sex offenders.
- **Championed and Signed the Violence Against Women Act**, the cornerstone of the President's efforts to fight domestic violence, and created an office at the Department of Justice dedicated to combating violence against women.
- **More than Tripled Funding to Domestic Violence Shelters** and instituted new penalties against men who stalk, threaten or abuse women across state lines.
- **Established Nationwide 24-Hour Domestic Violence Hotline.** The hotline (1-800-797-SAFE) provides immediate crisis intervention, counseling and referrals for those in need. Since the hotline opened, there have been 229,000 calls -- averaging 8,000 calls a month -- from all 50 States, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

INVESTING IN EDUCATION AND TRAINING:

- **Largest Investment in Education in 30 Years.** Maintaining his longtime commitment to education, the President enacted the largest investment in education in 30 years -- and the largest investment in higher education since the G.I. Bill -- by signing the 1997 Balanced Budget Act.
- **Providing Early Education to More than 830,000 Children with Head Start.** 200,000 more children are enrolled in Head Start today than in 1992.
- **Promoting National Service** and educational opportunities through AmeriCorps.
- **Teaching Every Child to Read by the 3rd Grade**. The America Reads Initiative will provide tutors after school, improve teaching, and help parents help their children learn to read.
- **Striving for Excellence with National Education Standards**. Seeking high national standards for all students, the President has proposed a first-ever national test in 4th grade reading and 8th grade math.
- **Expanding Choice and Accountability in Public Schools**. Supported increase of public charter schools, from only one charter school in the nation in 1993 to more than 1,000 charter schools this year.
- **Fighting for Critical Education Investments.** The President has called on Congress to pass critical education priorities included in his FY99 Budget that include initiatives to recruit quality teachers, rebuild crumbling schools and reduce class size.
- **Fought for Passage of Education Tax Breaks to Promote Lifelong Learning.** Representing the largest single increase in higher education since the G.I. Bill, the Balanced Budget includes a $1,500 Hope Scholarship to make the first two years of college universally available, and a 20-percent tuition tax credit for college juniors, seniors, graduate students, and working Americans pursuing lifelong learning.

CARING FOR OUR CHILDREN:

- **Imposed Strict Measures to Keep Cigarettes out of the Hands of Our Children** by restricting youth-targeted advertising; and the FDA made 18 the minimum age to purchase tobacco products nationwide, requiring photo I.D.s for anyone under the age of 27. And the President is fighting to enact comprehensive tobacco legislation.

- **Took Steps to Ensure Children Have Safe Medications.** Unveiled an FDA regulation that protects children by requiring manufacturers to study appropriate dosage levels of drugs for pediatric populations.
- **Held First-Ever White House Conference on Child Care and White House Conference on Early Child Development and Learning**. In April 1997, the President and First Lady held the White House Conference on Early Child Development and Learning to highlight the benefits of early nurturing by parents. And in October 1997, the White House Conference on Child Care began a dialogue on the child care challenges facing parents today -- availability, affordability, and assuring safety and quality.
- **Proposed the Largest Single Investment in Child Care in the Nation's History**. Between FY93 and FY97, federal funding for child care increased by nearly 79 percent, providing child care services for over one million children. If enacted, the President's $21 billion child care proposal will give child care subsidies millions of children and increase tax credits for three million working families to help them pay for child care.
- **Extended Health Care to Millions of Children with the Children's Health Initiative,** the single largest investment in Health Care for children since 1965. The President fought to ensure that the Balanced Budget included $24 billion to provide real health care coverage to millions of uninsured children.
- **Fought for and Won $500 Child Tax Credit for 26 Million Families with Over 40 Million Children under Age 17.** Twelve million children from families with income below $30,000 will receive the child tax credit as a result of the President's efforts.
- **Signed Landmark Adoption and Safe Families Act.** This law will help thousands of children waiting in foster care move more quickly into safe and permanent homes.
- **Signed the Comprehensive Childhood Immunization Initiative**. Thanks to President Clinton, immunization rates among two-year-olds have reached historic highs.
- **Launched New Strategies to Reduce the High Rate of Teen Pregnancies**. Teen (aged 15 to 19 years) births have fallen six years in a row, by 12 percent from 1991 to 1996.

IMPROVING OUR NATION'S HEALTH:

- **Protected and Strengthened Medicare, Benefiting the 22 Million American Women Enrolled in Medicare.** The Balanced Budget Act extended the life of the Medicare Trust Fund until at least 2008; expanded choices in health plans; and provided beneficiaries new preventive benefits, including more affordable annual mammograms for all beneficiaries, cervical cancer screening, and tests to help detect osteoporosis. The President has also put forth a new proposal that will provide greater access to health insurance for Americans ages 55 to 65, including an option to buy into Medicare.
- **Increased Funding for Breast Cancer Research.** Since the President took office, funding for breast cancer research, prevention and treatment has nearly doubled, from about $276 million in FY 1993 to $513 million in the President's FY 1998 budget. In addition, the President has implemented the Mammography Quality Standards Act to ensure the quality of

mammograms. Women can now find a certified mammography facility by calling 1-800-4-CANCER.

- **Providing Protection with the Patients' Bill of Rights.** The President is calling on Congress to pass Federally enforceable consumer health care protections that include: guaranteed access to needed health care specialists including direct access to an OB-GYN; access to emergency room services when and where the need arises; continuity of care protections to ensure that patients' care will not abruptly change if their provider is dropped; access to a timely internal and independent external appeals process for consumers to resolve their differences with their health plans; a limit on financial incentives to doctors to limit care and assurances that doctors and patients can openly discuss treatment options. Women are particularly vulnerable without these health care protections because they are greater users of health care services, they make three-quarters of the health care decisions for their families, and they have specific health care needs that are directly addressed by a patients' bill of rights.
- **Preventing Discrimination Based on Genetic Information Both by Health Plans and Employers.** Urging Congress to pass bipartisan legislation to prohibit health plans from inappropriately using genetic screening information to deny coverage, set premiums, or to distribute confidential information. The President also has supported legislation that ensures that employers do not use genetic information to discriminate against employees.
- **Fought for Greater Health Security for America's Families.** The President signed into law the Health Insurance Portability and Accountability Act which helps millions of Americans who move from one job to another, who are self-employed, or who have pre-existing medical conditions keep their health insurance.
- **Endorsed Legislation That Would Ban Drive-thru Mastectomies**, allowing women to stay in the hospital at least 48 hours following a mastectomy.
- **Ended Drive-Thru Deliveries.** Proposed and signed into law legislation requiring insurers to cover at least 48 hours of a post-natal hospital stay (72 hours for a Cesarean).

PROMOTING REPRODUCTIVE HEALTH SERVICES FOR WOMEN:

- **Reversed the "Gag Rule"** limiting the information federally funded family planning clinics could give to women.
- **Greater Support for Family Planning.** The President's FY99 proposal will increase Title X Family Planning grants by $15 million -- a 46 percent increase since FY92.
- **Signed the Freedom of Access to Clinic Entrances Act**, establishing a safety-zone around women's health clinics.

GENERATING MORE BUSINESS OPPORTUNITIES FOR WOMEN:

- **Women Are Starting Businesses at Twice the Rate of All Businesses.** Women own nearly 40 percent of all firms in the U.S. These eight million women-owned firms employ 18.5 million —one in every five U.S. workers — and contribute $2.3 trillion to the economy. The Small Business Administration's Office of Women's Business Ownership is working to foster this growth.

- **Tripled the Number of Small Business Loans to Women Entrepreneurs**. Between 1993 and 1997 the SBA approved nearly 50,000 loans to women entrepreneurs under the 7(a) and 504 loan programs. Last year alone, the Small Business Administration granted more than 10,000 loans, worth $1.67 billion, to women small business owners, triple the number of loans granted in 1992.

WOMEN AS PARTNERS IN DECISION MAKING:

- **Appointed More Women than Any Other President** -- 41 percent of Administration appointees are women.
- **Women Hold 29 Percent of the Top Positions** -- 29 percent of the positions requiring Senate confirmation (PAS) are held by women. Additionally,
  - 34 percent of Presidential appointments, including boards and commissions, are held by women.
  - 39 percent of non-career Senior Executive Service positions are held by women.
  - 58 percent of Schedule C positions are held by women.
- **Appointed the First Women Ever to Serve as Attorney General, Janet Reno, and Secretary of State, Madeleine Albright.** Including the Attorney General and Secretary of State, women make up 27 percent of the Clinton Cabinet: Alexis Herman, Secretary of Labor; Donna Shalala, Secretary of Health and Human Services; Carol Browner, Administrator of the Environmental Protection Agency; Janet Yellen, Chair of the Council of Economic Advisors; and Charlene Barshefsky, United States Trade Representative.
- **30 Percent of All of the President's Judicial Nominees Are Women.**
- **Nominated the Second Woman to Serve on the Supreme Court.** During his first year in office, President Clinton nominated Ruth Bader Ginsburg to the United States Supreme Court. Justice Ginsburg is only the second woman to serve on the nation's highest court.

FIVE YEARS AFTER CONGRESSIONAL DEMOCRATS PASSED THE CLINTON/GORE ECONOMIC PLAN

Then And Now: What a Difference Five Years Make

August 31, 1998

Just Over Five Years Ago, Congressional Democrats Passed President Clinton's and Vice President Gore's Economic Plan; Five Years Later, The Positive Results for the American People Are Clear. Five years ago, a Democratic Congress passed the President's bold new economic strategy: cutting the deficit to help reduce interest rates and spur business investment, while investing in education, health care, and technology so that America was prepared to meet the challenges of the 21st century. Five years later, the results of that new economic plan are clear:

Deficit Eliminated: The First Budget Surplus in A Generation

- **1992.** The deficit was $290 billion -- the highest dollar level in history. When President Clinton took office, the deficit was projected to hit $357 billion in 1998, and head higher. [Source: CBO]
- **Today.** The 1993 Economic Plan helped cut the deficit by more than 90 percent, and for the first time since 1969, OMB projects a surplus of $39 billion this year. [Source: OMB]

Unemployment Is Down: 28-Year Low

- **1992.** The unemployment rate averaged 7.5 percent.
- **Today.** In July 1998, the unemployment rate was 4.5 percent -- its lowest level in 28 years. For the first time since 1970, the unemployment rate has been below 5 percent for 13 consecutive months. [Source: BLS]

Jobs Are Up: 16.3 Million Created Since January 1993

- **1988-1992.** The private-sector was barely creating jobs and had experienced one of the worst four-year periods of job growth in history.
- **Today.** The economy has created 16.3 million new jobs since January 1993 -- a faster annual growth rate than any Republican Administration since the 1920s. [Source: Bureau of Labor Statistics]

Private-Sector Growth Is Up: 3.9% Per Year

- **1981-1992.** The private sector of the economy grew 2.4 percent annually from 1981-1992.
- **Today.** The private sector of the economy has grown 3.9 percent annually -- that's the fastest rate of private-sector growth since the Johnson Administration. [Source: Based on data from the Department of Commerce]

Productive Business Investment Is Booming: Fastest Since Kennedy

- **1988-1992.** Real business investment rose just 1.9 percent annually during the previous Administration.
- **Today.** Real productive business investment is up 12.8 percent per year -- faster than any Administration since President Kennedy. [Source: Department of Commerce]

Real Wages Rising Again: Fastest Growth in Two Decades

- **1981-1992.** Real average hourly earnings *fell* under Presidents Reagan and Bush. [Source:

BLS.]

- **Today.** Over the past year, real wages are up 2.7% -- that's the fastest real wage growth in over 20 years.

Government Spending: Lowest in Quarter Century

- **1981-1992.** Under Presidents Reagan and Bush, government spending as a share of GDP increased from 21.7 percent in 1980 to 22.5 percent in 1992.
- **Today.** Under President Clinton, federal government spending as a share of the economy has been cut from 22.5 percent in 1992 to 19.9 percent in 1998 -- its lowest level since 1974. [Source: OMB]

The Auto Sector is Back on Its Feet: Leading The World Again

- **1992.** Japan produced 28% *more* automobiles than America. America trailed Japan for 13 years in a row.
- **Today.** In 1994, the United States surpassed Japan for the first time since 1979. America has maintained its position as the world's #1 auto producer in each of the last three years (1995, 1996, and 1997). [Source: AAMA]

Inflation: The Lowest in More Than 30 Years

- **1981-1992.** The average annual inflation rate between 1981 and 1992 was 4.2 percent. [Source: BLS.]
- **Today.** Since 1993, the inflation rate has averaged just 2.5% -- that's the lowest average inflation rate since the Kennedy Administration. Over the past year, the Consumer Price Index increased only 1.7%.

Homeownership Is Up: The Highest in American History

- **1981-1992.** The homeownership rate *fell* from 65.6 percent in the first quarter of 1981 to 63.7 percent in the first quarter of 1993. [Source: Bureau of the Census]
- **Today.** Nearly two-thirds of American households now own their own home -- the highest percentage in American history. Under President Clinton, over 6.5 million families have become new homeowners.

Family Income Up Nearly $2,200 Since 1993

- **1988-1992.** Median family income, adjusted for inflation, *fell* by $1,795, dropping from $42,965 in 1988 to $40,900 in 1992.
- **Today.** Since 1993, real median family income has increased by $2,169, rising from $40,131 in 1993 to $42,300 in 1996. [Source: Bureau of the Census]

Middle-Class Taxes: Lowest in 20 Years

- **1981-1992.** The effective federal tax rate for the richest 20% of families was cut from 27.6% in 1980 to 26.2% in 1992, while the poorest 20% of families saw their effective tax rate stay essentially the same.
- **Today.** Under President Clinton, the effective federal tax rate for middle-income families has dropped from 19.2% in 1992 to 18.9% in 1999 -- that's the lowest tax rate since data were first reported 20 years ago. For the poorest 20% of Americans, the effective federal tax rate has dropped from 8.0% in 1992 to 4.6% in 1999 -- that's also the lowest in 20 years. [Source: Congressional Budget Office]

Jobs In Basic Industries Are Coming Back

- **1989-1992.** The economy lost more than two million jobs in manufacturing and construction combined during the previous Administration.
- **Today.** The economy has added more than 1.4 million new jobs in construction and 502,000 new jobs in manufacturing since the beginning of 1993. [Source: Bureau of Labor Statistics]

Interest Rates: The Lowest in More Than 20 Years

- **1988-1992.** The 30-year Treasury yield averaged 8.2 percent during the previous Administration.
- **Today.** Despite a stronger economy, the yield on 30-year Treasury bonds has dropped to under 5.7 percent for the first time in more than 20 years. [Source: Department of the Treasury]

The World's Most Competitive Economy Again

- **1992.** In 1992, the World Economic Forum found that Japan, Germany, Denmark, and Switzerland all had more competitive economies than the United States.
- **Today.** In 1994, United States was declared the world's most competitive economy -- for the first time in a decade. The United States remained #1 in 1995, 1996, 1997, and 1998. [Source: World Economic Forum and IMD.]

EXPERTS AGREE THAT THE 1993 ECONOMIC PLAN HELPED CUT THE DEFICIT AND STRENGTHEN THE ECONOMY

- **Alan Greenspan, Federal Reserve Board Chairman, 2/20/96:** The deficit reduction in President Clinton's 1993 Economic Plan was "an unquestioned factor in contributing to improvement in economic activity that occurred thereafter."

- ***Business Week,* 5/19/97:** "Clinton's 1993 budget cuts, which reduced projected red in more than $400 billion over five years, sparked a major drop in interest rates that help boost investment in all the equipment and systems that brought forth the New Age economy of technological innovation and rising productivity."

- **Lehman Brothers, 1/10/94:** "Lower deficits, lower long-term rates and higher real grow was the overall promise. With the data now rolling in for December 1993, it seems cle that President Clinton delivered on all three counts..."

- **Paul Volcker, former Federal Reserve Board Chairman, Fall 1994:** "The deficit has com down, and I give the Clinton Administration and President Clinton himself a lot of credit that. [He] did something about it, fast. And I think we are seeing some benefits."

- ***Fortune,* 10/3/94:** "[President Clinton's 1993] economic plan helped bring interest rate down, spurring the recovery."

PRESIDENT CLINTON AND CONGRESSIONAL DEMOCRATS: EXPANDING CRITICAL INVESTMENTS BRICK-BY-BRICK

- **Expanded EITC For 15 Million Low-Income Working Families.** President Clinton's 1993 Economic Plan provided tax cuts to 15 million hard-pressed working families by expanding the Earned Income Tax Credit (EITC). The average family with two kids who received the EITC received a tax cut of $1,026.

  - ***EITC Has Helped Reduce Poverty.*** In 1996, the EITC lifted 4.3 million people out of poverty -- that's 2.2 million more people than were lifted out of poverty by the EITC in 1993. And the Council of Economic Advisers has concluded that about half of the decline in the child poverty rate over the past three years is attributable to the recent expansion of the EITC.

  - ***Full-time Minimum Wage Worker Is More Than $3,000 Better Off.*** Because of the expanded EITC and the higher minimum wage, a full-time minimum wage worker is more than $3,000 better off today than when President Clinton took office. This means that single parents working full-time with two kids can now raise their family out of poverty.

- **$24 Billion for Children's Health Initiative To Help Insure Up To 5 Million More Children.** During the balanced budget negotiations, President Clinton and Congressional Democrats insisted on increasing the investment for children's health by 50 percent -- from $16 billion to $24 billion. Because of the President's leadership, the budget contained the largest children's health care budget increase since Medicaid was created in 1965.

- **Expanded Head Start By Nearly 60 Percent -- Over $1.5 Billion Higher Per Year.** Since 1993, President Clinton and Congressional Democrats have expanded Head Start by 57 percent, from $2.8 billion in FY93 to $4.4 billion in FY98. The program now serves an estimated 830,000 children and the President's budget goes further on the way to his target of 1 million children in Head Start. The budget increases Head Start funding by $313 million for FY99, which would mean Head Start funding would be 68-percent higher in 1999 than in 1993. The evidence shows that Head Start increases test scores and improves performance for white and Hispanic children.

- **Increased WIC -- $1 Billion Higher.** Under President Clinton, participation in WIC has expanded by 1.7 million -- from 5.7 million in 1993 to 7.4 million women, infants, and children in 1998, with funding rising from $2.9 billion to $3.9 billion. The President's budget proposes $4.1 billion in WIC funding to serve 7.5 million women, infants, and children in 1999, fulfilling his goal of full participation in WIC. Research shows that every $1 increase in the prenatal care portion of the WIC program cuts between $1.77 and $3.90 in medical expenses in the first 60 days following childbirth.

- **Dislocated Worker Funding.** President Clinton have more than doubled funding for dislocated workers, from $517 million in FY93 to $1,351 million in FY98. The program will assist over 600,000 workers, up almost 100 percent since FY93. The FY99 budget increases dislocated worker funding by $100 million, so that we would provide nearly triple the amount of dollars as in 1993.

- **Technology Literacy Challenge Fund.** President Clinton created a new program to connect every school and classroom to the Internet. In FY98, the Technology Literacy Challenge Fund received $425 million -- more than double its level in FY97, when the program was created. The FY99 budget proposes $475 million for this program.

- **Pell Grants.** President Clinton and Congressional Democrats have increased the Pell Grant maximum grant amount from $2,470 in FY96 to $3,000 in 1998. The FY99 budget proposes $249 million more for Pell Grants, which would help increase the maximum by another $100 to $3,100 -- the highest ever. This would reach 3.9 million low- and middle-income undergraduates. If the President's budget were enacted, the maximum grant would be 25-percent higher than in 1996.

- **National Institutes of Health.** Between 1993 and 1998, NIH funding increased by $2.4 billion. The FY99 budget increases funding for NIH by $1.2 billion, bringing it to $14.8 billion. That means that NIH funding would be $3.6 billion higher than in 1993, or 32 percent.

- **125 Empowerment Zones and Enterprise Communities.** The Clinton Administration has announced 106 EZs and ECs – 11 urban and rural EZs and 95 ECs. The EZ/EC effort has generated more than $4 billion of new private-sector investment in community development activities. The President has also signed into law a second round of EZs -- 15 new urban and 5 new rural zones -- which will include tax incentives, small business expensing, and private activity bonds. The President's FY99 budget calls for an additional $150 million per year to provide needed flexible funding for the new EZs.

- **Created the Community Development Financial Institutions Fund (CDFI).** Through grants, loans, and equity investments, the Treasury Department's CDFI Fund is helping to create a network of community development financial institutions in distressed areas across the United States. This year, the CDFI Fund's budget was increased to $80 million. The President's FY99 budget calls for $125 million for CDFI fund -- a 56-percent increase over FY98.

- **Low-Income Housing Tax Credit.** In 1993, President Clinton fulfilled his promise to permanently extend the Low-Income Housing Tax Credit, spurring the private development of low-income housing and helping to build 75,000-90,000 housing units each year. President Clinton now proposes to expand the credit by 40 percent. Over the next five years, this will mean an additional 150,000-180,000 quality affordable rental units.

- **Welfare-to-Work Housing Vouchers.** The President's FY99 budget includes $283 million for 50,000 new Section 8 vouchers exclusively for people who need housing assistance to make the transition from welfare to employment. Families could use these new vouchers to move closer to a new job or to reduce long and cumbersome commuting patterns.

- **$3 Billion Welfare-to-Work Jobs Initiative.** The Clinton Administration fought and secured for a $3 billion welfare-to-work jobs initiative, as part of the Balanced Budget Act. The Administration provided these grants directly to both cities and states for allocating additional resources to help long-term, hard-to-serve welfare recipients find and keep jobs.

- **A Welfare-to-Work Tax Credit.** The Welfare-to-Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first $10,000 in wages in the first year of employment, and 50 percent of the first $10,000 in wages in the second year, to encourage the hiring and retention of long-term welfare recipients. This credit complements the Work Opportunity Tax Credit (WOTC), which expands eligible businesses to include those who hire young adults living in Empowerment Zones and Enterprise Communities. Employers may claim a credit of up to $2,400 for the first year of wages for eight groups of job seekers. The President's FY99 budget extends these two important tax credits into the year 2000.

SETTING THE RECORD STRAIGHT

Prominent Opponents of President Clinton's
1993 Economic Plan Called It A Job Killer.
They Were Wrong. The Economy Is Now
The Strongest In A Generation.

REPUBLICAN PREDICTIONS	THE RESULTS
• **Speaker Newt Gingrich, 8/6/93:** "[It] will kill jobs and lead to a recession, and the recession will force people off of work and onto unemployment and will actually increase the deficit."	• **Unemployment Down to 28-Year Lo** Under President Clinton, the unempl rate has dropped from 7.5 percent i to 4.5 percent today -- the lowest in years.
• **Senator Connie Mack, 8/6/93:** "This bill will cost America jobs, no doubt about it."	• **16.3 Million New Jobs.** Under Presi Clinton, the economy has added 16. million new jobs. More than 93 per them have been in the private-secto higher share than any Administratio years.
• **Representative John Boehner, 3/31/93:** "...we want to do something about reducing the budget deficits in this country and this budget resolution does nothing, absolutely nothing to reduce the huge budget deficits that we have had."	• **Deficit Eliminated.** In 1992, the defi $290 billion -- a record dollar high. 1993 Economic Plan helped cut the by more than 90 percent, and for th time in a generation, OMB projects budget surplus.
• **Senator Phil Gramm, 8/5/93:** "We are buying a one-way ticket to a recession."	• **On Track for Longest Peacetime Exp On Record.** Under President Clinton economy has grown steady and stro 69 months. If the economy continu grow through the end of the year, have reached the longest peacetime expansion on record.
• **Representative Dick Armey, 8/5/93:** "[The 1993 Economic Plan] will grow the Government and shrink the economy."	• **Lowest Government Spending in 25 Ye** Under President Clinton, federal governm spending as a share of the economy has be from 22.5 percent in 1992 to 19.9 percent -- its lowest level since 1974. • **Economic Growth: Fastest in 30 Ye** Under President Clinton, the econo grown 3.3 percent annually -- the fa average rate of GDP growth since t Johnson Administration.

• **Representative John Kasich, 7/28/93:** "This plan will not work. If it was to work, then I'd have to become a Democrat..."	• **Alan Greenspan, Federal Reserve Bo Chairman, 2/20/96:** The deficit redu the 1993 Economic Plan was "an unquestioned factor in contributing t improvement in economic activity th occurred thereafter." • ***Business Week,* 5/19/97:** "Clinton's budget cuts, which reduced project ink by more than $400 billion over fi years, sparked a major drop in inter rates that helped boost investment i the equipment and systems that bro forth the New Age economy of technological innovation and rising productivity."

President Clinton's Fall Agenda Highlights:
Saving Social Security First, Protecting Patient Rights, Invest
Education and the Environment, Stabilizing International Financi

September 3, 1998

President Clinton's economic strategy of fiscal discipline, strategic investments in our people, and opening markets abroad has helped create the strongest economy in a genera and will deliver the first budget surplus in three decades. Now is a time to build on our success and there is much work for Congress to do in the weeks before adjournment. President Clinton, working with the Congress, is determined to:

✔ **Save Social Security First** -- The President will fight any attempt to break the budg rules and drain the surplus. His commitment is unwavering: every penny of any futu surplus must be reserved until a bipartisan plan to save Social Security is enacted.

✔ **Pass a Patients' Bill of Rights** -- The President will work to pass a strong enforceat patients' bill of rights to give Americans the protections they deserve.

✔ **Invest in Education** -- The President will work to strengthen public schools through higher standards, expanded opportunities, increased accountability, school moderniz and smaller classes, and greater access to technology.

✔ **Invest in a Cleaner Environment** -- President Clinton will push his significant nev investments to curb water pollution, clean up toxic dumps, protect precious lands, an combat global warming.

✔ **Stabilize the International Financial System** -- The President will work to provide International Monetary Fund (IMF) the resources it needs to protect the international financial system -- and therefore the United States economy.

Save Social Security First

Fiscal discipline has helped create the strongest economy in a generation. In 1992, the deficit stood at a record $290 billion and was projected by CBO to exceed $350 billion this year. The President's 1993 Economic Plan helped cut the deficit, lowered interest rates, spurred business investment, and strengthened the economy. With last year's bipartisan Balanced Budget, the President finished the job of balancing the budget and this year we will record the first budget surplus in 29 years. With our fiscal house is in order, we must use our solid fiscal footing to face the next major fiscal challenge: the retirement of the baby boom generation. This is why, in his State of the Union in January, President Clinton proposed that every penny of the surplus be reserved to "Save Social Security First."

Building on his tax cutting record, the President has called on Congress to pass targeted tax relief -- to spur school modernization, help families better afford child-care, help clean the environment, expand pension coverage, and develop low-income housing. The President insists that every tax cut and new spending program meet the budget rules and be fully paid for. He will strongly oppose any proposal that breaks the budget rules and drains the surplus. As the President has said:

> *"I believe we should tell our children and our grandchildren that we think enough of them and their future that we're going to resist spending a penny of the surplus on things that I would very much like to spend it on -- or you would -- until we have met our basic obligation to our future, passing a bipartisan plan to save Social Security"* [July 22, 1998, Signing of the Internal Revenue Service Restructuring and Reform Act]

Pass A Patients' Bill of Rights

President Clinton calls on the Congress to pass a strong, enforceable patients' bill of rights that assures Americans the quality health care they need. This bill should include important patient protections such as:

- ✔ **Assuring direct access to specialists.**
- ✔ **Real emergency room protections.**
- ✔ **Continuity of care provisions that protect patients from abrupt changes in treatment.**
- ✔ **A fair, timely, and independent appeals process for patient grievances.**
- ✔ **Enforcement provisions to make these rights real.**

The President has urged the Senate Leadership to make passing the patients' bill of rights the first order of business this fall. The Republicans have proposed legislation that would be more loophole than law. Their proposals cover too few people; provide too few patient protections; and contain unnecessary and irrelevant provisions that undermine the chances for a bipartisan agreement on a patients' bill of rights. For example, these proposals would let HMOs, not informed health professionals, define medical necessity and would fail to guarantee direct access to specialists.

The President is working to implement patients' bill of rights in health plans under Federal jurisdiction. In February, the President issued an Executive Memorandum directing all Federal health plans to come into compliance with the patients' bill of rights. In response to this directive, for example:

- ✔ Department of Health and Human Services has extended the patients' bill of rights to the 40 million Americans who receive Medicare.

- ✔ Department of Veterans' Affairs has begun to put in place a new, rapid appeals process for its 3 million beneficiaries. The Department of Defense issued a directive to all military bases throughout the world, extending patient protections to 8 million servicemen and women and their families.

✔ Department of Labor is requiring plans it oversees to have an improved internal appeals process.

Invest in Education

President Clinton is working to strengthen public education by raising standards, increasing accountability and expanding public school choice, including charter schools, and to prepare students for the 21st Century through increased investments in public schools, expanded awareness of and access to higher education, and training to ensure success in the workplace.

- **Strengthening Public Education**. President Clinton will fight for full funding for programs and new initiatives that will help all children reach challenging academic standards, strengthen accountability, provide access to technology, improve the quality of teaching, expand Head Start and after school programs, and make our schools safe and drug free.

- **Modernizing Our Schools**. The President is calling for federal tax credits to help renovate, modernize, and build over 5,000 public schools nationwide.

- **Reduce Class Size**. The President will press Congress to enact his proposal to reduce class size to a national average of 18 in grades 1-3, by helping local schools hire 100,000 well-prepared teachers.

- **Expanding Investments In Youth Education And Training**. One of the President's top priorities is fighting efforts by Congress to eliminate both the Summer Jobs Program, which provides jobs to roughly 530,000 disadvantaged young people, and the new Youth Opportunity Area Initiative, which would help provide job training and help finding jobs for up to 50,000 youth in the poorest communities nationwide.

- **Passage Of The Higher Education Act, With The High Hopes Mentoring Initiative and Teacher Recruitment**. President Clinton urges Congress to pass the reauthorization of the Higher Education Act, to reduce interest rates on student loans; extend the Pell Grant and Federal Work-Study programs; enact his High Hopes program to establish college-school partnerships in order to spark young people's interest in college and provide them with the mentoring and other support they need to prepare for college; and strengthen teacher training and recruitment programs.

- **Education Technology.** The President has made an unprecedented commitment to bringing technology into the classroom and called for technology training for teachers and expanded access for teachers and students to computers in the classroom; however, the House appropriations bill threatens these initiatives;

- **Strengthening And Expanding Charter Schools**. President Clinton will continue to work with Congress to pass bipartisan legislation to strengthen federal support for the growing charter school movement.

- **Helping Every Eight-Year Old Learn To Read**. President Clinton will continue his work with Congress to enact a child literacy bill to ensure that children receive quality instruction from well-trained teachers and have opportunities to develop their reading skills with trained tutors after-school and on the weekend.

- **Voluntary National Standards and Tests**. President Clinton will continue to fight for voluntary national standards and tests in 4th grade reading and 8th grade math, to help students master the basic skills and to give parents, communities and educators accurate information on how well our students perform.

Invest in a Cleaner Environment

President Clinton is proposing significant new investments to curb water pollution, clean up toxic dumps, protect precious lands, and combat global warming. Yet the Republican Congress is not only failing to fully fund these priorities, but is launching a stealth attack on the environment with a host of legislative riders aimed at rolling back protections already in place.

- **Clean, Safe Water for America.** The President is proposing an additional $2.3 billion over five years to help clean up the almost 40 percent of America's surveyed waterways still too polluted for fishing or swimming. Budget bills in the House and Senate fall well short of the President's request, denying communities and farmers vital help in curbing pollution.

- **Saving and Restoring Parks and Other Natural Treasures.** The President is proposing a 43 percent increase over five years to acquire scenic and historic lands, yet Congress is denying full funding. What's more, Congress is withholding 1998 appropriations that the President has allocated to protect over 100 sites in 35 states, including Civil War battlefields, critical winter range for Yellowstone bison, New Mexico's Baca Ranch, and completion of the Appalachian Trail.

- **Leading the Fight Against Global Warming.** The President's five-year $6.3 billion package of tax incentives and research investment would reduce greenhouse gas pollution through energy efficiency and clean energy technologies. But Congress, ignoring the growing evidence of global warming, wants to cut these sensible, cost-effective programs.

- **Doubling the Pace of Toxic Cleanups.** The President is proposing an additional $650 million in Fiscal Year 99 -- a 40 percent increase -- to accelerate Superfund cleanups with a goal of completing a total of 900 cleanups by 2001. By denying these funds, Congress threatens to delay cleanup at up to 171 sites.

- **Fighting Against Stealth Attacks on the Environment.** Some of the many anti-environmental riders would force overcutting of timber on national forests, cripple wildlife protection efforts, deny taxpayers a fair return from oil leasing on public lands, and allow a $30 million road through an Alaska wildlife refuge. The President will not tolerate stealth tactics that do unacceptable harm to the environment or threaten public health.

Stabilize the International Financial System

Driven by a return to fiscal strength, the United States' economy is the strongest it has been in a generation. Unemployment and inflation are at their lowest levels in decades. Some other nations around the world, however, are experiencing major economic upheaval and this has already hurt our exports and farmers. A strong International Monetary Fund is a stabilizing force in the world economy and is vital to protect the international financial system -- and therefore the U.S. economy -- against the risk of new, escalating, or spreading crises. The Senate has wisely provided full funding for the IMF, but the House has failed to include any such funding. President Clinton will fight for full funding for the IMF to help keep our economy strong.

Cynthia A. Rice 09/14/98 11:35:28 AM

Record Type: Record

To: Mary L. Smith/OPD/EOP
cc: Andrea Kane/OPD/EOP
bcc:
Subject: Re: Accomplishments blurbs

Use this welsum16.wpd

(Andrea -- this is info for CEA to use to add to their Families report)
Mary L. Smith

Mary L. Smith
09/14/98 11:31:31 AM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: Thomas L. Freedman/OPD/EOP
Subject: Accomplishments blurbs

Do you all have any blurbs on Administration accomplishments in the following areas:

--Family and Medical Leave
--Child Care
--Elder care
--flextime
--earned income tax credits
--minimum wage increase
--welfare-to-work and employer tax credits
--child support enforcement
--economic growth
--family planning services
--domestic violence services

Thanks, Mary

Message Sent To:

Cynthia A. Rice/OPD/EOP
Neera Tanden/WHO/EOP
Jennifer L. Klein/OPD/EOP
Nicole R. Rabner/WHO/EOP
Robin J. Bachman/WHO/EOP
Andrea Kane/OPD/EOP
Christopher C. Jennings/OPD/EOP
Sarah A. Bianchi/OPD/EOP
Leanne A. Shimabukuro/OPD/EOP
Jose Cerda III/OPD/EOP

Clinton-Gore Accomplishments
Reforming Welfare

On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his longtime commitment to 'end welfare as we know it.' As the President said upon signing, "... this legislation provides an historic opportunity to end welfare as we know it and transform our broken welfare system by promoting the fundamental values of work, responsibility, and family."

TRANSFORMING THE BROKEN WELFARE SYSTEM

- **Overhauling the Welfare System with the Personal Responsibility Act**: In 1996, the President signed a bipartisan welfare plan that is dramatically changing the nation's welfare system into one that requires work in exchange for time-limited assistance. The law contains strong work requirements, performance bonuses to reward states for moving welfare recipients into jobs and reducing illegitimacy, state maintenance of effort requirements, comprehensive child support enforcement, and supports for families moving from welfare to work -- including increased funding for child care. State strategies are making a real difference in the success of welfare reform, specifically in job placement, child care and transportation.

- **Law Builds on the Administration's Welfare Reform Strategy**: Even before the Personal Responsibility Act became law, many states were well on their way to changing their welfare programs to jobs programs. By granting Federal waivers, the Clinton Administration allowed 43 states -- more than all previous Administrations combined -- to require work, time-limit assistance, make work pay, improve child support enforcement, and encourage parental responsibility. The vast majority of states have chosen to continue or build on their welfare demonstration projects approved by the Clinton Administration.

- **Largest Decline in the Welfare Rolls in History**: The President has announced that we've met -- two years ahead of schedule -- the challenge he made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. The latest caseload numbers, released in August, show that welfare caseloads fell by 5.7 million since President Clinton took office and 3.8 million since he signed the welfare reform law. The new figures, from June 1998, show 8.4 million people on welfare, a drop of more than 41 percent from January 1993. This historic decline occurred in response to the Administration's grants of Federal waivers to 43 states, the provisions of the new welfare reform law, and the strong economy.

MOVING PEOPLE FROM WELFARE TO WORK

- **Two Years Later, Millions of Welfare Recipients are Working:** In August 1998, the President released the First Annual Report to Congress on the Temporary Assistance for Needy Families program showing a dramatic increase in the number of welfare recipients who have gone to work since he signed the welfare law in August 1996. Data from the Census Bureau's Current Population Survey show that the rate of employment of individuals on welfare in one year who were working in the following year increased by nearly 30 percent between 1996 and 1997. As a result, 1.7 million adults on welfare in 1996 were working in March 1997.

- **Mobilizing the Business Community**: At the President's urging, the Welfare to Work Partnership was launched in May 1997 to lead the national business effort to hire people from the welfare rolls. Founded with 105 participating businesses, the Partnership grew to 5,000 within one year, and now includes over 6,000 businesses. In 1997 these businesses hired 135,000 welfare recipients and the President has challenged them to double their efforts to 270,000 in 1998. The Partnership provides technical assistance and support to businesses around the country, including: a toll-free number, a web site, a "Blueprint for Business" manual, and a new report called The Road to Retention on businesses whose retention rates for former welfare recipients are higher than the retention rates for other new hires.

- **Connecting Small Businesses with New Workers**: The Small Business Administration is reaching out to small businesses throughout the country to help them connect with job-ready welfare recipients. In addition, SBA assists welfare recipients who wish to start their own businesses.

- **Mobilizing Civic, Religious and Non-profit Groups**: The Vice President created the Welfare to Work Coalition to Sustain Success, a coalition of civic groups committed to helping former welfare recipients stay in the workforce and succeed. Tailoring their services to meet welfare recipients needs and the organizations' strengths, the Coalition focuses on providing mentoring and other support services. Charter members of the Coalition include: the Boys and Girls Clubs of America, the Baptist Joint Committee, the United Way, the YMCA, and other civic and faith-based groups.

- **Doing Our Fair Share with the Federal Government's Hiring Initiative**: Under the Clinton Administration, the Federal workforce is the smallest it has been in thirty years. Yet, this Administration also believes that the Federal government, as the nation's largest employer, must lead by example. The President asked the Vice President to oversee the Federal government's hiring initiative in which Federal agencies have committed to directly hire at least 10,000 welfare recipients in the next four years. Already, the federal government has hired nearly 6,200 welfare recipients, 58 percent of its planned hires. As a part of this effort, the White House pledged to hire six welfare recipients and has already exceeded this goal.

- **$3 Billion to Help Move More People from Welfare to Work**: Because of the President's leadership, the 1997 Balanced Budget Act included the total funding requested by the President for the creation of his $3 billion welfare to work fund. This program will help states and local communities move long-term welfare recipients, and certain non-custodial parents, into lasting, unsubsidized jobs. These funds can be used for job creation, job placement and job retention efforts, including wage subsidies to private employers and other critical post-employment support services. The Department of Labor provides oversight but most of the dollars will be placed, through the Private Industry Councils, in the hands of the localities who are on the front lines of the welfare reform effort. In addition, 25 percent of the funds will be awarded by the Department of Labor on a competitive basis to support innovative welfare to work projects. The President announced the first round of 49 innovative competitive grants on May 27th.

- **Tax Credits for Employers**: The Welfare to Work Tax Credit, enacted in the 1997 Balanced Budget Act, provides a credit equal to 35 percent of the first $10,000 in wages in the first year of employment, and 50 percent of the first $10,000 in wages in the second year, to encourage the hiring and retention of long term welfare recipients. This credit complements the Work Opportunity Tax Credit, which provides a credit of up to $2,400 for the first year of wages for eight groups of job seekers. The President's FY 1999 budget extends these two important tax credits through April 2000.

- **Welfare-to-Work Housing Vouchers**: In his FY 1999 budget, the President proposes $283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These vouchers, awarded to communities on a competitive basis, will give people on welfare a new tool to make the transition to a job and succeed in the work place.

- **Welfare-to-Work Transportation**: One of the biggest barriers facing people who move from welfare to work -- in cities and in rural areas -- is finding transportation to get to jobs, training programs and child care centers. Few welfare recipients own cars. Existing mass transit does not provide adequate links to many suburban jobs at all, or within a reasonable commute time. In addition, many entry level jobs require evening or weekend hours that are poorly served by existing transit routes. To help those on welfare get to work, President Clinton proposed a $100 million a year welfare to work transportation plan as part of his ISTEA reauthorization bill. The Transportation Equity Act for the 21st Century (TEA-21), which the President signed on June 9th, authorizes $750 million over five years for the President's initiative and reverse commute grants. Of this amount, $50 million is guaranteed funding in FY 1999, rising to $150 million in 2003. The Job Access_ competitive grants will assist states and localities in developing flexible transportation alternatives, such as van services, for welfare recipients and other low income workers.

- **Eliminating Anti-Work and Anti-Family Rules that Denied Families Health Coverage:** In August 1998, the President eliminated a vestige of the old welfare system by announcing that the Department of Health and Human Services will revise its regulations to allow all states to provide Medicaid coverage to working, two-parent families who meet State income eligibility. Under the old welfare regulations, adults in two-parent families who worked more than 100 hours per month could not receive Medicaid regardless of income level, while there were no such restrictions on single-parent families. Because these regulations provided disincentives to marriage and full-time work, the Administration allowed a number of states to waive this rule. The new regulation eliminates this rule for all States, providing health coverage for more than 130,000 working families to help them stay employed and off welfare.

PROMOTING PERSONAL RESPONSIBILITY

- **Enforcing Child Support -- 68% Increase in Collections**: The Clinton Administration collected a record $13.4 billion in child support in 1997 through tougher enforcement, an increase of $5.4 billion, or 68% since 1992. Not only are collections up, but the number of families that are actually receiving child support has also increased. In 1997, the number of child support cases with collections rose to 4.2 million, an increase of 48% from 2.8 million in 1992. In addition, a new collection system proposed by the President in 1994 and enacted as part of the 1996 welfare reform law located one million delinquent parents in its first nine months of operation. This National Directory of New Hires helps track parents across state lines by enabling child support officials to match records of delinquent parents with wage records from throughout the nation. Approximately one-third of all child support cases involve parents living in different states. In June 1998, the President signed the Deadbeat Parents Punishment Act, a law based on his 1996 proposal for tougher penalties for parents who repeatedly fail to support children living in another state or who flee across state lines to avoid supporting them. This new law creates two new felonies, with penalties of up to two years in prison, for egregious child support evaders who travel across state or country lines to evade child support obligations, or who have an unpaid obligation to a child living in another state that is more than $10,000 or has remained unpaid for more than two years.

Increasing Parental Responsibility: The President's unprecedented and sustained campaign to ensure parents financially support their children is working. Paternity establishment, often the crucial first step in child support cases, has dramatically increased, due in large part to the in-hospital voluntary paternity establishment program begun in 1994 by the Clinton Administration. In 1997, the number of paternities established or acknowledged rose to a record 1.3 million, two and a half times the 1992 figure of 512,000. In addition to tougher enforcement including a strong partnership with states, President Clinton has taken executive action including: directing the Treasury Department to collect past-due child support from Federal payments including Federal income tax refunds and employee salaries, and taking steps to deny Federal loans to any delinquent parents. The welfare reform law contains tough child support measures that

President Clinton has long supported including: the national new hire reporting system; streamlined paternity establishment; uniform interstate child support laws; computerized state-wide collections; and tough new penalties. These five measures are projected to increase child support collections by an additional $24 billion over the next ten years.

- **Breaking the Cycle of Dependency -- Preventing Teen Pregnancy**: Significant components of the President's comprehensive effort to reduce teen pregnancy became law when the President signed the 1996 Personal Responsibility Act. The law requires unmarried minor parents to stay in school and live at home or in a supervised setting; encourages "second chance homes" to provide teen parents with the skills and support they need; and provides $50 million a year in new funding for state abstinence education activities. Since 1993, the Clinton Administration has supported innovative and promising teen pregnancy prevention strategies, including working with boys and young men on pregnancy prevention strategies. In 1997, the President announced the National Strategy to Prevent Teen Pregnancy, mandated in the welfare reform law. It reported that HHS-supported programs already reach about 30 percent or 1,410 communities in the United States. As part of this effort, the National Campaign to Prevent Teen Pregnancy, a private nonprofit organization, was formed in response to the President's 1995 State of the Union. Notably, data shows we are making progress in reducing teen pregnancy -- teen births have fallen five years in a row, by 12 percent from 1991 to 1996. And, teen pregnancy rates have decreased significantly from 1992-1995 in each of the 42 states that report data to Centers for Disease Control.

RESTORING FAIRNESS AND PROTECTING THE MOST VULNERABLE

The President made a commitment to fix several provisions in the welfare reform law that had nothing to do with moving people from welfare to work. In 1997, the President fought for and ultimately was successful in ensuring that the Balanced Budget Act protects the most vulnerable. In 1998, the President continues to reverse unfair cuts in benefits to legal immigrants.

- **Restoring Food Stamp Benefits for Legal Immigrants**: In June 1998, the President signed the Agricultural Research Act into law, which restores food stamp benefits to 250,000 elderly, disabled, and other needy legal immigrants, including 75,000 children, who lawfully resided in the U.S. as of August 22, 1996 and lost assistance as a result of cuts in the 1996 welfare law that had nothing to do with welfare reform. It restores benefits to Hmong immigrants from Laos who aided our country during the Vietnam War and extends the period during which refugees and asylees may qualify for Food Stamps while they await citizenship. This law funds a significant part of the President's 1999 budget proposal to restore food stamp benefits to 730,000 legal immigrants, but the President's budget proposal would go further by covering families with children regardless of the date they entered the U.S. This restoration builds on the President's success last year in restoring SSI and Medicaid to 420,000 legal immigrants whose benefits were also terminated in welfare reform (see below).

- **Protects Legal Immigrants Who Become Disabled and Those Currently Receiving Benefits**: The Balanced Budget Act of 1997 restored $11.5 billion in SSI and Medicaid benefits for legal immigrants whose benefits were also terminated in welfare reform. This law protects those immigrants now receiving assistance, ensuring that they will not be turned out of their apartments or nursing homes or otherwise left destitute. And for immigrants already here but not receiving benefits, the BBA does not change the rules retroactively. Immigrants in the country as of August 22, 1996 but not receiving benefits at that time who subsequently become disabled will also be fully eligible for SSI and Medicaid benefits.

- **Protects Children by Keeping the Medicaid Guarantee**: The BBA preserved the Federal guarantee of Medicaid coverage for the vulnerable populations who depend on it, and contains additional investments to extend coverage to uninsured children. It also ensures that 30,000 disabled children losing SSI because of the new tighter eligibility criteria keep their Medicaid coverage.

- **Helps People Who Want to Work but Can't Find a Job**: The Balanced Budget Act (BBA), as amended by the Agricultural Research Act, also restored $1.3 billion in food stamp cuts. The welfare reform law restricted food stamps for able-bodied childless adults to only 3 out of every 36 months, unless they were working. This move ignored the fact that finding a job often takes time. The BBA provided funds for work slots and food stamp benefits to help those who are willing to work but, through no fault of their own, have not yet found employment. In addition, the BBA allows states to exempt up to 15 percent of the food stamp recipients (70,000 individuals monthly) who would otherwise be denied benefits as a result of the "3 in 36" limit.

8/25/98

Cynthia A. Rice 09/14/98 11:35:28 AM

Record Type: Record

To: Mary L. Smith/OPD/EOP
cc: Andrea Kane/OPD/EOP
bcc:
Subject: Re: Accomplishments blurbs

Use this welsum16.wpd

(Andrea -- this is info for CEA to use to add to their Families report)
Mary L. Smith

Mary L. Smith
09/14/98 11:31:31 AM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: Thomas L. Freedman/OPD/EOP
Subject: Accomplishments blurbs

Do you all have any blurbs on Administration accomplishments in the following areas:

--Family and Medical Leave
--Child Care
--Elder care
--flextime
--earned income tax credits
--minimum wage increase
--welfare-to-work and employer tax credits
--child support enforcement
--economic growth
--family planning services
--domestic violence services

Thanks, Mary

Message Sent To:

Cynthia A. Rice/OPD/EOP
Neera Tanden/WHO/EOP
Jennifer L. Klein/OPD/EOP
Nicole R. Rabner/WHO/EOP
Robin J. Bachman/WHO/EOP
Andrea Kane/OPD/EOP
Christopher C. Jennings/OPD/EOP
Sarah A. Bianchi/OPD/EOP
Leanne A. Shimabukuro/OPD/EOP
Jose Cerda III/OPD/EOP

Family Red

U.S. DEPARTMENT OF COMMERCE

Economics and Statistics Administration
BUREAU OF THE CENSUS

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Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

Current Population Reports
Consumer Income

Health Insurance Coverage: 1996

By Robert L. Bennefield

CENSUS BUREAU
P60-199
Issued September 1997

Who Goes Without Health Insurance?

An estimated 41.7 million people in the United States (15.6 percent) were without health insurance coverage during the entire 1996 calendar year. This number was up 1.1 million from the previous year, but the proportion was statistically unchanged.

Employment is the leading source of health insurance coverage.

Most people (70.2 percent) were covered by a private insurance plan for some or all of 1996. A private plan is one that was offered through employment (either one's own or a relative's) or privately purchased. Almost all private insurance was obtained through a current or former employer or union (that is, was employment-based). (See Figure 1.)

The remaining insured people (25.9 percent) had government coverage—medicare (13.2 percent of the population), medicaid (11.8 percent), and military health care (3.3 percent). Many people carry coverage from more than one plan.

The poor are more likely not to have coverage.

Despite the existence of programs such as medicaid and medicare, 30.8 percent of the poor (11.3 million) had no health insurance of any kind during 1996. This percentage—which was double the rate for all people—was statistically unchanged from the previous year. Poor people comprised 27.0 percent of all uninsured people, although they make up only 13.7 percent of the total population.

Medicaid was the most widespread type of coverage among the poor. About 45.5 percent of all poor people were covered by medicaid at some time during the year.

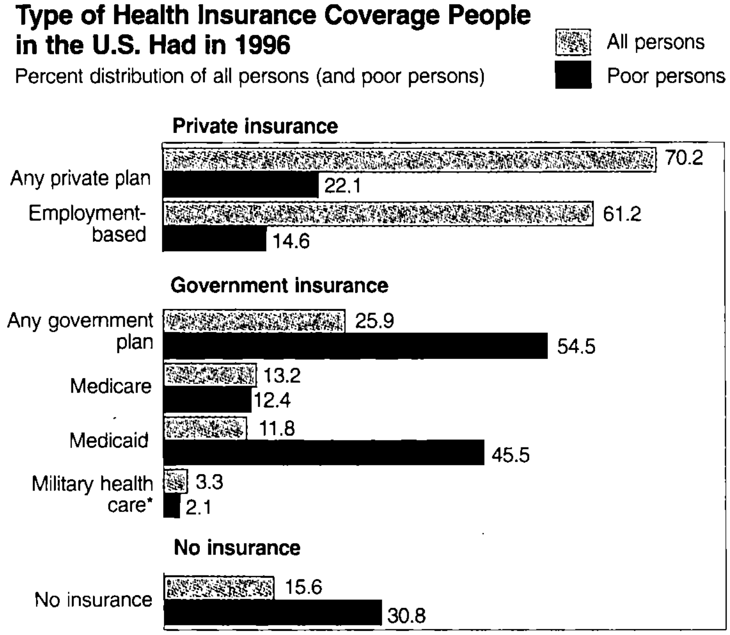
Other characteristics also influence the extent of coverage.

There were several key factors that influenced the chances of lacking health insurance coverage. (See Figure 2.) They included–

- *Age* – Young adults aged 18 to 24 were more likely than other age groups to lack coverage during all of 1996 (28.9 percent). Because of medicare, the elderly were at the other extreme (only 1.1 percent lacked coverage). Among the poor, adults aged 18 to 64 had much higher noncoverage rates than either children or the elderly.

- *Race and Hispanic origin* – Persons of Hispanic origin

Figure 1.
Type of Health Insurance Coverage People in the U.S. Had in 1996
Percent distribution of all persons (and poor persons)



*Military health care includes CHAMPUS (Comprehensive Health and Medical Plan for Uniformed Services)/Tricare, CHAMPVA (Civilian Health and Medical Program of the Department of Veteran's Affairs), Veteran's and military health care.

Note: The percentages by type of coverage are not mutually exclusive; in other words, persons can be covered by more than one type of health insurance during the year.

Source: U.S. Bureau of the Census, March 1997 Current Population Survey.

A

Sid told me he was opting out of the same thing → because ...

LLOYD ETHEREDGE

Tom -

Possibly of interest re empirically-based social and economic policy.

Lloyd E

HOWARD WOLFSON

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CONGRESSWOMAN NITA LOWEY — WASHINGTON, DC

CHIEF OF STAFF — 5/95-PRESENT

PRESS SECRETARY — 5/93-PRESENT

Direct all legislative, press, political, personnel, and administrative functions of the Congresswoman's Washington and New York offices. Develop and implement long-term policy and political goals. Manage a 20 person staff and an annual operating budget of $1 million. Serve as principal spokesman and liaison to national and New York press. Write speeches, op-ed pieces, press releases, and floor statements. Write and oversee production of newsletters and targeted mailings.

NITA LOWEY FOR CONGRESS — WHITE PLAINS, NY

DIRECTOR OF COMMUNICATIONS — FALL 1994, FALL 1996

Helped oversee two successful re-election races in a targeted swing district – each by an increasingly wider margin of victory. Developed and implemented campaign strategy and communications plan. Wrote and edited targeted mail, radio and television scripts, and fundraising appeals. Served as principal spokesman and liaison to New York press. Prepared the Congresswoman for debate appearances and editorial board endorsement interviews.

CONGRESSMAN BOB MATSUI — WASHINGTON, DC

PRESS SECRETARY — 2/93-5/93

Served as principal spokesman and liaison to national and local press. Wrote speeches, op-ed pieces, and press releases. Wrote and produced newsletters and targeted mailings.

CONGRESSMAN JIM JONTZ — WASHINGTON, DC

PRESS SECRETARY — 8/92-12/92

Served as campaign spokesman in one of the nation's most competitive House races. Served as principal spokesman and liaison to local press. Wrote speeches, op-ed pieces, and press releases. Wrote and produced newsletters and targeted mailings.

THE CONNECTION NEWSPAPERS — FAIRFAX, VA

REPORTER — 8/90-8/91

Reported on the Fairfax County and City governments, business, and the environment. Won the Society of Professional Journalists Washington Dateline Award.

DUKE UNIVERSITY
DURHAM, NC
M.A. AMERICAN HISTORY, 1991

UNIVERSITY OF CHICAGO
CHICAGO, IL
B.A. AMERICAN HISTORY, 1989

PRESS BRIEFING ON 1996 INCOME, POVERTY, AND HEALTH INSURANCE ESTIMATES

Daniel H. Weinberg
Chief, Housing and Household Economic Statistics Division
U.S. Census Bureau

September 29, 1997

Welcome to the press briefing on the 1996 income, poverty, and health insurance coverage estimates. Your press packets contain a press release, a copy of my remarks, a copy of the charts I will be using today, and the three reports we are releasing today. Additional unpublished detailed tables can be obtained from the Census Bureau directly or on our web site.

Let me introduce some of the analysts who worked on the reports; they will be available to answer your questions after the briefing: Charles Nelson (Assistant Division Chief), Kathleen Short (Chief of the Poverty and Health Statistics Branch), Edward Welniak (Chief of the Income Statistics Branch), and the primary authors of the reports, Robert Bennefield, Robert Cleveland, Carmen DeNavas-Walt, and Leatha Lamison-White.

Please hold your questions unless it's a technical clarification. The main presentation should take less than 30 minutes.

Let me first summarize the main findings. For the second consecutive year, households in the United States experienced an annual increase in their real median income. Between 1995 and 1996, median household income adjusted for inflation increased 1.2 percent, to $35,492. Despite this increase in income, the number of poor and the poverty rate remained statistically unchanged -- the number of poor in 1996 was 36.5 million people, a poverty rate of 13.7 percent. Finally, 41.7 million people lacked health insurance coverage in 1996, up 1.1 million from 1995, but the percentage without health insurance remained statistically unchanged at 15.6 percent.

Data from the March Supplement to the Current Population Survey or CPS are the basis for these statistics. The CPS is a sample survey of approximately 50,000 households nationwide, conducted each month for the Bureau of Labor Statistics. These data reflect 1996 and not current conditions.

As in all surveys, the data in these reports are estimates, subject to sampling variability and response errors. All statements made in the reports and in this briefing have been tested statistically. All historical income data are expressed in 1996 dollars using the Consumer Price Index; inflation was 3.0 percent between 1995 and 1996. The poverty thresholds are updated each year for inflation as well; for a family of four in 1996 the threshold was $16,036, for a family of three, $12,516.

This chart presents the key estimates of median household income. As I noted earlier, median income for all U.S. households rose 1.2 percent or $410 between 1995 and 1996 to

$35,492. The South was however the only region where households experienced a significant increase in income -- 1.8 percent.[1]

After adjusting for inflation, median household income is now only 2.7 percent below its 1989 level, the most recent business cycle peak. Overall, median household income has risen 15 percent since 1967, the first year household median income was computed. As was true last year, the increase in income was broad-based, covering both family and nonfamily households.

The poverty rate for all persons did not change statistically from 1995 to 1996 nor did the number of poor. The poverty rate was 13.7 percent in 1996, and the number of poor was 36.5 million. Nor was there any change in any region. The number of poor is still 4.1 million above the 1989 level when 32.4 million people were poor and the poverty rate was 13.1 percent. However, the number of poor is now 2.7 million people below its most recent peak of 39.3 million in 1993.

The explanation for why the poverty rate did not change while median income increased significantly lies in the distribution of income changes. This next chart shows the percentage increases for each family income quintile between 1995 and 1996. As you can see, average income in the lowest quintile fell 1.8 percent, while the average income in the middle income quintile rose 1.5 percent, and average income in the top quintile rose 2.2 percent.[2] Focusing in on those at the bottom end -- those with incomes less than half their poverty thresholds -- we see that there was an increase in the number of these "very poor". In 1996, 40 percent of all poor people, or 14.4 million people, had incomes less than half their threshold, compared to 13.9 million people in 1995 (the percentage very poor did not change; in 1996 it was 5.4 percent).

This next chart presents the changes in income by race and ethnicity. The only significant change was an increase of 5.8 percent for Hispanic households, almost exactly counteracting the 5.1 percent decrease we observed between 1994 and 1995.

Per capita income shows an increase between 1995 and 1996 for all racial and ethnic groups (except Asian and Pacific Islanders, whose percentage change was actually not different from the other groups but whose small sample size prevents a definitive statement).

As this next chart for poverty shows, there were no changes in poverty for any racial or ethnic groups. Blacks and Hispanics still had much higher poverty rates and lower incomes than Whites and Asian and Pacific Islanders. Nevertheless, as this pie chart shows, two-thirds of all poor are White and 45 percent of all poor are non-Hispanic Whites.

Children are 40 percent of the poor though they are but 27 percent of the total population. Their poverty rate is higher than for any other age group, 20.5 percent in 1996, unchanged from 1995. Poverty for children has been at or above 20 percent since the early 1980's.

The real median earnings of women who worked full time, year round increased by 2.4 percent between 1995 and 1996, while that for comparable men fell by 0.9 percent. As a consequence, the ratio of female-to-male earnings for full-time year-round workers reached a

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1. The difference between the 1995-1996 percent changes in median household income for the United States and the South was not statistically significant.

2. The difference between the 1995-1996 percent increase for the middle and top quintiles was not statistically significant.

new all-time high, of 74 percent. The last time year-round full-time male workers experienced an increase in their median earnings was in 1991.

This is the third consecutive year in which there was no year-to-year change in overall income inequality -- there was no statistically significant change in quintile income shares between 1995 and 1996 nor did the Gini index, a second measure of income inequality, show a change between 1995 and 1996.

However, the long-term trend in the U.S. has been toward increasing income inequality. This chart illustrates the increasing share of household income received by the highest income quintile -- 49.0 percent in 1996 but only 43.8 percent in 1967. It also illustrates the declining share of those in the bottom quintile -- 4.0 percent in 1967 down to 3.7 percent in 1996. These changes together mean that the middle 60 percent of the income distribution (roughly those households with incomes between $15,000 and $68,000 in 1996) has received a declining share over this period -- from 52.3 percent of income in 1967 down to 47.4 percent in 1996. The Gini index is now 14 percent above its 1967 level.

Based on a comparison of two-year moving averages, real median household income grew between 1994 and 1996 for nine states and fell for three. In the same period, five states had a drop in their poverty rate while three showed an increase.

The Census Bureau also produces a series of experimental estimates of income, in an attempt to gauge the effect on income and poverty of noncash benefits and taxes, which are not considered in the official measures. Seventeen experimental definitions of income are computed, and tables based on those results are presented in the reports.

The Bureau's research in this area has shown that the distribution of income is more equal under a broadened definition that takes into account the effects of taxes and noncash benefits than under the official cash income definition. Government benefits play a much more equalizing role on income than do taxes.

Valuing noncash benefits and subtracting taxes also affects the estimated poverty rate. Under the broadened definition of income, the estimated poverty rate was 10.2 percent or 27.1 million people, compared to 13.7 percent and 36.5 million people under the official income definition. Regardless of the method chosen to measure income, as you can see in this chart, the pattern of poverty change over time is similar.

Research is underway at the Census Bureau and the Bureau of Labor Statistics to examine recent recommendations of the National Academy of Sciences for changing the official poverty definition. We have a special Internet web site that presents research to date.

The remaining topic I will cover today is health insurance coverage. The number of people without health insurance coverage in 1996 was 41.7 million, 1.1 million more people than in 1995, or 15.6 percent of the population, a proportion unchanged from 1995. The proportion of poor people without health insurance coverage was 30.8 percent, also not different from last year and about double the rate for all persons. Young adults, those with low educational attainment, and Hispanics were the demographic groups most likely to lack coverage. Coverage rates rose in two states and fell in six states.

The number of uninsured children grew to 10.6 million (14.8 percent of all children) in 1996; both the number and percentage were higher than in 1995. The number of poor children without health insurance was 3.4 million (23.3 percent of all poor children), both statistically unchanged from 1995. More than one-fifth (21.8 percent) of all children were covered by medicaid.

Let me again summarize the main findings. For the second consecutive year, households in the United States experienced an annual increase in their real median income. Between 1995 and 1996, median household income adjusted for inflation increased 1.2 percent, to $35,492. Despite this increase in income, the number of poor and the poverty rate remained statistically unchanged -- the number of poor in 1996 was 36.5 million people, a poverty rate of 13.7 percent. Finally, 41.7 million people lacked health insurance coverage in 1996, up 1.1 million from 1995, but the percentage without health insurance remained statistically unchanged at 15.6 percent.

I'll be glad to answer your questions. Please identify yourself and your affiliation.

UNITED STATES DEPARTMENT OF
COMMERCE
NEWS
WASHINGTON, DC 20230

ECONOMICS AND STATISTICS ADMINISTRATION

BUREAU OF THE CENSUS

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Income Improves, Poverty Levels Stabilize, Health Insurance Coverage Slips, Census Bureau Reports

Median household income increased in real terms between 1995 and 1996 for the second consecutive year, while the poverty rate and the number of people living in poverty remained statistically unchanged and the number of uninsured Americans, particularly children, rose, according to three reports released today by the Commerce Department's Census Bureau.

The reports, *Money Income in the United States: 1996; Poverty in the United States: 1996;* and *Health Insurance Coverage: 1996,* also include data for states. Both the income and poverty reports have additional data on the valuation of noncash benefits. The complete reports can be found on the Internet at <http://www.census.gov/prod/www/titles.html>.

Daniel Weinberg, chief of the Census Bureau's Housing and Household Economic Statistics Division, said the number of poor Americans in 1996 totaled 36.5 million, representing 13.7 percent of the nation's total population. Weinberg said, neither figure was significantly different from the previous year's estimate. In 1996, the average poverty threshold for a family of four was $16,036.

"During this same period," Weinberg said, "the real median income of households rose by 1.2 percent, increasing from $35,082 to $35,492. In addition, this was the third consecutive year in which there was no year-to-year change in overall income inequality."

On the health-care front, the number of uninsured children under 18 grew to 10.6 million (14.8 percent) in 1996; both the number and percentage were statistically higher than the 1995 figures of 9.8 million and 13.8 percent, respectively. Overall, an estimated 41.7 million, or 15.6 percent, of Americans had no health insurance during all of 1996. This number was up 1.1 million from the previous year, but the percentage was not statistically different.

(more)

Almost no group of people showed changes in its poverty rate except for the following: the rate declined significantly between 1995 and 1996 for persons living inside central cities (from 20.6 percent to 19.6 percent) and for male unrelated individuals (18.0 percent to 17.0 percent), while it increased for persons aged 60 to 64 (10.2 to 11.5 percent).

Between 1995 and 1996, there were no significant changes in poverty rates or numbers of poor among Whites, African Americans, Asians and Pacific Islanders or persons of Hispanic origin (who may be of any race).

The real median incomes of several types of households have returned to or exceeded their pre-recessionary 1989 levels. For example, the median income of married-couple households surpassed their 1989 level by 2.2 percent. Households in the Midwest and South, African American households, family households maintained by a woman with no husband present and households maintained by persons 55 to 64 years old all had incomes in 1996 comparable to their 1989 incomes (in 1996 dollars).

It was the second consecutive year that households inside metropolitan areas experienced an increase in real median income. Before 1995, the income of these households had not increased since 1989. For households inside central cities, it was the first annual increase in real median household income since 1988.

The female-to-male earnings ratio reached a new high in 1996 for persons working full time and year-round. The real median earnings for such women rose 2.4 percent to $23,710, which represented about 74 percent of the median for such men ($32,144). The last time men experienced an annual increase in median earnings was in 1991. In fact, between 1993 and 1996, men's earnings declined by 2.6 percent.

In 1996, more than one-half (53.1 percent) of the nation's 142.9 million workers had employment-based health insurance policies in their own name; this estimate did not reflect the fact that many workers are covered by an employment-based plan through another family member.

Other highlights:

Poverty

- Based on comparisons of two-year moving averages (1994-95 and 1995-96), the poverty rate dropped in five states (Indiana, Louisiana, Michigan, Missouri and Texas) and increased in three states (Arizona, Montana and Vermont).

- Using three-year averages (1994 to 1996), state poverty rates ranged from 6.5 percent in New Hampshire to 24.0 percent in New Mexico.

(more)

- Before 1994, the South had the highest regional poverty rate. Since that year the West has experienced a poverty rate not significantly different from that of the South — 15.4 percent for the West and 15.1 percent for the South in 1996.

- Neither the overall poverty rate for all children (20.5 percent), nor that for those aged 65 and over (10.8 percent), were statistically different between 1995 and 1996.

- In 1996, 14.4 million people had incomes of less than half of their poverty threshold, up from 13.9 million in 1995.

- Neither the number of poor nor the poverty rate for families showed significant change between 1995 and 1996; this was true regardless of family type or race and ethnicity.

- In addition to the official income and poverty data released today, the Census Bureau also released income and poverty estimates based on 17 other definitions of income.

Income

- Based on comparisons of two-year moving averages (1994-95 and 1995-96), real median household income increased significantly for nine states (Alaska, Illinois, Indiana, Kentucky, Minnesota, New York, North Carolina, Rhode Island and South Carolina) and decreased for three states (New Mexico, Vermont and Wyoming).

- Using three-year averages (1994 to 1996), the median household income for Alaska ($50,000) was higher than that of the remaining 49 states and the District of Columbia.

- The South was the only region to experience a significant year-to-year change in real median household income between 1995 and 1996. Real median household income increased there from $31,856 in 1995 to $32,422 in 1996. By comparison, the median household income in 1996 was $37,406 in the Northeast, $37,125 in the West and $36,579 in the Midwest. (The differences between the median household incomes of the Northeast, Midwest and West were not statistically significant.)

- This is the third consecutive year that family households have experienced an increase in real median income and the second consecutive year for nonfamily households. In addition, this was the third consecutive year that married-couple households experienced an increase in median income.

- Households maintained by persons of Hispanic origin experienced a 5.8 percent increase in real median household income (to $24,906) offsetting the drop observed in 1995. The percentage changes in household income of White ($37,161), African American ($23,482) and Asian and Pacific Islander households ($43,276) were not statistically different from 1995.

- Real per capita income increased significantly between 1995 and 1996, for Whites (1.8 percent to $19,181), African Americans (5.2 percent to $11,899) and Hispanics (4.9 percent to $10,048).

(more)

The 1996 per capita income of Asians and Pacific Islanders ($17,921) was statistically unchanged. (The differences between the 1995-1996 percentage changes in per capita income among the race/ethnic origin groups were not statistically significant. The differences between the per capita incomes of Whites and of Asians and Pacific Islanders, and between the total population and Asians and Pacific Islanders, were also not statistically significant.)

Health Insurance

- Based on comparisons of two-year moving averages (1994-95 and 1995-96), higher health insurance coverage rates were recorded for Alabama and Michigan. Meanwhile, coverage rates fell in six states: Arizona, Arkansas, Colorado, New Jersey, North Carolina and Tennessee.

- Using three-year averages between 1994 and 1996, the rates for the uninsured ranged from 8.2 percent in Wisconsin to 24.3 percent in Texas.

- In 1996, the percentage of persons without health insurance by income ranged from 7.6 percent (among those in households with incomes of $75,000 or more) to 24.3 percent (among those in households with incomes less than $25,000).

- In 1996, most people (70.2 percent) were covered by a private insurance plan; 25.9 percent had government coverage, i.e. Medicare (13.2 percent), Medicaid (11.8 percent), and military health care (3.3 percent). Many people had coverage by more than one plan during the year.

- About 30.8 percent of the nation's poor (11.3 million) had no health insurance of any kind in 1996.

- Among the various race and ethnic groups, persons of Hispanic origin were the most likely to be without coverage throughout 1996.

The data are from the March 1997 Current Population Survey. As in all surveys, the data are subject to sampling variability and other sources of error.

-X-

Percent of Persons in Poverty by State: 1994, 1995, and 1996

State	Three-year Average 1994-1996		Average 1995-1996		Average 1994-1995		Difference in two-year moving averages	
	Percent	Standard error	Percent	Standard error	Percent	Standard error	Poverty rate	Standard error
U.S.	14.0	0.16	13.8	0.18	14.2	0.18	* -0.4	0.15
Alabama	16.8	1.36	17.1	1.57	18.3	1.63	-1.2	1.27
Alaska	8.5	0.97	7.7	1.11	8.7	1.13	-1.0	0.96
Arizona	17.5	1.31	18.3	1.54	16.0	1.52	* 2.3	1.29
Arkansas	15.8	1.31	16.1	1.52	15.1	1.52	1.0	1.29
California	17.2	0.55	16.8	0.65	17.3	0.64	-0.5	0.53
Colorado	9.5	1.08	9.7	1.26	8.9	1.24	0.8	1.07
Connecticut	10.7	1.29	10.7	1.47	10.3	1.50	0.4	1.29
Delaware	9.1	1.19	9.5	1.40	9.3	1.40	0.2	1.10
D.C.	22.5	1.72	23.2	1.98	21.7	2.01	1.5	1.71
Florida	15.1	0.68	15.2	0.81	15.6	0.79	-0.4	0.63
Georgia	13.6	1.14	13.5	1.29	13.1	1.34	0.4	1.15
Hawaii	10.4	1.23	11.2	1.49	9.5	1.38	1.7	1.20
Idaho	12.8	1.18	13.2	1.41	13.3	1.38	-0.1	1.09
Illinois	12.3	0.70	12.3	0.83	12.4	0.80	-0.1	0.66
Indiana	10.3	1.12	8.6	1.20	11.7	1.39	* -3.1	1.12
Iowa	10.8	1.15	10.9	1.34	11.5	1.37	-0.6	1.08
Kansas	12.3	1.21	11.0	1.37	12.9	1.44	-1.9	1.20
Kentucky	16.7	1.36	15.9	1.54	16.6	1.60	-0.7	1.36
Louisiana	22.0	1.49	20.1	1.63	22.7	1.80	* -2.6	1.51
Maine	10.6	1.25	11.2	1.51	10.3	1.43	0.9	1.19
Maryland	10.4	1.18	10.2	1.36	10.4	1.38	-0.2	1.15
Massachusetts	10.3	0.77	10.6	0.97	10.4	0.85	0.2	0.70
Michigan	12.5	0.73	11.7	0.87	13.2	0.84	* -1.5	0.69
Minnesota	10.2	1.11	9.5	1.24	10.5	1.33	-1.0	1.12
Mississippi	21.3	1.48	22.1	1.74	21.7	1.74	0.4	1.39
Missouri	11.5	1.22	9.5	1.30	12.5	1.49	* -3.0	1.24
Montana	14.6	1.26	16.2	1.52	13.4	1.43	* 2.8	1.20
Nebraska	9.5	1.09	9.9	1.31	9.2	1.24	0.7	1.04
Nevada	10.1	1.14	9.6	1.34	11.1	1.36	-1.5	1.04
New Hampshire	6.5	1.05	5.9	1.18	6.5	1.23	-0.6	1.07
New Jersey	8.7	0.64	8.5	0.78	8.5	0.71	0.0	0.61
New Mexico	24.0	1.49	25.4	1.77	23.2	1.72	2.2	1.43
New York	16.7	0.60	16.6	0.72	16.8	0.69	-0.2	0.57
North Carolina	13.0	0.83	12.4	1.04	13.4	0.92	-1.0	0.75
North Dakota	11.1	1.17	11.5	1.39	11.2	1.35	0.3	1.10
Ohio	12.8	0.71	12.1	0.85	12.8	0.81	-0.7	0.69
Oklahoma	16.8	1.34	16.9	1.53	16.9	1.59	0.0	1.30
Oregon	11.6	1.24	11.5	1.43	11.5	1.44	0.0	1.21
Pennsylvania	12.1	0.67	11.9	0.80	12.4	0.77	-0.5	0.64
Rhode Island	10.6	1.30	10.8	1.51	10.5	1.50	0.3	1.27
South Carolina	15.6	1.36	16.5	1.66	16.9	1.58	-0.4	1.20
South Dakota	13.6	1.22	13.2	1.44	14.5	1.43	-1.3	1.14
Tennessee	15.3	1.31	15.7	1.56	15.1	1.50	0.6	1.25
Texas	17.7	0.71	17.0	0.82	18.3	0.84	* -1.3	0.69
Utah	8.0	0.94	8.1	1.09	8.2	1.11	-0.1	0.90
Vermont	10.2	1.24	11.5	1.52	9.0	1.37	* 2.5	1.20
Virginia	11.1	1.09	11.3	1.31	10.5	1.22	0.8	1.06
Washington	12.0	1.23	12.2	1.46	12.1	1.43	0.1	1.16
West Virginia	17.9	1.38	17.6	1.55	17.7	1.62	-0.1	1.38
Wisconsin	8.8	1.01	8.7	1.18	8.8	1.18	-0.1	0.99
Wyoming	11.1	1.22	12.1	1.40	10.8	1.44	1.3	1.19
Los Angeles CMSA	19.1	0.66	18.7	0.77	19.2	0.77	-0.5	0.64
New York CMSA	15.0	0.53	15.1	0.63	15.0	0.62	0.1	0.51

*Statistically significant at the 90-percent confidence level.

Source: U.S. Bureau of the Census, March 1997, 1996, and 1995 Current Population Survey.

Median Income of Households by State

(In 1996 dollars)

States	Three-year average 1994-1996		Two-year moving averages				Differences in 2-year moving averages 1995-96 less 1994-95	
			1995-1996		1994-1995			
	Median income	Standard error	Median income	Standard error	Median income	Standard error	Difference	Percent change
United States	34,911	127	35,287	157	34,620	148	667 *	1.9 *
Alabama	28,618	981	28,530	1,052	27,776	1,218	755	2.7
Alaska	50,060	1,311	51,075	1,633	48,700	1,505	2375 *	4.9 *
Arizona	32,180	837	31,706	1,099	32,452	926	-747	-2.3
Arkansas	26,922	702	26,850	824	26,821	833	29	0.1
California	38,106	518	38,457	642	37,754	575	704	1.9
Colorado	40,971	1,047	41,429	1,205	40,981	1,286	448	1.1
Connecticut	42,353	1,688	41,775	2,238	42,471	1,664	-696	-1.6
Delaware	37,749	1,092	37,634	1,365	36,969	1,313	665	1.8
District of Columbia	31,835	924	31,811	1,153	31,770	981	41	0.1
Florida	30,759	425	30,632	471	30,819	534	-187	-0.6
Georgia	33,639	899	33,801	1,084	34,210	924	-409	-1.2
Hawaii	43,541	1,337	42,944	1,334	44,426	1,638	-1482	-3.3
Idaho	33,912	889	34,175	1,024	33,514	1,029	661	2.0
Illinois	38,630	665	39,375	827	38,168	718	1207 *	3.2 *
Indiana	33,004	918	34,759	1,145	31,932	1,066	2827 *	8.9 *
Iowa	34,933	886	34,889	1,038	35,795	961	-906	-2.5
Kansas	31,269	817	31,911	1,000	30,611	853	1300	4.2
Kentucky	30,420	866	31,552	1,080	29,423	933	2129 *	7.2 *
Louisiana	28,740	926	29,518	992	27,979	1,122	1540	5.5
Maine	33,883	919	34,777	958	33,477	1,138	1300	3.9
Maryland	42,582	1,347	43,123	1,760	41,876	1,298	1247	3.0
Massachusetts	40,695	1,082	39,604	1,423	41,296	1,091	-1692	-4.1
Michigan	38,027	684	38,364	890	37,429	723	935	2.5
Minnesota	38,554	1,093	40,022	1,299	37,336	1,380	2686 *	7.2 *
Mississippi	26,963	749	27,000	978	27,107	765	-107	-0.4
Missouri	34,027	1,034	35,059	1,203	33,908	1,209	1152	3.4
Montana	28,838	930	28,631	1,117	28,915	1,011	-285	-1.0
Nebraska	33,858	900	33,958	1,108	33,781	974	177	0.5
Nevada	37,889	1,062	37,845	1,222	37,563	1,225	282	0.7
New Hampshire	39,016	1,224	39,868	1,371	38,821	1,460	1047	2.7
New Jersey	45,817	894	46,345	1,094	44,992	1,058	1353	3.0
New Mexico	26,776	859	25,922	913	27,621	1,070	-1699 *	-6.2 *
New York	34,395	471	34,707	609	33,888	514	819 *	2.4 *
North Carolina	33,469	619	34,262	790	32,403	669	1860 *	5.7 *
North Dakota	30,452	846	30,709	1,001	29,943	1,000	766	2.6
Ohio	34,589	645	35,022	855	34,849	681	173	0.5
Oklahoma	27,700	757	27,263	821	27,832	906	-569	-2.0
Oregon	35,414	801	36,470	937	35,376	903	1095	3.1
Pennsylvania	34,797	552	35,221	693	34,746	573	476	1.4
Rhode Island	35,730	909	36,695	1,012	35,103	1,156	1592 *	4.5
South Carolina	32,064	951	32,297	1,169	30,764	1,089	1534 *	5.0
South Dakota	30,485	940	29,989	1,109	30,965	1,202	-976	-3.2
Tennessee	30,327	820	30,331	985	30,096	985	235	0.8
Texas	32,872	489	33,029	583	32,773	553	256	0.8
Utah	37,469	781	37,298	941	37,685	842	-388	-1.0
Vermont	35,028	1,064	33,591	1,039	36,364	1,371	-2773 *	-7.6 *
Virginia	38,787	1,049	38,252	1,188	38,575	1,255	-323	-0.8
Washington	36,265	967	36,647	1,194	36,060	1,047	587	1.6
West Virginia	25,270	801	25,431	910	25,281	904	150	0.6
Wisconsin	39,877	1,043	41,083	1,294	39,815	1,111	1268	3.2
Wyoming	32,833	957	31,707	838	33,773	1,304	-2066 *	-6.1 *
New York, NY CMSA	38,921	513	39,232	591	38,086	598	1147 *	3.0 *
Los Angeles, CA CMSA	36,915	567	36,917	635	36,943	719	-26	-0.1

*Statistically significant at the 90-percent confidence level.

Source: U.S. Bureau of the Census, March 1997 Current Population Survey.

Percent of Persons Without Health Insurance Coverage Throughout the Year, by State: 1994 to 1996

State	3-year average 1994-1996 Percent	3-year average 1994-1996 Standard error	2-year moving averages 1995-1996 Percent	2-year moving averages 1995-1996 Standard error	2-year moving averages 1994-1995 Percent	2-year moving averages 1994-1995 Standard error	Difference in 2-year moving averages 1995-96 less 1994-95 Percent	Difference in 2-year moving averages 1995-96 less 1994-95 Standard error
Alabama	15.2	0.9	13.2	1.0	16.4	1.1	*-3.2	1.0
Alaska	13.1	0.8	13.0	1.0	12.9	1.0	0.1	0.9
Arizona	21.6	1.0	22.3	1.2	20.3	1.2	*2.0	1.0
Arkansas	19.0	1.0	19.8	1.3	17.7	1.2	*2.1	1.1
California	20.6	0.4	20.4	0.5	20.9	0.5	-0.5	0.4
Colorado	14.6	0.9	15.7	1.1	13.6	1.0	*2.1	0.9
Connecticut	10.1	0.9	9.9	1.0	9.6	1.0	0.3	1.0
Delaware	14.2	1.0	14.6	1.3	14.6	1.2	-	1.0
D.C	16.2	1.1	16.1	1.3	16.9	1.3	-0.8	1.1
Florida	18.1	0.5	18.6	0.6	17.8	0.6	0.8	0.5
Georgia	17.3	0.9	17.9	1.0	17.1	1.0	0.8	0.9
Hawaii	8.9	0.8	8.8	1.0	9.1	0.9	-0.3	0.8
Idaho	14.8	0.9	15.3	1.1	14.0	1.0	1.3	0.9
Illinois	11.2	0.5	11.2	0.6	11.2	0.5	-	0.5
Indiana	11.2	0.8	11.6	1.0	11.6	1.0	-	0.8
Iowa	10.9	0.8	11.5	1.0	10.5	0.9	1.0	0.9
Kansas	12.2	0.9	11.9	1.0	12.7	1.0	-0.8	0.9
Kentucky	15.1	0.9	15.0	1.1	14.9	1.1	0.1	1.0
Louisiana	20.2	1.0	20.7	1.2	19.9	1.2	0.8	1.1
Maine	12.9	1.0	12.8	1.2	13.3	1.1	-0.5	1.0
Maryland	13.1	0.9	13.4	1.1	14.0	1.1	-0.6	0.9
Massachusetts	12.0	0.6	11.8	0.8	11.8	0.6	-	0.6
Michigan	9.8	0.5	9.3	0.6	10.3	0.5	*- 1.0	0.5
Minnesota	9.2	0.8	9.1	0.9	8.8	0.9	0.3	0.8
Mississippi	18.7	1.0	19.1	1.2	18.8	1.1	0.3	1.0
Missouri	13.3	0.9	13.9	1.1	13.4	1.1	0.5	1.0
Montana	13.3	0.9	13.2	1.0	13.2	1.0	-	0.9
Nebraska	10.4	0.8	10.2	1.0	9.9	0.9	0.3	0.9
Nevada	16.7	1.0	17.2	1.3	17.2	1.1	-	1.0
New Hampshire	10.5	0.9	9.8	1.1	11.0	1.1	-1.2	1.0
New Jersey	14.6	0.6	15.5	0.8	13.6	0.6	*1.9	0.6
New Mexico	23.7	1.0	24.0	1.3	24.4	1.2	-0.4	1.0
New York	16.1	0.4	16.1	0.5	15.6	0.4	0.5	0.4
North Carolina	14.5	0.6	15.2	0.8	13.8	0.7	*1.4	0.6
North Dakota	8.8	0.8	9.1	0.9	8.4	0.8	0.7	0.8
Ohio	11.5	0.5	11.7	0.6	11.5	0.6	0.2	0.5
Oklahoma	18.0	1.0	18.1	1.2	18.5	1.2	-0.4	1.0
Oregon	13.6	1.0	13.9	1.2	12.8	1.1	1.1	1.0
Pennsylvania	10.0	0.5	9.7	0.6	10.3	0.5	-0.6	0.5
Rhode Island	11.4	0.9	11.4	1.1	12.2	1.1	-0.8	0.9
South Carolina	15.3	1.0	15.9	1.3	14.4	1.1	1.5	1.0
South Dakota	9.6	0.7	9.5	0.9	9.7	0.8	-0.2	0.7
Tennessee	13.4	0.9	15.0	1.1	12.5	1.0	*2.5	0.9
Texas	24.3	0.6	24.4	0.7	24.4	0.7	-	0.6
Utah	11.7	0.8	11.9	1.0	11.6	0.9	0.3	0.8
Vermont	11.0	0.9	12.2	1.2	10.9	1.1	1.3	0.9
Virginia	12.7	0.8	13.0	1.0	12.8	0.9	0.2	0.8
Washington	12.9	0.9	13.0	1.1	12.6	1.0	0.4	0.9
West Virginia	15.5	0.9	15.1	1.0	15.8	1.1	-0.7	1.0
Wisconsin	8.2	0.7	7.9	0.8	8.1	0.8	-0.2	0.7
Wyoming	14.9	1.0	14.7	1.1	15.7	1.2	-1.0	1.0

*Statistically significant at the 90-percent confidence level.
-Represents or rounds to zero.

SOURCE: U.S. Bureau of the Census, March 1995, 1996, and 1997 Current Population Surveys.

U.S. Census Bureau *the Official Statistics*

Income and Poverty: 1996 on CD-ROM

PRE-PUBLICATION NOTICE

The Bureau of the Census is pleased to announce the upcoming availability of this annual statistical product based on the March 1997 Current Population Survey (CPS). This product will contain reports on income, poverty, and health insurance; detailed tabulations showing social and demographic characteristics (such as age, race and Hispanic origin, sex, education, etc.) cross-tabulated by income, poverty, and health insurance coverage, as well as by experimental definitions of income and poverty; and historical tables on the above. The public-use microdata file will allow users to generate their own tabulations. Geographic areas identified are the United States, regions, and States. **Expected issue date: November, 1997.**

ORDER FORM & PRO FORMA INVOICE

YES! I want the latest income and poverty statistics based on the most recent Current Population Survey. When available, please send me _______ copies of **Income and Poverty: 1996 on CD-ROM** as shown below.

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	CD-ROM Priority Mail add $25	=	________
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	Grand Total & Total Due	=	________

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WORK-FAMILY ISSUES

- A U.S. Women's Bureau survey of 250,000 women found that "balancing work and family" was their #1 concern (U.S. Women's Bureau, 1993).

- Thirty percent of workers at Baxter Healthcare struggle with work-life issues weekly, and 42% have looked for another job because of it (18-month survey by Baxter Healthcare, 1997).

- In most companies, about half of employees experience work-family conflict (table 3).

Table 3.

Extent of Work-Family Conflict
*Studies between 1985-1990

Type of Company	% Employees Experiencing Work-Family Conflict
Company A *personal/home care products manufacturer	53%
Company B *law firm	53%
Company C *financial services	50%
Company D *apparel manufacturer	45%
Company E *22 hospitals	43%
Company F *pharmaceutical	37%
Company G *insurance	37%
Company H *33 companies in Oregon	23%

Source: The Conference Board, 1991. Company G only includes workers with chidren under six.

WOMEN IN THE LABOR FORCE

- The participation rates of women in the labor force have increased dramatically since 1960. In 1960, under a third of married women (30.9%) were employed. By 1990, that figure had almost doubled, increasing to 61%. The proportion of married women with children under 6 who were employed increased over 300% between 1960 and 1995 (table 2, figure 3).

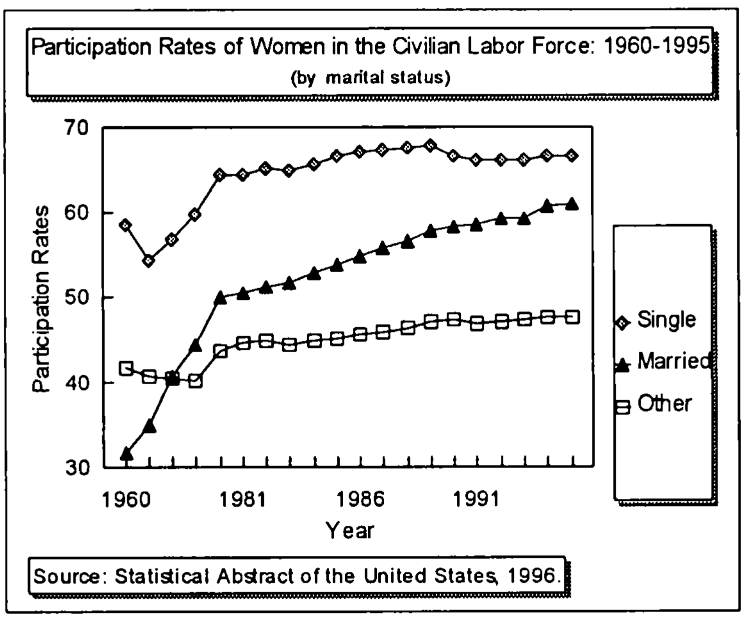
Table 2.

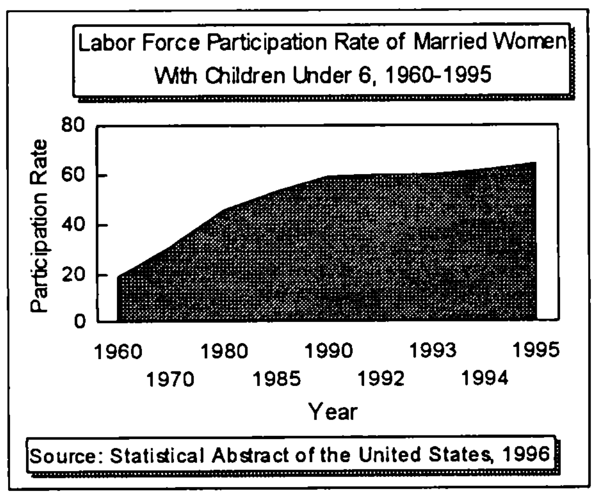
Labor force participation rate for women, by marital status and presence and age of children, 1960-1995

	Total Single	Total Married	Total Other	w/ children Single	w/ children Married	w/ children Other	child 6-17 Single	child 6-17 Married	child 6-17 Other	child <6 Single	child <6 Married	child <6 Other
1960	44.1	30.5	40	na	27.6	56	na	39	65.9	na	18.6	40.5
1970	53	40.8	39.1	na	39.7	60.7	na	49.2	66.9	na	30.3	52.2
1980	61.5	50.1	44	52	54.1	69.4	67.6	61.7	74.6	44.1	45.1	60.3
1985	65.2	54.2	45.6	51.6	60.8	71.9	64.1	67.8	77.8	46.5	53.4	59.7
1990	66.4	58.2	46.8	55.2	66.3	74.2	69.7	73.6	79.7	48.7	58.9	63.6
1992	64.7	59.3	46.7	52.5	67.8	73.2	67.2	75.4	80	45.8	59.9	60.5
1993	64.5	59.4	45.9	54.4	67.5	72.1	70.2	74.9	78.3	47.4	59.6	60
1994	65.1	60.6	47.3	56.9	69	73.1	67.5	76	78.4	52.2	61.7	62.2
1995	65.5	61.1	47.3	57.5	70.2	75.3	67	76.2	79.5	53	63.5	66.3

Source: Statistical Abstract of the United States, 1996

Figure 3.





Working Harder & with Greater Stress

- Number of hours worked
- Changing jobs more
- Need for more education, more retraining
- Commute times
- Less health insurance, or other compensation packages?

II. The Changing Family

- Numbers of single parents
- Age at marriage
- Rates of divorce
- Children living in single parent environments.
- Other stats

III. Implications for Policy

- Is there a Time of parents with children (the time deficit)
- Studies on effects on alcohol, drug etc. abuse.
  - Elder care (1 in four Americans cares for an aging relative) (10% of workforce cars for elderly parents)
- Child Care

Thomas L. Freedman
03/25/98 08:21:25 PM

Record Type: Record

To: Michele Jolin/CEA/EOP

cc: Mary L. Smith/OPD/EOP
Subject: Work/Family

So here is the idea, some kind of report that demonstrates that changes in the workplace and the family have left parents struggling with the tension of balancing the two. That with more parents working harder (and perhaps more single parents) there is less time than ever to spend with kids. And that the less time with kids is not good for the kids or society. I've listed below some of the statistics that might help demonstrate these premises but I bet you are much better at figuring out what might go into this than I am. I know there are some popular books on the topic, but I think a government report could go a long way to establishing the principle and helping set the stage for some other intiatives in child care, FMLA, etc.

I'm out of town for two days, but will probably talk to Bruce about it on Monday or Tuesday. Take a look and write me back and tell me what you think. we've pulled some numbers on most of these topics, but I'm wondering if there isn't a lot more numbers and topics we should be citing. Regards, Tom

WORK AND FAMILY REPORT

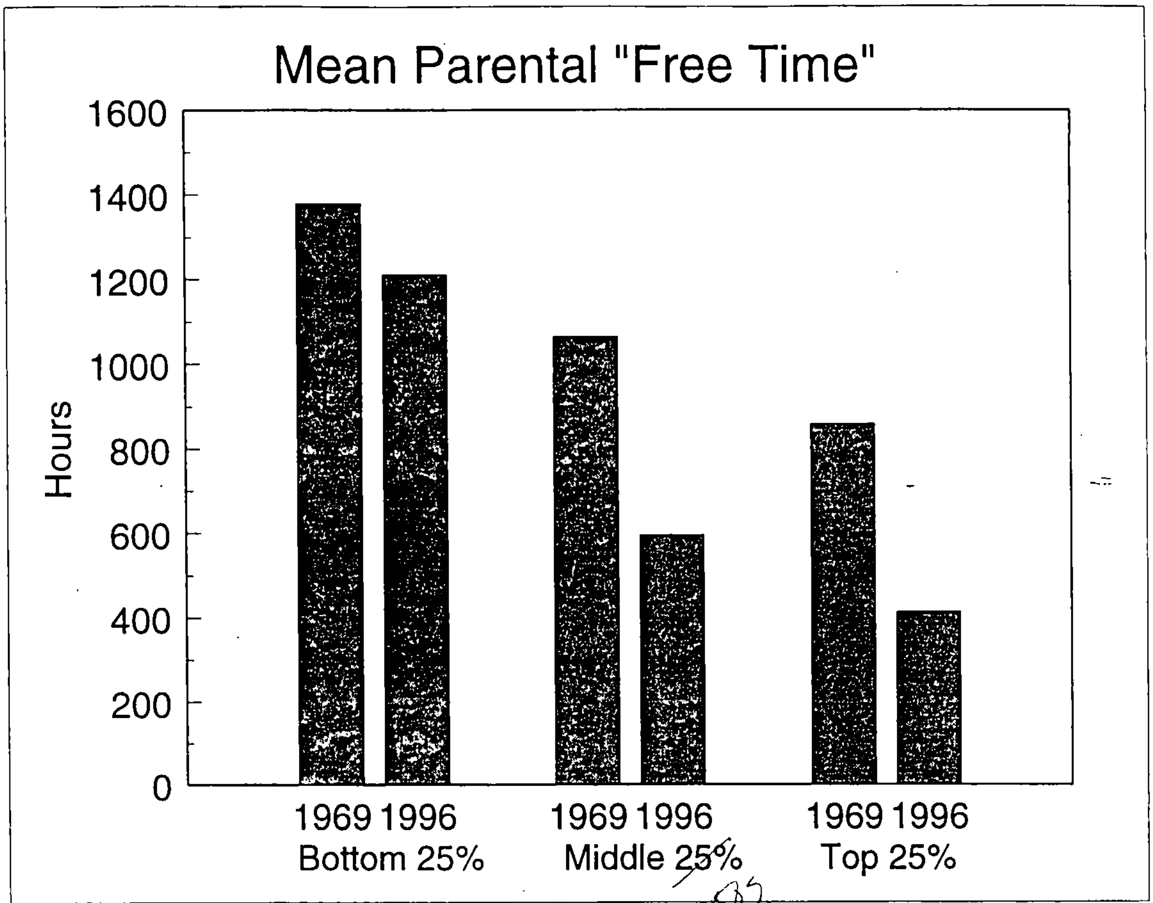
I. The Changing American Workplace

Parents Into the Workforce

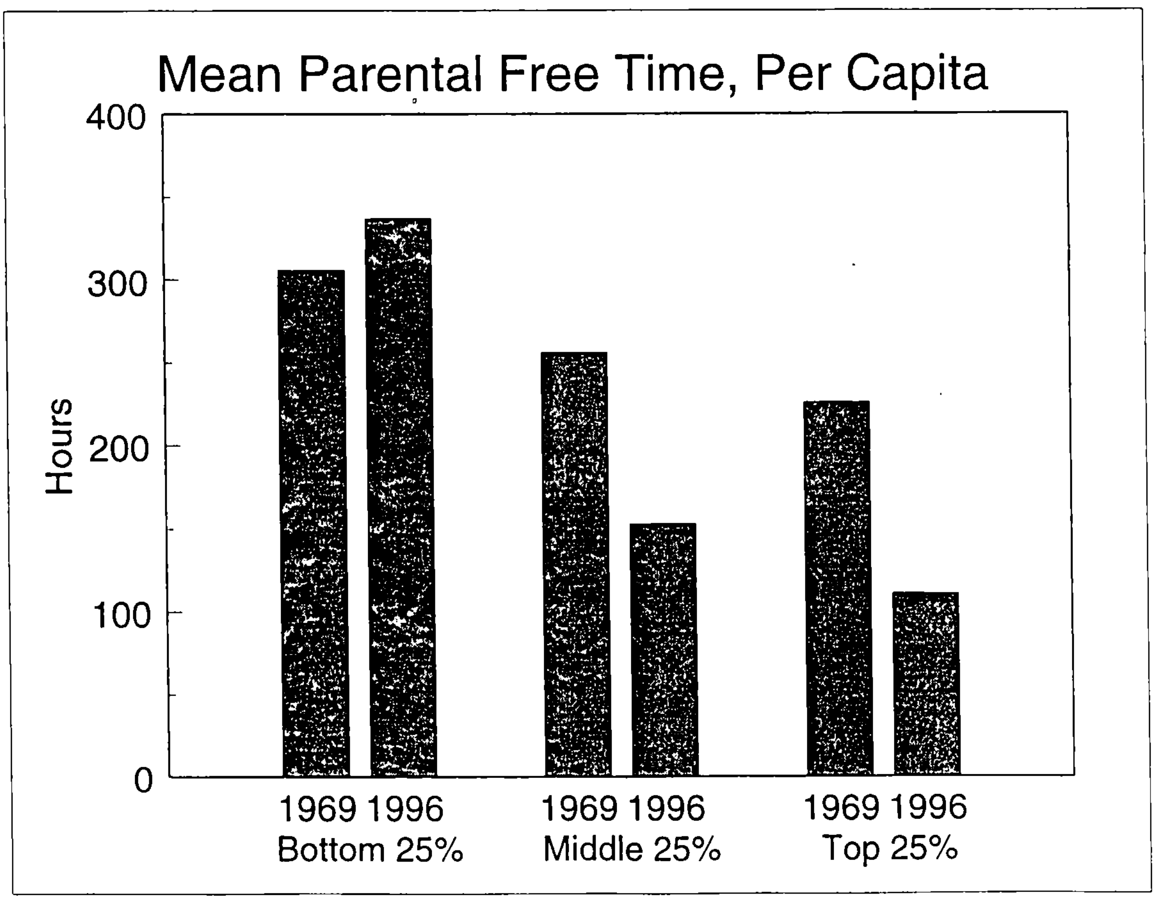
* Women into work force
* Married women into workforce
* Married women with hldren into workforce
* Single women into workforce
* Single women with children into workforce
* Similar stats for men, and men with children
* Overall numbers on parents in the workforce

Free Time [2000 hours – market work ... husband] [2000 – ... of spouse]

Captures: 1) increase in 1 parent families
2) increase in work hours of spouse/single parent.



(kids)



Time out of house.

# of households
have 1000
hours

hours T.V. watching

GAO

United States
General Accounting Office
Washington, D.C. 20548

Resources, Community, and
Economic Development Division

Date: July 23, 1998

To: Stephen Fowkes, Director,
Food and Marketing Division, OIG, USDA

From: Lawrence J. Dyckman, GAO/RCED - Director for Food
and Agriculture Issues

Subject: Notification of GAO Assignment

Job Title: Egg and Egg Product Safety

Assignment code: 150063 GAO division: RCED

GAO contact: Steve Secrist Phone no.: 415-904-2236

Job objectives and scope (in brief): (1) determine agencies responsible for egg safety and whether there are inconsistencies in safety standards, (2) examine the effectiveness of current egg safety inspection efforts, and (3) explo and evaluate possible government actions to ensure eggs are safe for public consumption.

Job source: Self-initiated ___
Congressional request X

Requester(s): Senators Richard J. Durbin and John Glenn

USDA agencies to be contacted: Food Safety Inspection Service, Animal and Pl Health Inspection Service, and Agricultural Marketing Service

Sites to Be Visited agency headquarters and other sites to be determined

Est. start date: July 27, 1998

Est. completion date: May 25, 1999

Departments/agencies other than USDA involved: Yes X No ___

MEMORANDUM

TO: BRUCE REED
ELENA KAGAN

Family Report

FROM: TOM FREEDMAN
MARY L. SMITH
DREW HANSEN

RE: REPORT ON THE FAMILY

DATE: JULY 18, 1997

A possible "Report on the Family" could include the following statistics:

Employment

- avg. monthly unemployment rate
- unemployment rate by age group

Family

- divorce rate
- birth rates
- out-of-wedlock birthrates
- number of female- and male-headed households

Poverty

- poverty rate, by family structure
- out-of-wedlock births, by income status

Education

- educational enrollment/attainment
- monthly income, by degree earned
- enrollment of 3- to 5-year-olds, by education and labor force status of mother and family income

Crime

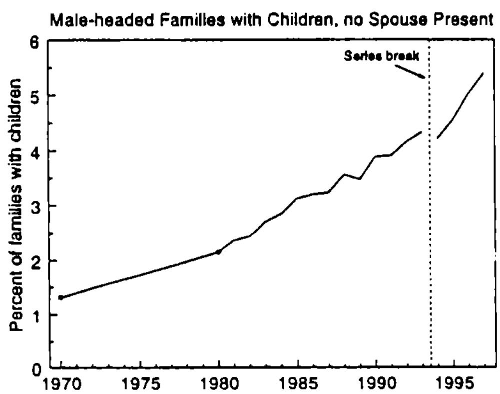
- crime rates
- victims by race/sex
- arrests by race/sex
- drug use by arrestees by race/sex

EYES ONLY

TREND

More Single-Parent Families Are Headed by Men

Between 1970 and 1997, the proportion of families with children, headed by a father with no spouse present, grew from 1.3 percent to 5.4 percent. The increase has been especially sharp in the last 3 years (see chart).



How many? Since 1994, the number of families with children, headed by a single father, increased by nearly half a million. Indeed, these families accounted for all of the increase in the proportion of families with children headed by a single parent over the period. The proportion of families with children headed by a single parent increased from 30.8 to 32.0 percent, while the proportion headed by a single female remained constant at 26.6 percent.

Characteristics. Generally speaking, the economic status of male-headed families lies between that of female-headed and that of two-parent families. For example, the 1996 poverty rate for single-father families was about 20 percent, compared with 42 percent among single-mother families and 7.5 percent among married-couple families with children. In 1997 single mothers and single fathers had comparable levels of education. Single fathers were somewhat more likely to be divorced or separated (60 percent compared with 56 percent), and somewhat less likely never to have married (30 percent compared with 36 percent). Among non-Hispanic whites, however, about 70 percent of both single mothers and single fathers were divorced or separated.

Implications. Little is known about the causes and consequences of the recent rise of single-father families. Economic and social incentives may have changed for both men and women so as to make single-fatherhood relatively more attractive. For example, improved child support enforcement may have increased the economic incentives for men to seek and take custody. Increases in the value of the Earned Income Tax Credit, coupled with provisions that link eligibility to the principal residence of children, may also have made custody more attractive to fathers.

It is also unclear whether the consequences of growing up in a single-father family are different from those of growing up in a single-mother family. For example, the lower poverty rate among families headed by a single father should reduce the incidence of child poverty. And children may have more contact with the non-custodial parent when that parent is the mother.

Tom Freedman

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

Family read

Date: JULY 30, 98

Please deliver to: BRUCE REED (FOR MEETING GOING ON NOW)

FAX number of addressee:

Telephone number of addressee:

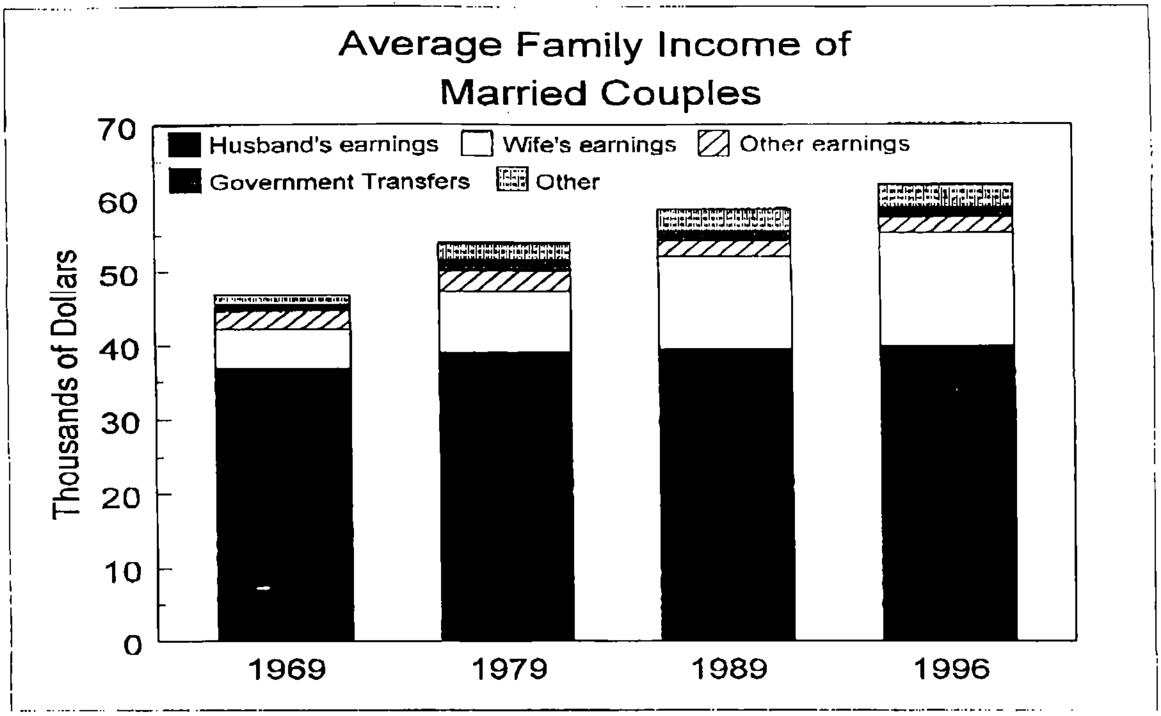
From: REBECCA BLANK, MEMBER-NOMINEE
Council of Economic Advisers

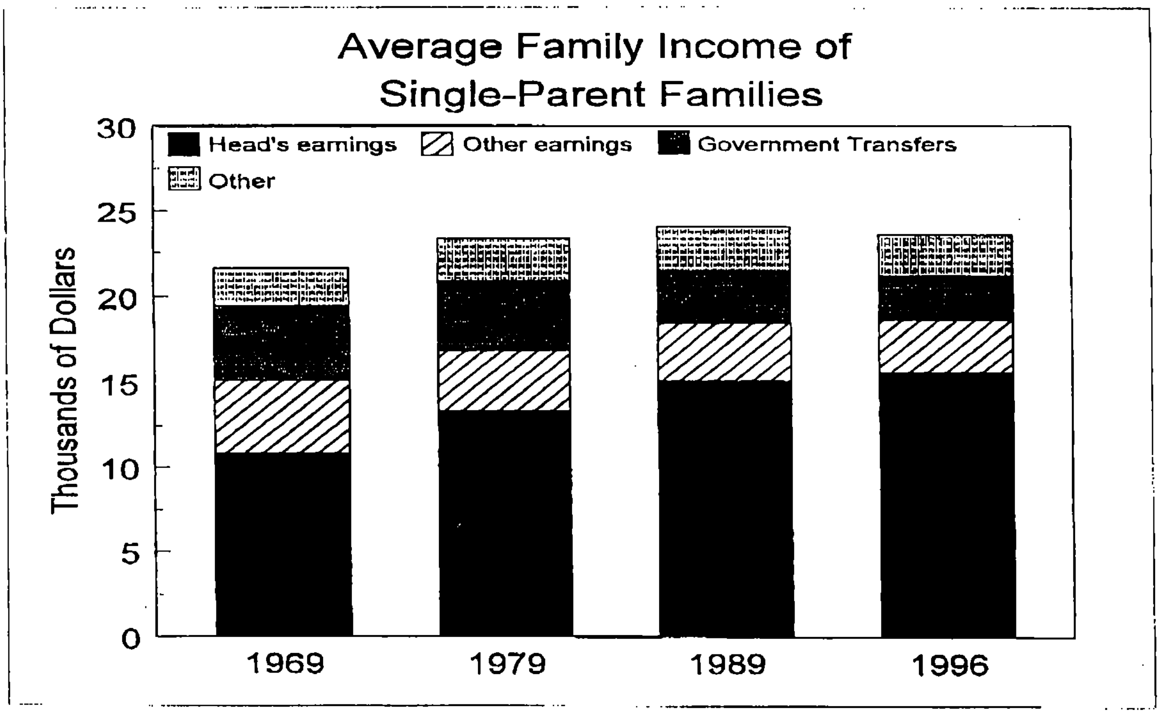
FAX number of sender: 202-395-6947

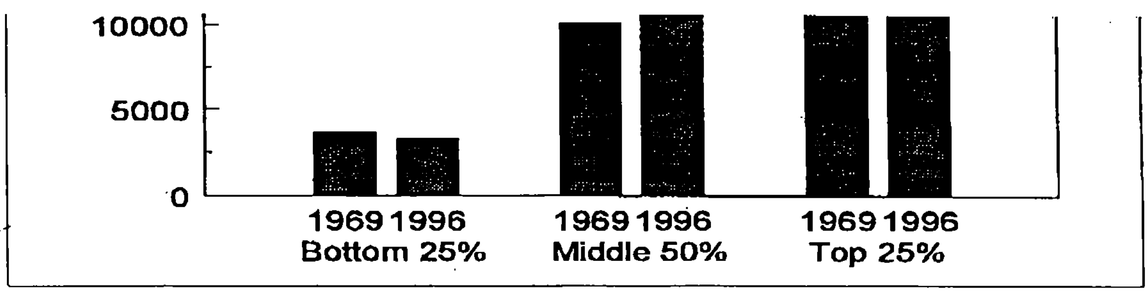
Telephone number of sender: 202-395-5036

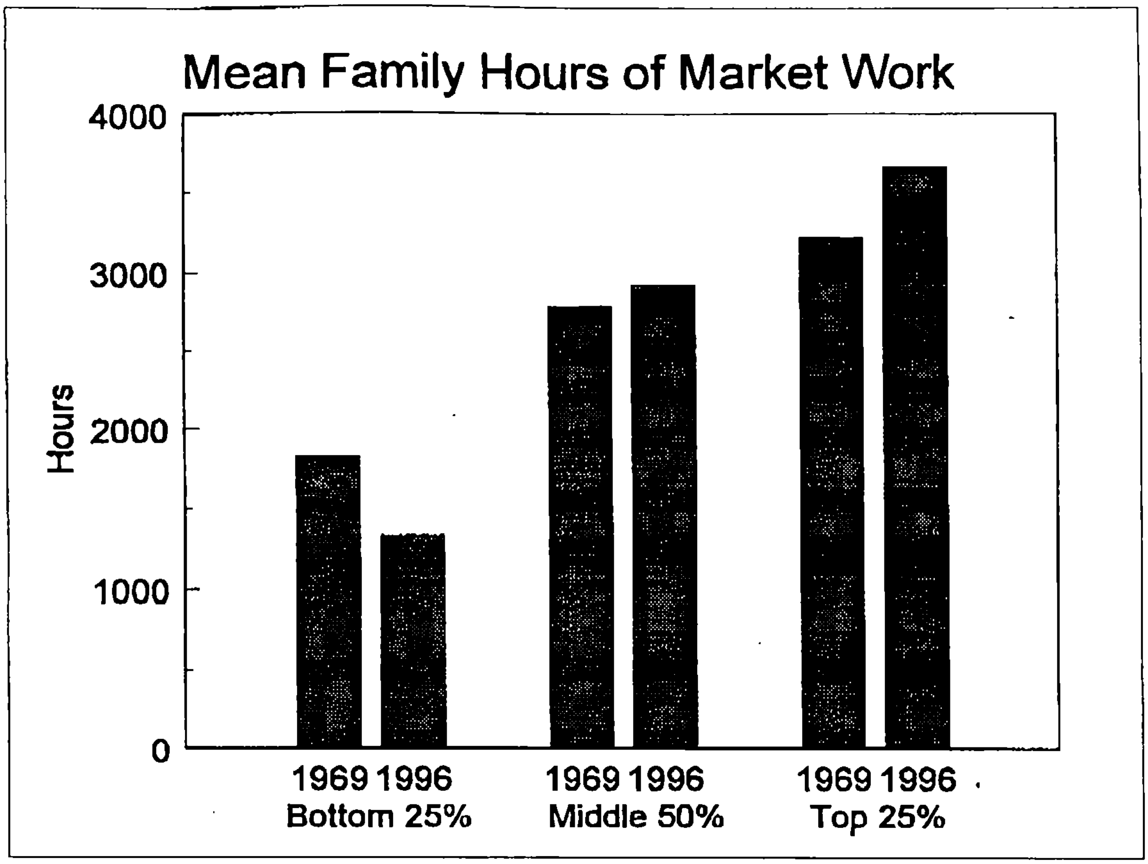
Number of pages, including cover sheet: 8

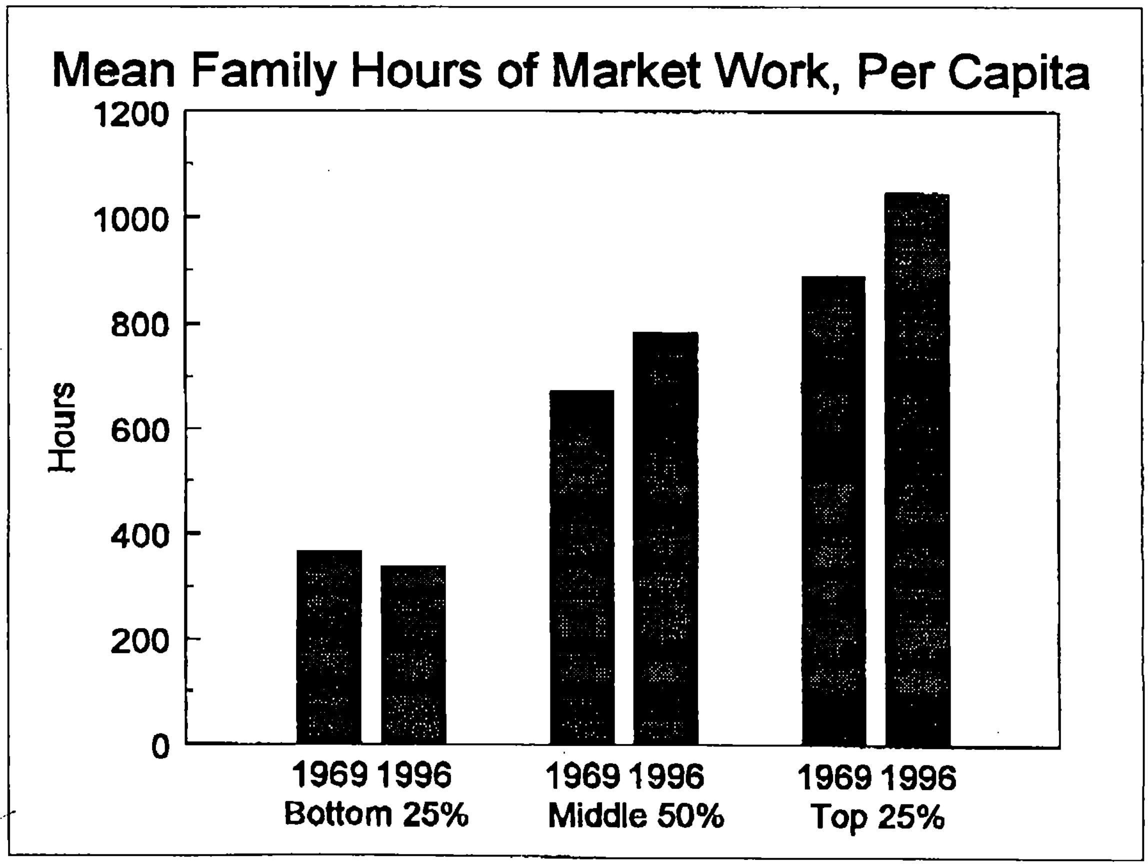
Message:

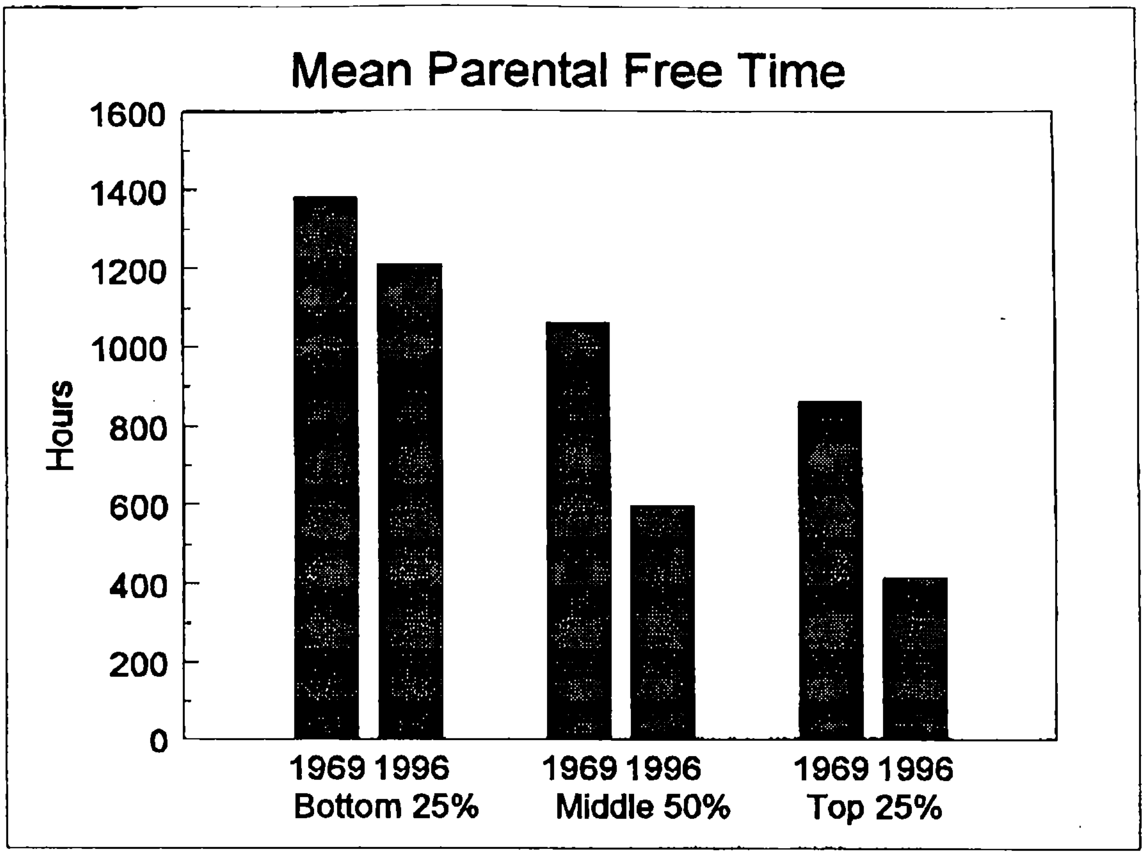

Average Family Income of
Married Couples
Husband's earnings
Wife's earnings
Other earnings
Government Transfers
Other
Thousands of Dollars
70
60
50
40
30
20
10
0
1969
1979
1989
1996

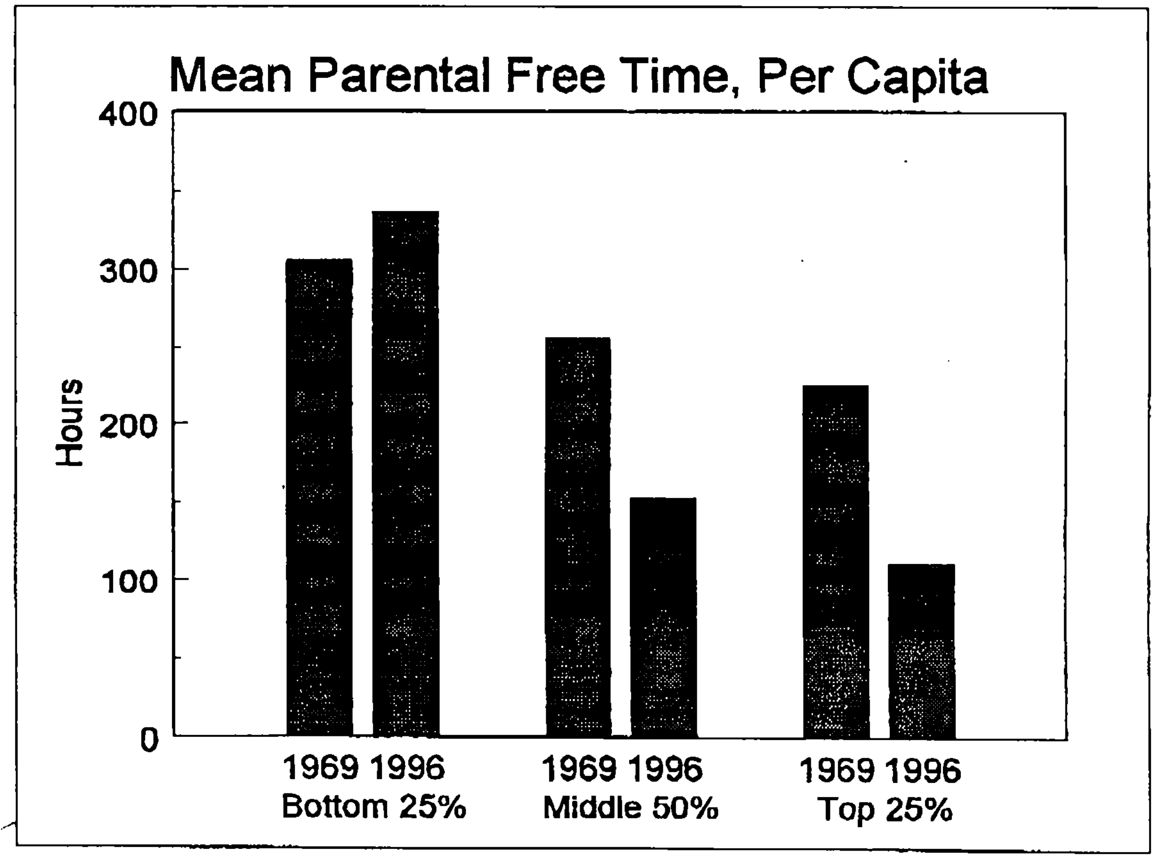

Average Family Income of
Single-Parent Families
Head's earnings
Other earnings
Government Transfers
Other
Thousands of Dollars
30
25
20
15
10
5
0
1969
1979
1989
1996

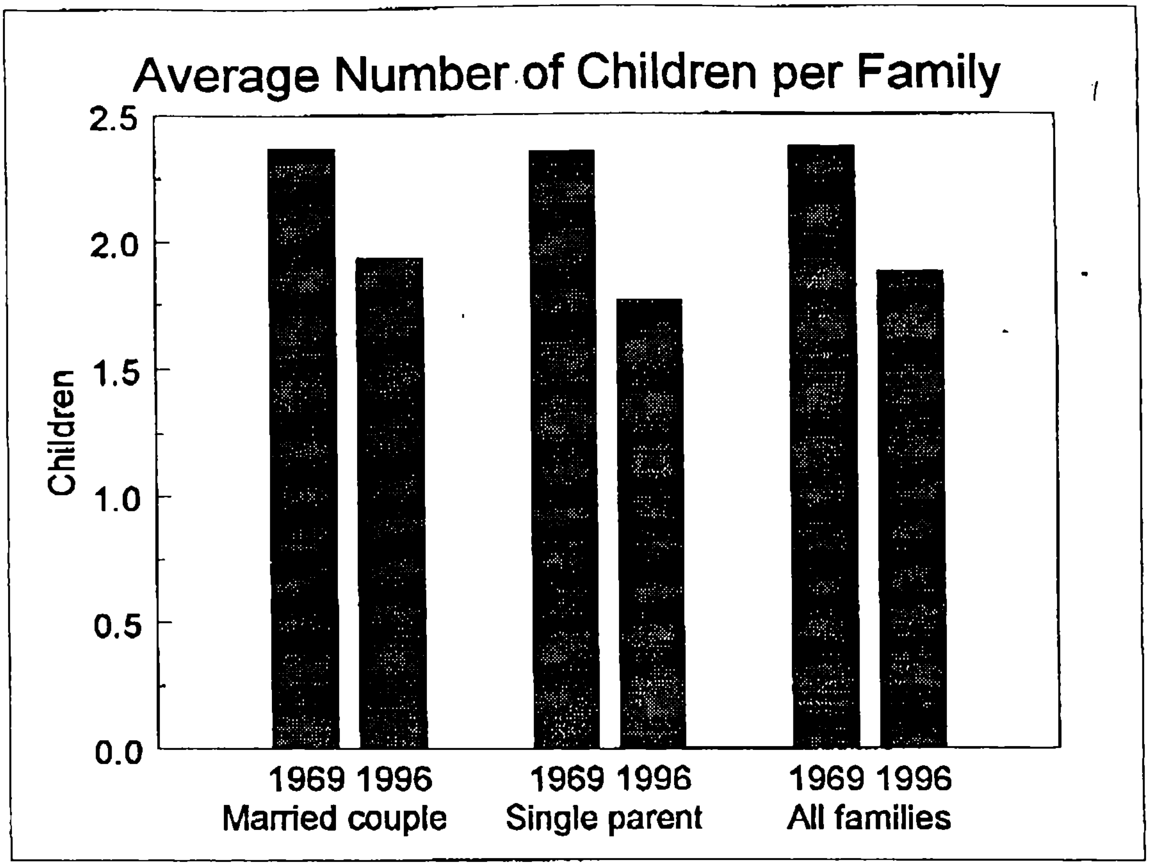

10000
5000
0
1969 1996
Bottom 25%
1969 1996
Middle 50%
1969 1996
Top 25%

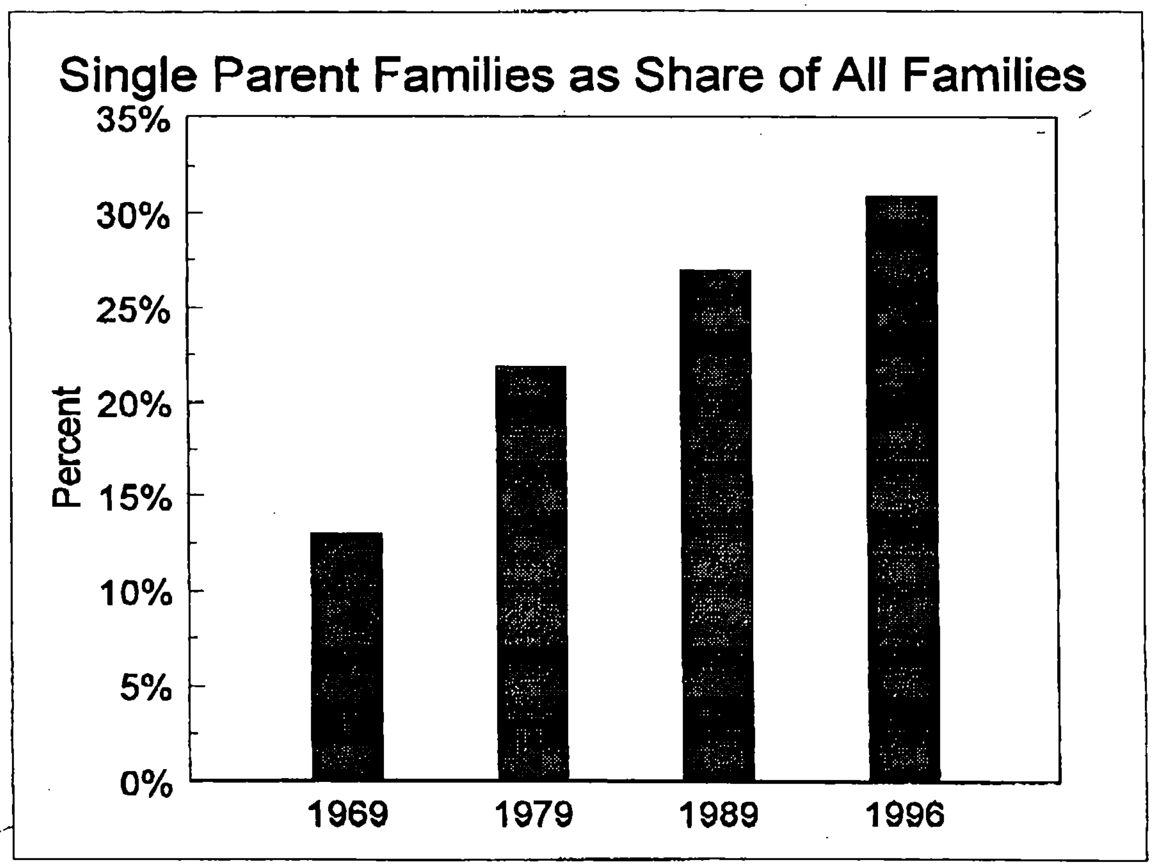

Mean Family Hours of Market Work
4000
3000
2000
1000
0
Hours
1969 1996
Bottom 25%
1969 1996
Middle 50%
1969 1996
Top 25%

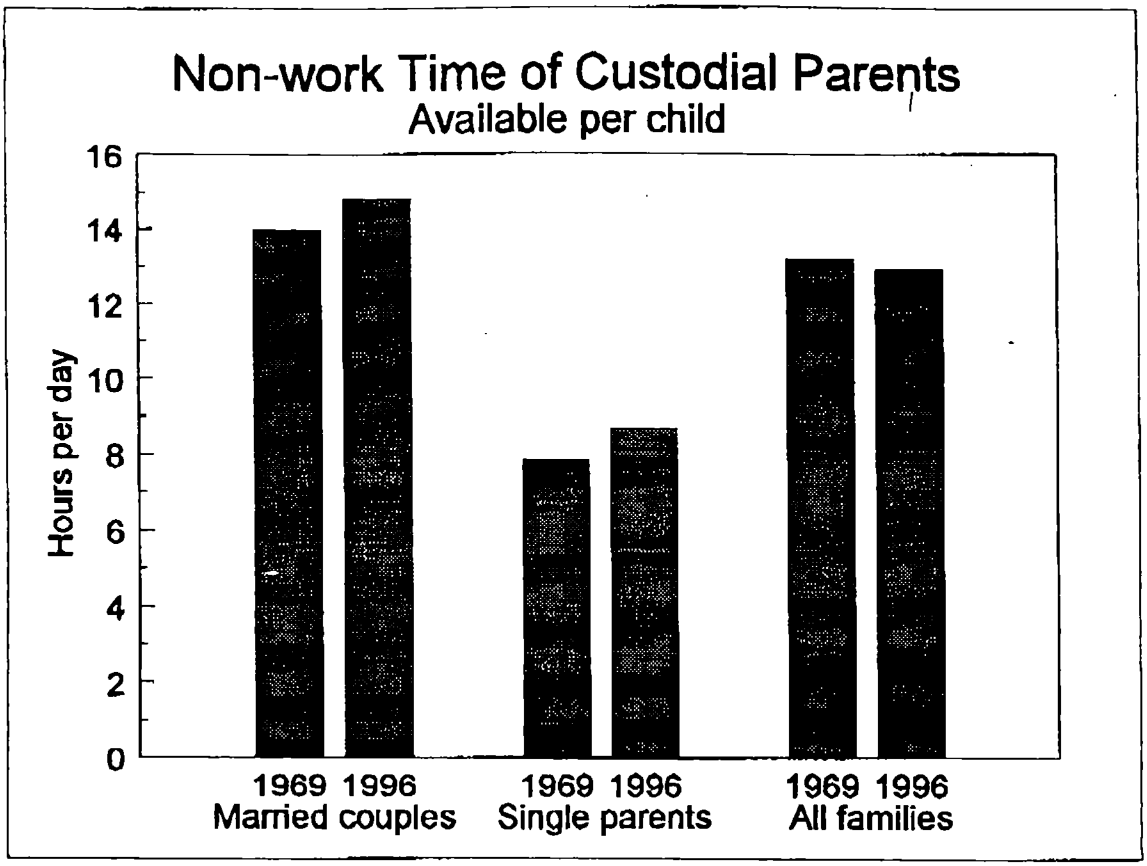

Mean Family Hours of Market Work, Per Capita
1200
1000
800
600
400
200
0
Hours
1969 1996
Bottom 25%
1969 1996
Middle 50%
1969 1996
Top 25%


Mean Parental Free Time
Hours
1600
1400
1200
1000
800
600
400
200
0
1969 1996
Bottom 25%
1969 1996
Middle 50%
1969 1996
Top 25%


Mean Parental Free Time, Per Capita
Hours
400
300
200
100
0
1969 1996
Bottom 25%
1969 1996
Middle 50%
1969 1996
Top 25%


Average Number of Children per Family
2.5
2.0
1.5
1.0
0.5
0.0
Children
1969 1996
Married couple
1969 1996
Single parent
1969 1996
All families

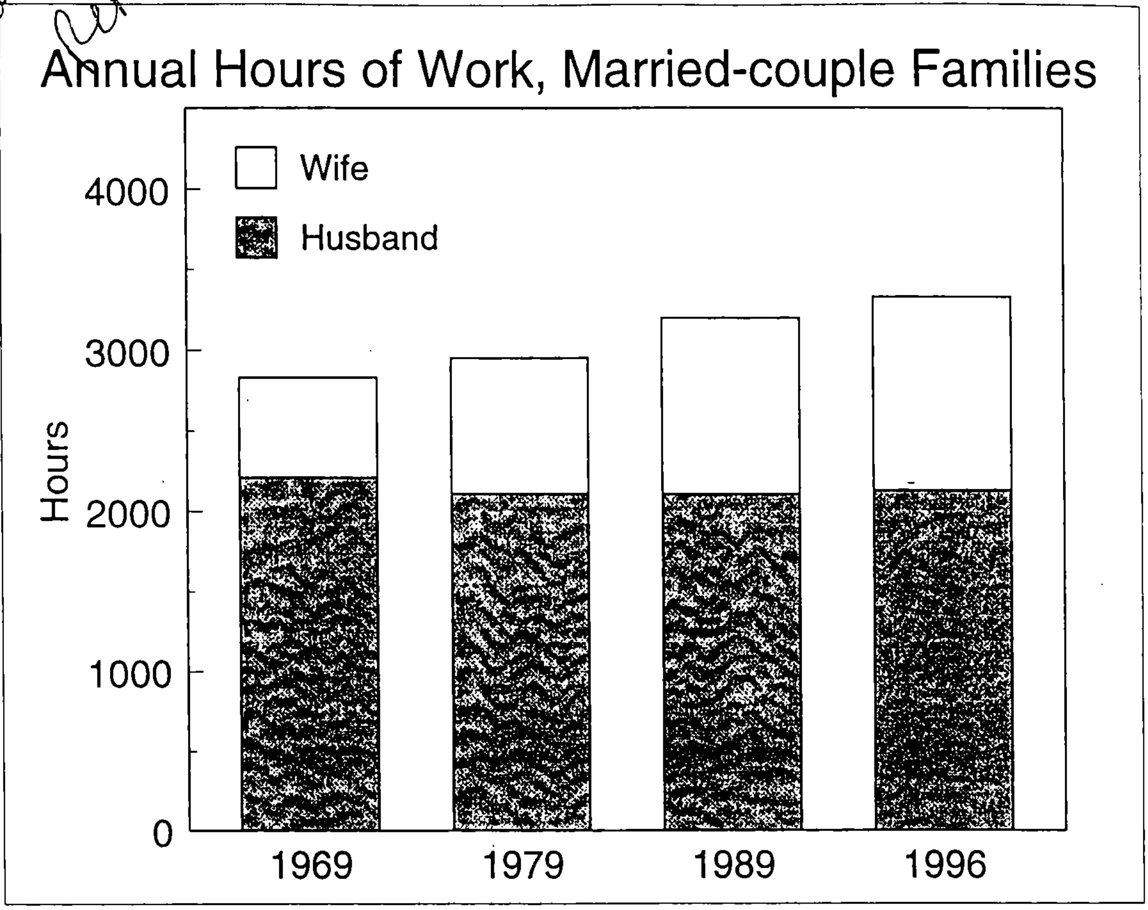

Single Parent Families as Share of All Families
35%
30%
25%
20%
15%
10%
5%
0%
Percent
1969
1979
1989
1996

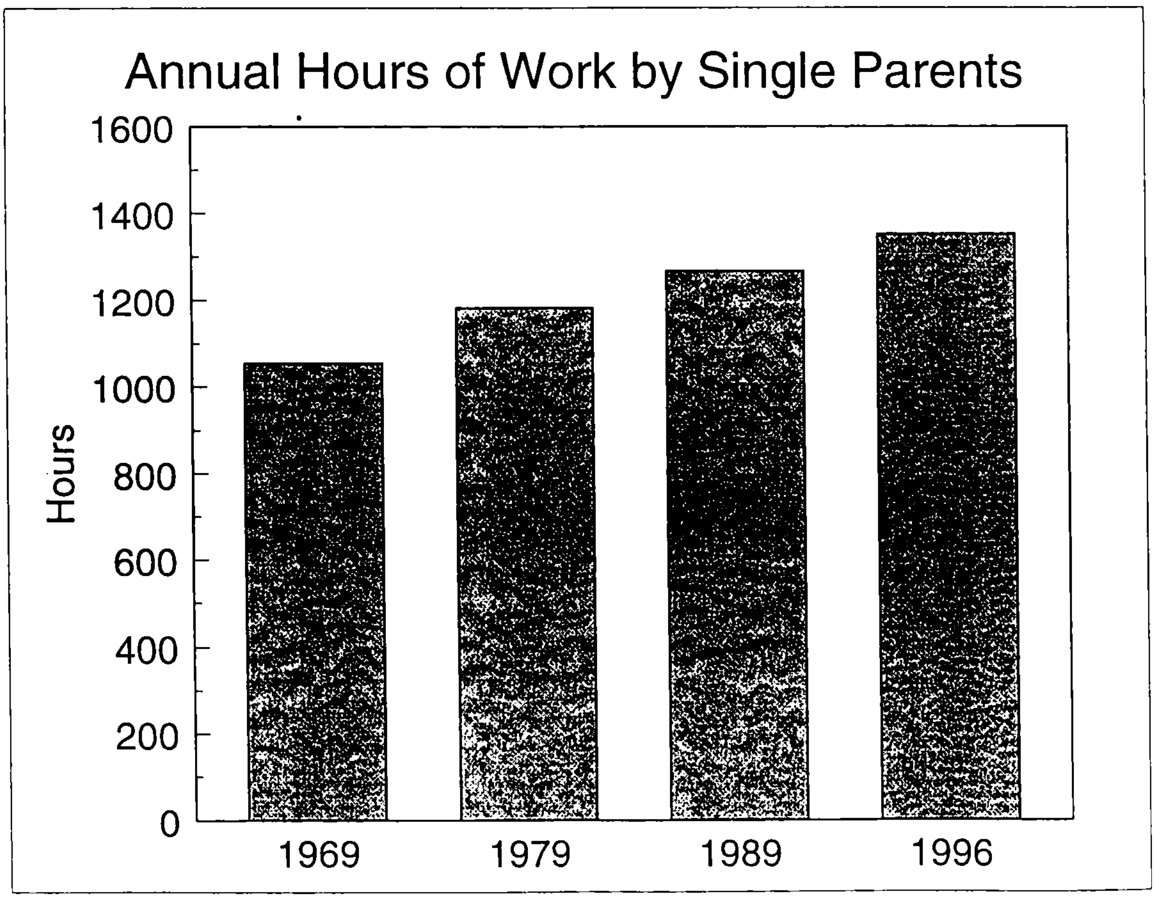

Non-work Time of Custodial Parents
Available per child
Hours per day
0
2
4
6
8
10
12
14
16
1969 1996
Married couples
1969 1996
Single parents
1969 1996
All families

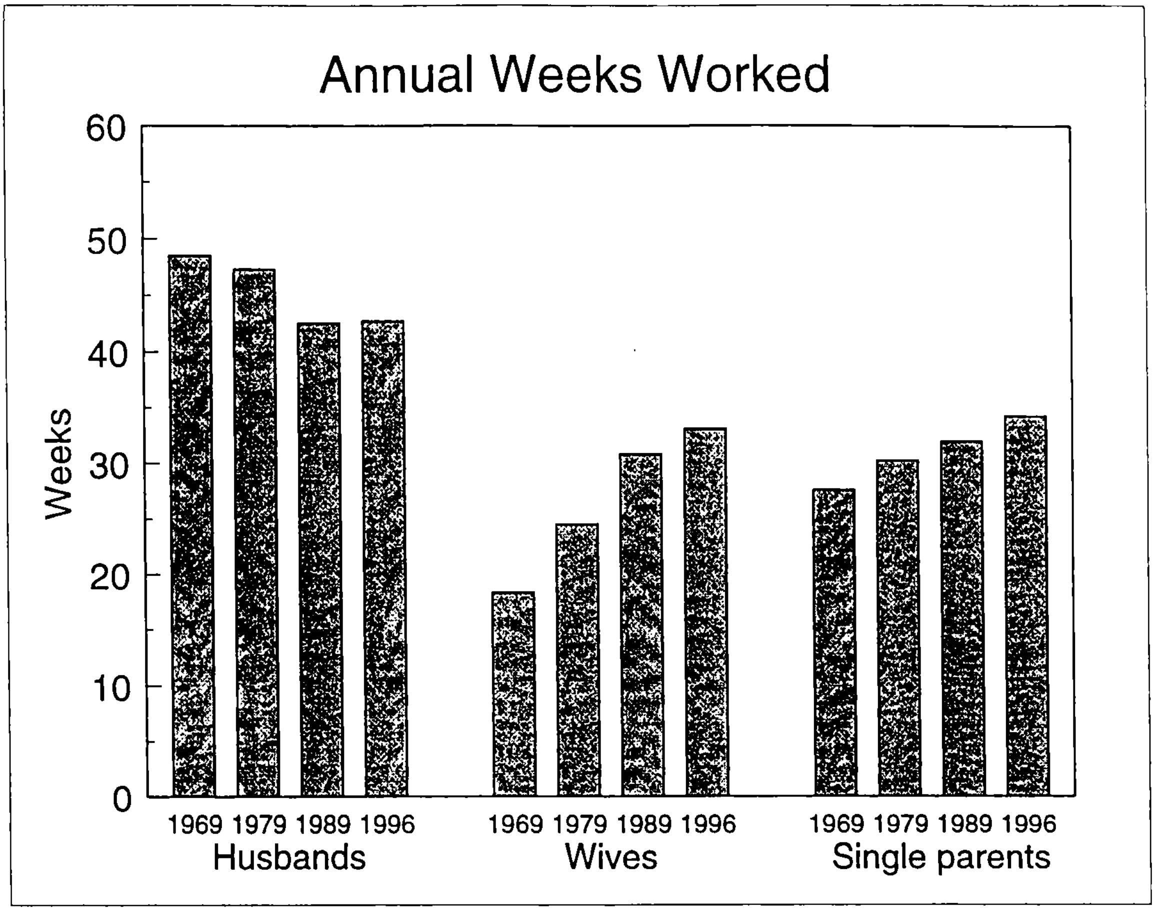
BK/EK -
Quite interesting charts for family report. Notice (1) ↑ increases in wives hours working (2) Time crunch for middle & upper class families. (last page)
Tom

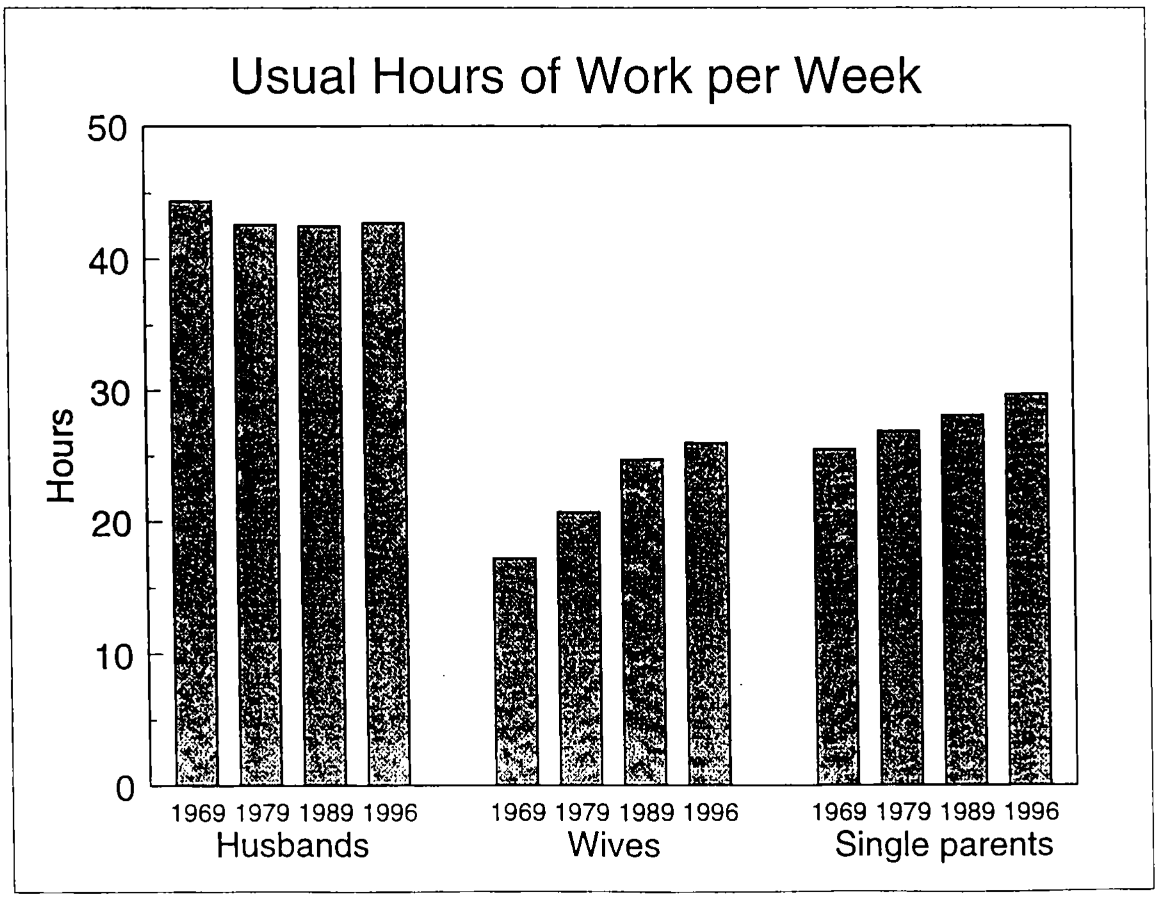
Family Report

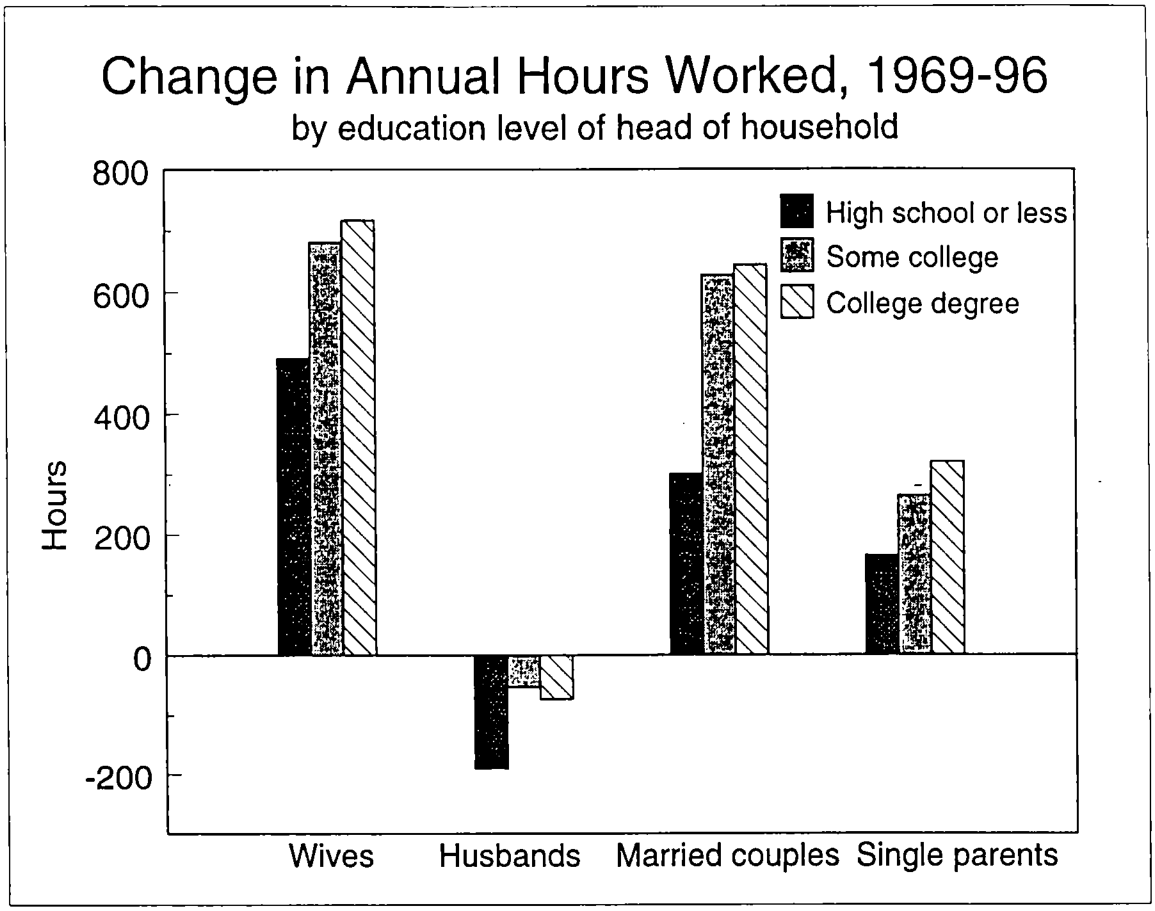
- potential values event

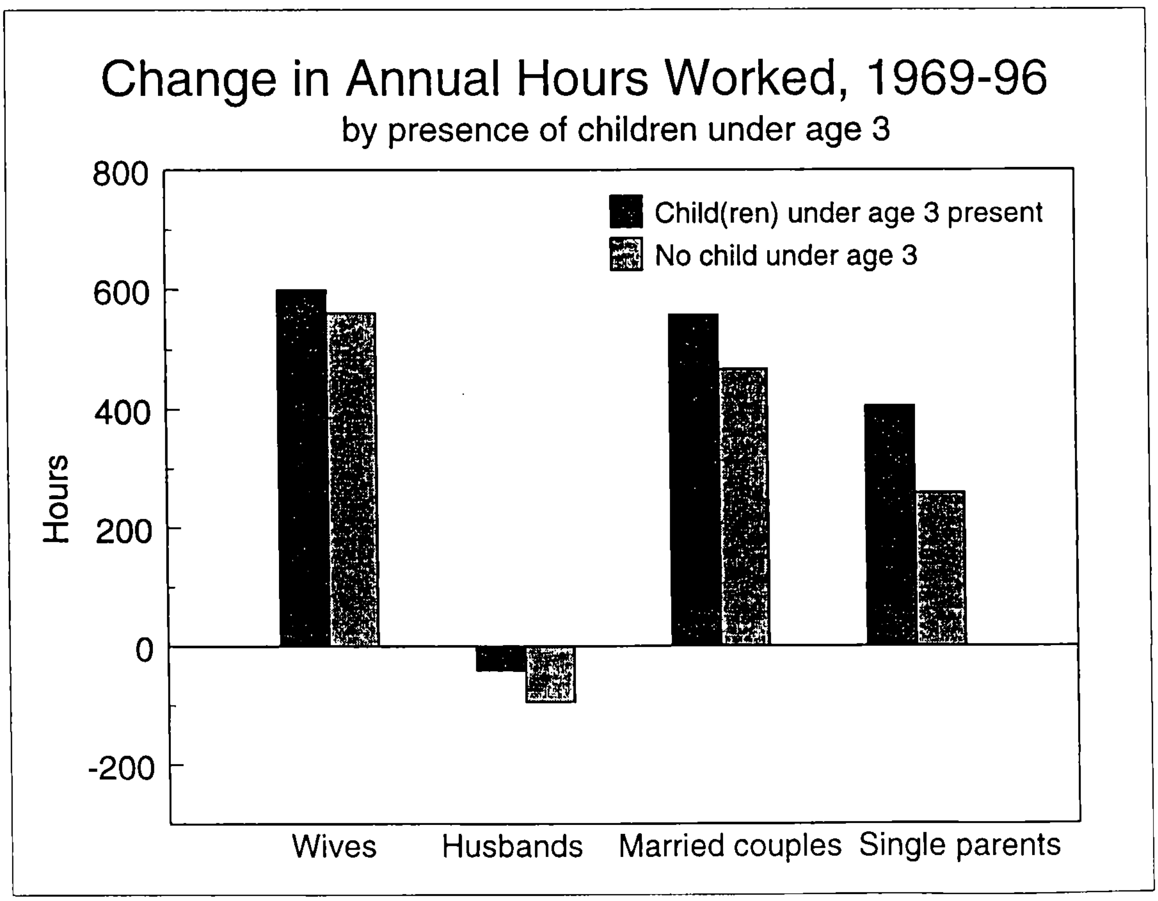


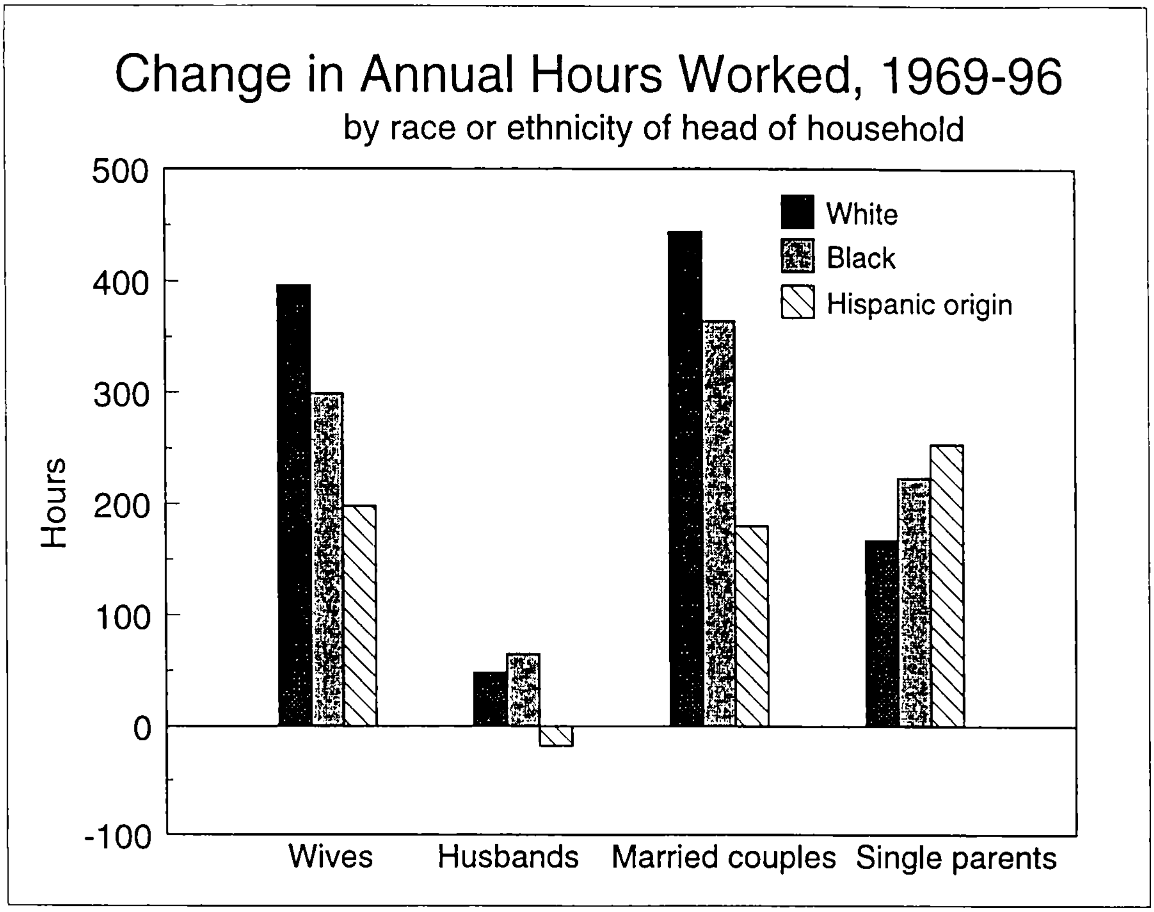



Annual Weeks Worked
Weeks
60
50
40
30
20
10
0
1969 1979 1989 1996
Husbands
1969 1979 1989 1996
Wives
1969 1979 1989 1996
Single parents

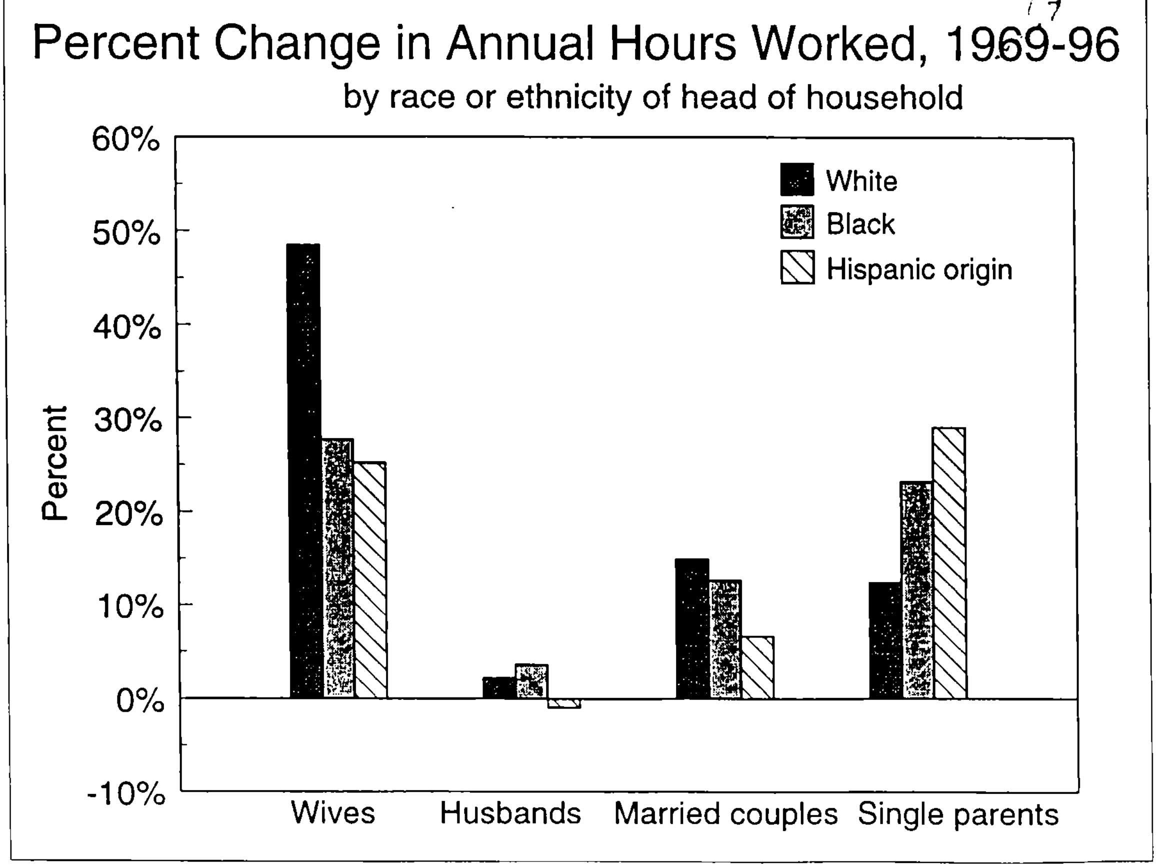

Usual Hours of Work per Week
Hours
50
40
30
20
10
0
1969 1979 1989 1996
Husbands
1969 1979 1989 1996
Wives
1969 1979 1989 1996
Single parents


Change in Annual Hours Worked, 1969-96
by education level of head of household
800
600
400
200
0
-200
Hours
High school or less
Some college
College degree
Wives
Husbands
Married couples
Single parents

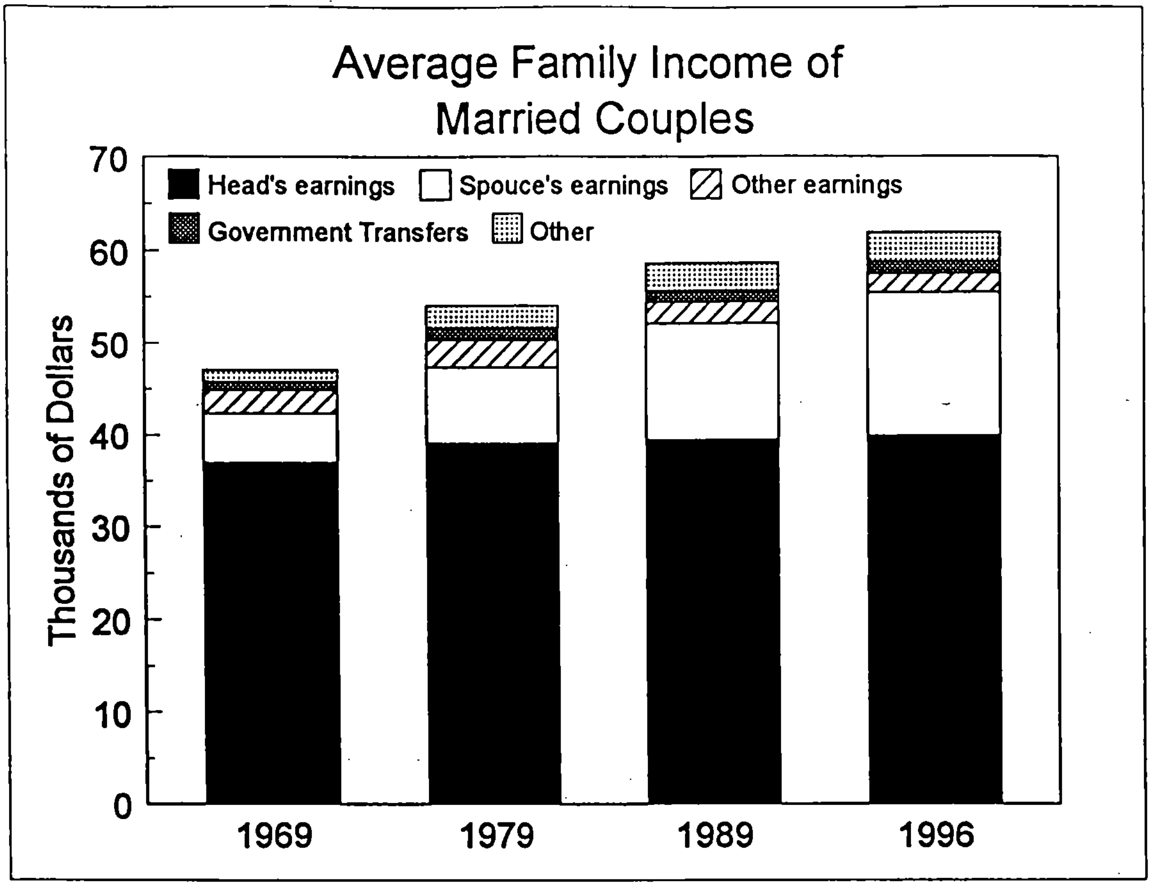

Change in Annual Hours Worked, 1969-96
by presence of children under age 3
800
600
400
200
0
-200
Hours
Child(ren) under age 3 present
No child under age 3
Wives
Husbands
Married couples
Single parents

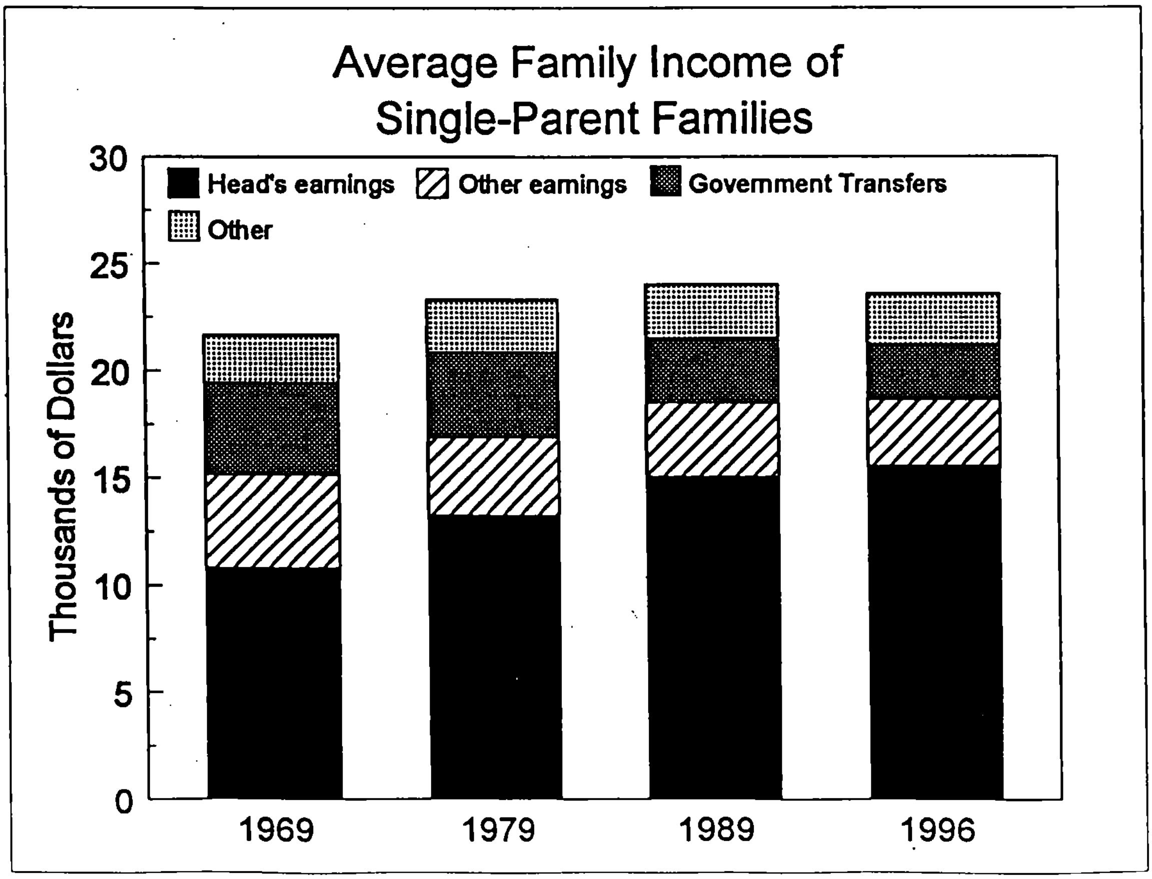

Change in Annual Hours Worked, 1969-96
by race or ethnicity of head of household
500
400
300
200
100
0
-100
Hours
White
Black
Hispanic origin
Wives
Husbands
Married couples
Single parents

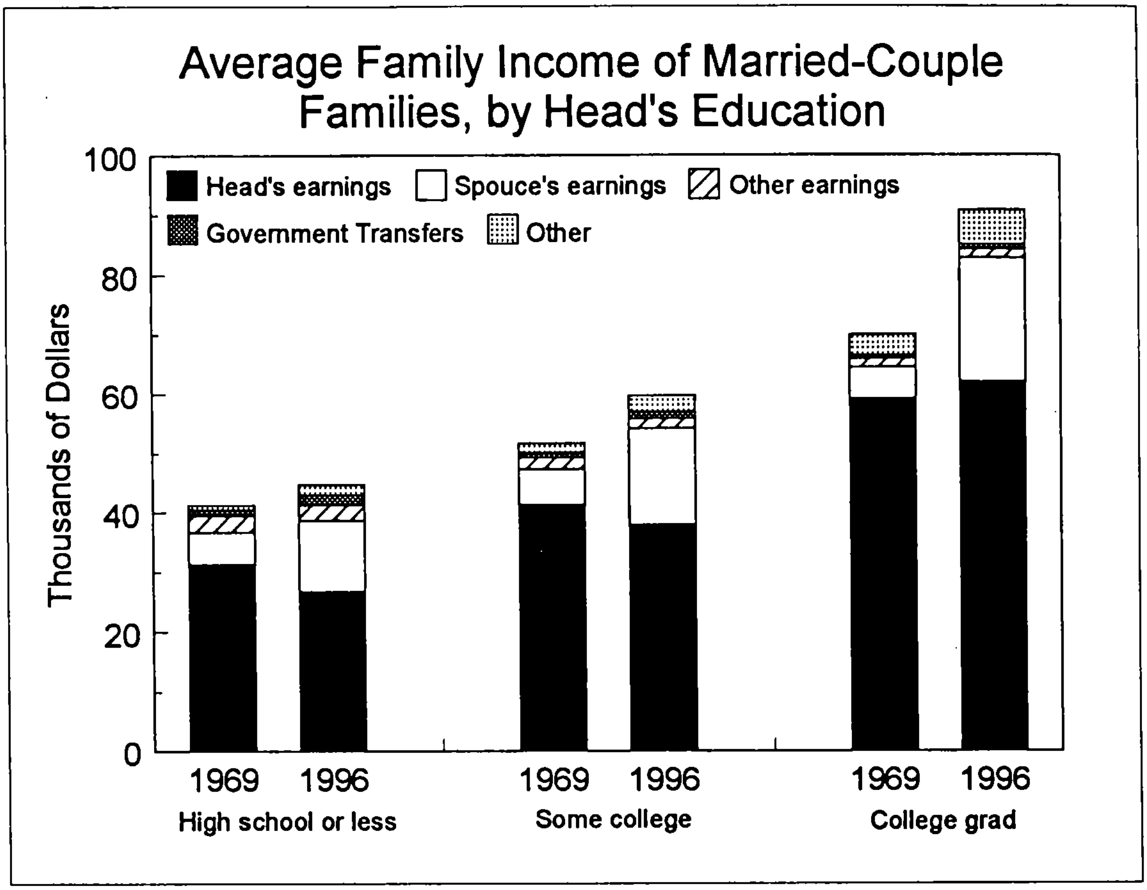
79


Percent Change in Annual Hours Worked, 1969-96
by race or ethnicity of head of household
60%
50%
40%
30%
20%
10%
0%
-10%
Percent
White
Black
Hispanic origin
Wives
Husbands
Married couples
Single parents

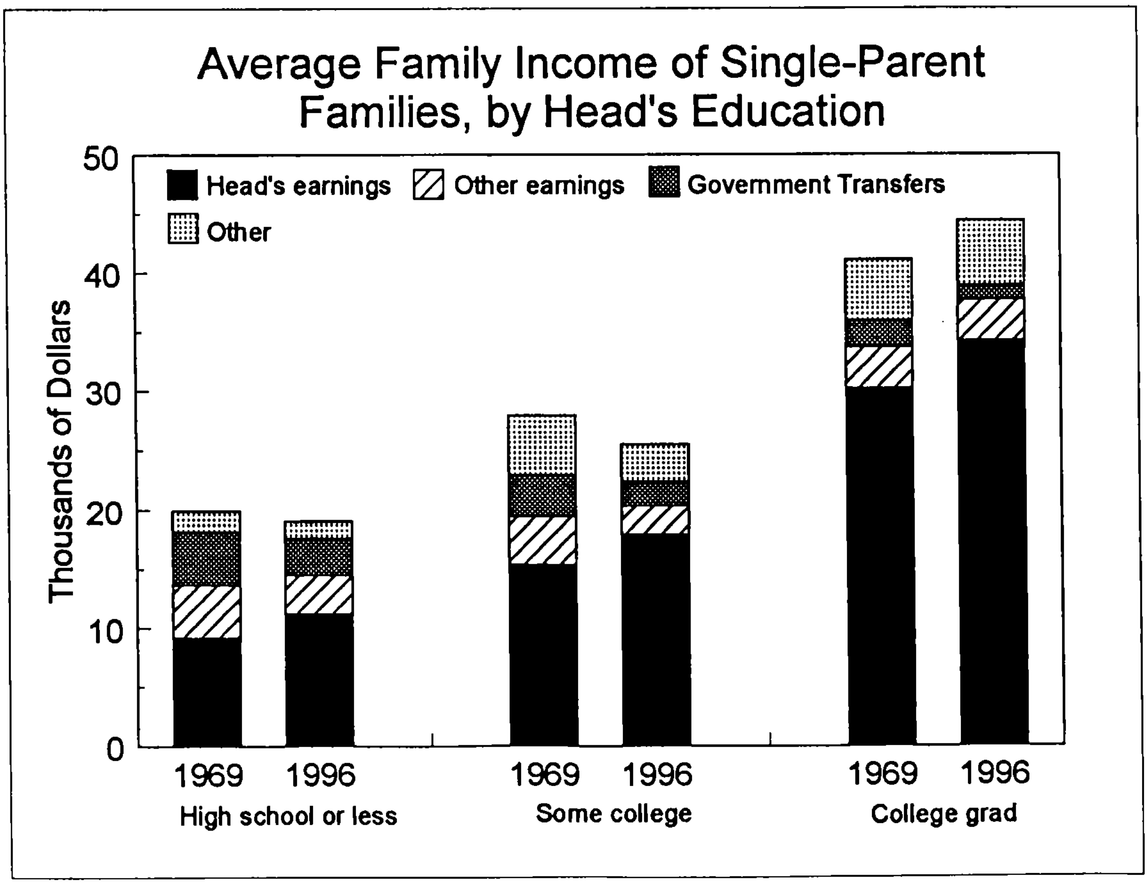
real $'s


Average Family Income of
Married Couples
Head's earnings
Spouce's earnings
Other earnings
Government Transfers
Other
Thousands of Dollars
0
10
20
30
40
50
60
70
1969
1979
1989
1996

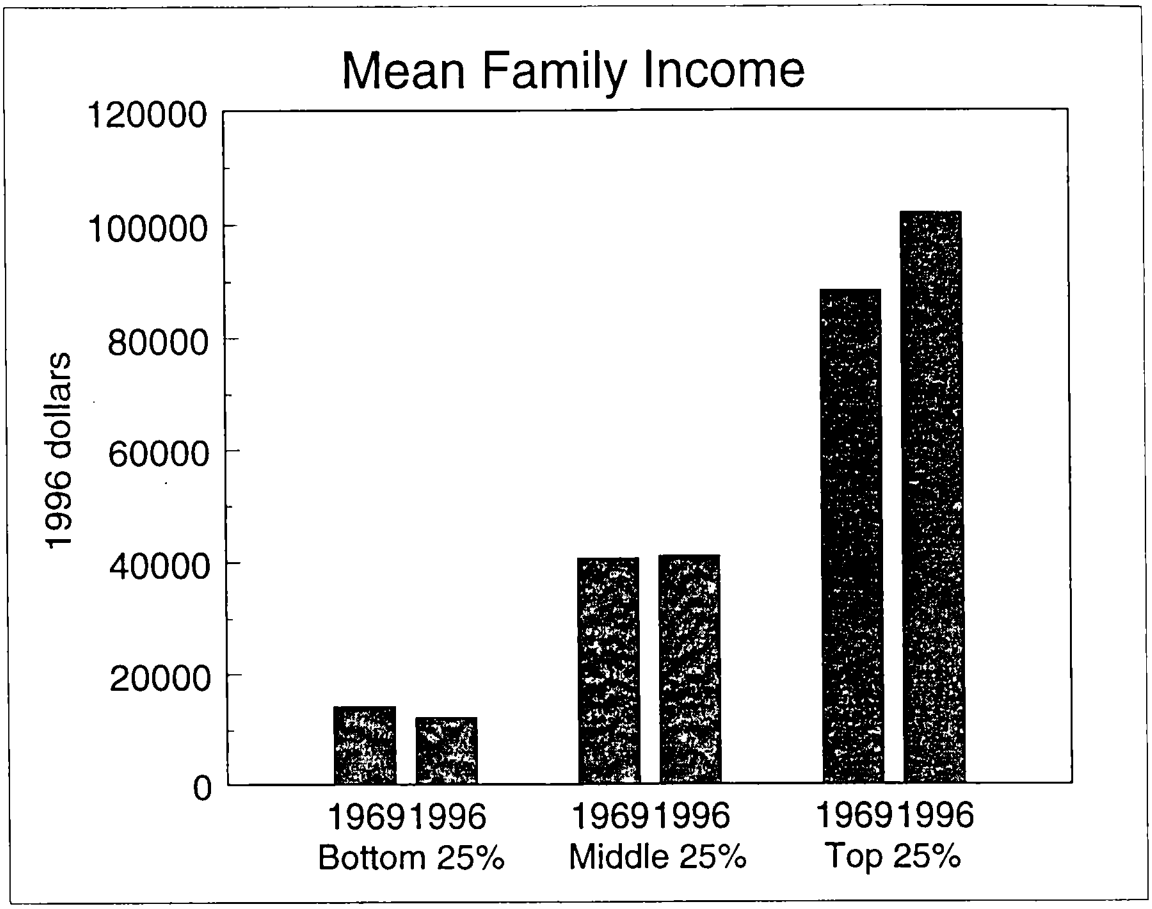

Average Family Income of
Single-Parent Families
Head's earnings
Other earnings
Government Transfers
Other
Thousands of Dollars
0
5
10
15
20
25
30
1969
1979
1989
1996

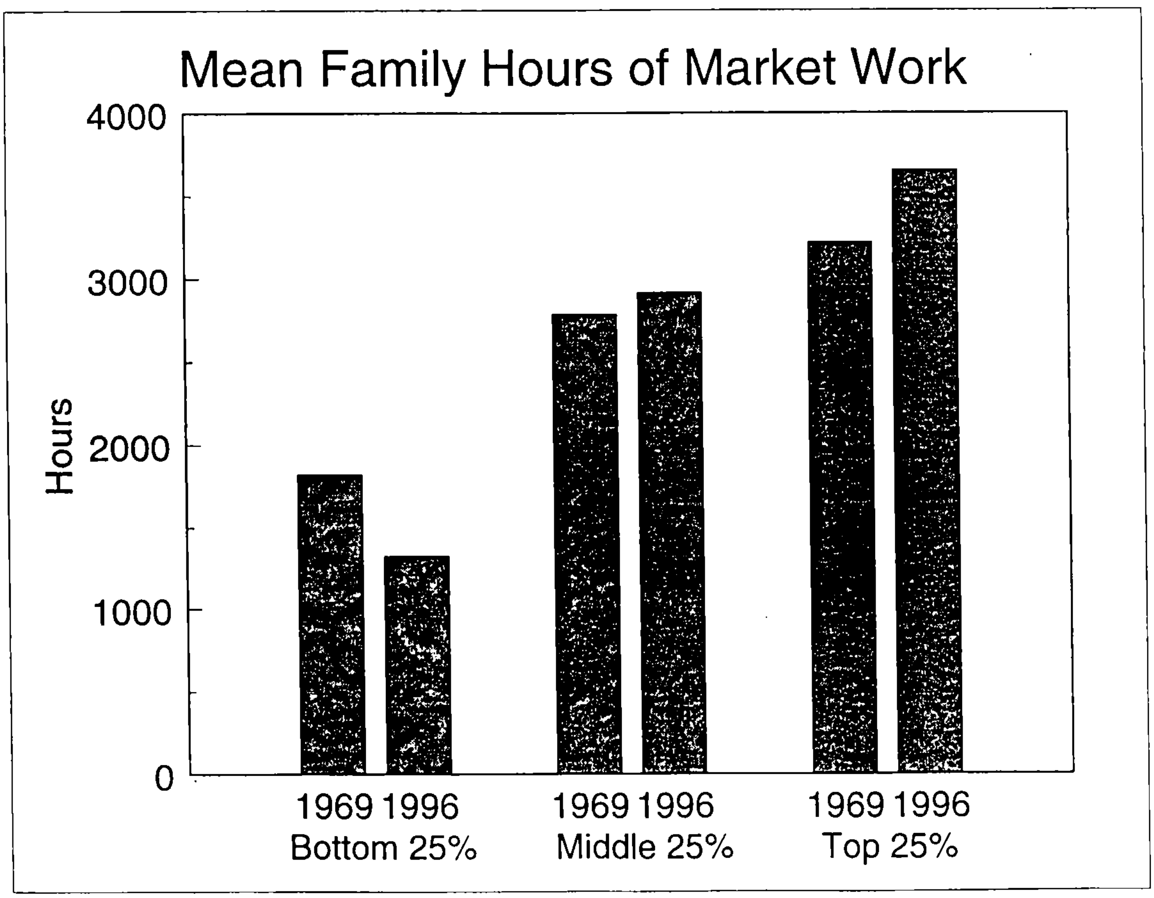


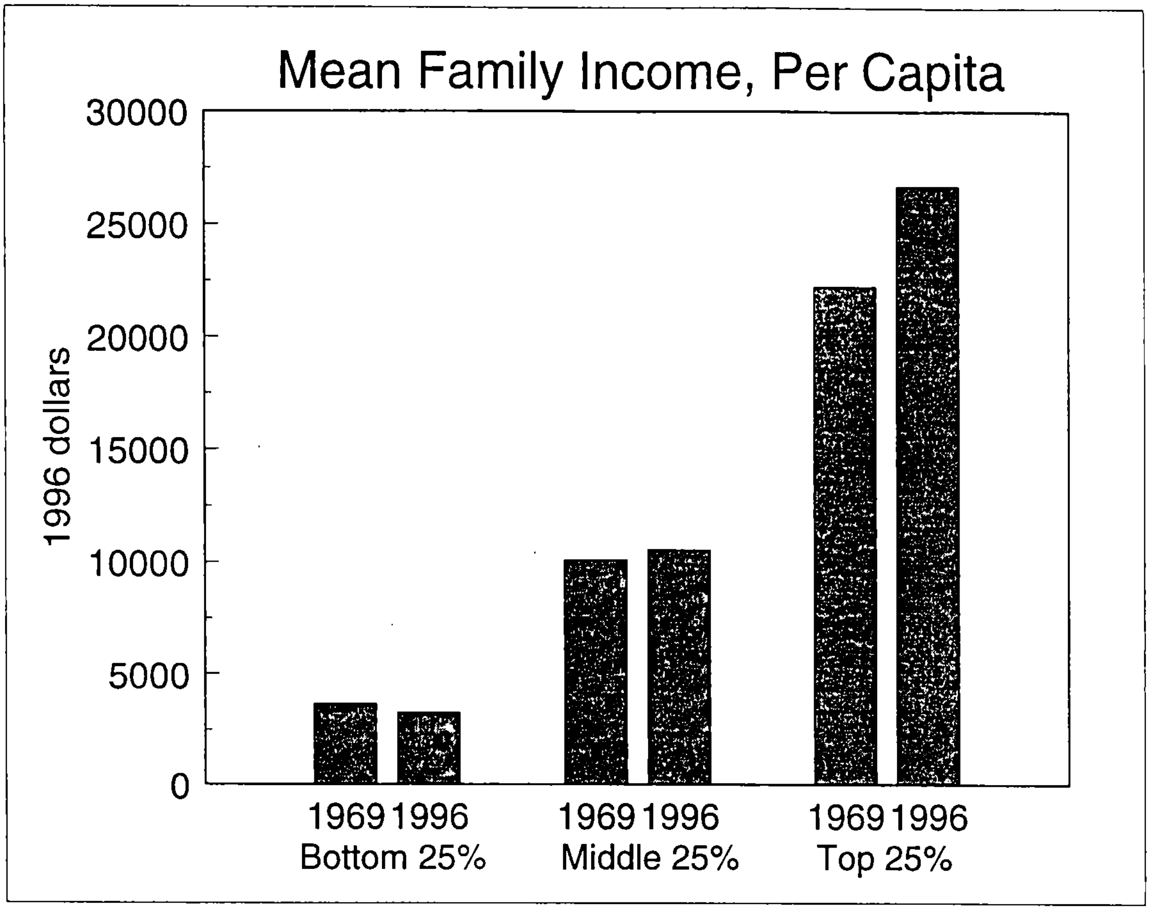
Average Family Income of Married-Couple Families, by Head's Education
Head's earnings
Spouce's earnings
Other earnings
Government Transfers
Other
Thousands of Dollars
100
80
60
40
20
0
1969
1996
High school or less
Some college
College grad

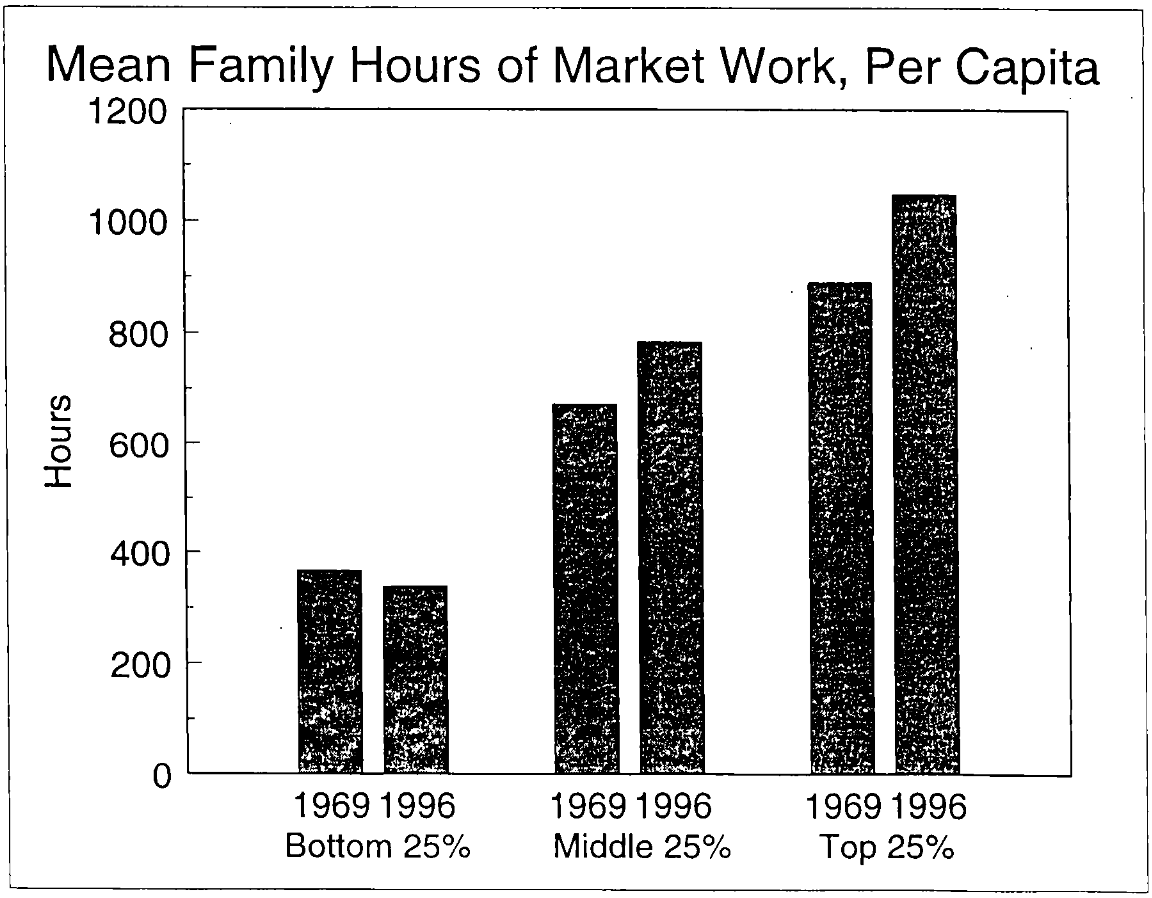


Average Family Income of Single-Parent Families, by Head's Education
Head's earnings
Other earnings
Government Transfers
Other
Thousands of Dollars
50
40
30
20
10
0
1969
1996
High school or less
Some college
College grad


Mean Family Income
120000
100000
80000
60000
40000
20000
0
1996 dollars
1969 1996
Bottom 25%
1969 1996
Middle 25%
1969 1996
Top 25%

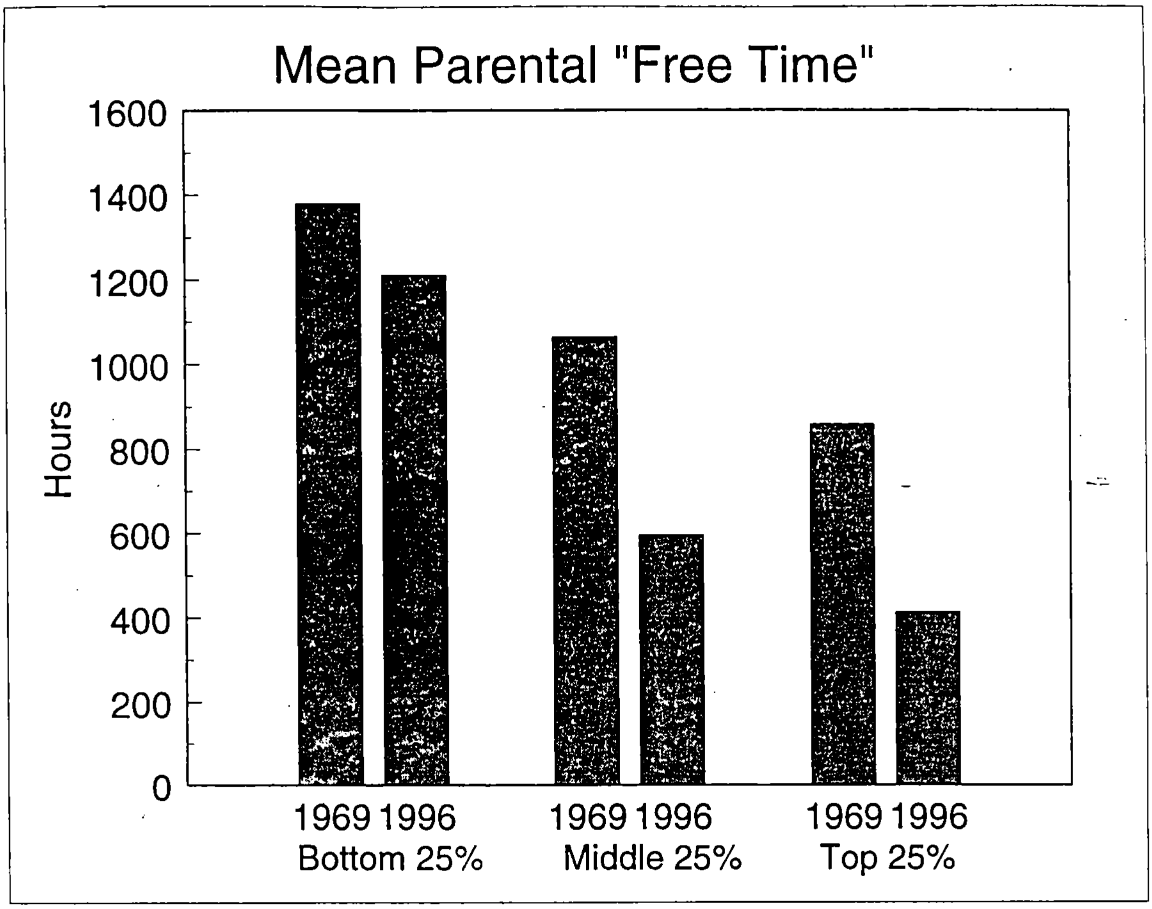

Mean Family Hours of Market Work
4000
3000
2000
1000
0
Hours
1969 1996
Bottom 25%
1969 1996
Middle 25%
1969 1996
Top 25%


Mean Family Income, Per Capita
1996 dollars
30000
25000
20000
15000
10000
5000
0
1969 1996
Bottom 25%
1969 1996
Middle 25%
1969 1996
Top 25%

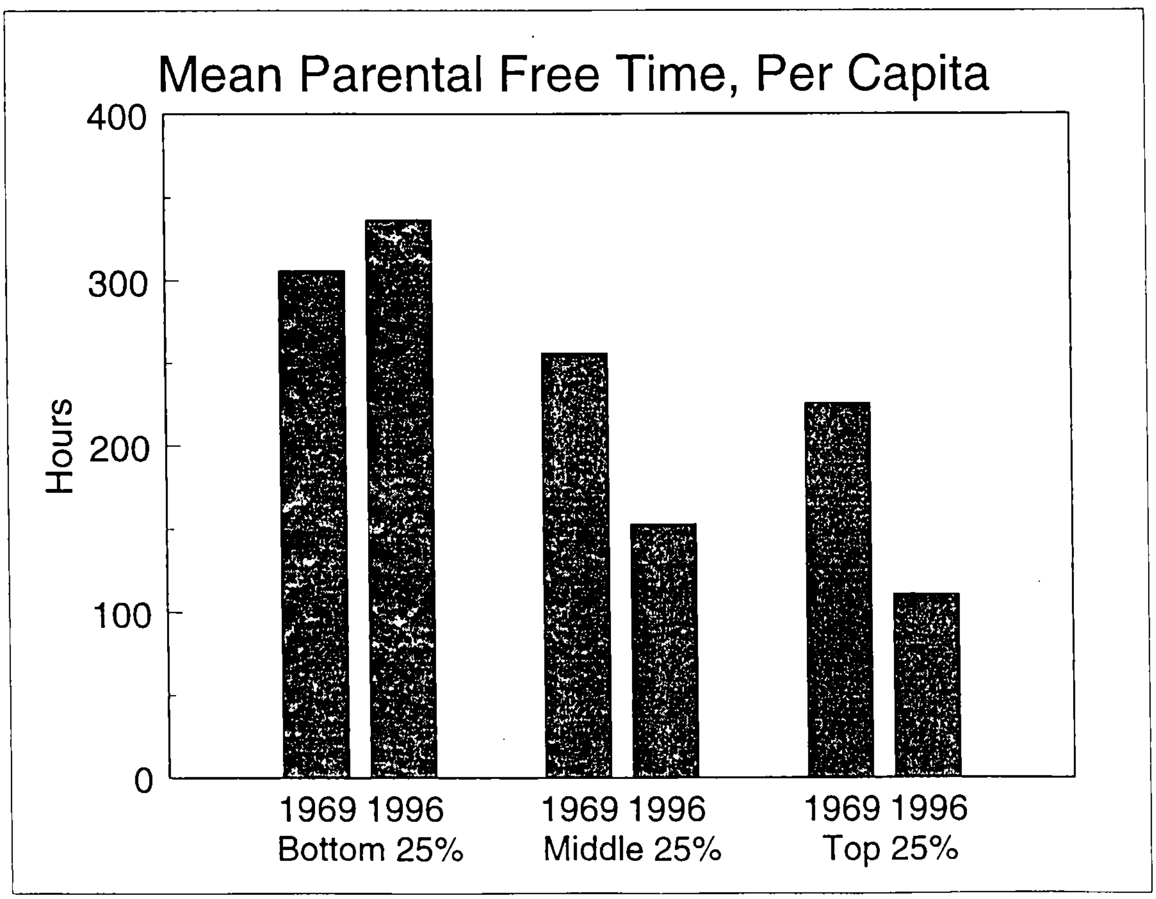

Mean Family Hours of Market Work, Per Capita
Hours
1200
1000
800
600
400
200
0
1969 1996
Bottom 25%
1969 1996
Middle 25%
1969 1996
Top 25%

Free time [2000 hours - middle work ... husband] [2000 ... of spouse]

Captures: 1) increase in 1 parent families
2) increase in work hours of spouse/single parent.



(kids)



Time out of hse.

MEMORANDUM

Family Report

TO: TOM FREEDMAN, MARY L. SMITH

FROM: DREW HANSEN

RE: DEMOGRAPHIC TRENDS AFFECTING THE FAMILY

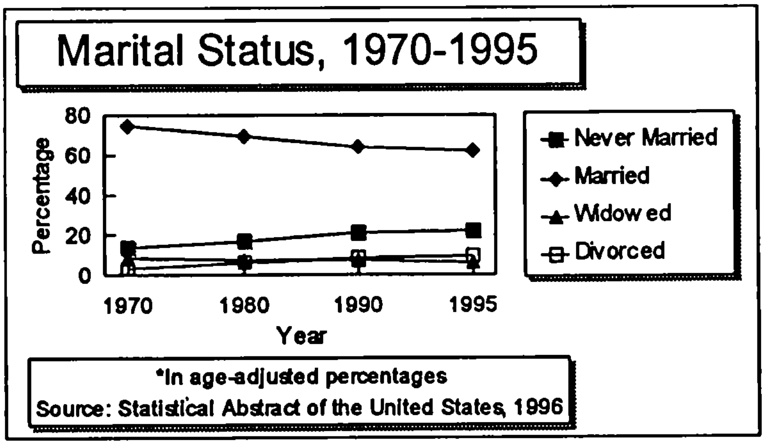
DATE: JULY 24, 1997

Summary

In the past few decades, several demographic trends have had a significant effect on the American family. The comparative decrease in marriage and increase in divorce, the entry of women into the paid labor force, and the rise in the rate of out-of-wedlock births have been contributing factors to the current inequality among American families.

Marriage, Divorce, and Family Structure

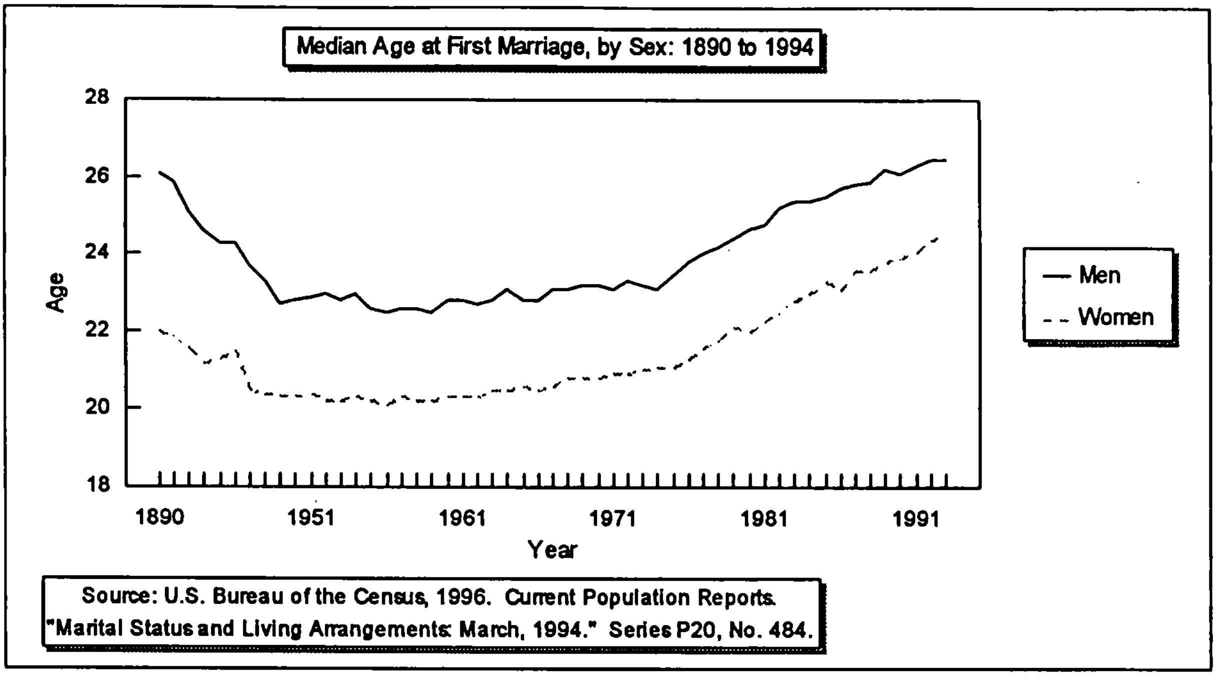
The marital status of the population has changed significantly since 1970. The percentage of Americans who are married is decreasing, while the percentage of Americans who are unmarried is increasing. In 1970, almost three-quarters of the population was married (74.2%) while only a small percentage (3.4%) was divorced. By 1995, the percentage of the population who were married had dropped to 62%, while the percentage divorced had almost tripled to 9.4%. The percentage of people who were "never-married" increased during the same period, from 14.2% in 1970 to 22.4% in 1995.



The rise in the proportion of Americans who are never-married is especially notable when examined by age group. In 1970, only 35.8% of women and 54.7% of men from 20 to 24 years of age had never married. In 1994, almost two-thirds of women and over 80% of men in this age group had never married. Similar trends have occurred in almost every age cohort in the past two decades.[1]

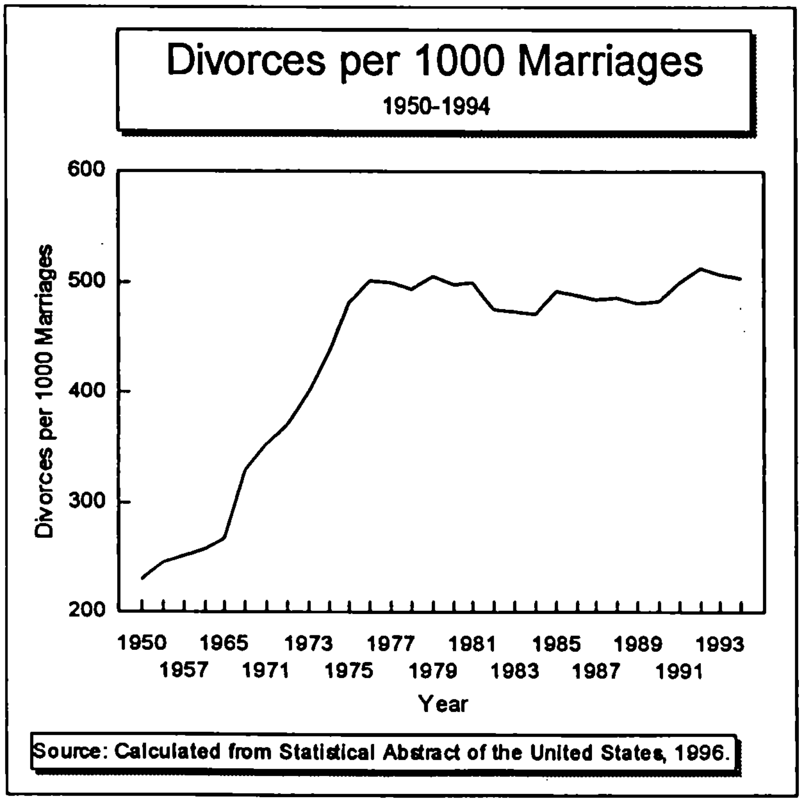
Americans in the 1990s are delaying marriage until a much older age than their counterparts of

[1] U.S. Bureau of the Census, 1996. *Current Population Reports.* "Marital Status and Living Arrangements, March 1994." Series P20, No. 484.



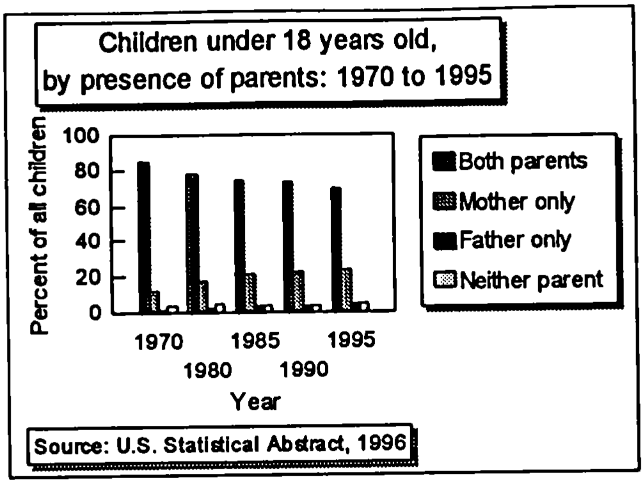
twenty years ago. Americans today get married at an older age than any other generation of Americans since the 1890s. The median age at first marriage has been increasing gradually since the 1960s, and in 1994 reached all-time highs of 26.7 years of age for men and 24.5 years of age for women.

Divorces increased rapidly in the 1960s and 1970s but have slowed since then. In fact, after peaking at 5.3 divorces per 1,000 Americans in 1981, divorce rates are down slightly in the past few decades. Marriages have been decreasing somewhat since the early 1970s.



The result of these changes is that there are more divorces for every marriage now than there were in the 1950s. In 1950, there were 231 divorces for every thousand marriages. By 1994, that figure had more than doubled. There is now about one divorce for every two marriages in the United States.

These changes in marriage and divorce patterns, as well as other social and economic changes,



have restructured the family composition of many Americans. Fewer and fewer children are living in two-parent homes, and more and more children are living with a single parent, who is almost always the mother. The proportion of children in single-parent situations who are living with separated parents has diminished somewhat from the mid-1970s. The proportion of children in single-parent situations who are living with divorced parents has remained more or less constant since the mid-1970s. But the proportion of children in single-parent situations who are living with parents who have never married has increased markedly. Children in never-married single parent families were only 4.2% of all children in single parent families in 1960, but were 35.8% of all children in single-parent families in 1994. The proportion of children in such families increased by about 300% from 1970 to 1980, and by over 200% from 1980 to 1990.[2]

There are also more unmarried couples per married couple now than there have ever been before. In 1970, there was only one unmarried couple for every 100 married couples. In 1994, there were seven unmarried couples for every 100 married couples.[3] In addition, more children are living with these unmarried couples than ever before. In 1970, 196,000 unmarried couples were living with children under 15 years of age. In 1994, about 1.3 million couples who were not married were living with children who were under 15.

Women's Employment

One trend that many analysts speculate is driving some of the changes in family structure in the last few decades is the entry of women, especially married women, into the labor force. In 1960, there were about 36 women employed out of every 100 women in the population. But by 1990, there were about 57 women employed for every 100 women in the United States.[4] Much of this increase is due to the higher rates of labor force participation among married women. In 1960, under a third of married women (31.9%) were employed. By 1990, that figure had almost doubled, increasing to 61%.

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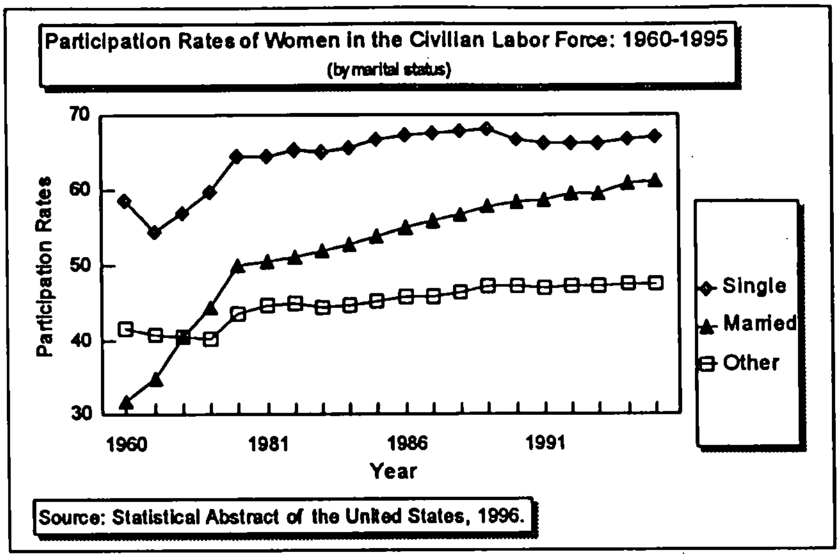
[2]Statistical Abstract of the United States, 1996.

[3]U.S. Bureau of the Census, *Current Population Reports.* "Marital Status and Living Arrangements: March 1994." Series P20, No. 484.

[4]Statistical Abstract of the United States, 1996.



This increase was especially pronounced among women with children under 6 years of age. The proportion of married women with children under 6 who were employed increased over 300% between 1960 and 1995. Similar trends, though not nearly as dramatic, have occurred among single women and women who are neither married nor single with children under 6 years of age.[5]

Out-of-Wedlock Births

In recent decades, much attention has been focused on the rise of the proportion of children in the United States who are born out of wedlock. The so-called "illegitimacy rate" has been increasing since the 1950s at a rapid pace. In 1950, about 40 of every 1,000 babies born in the United States were born out of wedlock. By 1992, about 300 of every 1,000 babies born in the United States were out-of-wedlock births -- an increase of over 700%. Conservatives repeatedly haul out this statistic as evidence of the declining moral standards of Americans, blaming the sexual revolution and the Great Society anti-poverty programs for the rise in the illegitimacy rate.[6]

What most commentators seem to miss, however, is that the rise in the illegitimacy rate is not due to a sudden explosion of promiscuous sexual behavior among unmarried individuals. Instead, it is driven by declining birth rates among married couples. While birth rates for unmarried women have been undeniably increasing for several decades, birth rates for married women have fallen precipitously since the 1950s. These two trends combined have led to the dramatic increase in the illegitimacy rate since the 1950s.

Contrary to popular perception, most babies born outside of marriage are not born to teenage mothers. About 70% of all children born outside of marriage in 1993 were born to mothers who were over 20 years old. Teenage mothers today account for a much smaller proportion of out-of-wedlock births than they did in 1970. Unmarried women who are under 15 accounted for only .9% of all births to unmarried mothers in 1993, down from 2.4% in 1970. Unmarried women

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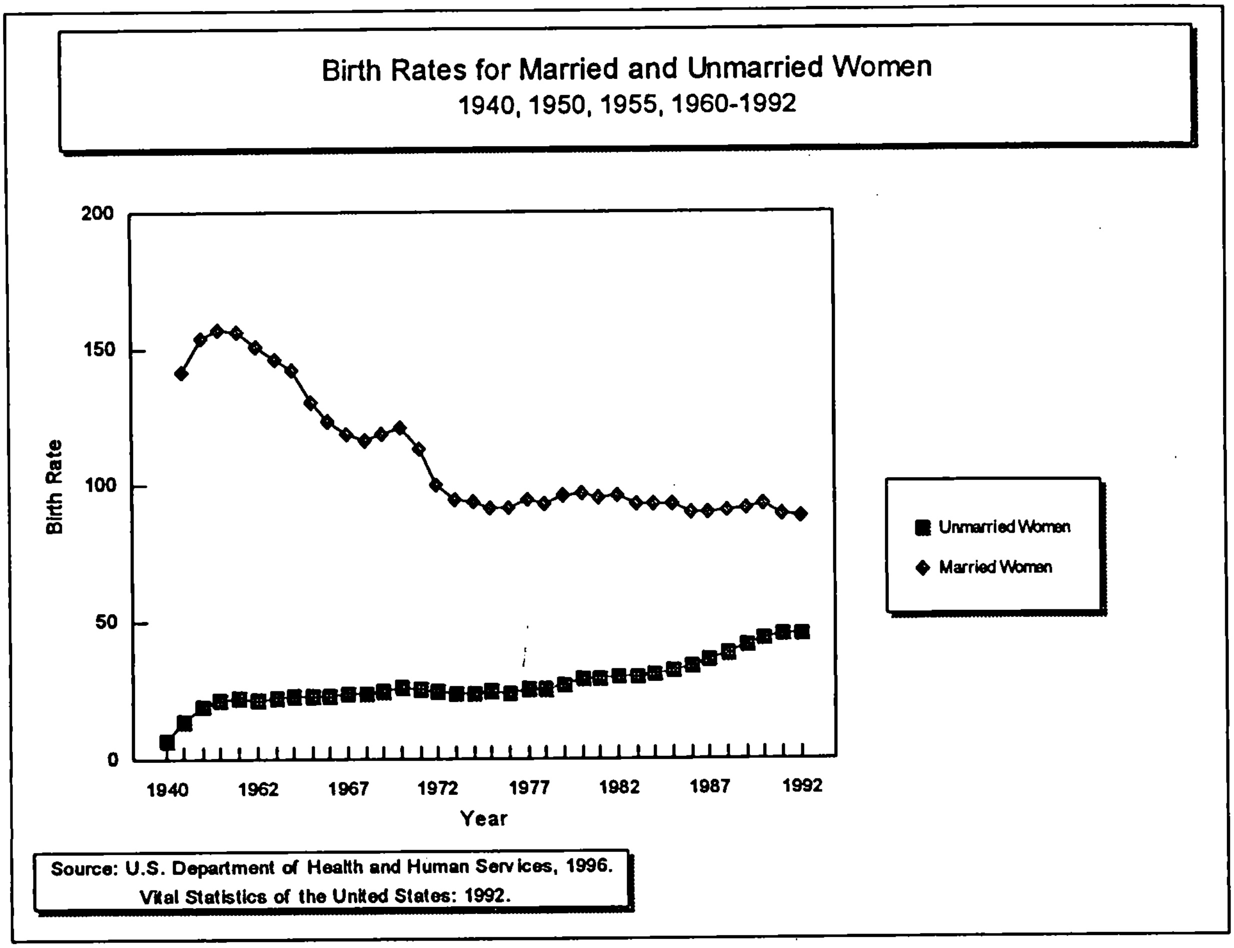
[5]Statistical Abstract of the United States, 1996.

[6]See William J. Bennett, "What to Do About the Children," *Commentary,* March 1995.



who are 15-19 accounted for 28.8% of all births to unmarried mothers in 1993, down from 47.8% in 1970.[7]

It appears that the trends affecting the illegitimacy rate in the United States have affected most Western industrialized nations in the past few decades. Births to unmarried mothers have increased relative to births to married mothers in Sweden, France, Britain, and other nations during the same time period as they have increased in the United States. The United States is participating, to some extent, in a worldwide tendency toward more births occurring out of wedlock.[8]

Inequality Among Families

The interaction of these trends and others has led to growing inequality among American families. Several types of family structure have much higher median incomes than other types of family structure. By far the most economically successful family structure in 1994 was a married family

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[7]Statistical Abstract of the United States, 1996.

[8]U.S. Bureau of the Census, 1995. *Current Population Reports.* "Fertility of American Women: June, 1994." Series P20, Vol. 482.

with a wife in the paid labor force. Such a family had a median income of $53,309. On the other end of the spectrum, the least economically successful family structure was a family headed by a female householder who did not have a husband present. These families only had a median income of $18,236. Families headed by a male householder with no wife, by contrast, had a median income of $27,751.[9]

Conclusion

The shape of the "typical" American family has changed considerably since the 1950s. Americans are marrying less and marrying at older ages. Their children are living in a wide variety of families, from two-parent married families to single-mother households to the households of unmarried couples. More women, especially married women, are working in the paid labor force than ever before. The illegitimacy rate has increased, but it has increased primarily because of declining birthrates among married couples. All of these trends have contributed to the current state of inequality among American families.

[9]Statistical Abstract of the United States, 1996.