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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. statement	Re: press conference (3 pages)	09/23/99	P5, P6/b(6)
002a. fax	To Ruby Shamir from Holly/Jen Liebman (partial) (1 page)	09/15/99	P6/b(6)
002b. report	Re: Workers Cannot Live on the Minimum Wage (2 pages)	09/15/99	P6/b(6)
002c. statement	Re: Press Conference (3 pages)	09/15/99	P6/b(6)

COLLECTION:
Clinton Presidential Records
First Lady's Office
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FOLDER TITLE:
Minimum Wage [2]

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release September 24, 1998

REMARKS BY THE PRESIDENT
ON INCOME AND POVERTY REPORT

The Rose Garden

12:20 P.M. EDT

THE PRESIDENT: She was terrific, wasn't she? Let's give her another hand. I thought she was great. (Applause.)

Congressman Cardin, welcome. I know you're proud of your constituent here. Jessica, welcome. We're glad to see you. I think Congressman Blagojevich is here. We welcome him, along with Senator Ephraim Gonzalez, who is the President of National Hispanic Caucus of State Legislators; and Councilman Robert Cantana of Buffalo.

Let me once again thank Monique for her remarkable statement and her even more remarkable life. I'm delighted to be joined here by our economic team -- by Erskine Bowles and Secretary Rubin, Secretary Herman, Gene Sperling, Jack Lew, Janet Yellen, Larry Summers. Their tireless, often literally sleepless work has been very instrumental in sparking and maintaining what soon will be the longest peacetime boom in American history.

Officials of the Census Bureau who are here today, I want to thank all of you. We're going to be talking a little bit about some Census Bureau statistics. Sometimes we take your hard work and statistics for granted. The fact is that you ensure that our democracy is truly representative. And let me say in that connection once again, Congress must not hamstring the Census Bureau's efforts to maintain the most up-to-date, accurate scientific methods to produce the year 2000 census. They deserve the chance to succeed. (Applause.) Monique Miskimon has shown us today once again that every American counts. That means that every American deserves to be counted.

Now, before I get into the details of the very positive economic report, which Monique and her daughter so vividly represent, I think we all want to say just a few words and reflect on the powerful impact of Hurricane Georges. In the Caribbean islands, businesses and homes have been swept away; tragically, many lives have been lost. Meanwhile, the projected track of the storm places the hurricane center over or near the Florida Keys late tonight or early tomorrow morning. As we speak, we're helping the people of Florida prepare for the hurricane. We've already sent assistance to Haiti and the Dominican Republic. Obviously, we're working with the officials in Puerto Rico and the Virgin Islands.

James Lee Witt, the Director of the Federal Emergency Management Agency, has informed me that FEMA's Region Six Emergency Response Team arrived in Tallahassee, Florida, at 10:00 a.m. this morning. Here in Washington, the FEMA Emergency Support Team is operating at Level One, its highest level, on a 24-hour basis.

Our support teams and our prayers are with those in the Caribbean as they begin to rebuild, and those in the Florida Keys as they brace for the impact of the storm.

Now, as President, from my first day here, I have done my best to fulfill a commitment I made to the American people: first of all, to restore the reality of the American Dream -- of opportunity for all responsible citizens, of a community in which we all count and work together -- and secondly, to reclaim the future for our children, to strengthen our country for the century ahead.

To accomplish that mission, we began first with an economic strategy to shrink the deficit and balance the budget, to invest in the education and skills of our people, and to expand the export of American goods. The census report released this morning represents one more year's worth of compelling evidence that this economic strategy is working, and that there are lots more people out there like Monique Miskimon.

The report shows that last year the income of the typical American household grew at nearly twice the rate of inflation. Since we launched our economic plan in 1993, the typical family's real income has risen by more than $3,500. That's an extra $3,500 that hardworking families can put toward their children's education or a down payment on a first home. Income for typical

African American and Hispanic families increased by more than $1,000 last year alone.

This report also shows that our growing economy is giving more and more families a chance to work their way out of poverty. The poverty rate fell to 13.3 percent, and while we still have plenty of room for improvement, the African American poverty rate fell to another record low. Hispanic poverty saw the largest one-year drop in two decades. Child poverty has dropped in the past four years, more than in any four-year period in the last three decades. And the Earned Income Tax Credit, which Monique spoke of a moment ago, has raised more than 4 million people out of poverty in the last year alone.

The report this morning shows that economic growth continues to raise incomes, lift millions out of poverty, and extend opportunity. It also shows that we have more to do. Since 1993, every income group has benefitted from our nation's economic growth and the lowest 20 percent of our people in terms of income have had the highest percentage increases. That's the good news, after over 20 years of increasing inequality.

But that inequality is still too high, and it simply means there are too many American families out there working hard, doing everything we could possibly ask of them, and still having a hard time getting ahead. We have to use our prosperity and the confidence that it inspires to help our hardest pressed families and our hardest pressed communities to ensure economic growth for all Americans.

The most important thing we have to do, of course, is to maintain the economic strategy that got us here in the first place -- above all, the strict fiscal discipline that has given us low interest rates, low inflation, big investments and more jobs.

Exactly a week from today, we will have the first balanced budget and surplus since Neil Armstrong walked on the moon in 1969. Unfortunately, this week in the House of Representatives, the Republicans are moving forward with a proposal that drains the new surplus to pay for their tax plan. We can cut taxes. Indeed, my balanced budget includes targeted tax cuts for child care, for education, for environmental clean-up. But tax cuts must be paid for in full if we are to expand opportunity in the years to come.

I say again, we have been waiting for 29 years to see the red ink turn to black. We have a huge baby boom challenge coming when all the baby boomers retire. Social Security, as presently constituted, cannot sustain that retirement. We have to reform Social Security if we want to have it for our parents -- that's me, when the baby boomers retire -- without undermining the standard of living of our children and grandchildren.

So I say again, let us not get into this surplus we have worked for 29 years for -- or we've waited for 29 years for and worked for 6 years for. Let's don't get into that and spend it in an election year tax cut until we have saved Social Security for the 21st century, for the sake of our children and our grandchildren. (Applause.)

Second, we have to continue to invest in our people and lift them all up. I was deeply disappointed this week when 95 percent of the Republicans in the Senate voted not to raise the minimum wage. To reject an increase in the minimum wage when there are still so many people working full-time and raising children in poverty, when the unemployment rate and the inflation rate is so low, I believe is a mistake and sends the wrong signal to the American people.

I thank the 95 percent of the Democratic Caucus in the Senate who voted for the increase in the minimum wage. Working Americans deserve it. I'm disappointed, with only a week left in the fiscal year we rejected this, and I haven't quit fighting for it. I think eventually we will get it in the next several months; if we have to wait until next year, we will get it.

But I'm also disappointed -- as I said, a week from today we end the fiscal year and we start a new one. And there's still been no action in the Congress on our vital education investments. Indeed, what action there has been in the House of Representatives has been negative, has been a setback for education.

Congress should work with us to enact my plan, paid for in the balanced budget, to reduce class size to an average of 18 in the early grades; to hire 100,000 teachers to teach those children in smaller classes; to rebuild or to construct or repair 5,000 schools so our kids will have good, adequate, safe schools to attend; to hook up all of our classrooms -- all of them, even in the poorest neighborhoods -- to the Internet by the year 2000; to improve early literacy by funding the program to send volunteers in to make sure that every eight-year old can read; to lift our children's sights with voluntary national standards and clear means of measuring them.

Now, if we hope to maintain our economic growth well into the next generation, we have to give every American child a world-class elementary and secondary education. So I say again, we've been here for months and months; there's just a week left in the budget year -- let's finally have action to improve our public schools and give all of our kids a world-class education. (Applause.)

The third thing I'd like to say is we have to continue to lead in the global economy if we want the American economy to continue to grow. We're enjoying unsurpassed economic prosperity, but all of you read the papers every day, you see the news at night, you know there are troubles elsewhere in the world. You know our friends in Asia and Russia are facing great turmoil. You know we're trying to keep our big trading partners and friends in Latin America from having the negative effect of that turmoil reach them even though they are pursuing good policies.

That's why it's important for Congress to fund our America's share of the International Monetary Fund, because the International Monetary Fund helps the countries that are helping themselves to return to growth, and serves as an insurance policy against having the financial crisis spread to the countries that are doing the right thing and keeping Americans at work by buying our products.

Again I say, there is no reason not to do this. We've only got a week left in the budget year. We've been talking about it all year long. The problem has only gotten worse. It is time now to say, we're doing this because it's what America owes as the world leader; and more importantly, we're doing it because it is absolutely necessary to keep American economic growth going. (Applause.)

Finally, let me say that with just a week left in this budget year, I'd still like to see the Congress pass a decent patients' bill of rights, one that covers -- (applause). Our bill would provide protections to all Americans, simple ones. If you get in an accident, you can go to the nearest emergency room, not be hauled to one halfway across town. If your doctor tells you you need to see a specialist, you can see one. If it comes down to a dispute about whether a medical procedure should or should not be applied, the decision should be made by a doctor, not an accountant. Your medical records ought to be protected in privacy. If your employer changes health care providers, it shouldn't affect you if you happen to be in the middle or a pregnancy or a chemotherapy treatment, or some other thing that would be entirely disruptive and dangerous and damaging to your health care if you had to change doctors in the middle of the procedure.

Now, we do that for everyone. The House passed a bill on a partisan vote, completely party-line vote, that doesn't protect 100 million people and doesn't provide any of those protections to the people that are covered. The Senate Majority Leader actually shut down business in the Senate a few days ago to keep them from voting for it, so they wouldn't be recorded -- they wouldn't be recorded as killing the patients' bill of rights -- but they could kill it and still satisfy the insurance companies that are doing their best to do it.

There's still time. We haven't broken for the election yet. We can still do the right thing by the American people. But we have to think about it, we have to focus on it, and we have to put our priorities where they ought to be. I think it's worth fighting for the patients' bill of rights in the closing days of this congressional session. (Applause.)

Again, I want to thank the economic team here and our supporters in the Congress, including those who are here today, for giving more Americans a chance to live the story that Monique has told us about. I want to thank her for coming today and bringing her beautiful daughter. I know we all wish them well.

Our prayers are with the people who are about to be affected and those who have been affected by the hurricane. And I ask that all of us focus on using these last days of this congressional session to think about the American people, to think about our responsibilities, to think about what got us here over the last six years, and instead of departing from it, to bear down and build on it. That is my goal and that's what we ought to do.

Thank you very much. (Applause.)

Q Mr. President, do you see any way out of an impeachment inquiry?

THE PRESIDENT: Well, let me answer you this way: the right thing to do is for us all to focus on what's best for the American people. And the right thing for me to do is what I'm doing.

I'm working on leading our country, and I'm working on healing my family.

And if you look at what we announced today, what does it tell you? It proves, number one, that the course we have followed has been the right course for America. That's what it proves. After six years, it can't be an accident anymore.

But the second thing it proves is that it is utterly foolish for people to be diverted or distracted from the urgent challenges still before us. I told you that we had a record -- a record low in African American unemployment and poverty; a record low in the poverty rate for children, of African American children. Do you know what that record low is? It's about 39 percent. In other words, it's breathtakingly high. That's just one statistic.

So what does that tell me? It tells me that the right thing to do is, if we all put progress over partisanship, put people over politics, put the American people first -- what would we do? Well, we would keep the budget balanced. We would save Social Security before we squandered the surplus. We would improve our schools. We would clean up our environment. We would pass the patients' bill of rights. And we would keep the economy going. That's what we would be focused on. That's what I am focused on. That's the way out.

The way out here -- and the only way out is for people in Washington to do what the folks in America want them to do, which is to take care of their concerns, their children, and their future. That's what I mean to do, and I'm going to do my best. (Applause.)

END 12:38 P.M. EDT

U.S. DOL

Remarks by the President at Signing of the Small Business Job Protection Act of 1996

August 20, 1996

THE WHITE HOUSE

Office of the Press Secretary

**REMARKS BY THE PRESIDENT
AT SIGNING OF THE SMALL BUSINESS
JOB PROTECTION ACT OF 1996**

The South Lawn

2:25 P.M. EDT

THE PRESIDENT: Thank you very much. Cathy, it may be your birthday, but I would say that everybody feels that you have given us a great gift today by reminding us about what this is all about. And we wish you and your fine children well. And I don't think being in the band will hurt them a bit. I'm glad you're going to do that. *(Laughter.)*

I want to thank the members of our administration who are here -- Secretary Reich, Small Business Administrator Phil Lader and others. I want to thank all the members of Congress who are here, especially Senator Kennedy who, himself, probably broke the wage in hour laws by working so hard to pass this bill. If we'd been paying him by the hour we'd be underpaying him in the last year. Thank you very much. *(Applause.)*

There are a lot of people who worked hard on this bill who aren't here -- Senator Daschle, Congressman Gephardt, Congressman Bonior, Congressman Clay, in particular did. I want to join with others and thank the countless labor unions who have championed this bill, led by the truly tireless John Sweeney. *(Applause.)*

I'd like to remind the American people of something, because sometimes our unions are criticized for looking out for their members too much. There are very few unions in America that have minimum wage workers. Most of these unions did this because they thought it was the right thing to do. They spent their time and their money and their energy trying to help other people who do not belong to their organization, and I thank you for that. *(Applause.)*

I'd like to thank the religious groups, the economists, the business people who have made this their cause of concern. Again, I thank the members, including members of both parties, who supported this legislation.

I'll say more in a moment about the rest of the bill, but let me just begin by saying this is a truly remarkable piece of legislation. It is pro-work, pro-business and pro-family; it raises the minimum wage; it helps small businesses in a number of ways that I will explain in a moment, including retirement and incentive to invest; and it promotes adoption in two very sweeping ways that have long needed to be done in the United States. This is a cause for celebration for all Americans of all parties, all walks of life, all faiths. This bill represents the very best in our country.

It will give 10 million Americans, as Cathy said, a chance to raise stronger families and build better futures. By coming together across lines that have too often divided us and finding common ground, we have made this a real season of achievement for the people of America.

At its heart, this bill does reaffirm our most profoundly American values -- offering opportunity to all, demanding responsibility from all, and coming together as a community to do the right thing. This bill says to the working people of America: If you're willing to take responsibility and go to work, your work will be honored. We're going to honor your commitment to your family, we're going to recognize that $4.25 an hour is not enough to raise a family.

It's harder and harder to raise children today and harder and harder for people to succeed at home and at work. And I have said repeatedly, over and over again to the American people: We must not force our families to make a choice. Most parents have to work. We have a national interest in seeing that our people can succeed at home where it counts the most in raising their children, and succeed at work so they'll have enough income to be able to succeed at home. We must do both, and this bill helps us achieve that goal. *(Applause.)*

These 10 million Americans will become part of America's economic success story. A success story that in the last four years has led us to 900,000 new construction jobs; a record number of new businesses started, including those owned by women and minorities; a deficit that is the smallest it's been since 1981, and 60 percent less than it was when I took office; 10 million new jobs; 12 million American families who have been able to take advantage of Family and Medical Leave; almost 4.5 million new homeowners and 10 million other Americans who refinanced their homes at lower mortgage rates. And, most importantly of all, perhaps, real hourly wages, which fell for a decade, have finally begun to rise again. America is on the move. *(Applause.)*

But our challenge, my fellow Americans, is to make sure that every American can reap the rewards of a growing economy, every American has the tools to make the most of his or her own life, to build those strong families and to succeed at home and at work. As the Vice President said, the first step was taken in 1993 with the passage of the Family and Medical Leave Law and with the Earned Income Tax Credit, which cut taxes for 15 million working families. Today, that earned income tax credit is worth about $1,000 to a family of four with an income under $28,000 a year.

Well, today, we complete the second half of that effort. Together with our tax cut for working families, this bill ensures that a parent working full-time at the minimum wage can lift himself or herself and their children out of poverty. Nobody who works full-time with kids in the home should be in poverty. If we want to really revolutionize America's welfare system and move people from welfare to work and reward work, that is the first, ultimate test we all have to meet. If you get up every day and you go to work, and you put in your time and you have kids in your home, you and your children will not be in poverty. *(Applause.)*

We have some hard working minimum wage people here today supporting Cathy. Let me tell you about them. Seventy percent of them are adults, six of 10 are working women, and for them, work is about more than a paycheck, it's about pride. They want a wage they can raise their families on. By raising the minimum wage by 90 cents, this bill, over two years, will give those families an additional $1,800 a year in income -- enough to buy seven months of groceries, several months of rent, or child care. Or, as Cathy said, to pay all of the bills from the utilities in the same month.

For many, this bill will make the difference between their ability to keep their families together and their failure to do so. These people reflect America's values, and it's a lot harder for them than it is for most of us to go around living what they say they believe in. It's about time they got a reward and, today, they'll get it. *(Applause.)*

I would also like to say a very special word of thanks to the business owners, especially the small business owners who supported this bill. Many of the minimum wage employers I talk to wanted to pay their employees more than $4.25 an hour and would be happy to do so as long as they can do it without hurting their businesses, and that means their competitors have to do the same thing. This bill will allow them to compete and win, to have happier, more productive employees, and to know they're doing the right thing. For all of those small businesses, I am very, very appreciative. *(Applause.)*

I would also like to say that this bill does a remarkable number of things for small businesses. In each of the last three years, our nation has set a new record in each succeeding year in the number of new businesses started. And we know that most of the new jobs in America are being created by small- and medium-sized businesses. In 1993, I proposed a $15,000 increase in the amount of capital a small business can expense, to spark the kind of investment that they need to create jobs. Well, in 1993 we only won half that increase, but today I'll get to sign the second half into law, and I thank the Congress for passing that, as well. *(Applause.)*

As the Vice President said, this bill also includes a Work Opportunity Tax Credit to provide jobs for the most economically disadvantaged working Americans, including people who want to move from welfare to work. Now, there will be a tightly drawn economic incentive for people to hire those folks and give them a chance to enter the workforce, as well. It extends the research tax credit to help businesses stay competitive in the global economy. It extends a tax incentive for businesses to train and educate their employees. That's good news for people who need those skills, and it's good news for America because we have to have the best educated workforce in the world in the 21st century.

This legislation does even more to strengthen small business by strengthening the families that make them up. It helps millions of more Americans to save for their own retirement. It makes it much easier for small businesses to offer pension plans by creating a new small business 401(k) plan. It also lets more Americans keep their pensions when they change jobs without having to wait a year before they can start saving at their new jobs. As many as 10 million Americans without pensions today could now earn them as a result of this bill.

I'm delighted we are joined today, among others, by Shawn Marcell, the CEO of Prima Facie, a fast-growing video monitoring company in Pennsylvania, which now has just 17 employees -- but that's a lot more than he started with. He stood with me in April and promised that if we kept our word and made pensions easier and cheaper for small businesses like his, he'd give pensions to all of his employees. Today, he has told us he's making good on that pledge. I'd like him to stand up, and say I predict that thousands more will follow Shawn's lead. Thank you, Shawn. Please stand up. Let's give him a hand. God bless you, sir. Thank you. *(Applause.)*

I'd also like to say a special word of thanks to our SBA Administrator, Phil Lader, and to the White House Conference on Small Business. When the White House Conference on Small Business met, they said one of their top priorities was increasing the availability and the security of pensions for small business owners in America. This is a good thing. It is also pro-work, pro-family and pro-business.

Finally, this bill does something else that is especially important to me and to Hillary -- and I'm glad she's here with us today. It breaks down the financial and bureaucratic barriers to adoption, giving more children what every child needs and deserves -- loving parents and a strong, stable home. *(Applause.)*

Two weeks ago, we had a celebration for the American athletes who made us so proud in Atlanta at the Centennial Olympics. Millions of Americans now know that one of them -- the Decathlon Gold medalist, Dan O'Brien -- speaks movingly about having been an adopted child and how much the support of his family meant in his life. Right now, there are tens of thousands of children waiting for the kind of family that helped to make Dan O'Brien an Olympic champion. At the same time, there are thousands of middle class families that want to bring children into their homes but cannot afford it. We're offering a $5,000 tax credit to help bring them together. It gives even more help to families that will adopt children with disabilities or take in two siblings, rather than seeing them split up.

And, lastly, this bill ends the long-standing bias against interracial adoption which has too often meant an endless, needless wait for America's children. *(Applause.)*

You know, as much as we talk about strong, loving families, it's not every day that we here in Washington get to enact a law that literally creates them or helps them stay together. This is such a day. Although he can't be with us today, I also want to thank Dave Thomas, himself adopted, who went on to found Wendy's and do so much for our country. Perhaps more than any other American citizen, he has made these adoption provisions possible, and we thank him.

Lastly, I'd like to point out that we do have some significant number of adoptive families here with us today, including some who are on the stage. And so I'd just like to acknowledge the Weeks *(ph.)* family, the Wolfington *(ph.)* family, the Outlaw *(ph.)* family, the Fitzwater *(ph.)* family, and ask them and anyone else here from the adoptive family community to stand up who'd like to stand. We'd like to recognize you and thank you for being here. Thank you all for being here. Thank you. *(Applause.)*

Beside me, or in front of me now, is the desk used by Frances Perkins -- Franklin Roosevelt's labor secretary and the very first woman ever to serve in the Cabinet. She was one of our greatest labor secretaries. It was from her desk that many of America's pioneering wage, hour and workplace laws originated -- including the very first 25 cent an hour minimum wage signed into law by President Roosevelt in 1938.

Secretary Perkins understood that a living wage was about more than feeding a family or shelter from a storm. A living wage makes it possible to participate in what she called the culture of community -- to take part in the family, the community, the religious life we all cherish. Confident in our ability to provide for ourselves and for our children, secure in the knowledge that hard work does pay. A minimum wage increase, portable health care, pension security, welfare to work opportunities -- that's a plan that's putting America on the right track.

Now, we have to press forward, giving tax cuts for education and child-rearing and child care, buying a first home, finishing that job of balancing the budget without violating our obligations to our parents and our children and the disabled and health care, to education and the environment and to our future. That's a plan that will keep America on the right track, building strong families and strong futures by working together.

For everyone here who played a role in this happy day, I thank you, America thanks you, and our country is better because of your endeavors. God bless you. Thank you. *(Applause.)*

(The bill is signed.) *(Applause.)*

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U.S. DOL

Statement of The President on the Signing of the Small Business Job Protection Act of 1996

AUGUST 20, 1996

THE WHITE HOUSE

Office of the Press Secretary

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 3448, the "Small Business Job Protection Act of 1996."

This is important and long overdue legislation that provides a badly needed pay raise for millions of Americans and their families who struggle to make ends meet while working at the minimum wage. The Act boosts the minimum wage in two steps -- a 50 cent increase from $4.25 to $4.75 an hour that takes effect October 1, followed by an additional 40 cent rise to $5.15 an hour on September 1, 1997. This increase will help some 10 million of our hardest pressed working families build a better future. It is true to the basic American bargain that if you work hard you ought to have food on your table and a living wage in your pocket. It is the right thing to do.

I should note that I disagree with certain provisions added to the minimum wage title of the Act, such as the provision creating a new subminimum wage for young people and the one denying increased cash wages to most employees who rely on tips for part of their income. Still, those defects do not obscure the central accomplishment of this Act -- securing the first minimum wage increase since 1991.

Beyond raising the minimum wage, this Act represents real progress on a number of other fronts.

First, I am particularly gratified by the important provisions in this Act concerning adoption. The Act provides a nonrefundable tax credit of up to $5,000 per child for adoption expenses; $6,000 for children with special needs. It will help thousands of children waiting for a family who wants them. It will help thousands of middle class parents realize their dream of adopting a child. It will build stronger families and stronger communities.

Moreover, the Act bars placement agencies that receive Federal funds from denying or delaying adoptions based on race, color, or national origin. As I have consistently said, it is time to end the historical bias against interracial adoptions. That bias has too often meant interminable delay for children waiting to be matched with parents of the same race. It is time to put the creation of strong and loving families first.

Second, the Act creates a simplified, 401(k) retirement plan for small businesses, making it far easier for such companies to offer pensions to their employees. This new plan includes many of the pension reforms my Administration proposed more than a year ago. For example, it increases the portability of pensions, allowing more new workers to start saving for retirement from their first day on the job. It cuts the vesting period for workers in multiemployer plans from 10 years to 5, immediately vesting over 1 million workers in their benefits. It repeals the so-called ?family aggregation rule,? which limited the retirement benefits of family members working together in the same business. It allows nonprofit organizations and Indian tribes to maintain 401(k) plans for their workers; assures veterans they will have continued pension coverage if they return to a civilian job after military service; and makes pension benefits safer and more secure for millions of employees of State and local governments. The pension provisions in the Act are not perfect -- they provide a smaller share of benefits to lower and middle wage workers than I proposed. But they are a significant step in the right direction.

Third, the Act gives a boost to small business by increasing the amount of capital that small businesses can write off as an expense. I proposed a $15,000 increase in 1993 in order to encourage the kind of investment that creates new growth and jobs. The Congress passed half of what we advocated then and this legislation gives us the other half. Although the measure in this Act is phased in more slowly than I proposed, it will still give small businesses a good incentive for capital investment.

Fourth, the Act extends the research tax credit, an important measure for a high-tech economy that will retain its competitive edge in the 21st century only if we remain committed to innovation and the research that underlies it. I wanted the Congress to go further by reinstating the research credit retroactively to July 1, 1995, when it last expired, and making it permanent. But this extension, through May of next year, is an important step forward.

Fifth, the Act extends a tax incentive for businesses that train and educate their employees. That incentive excludes from an employee's taxable income as much as $5,250 of educational assistance provided by an employer. Such assistance is another key element in maintaining U.S. competitiveness because a better trained, better educated work force is vital to achieving higher productivity. I regret that the Congress failed to make this incentive permanent and that it has eliminated the incentive for post-graduate education. But in extending the incentive for undergraduate education through May 1997, the Act takes a useful step.

Sixth, by replacing the expiring Targeted Jobs Tax Credit (TJTC) with a new Work Opportunity Tax Credit, the Act provides a significant incentive for employers to hire people from certain targeted groups most in need of jobs, such as high-risk youth. I am pleased to see improvements that address many of the concerns raised about implementation of the TJTC. For example, the minimum employment period required before an employer becomes eligible for the credit will promote longer, more meaningful work experiences for those hired.

As strong a piece of legislation as this is overall, however, I am concerned about three provisions, two of which I objected to when they were included in legislation I vetoed last year.

The first provision repeals the tax credit related to corporate investments in Puerto Rico and other insular areas. I urged the Congress to reform the credit and use the resulting revenue for Puerto Rico's social and job training needs. My proposal would have, over time, prevented companies from obtaining tax benefits by merely attributing income to the islands, but it would have continued to give companies a tax credit for wages and local taxes paid and capital investments made there, as well as for earnings reinvested in Puerto Rico and qualified Caribbean Basin Initiative countries. This legislation ignores the real needs of our citizens in Puerto Rico, ending the incentive for new investment now and phasing out the incentive for existing investments. I remain committed to my proposal for an effective incentive based on real economy activity that preserves and creates jobs in underdeveloped islands, and I hope that the Congress will act to ensure that the incentive for economic activity remains in effect.

A second provision repeals a 1993 initiative of this Administration that reduces tax incentives for U.S. companies to move jobs and operations abroad. Repeal of this provision will allow businesses to avoid taxes by accumulating foreign earnings without limit.

Finally, I have reservations about a provision in the Act which makes civil damages based on nonphysical injury or illness taxable. Such damages are paid to compensate for injury, whether physical or not, and are designed to make victims whole, not to enrich them. These damages should not be considered a source of taxable income.

Notwithstanding these objections, this is important, forward-looking legislation. It gives millions of hard-pressed workers a well-deserved raise, will make adoption a reality for thousands of grateful families and children, takes a good first step toward providing adequate retirement benefits and security for employees of small businesses, and creates useful tax incentives for the benefit of small businesses and their employees. Where there are improvements yet to be made, we will continue to work with the Congress to make them.

WILLIAM J. CLINTON

Source: The White House Web Site

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U.S. DOL

DOL Statement On The Signing of the 1996 Minimum Wage Law

Statement Released 08/20/96

Today, we are affirming that the American dream is possible for everyone--janitors, maids, child-care workers, cashiers, bus boys, fork-lift operators, gas station attendants--the people who clean offices at night, file the papers, answer the phones, serve the food, cut and sew our clothes, pick the crops, sweep the floors, care for our children, our sick and our elderly.

Next month, on the first day of October--when this legislation will go into effect--10 million hard working Americans will get the raise they deserve. An additional 50 cents per hour will mean the difference between buying fresh milk and powdered milk. It will mean a warm winter coat, or books and transportation for school. It will mean the difference between barely surviving and getting one leg up into a better life.

A raise in the minimum wage was supported by more than 85 percent of the American public. They know that raising the minimum wage was a simple and fair way to make work really pay. Now, millions of low-wage workers--and their families--know it too.

– Robert B. Reich
Secretary of Labor (1993-97)

DOL Home Page | Top of Document

from the office of

Senator Edward M. Kennedy

of Massachusetts

STATEMENT OF SENATOR EDWARD M. KENNEDY
ON RAISING THE MINIMUM WAGE
September 22, 1998

At long last, the Senate will vote today on raising the minimum wage. The nation has enjoyed extraordinary prosperity in recent years. Unemployment and inflation are at historically low levels. Interest rates are low. The economy is strong and growing.

But for too many hard-working Americans, it is someone else's prosperity. Millions of minimum wage workers can barely make ends meet. Working 40 hours a week, 52 weeks a year, they earn just $10,700 -- $2,900 below the poverty level for a family of three. A full day's work should mean a fair day's pay. But for the millions of Americans who earn the minimum wage, it doesn't.

These families are just one paycheck away from disaster. Too often, they are forced to choose between paying the electric bill or the phone bill or the heating bill. An unexpected illness or family crisis is enough to push them over the edge.

It wasn't always this way. In fact, the real value of the minimum wage has actually declined over the past thirty years. If we do not enact an increase, 12 million Americans will fall farther and farther behind.

Today, the minimum wage buys less than it did throughout most of the 1950s, 1960s and 1970s. Minimum wage earners have been cut out of the extraordinary economic prosperity enjoyed by most of the rest of the country. Too many of them can barely make ends meet. Instead of worrying about the stock market, they worry about stocking their refrigerators with food for their families, or paying their heating bills when winter comes.

Their plight is unacceptable. The wealthiest nation on earth can afford to do better for these hard-working citizens, and today the Senate has the opportunity to help. We can raise the minimum wage.

(More)

We know who minimum wage workers are. They are teachers' aides and child care providers, home health care aides and clothing store workers. They care for our parents and grandparents in nursing homes. They stock shelves at the corner store. They mop floors and empty trash in thousands of office buildings in communities across the country. They work hard, and they deserve to be treated with dignity.

We know who will benefit if this measure passes. Twelve million Americans will get a raise. Sixty percent are women -- over 7 million workers. Nearly 4 million are the sole breadwinners in their families. Over 2 million are Latino, and almost that many are African-American.

They are workers like Renda DeJohnette, who provides home health care in Los Angeles. Renda works in a county program to help senior citizens and the disabled remain in their homes and avoid institutionalization. Renda is a single mother with two teenage children. She earns $5.75 an hour, washing clothes, preparing meals and cleaning houses. She finds it hard to make ends meet, and says that a minimum wage increase would allow her to put more food on the table and pay all her bills.

My Republican friends claim that minimum wage workers are just teenagers, working after school to earn pocket money. But the Bureau of Labor Statistics reports that three-fourths of minimum wage workers are adults, 20 years of age and older.

But even in the case of teenagers, their stories demonstrate the importance of raising the minimum wage.

Talia Fernos of Olympia, Washington is a college student who works full-time as a tutor to support herself. She earns the minimum wage of $5.15 an hour. After taxes, she brings home about $725 a month. Her rent payment is $300. Her car payment and other bills total another $50 each month. She has less than $200 per month for gasoline, insurance, groceries, health care and other expenses. Not surprisingly, Talia can't save any money. And she worries about being able to pay off her student loans once she graduates. Raising the minimum wage could ease some of these worries, and make this hard-working student's life a little easier.

Johnette Roberts of Gulfport, Mississippi has held the same job since she was 15 years old. Now she earns $5.70 an hour -- higher than the minimum wage, but not by much. Johnette has been married and divorced, and she is raising a child on her own. Johnette says she has trouble paying the rent and supporting her child. She is an "A" student at the local community college, and wants to get her college degree. But she can't pay the rent, pay for child care, pay her utility bills and still go to college. She says we have a choice: "increase the minimum wage or decrease the education in our society."

(More)

fax 301-951-0340

Kennedy on Minimum Wage 3-3-3

Far from being teenagers, many minimum wage workers are grandparents like Janet Rapoza of New Bedford, Massachusetts. Janet is a single woman who is the sole support for her teenage granddaughter. Janet earns just over the minimum wage in a New Bedford company. She has a progressive, degenerative bone disease, but can't afford the medication she needs on a regular basis. For her, a raise in the minimum wage would mean "that one of my bills might get paid on time -- for a change -- or it might mean some extra groceries in the refrigerator or maybe I could have one of these prescriptions filled. After I do all that, if it's been an especially good week, we might even dare to go to the movies."

Beatrice Stanford, of Wilmington, Delaware is also a low-wage grandmother. She has worked at a YMCA child care center for four years, and now earns $5.75 an hour. She is the sole support for her teenage son and daughter and two grandchildren. Beatrice's children have worked from time to time, but she now calls that "my biggest mistake. My daughter fell behind in school because of all the hours she was putting in. She needed summer school, but I couldn't afford the $300 for the course, so instead she had to do a correspondence course that cost $164. She made up the course but lost a year."

Beatrice finds it a struggle just to pay the rent. She can't afford a car, so she takes the bus to work and catches rides to the supermarket. She has no health benefits or sick days. When she has to go to her clinic, it takes so long that she misses a day's work -- and loses a day's pay. She says raising the minimum wage would help families take care of their children better. "It's frustrating for parents -- a bad thing when you look at your child and they want or need something."

The stories go on. Yah Yee May is an electronics assembler in a factory in Boston. She earns the minimum wage. Her husband works as a stock person at Star Market, and their son is in high school. Just paying the rent takes half their monthly income. There's nothing left over for "extras."

Marcus Reynolds of Lynn, Massachusetts understands the minimum wage from both sides of the paycheck. For twenty years he earned the minimum wage, cleaning offices, making beds in hotels, stocking shelves and lifting heavy packages in stores. Often he worked at two jobs, and sometimes three. He says, "No matter how many jobs I worked and how little I spent, the minimum wage was not enough to make ends meet. Even when I was basically just working and sleeping, providing for food and rent and transportation was more than a challenge. It was often a struggle."

Now he owns a sandwich shop, and pays his entry-level workers $6.00 an hour. He says he can't afford to pay them less. He respects them as workers and as people. As he puts it, "What kind of family value is it to pay someone supporting a family a wage that is below poverty?"

(More)

Kennedy on Minimum Wage 4-4-4

Giving low-wage workers an additional 50 cents an hour can make all the difference for these hard-working Americans. It can help to buy groceries, or pay the rent, or defray the cost of job training courses at the local community college.

The need is real. Raising the minimum wage can keep families out of soup kitchens and homeless shelters. According to the U.S. Conference of Mayors, requests for emergency food aid increased in 86% of the cities surveyed in 1997. All too often, low wages were the problem. Over two-thirds of the cities reported that low-paying jobs were one of the main causes of hunger.

Low wages also contribute to homelessness. To afford a modest, clean, 2-bedroom apartment in any of the 50 states, a minimum wage earner would have to work at least 60 hours a week.

If we value work, we must be willing to pay enough so that those who do the work can feed their families and keep a roof over their heads.

The budget for a minimum wage family shows how hard it is to get by. A single parent trying to raise two children on the minimum wage is living in poverty.

This parent earns $893 a month -- $1206 if you factor in the earned income tax credit. Rent averages $582 a month. Food costs $348, on average. Clothing, health care and transportation average another $257.

That leaves just $19 for "extras" like the electric bill, the heating bill and the child care bill. There's little left over for birthday presents or dinner at a restaurant. Things that most of us take for granted are beyond the reach of these hard-working Americans. For them, survival is a daily challenge.

Today, the Senate has the chance to change this dismal picture. Today, we can vote to raise the minimum wage, and give a much-needed raise to these 12 million working Americans and their families.

The minimum wage is a women's issue. It is a children's issue. It is a civil rights issue. It is a labor issue. It is a family issue. Above all, it is a fairness issue and a dignity issue. Raising the minimum wage means fairness and dignity for minimum wage workers and their families.

(More)

Valerie Bell, a custodian from Baltimore, explained this point eloquently. She said that increasing the minimum wage means "we no longer have to receive food stamps or other social services to supplement our incomes. We can fix up our homes and invest in our neighborhoods. We can spend more at the local grocery store. We can possibly work two jobs rather than three low wage jobs and spend more time with our families. We can pay the medical bills we accumulated from not having benefits in these jobs."

But most of all, this increase means that once again in America, if you work every day, you will earn enough money to feed, clothe, and shelter your family. It means peace of mind for working parents, concerned about caring for their children.

I urge my colleagues to support this long overdue raise for America's low-income working families. No one who works for a living should have to live in poverty.

-30-

The Minimum-Wage Increase

CONGRESS SEEMS likely to pass an increase in the minimum wage this year. The Republican leaders of both houses are opposed but resigned to the legislation, which they lack the votes to defeat. Rather than give the Democrats the issue in an election year, their inclination is to dispose of it now. They will sweeten the bill with tax breaks of comparable value to small business to offset the cost.

In the past, some opponents have tried to attach other conditions as well. Texas governor and leading Republican presidential candidate George W. Bush said in an interview the other day that he would support an increase in the wage if states were given the choice of opting out. Supporters of the increase say the second half of that position contradicts the first.

The arguments as to an increase are familiar; they have been pretty much the same ever since the wage was established. Opponents observe that many workers at or near the minimum aren't poor, but teenagers and other secondary earners in families that are relatively well-off. That makes the wage an inefficient device for aiding those at lower income levels, they say, the more so because an increase will cause employers to reduce employment of low-wage workers. Some critics go so far as to suggest that, on balance, an increase in the minimum hurts those it is meant to help.

Defenders respond that while many workers at or near the minimum may not be poor, large numbers of poor people also are at or near the minimum. They point to studies indicating that increases such as contemplated in this legislation have at most a negligible effect on employment. An increase in the minimum thus remains a highly effective way of transferring a significant amount of income to lower-income families and offsetting the disturbing trend in the society toward income inequality; so the supporters argue, convincingly, in our view.

They remind as well that much of the contemplated increase would not be an increase in real terms, but a catch-up to inflation since the last time the minimum was raised. That argument should have particular resonance this time around, because Congress has just—rightly, in our view—granted itself a long-delayed cost-of-living increase. The congressional raise of more than $4,000 a year is equal to about 40 percent of the annual earnings of a person who works full-time year-round at the current minimum; such a person will not earn enough to keep a family of three or more above the federal poverty line. Congress deserved its raise; so do those at the lowest income reaches of the economy.

The Washington Post
Monday, September 27, 1999

\ Higher Minimum Wage

'ith the economy strong and the unemployment rate at its lowest in ore than 25 years, Democrats in Congress are right to push for an crease in the minimum wage. An increase now will boost income ır the poorest workers without the danger of creating more ıemployment. But Republicans resist the idea, even though the inimum wage, now $5.15 an hour, has declined in purchasing ›wer over the past three decades.

ːnator Edward Kennedy has drafted a bill to raise that wage by 50 ːnts this year, and by another 50 cents in 2000. The $1 increase 'ould restore the actual buying power of the minimum wage to 'hat it was in 1980, and would raise the pay of nearly 12 million .mericans who now earn less than $6.15 an hour. Currently, a ıinimum-wage employee working full time earns about $10,700 a ːar, which is roughly $3,000 below the poverty line for a family of ıree. A boost to $6.15 would increase annual pay by about $2,000 year, an amount that can make a significant difference in reducing overty. Nearly three-quarters of the workers who would benefit are dults, 60 percent are women, and nearly half work full time.

)pponents argue that an increase would result in lost jobs. But a ıodest hike is not likely to cause higher unemployment, even mong low-skilled workers. Indeed, jobless rates fell after the '0-cent minimum-wage hike of 1996-97. The unemployment rate, .2 percent in 1996, dropped to 4.2 percent this year.

ienator Kennedy is expected to offer the minimum-wage bill as an ımendment to the bankruptcy reform bill when it comes to the ienate floor. Moderate House Republicans are also getting the nessage from voters that they want the wage increase, but they may)e tempted to add tax cuts that might make an increase less painful 'or the business lobbies. The wage hike should be approved without ;uch tax breaks. For millions of workers, a higher minimum wage neans a better shot at self-sufficiency.

ɜND

Albany's Lobbying

With the tobacco industry under siege in recent yea State has offered cigarette manufacturers a legislative s There have been no extra taxes on cigarettes since 1993, an extra burdens on tobacco companies that have faced tariffs and controls elsewhere on their hazardous products.

Such a smoke-friendly atmosphere does not appear by accident. In fact, the tobacco industry, particularly Philip Morris, has been plying the state's lawmakers with gifts and goodies including dinners and tickets to sports events like the Indianapolis 500. Philip Morris has now been forced to acknowledge that it violated New York State's lobbying law by underreporting the extent of its gift-giving in Albany.

The company's admission might never have been made except that records of New York spending became available in documents released in anti-smoking lawsuits elsewhere in the country. Surprisingly, the state lobbying commission, a fairly toothless operation under the present law, appears ready to subpoena records from the tobacco giant. If the records prove that the company's revised submissions are still not correct, the commission could take the extremely rare step of imposing fines on the company.

There is certainly a better way to do the people's business. The State Legislature earlier this summer wisely avoided rubber-stamping an extension of the weak lobbying law. Now the lawmakers need to consider a stronger version before the present law expires in December. The Integrity in Government bill under consideration offers a good alternative by modernizing the law, giving real clout to the commission, broadening the definition of lobbying to include state agencies and local governments and banning gifts from lobbyists as well as campaign funds during the legislative session. Gov. George Pataki, who proposed a reasonable start on campaign finance reform at the end of the last session, could give his reform credentials more polish by pushing for a decent lobbying system to rival those in Connecticut and Minnesota.

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1999

n China

...ons between the United States and China, which lurch from isis to friendship to crisis, appear to be at least temporarily back ı a positive footing. On Sunday President Clinton and Jiang emin, the Chinese President, gave a welcome nudge to negotiators complete a broad agreement enabling China to enter the World rade Organization, possibly before the organization's meeting in eattle in November. It is not clear how quickly China wants to ose a deal. But bringing China into the global trading community ill yield big dividends, and the Administration should make a aximum effort to conclude an agreement.

rrangements for Chinese entry into the W.T.O. were supposed to ave been announced in April during the American visit of Prime finister Zhu Rongji. But because of last-minute political pressure rom Congress, where antipathy toward China runs high, the dministration backed away. Its failure of nerve embarrassed the hinese and proved costly. Valuable negotiating time was lost ecause China stopped its talks with the United States in protest ver the accidental bombing of its embassy in Belgrade in May. hina may now be trying to use the bombing incident to squeeze nore trade concessions from Washington. In addition, the recent lisclosures about possible espionage and China's bellicose language lirected at Taiwan have made it hard to get the talks started again.

Some parts of the American economy, including textiles, are bound o suffer from increased Chinese competition. On the positive side, American farmers, investment firms, telecommunications and other businesses will gain from greater market access in China. The whole world would benefit by China's agreeing to adhere to the openness, fair access and rules for the resolution of disputes embodied in the W.T.O.'s charter.

Whatever happens, the issues raised by trading with China are certain to have repercussions in American politics. Patrick Buchanan, the most vociferous advocate of protectionism in the Republican field, has vowed to make China a major issue if he bolts the party and runs as an independent on the Reform Party ticket. Many Republicans in Congress also want to punish China for its alleged espionage at American nuclear laboratories, its threats of military action against Taiwan and its crackdown on dissidents. On the Democratic side, many union leaders are pressing Congress to reject a trade agreement. The unions are also demanding that both Vice President Al Gore and former Senator Bill Bradley take a more skeptical view of China than President Clinton has.

There is ample reason to be wary of Chinese intentions. Bellicose statements from Chinese leaders on Taiwan have been troublesome, and their intolerance of dissent has been repugnant. The charges of espionage, though not yet proved, have alarmed many. China may also be reluctant to make last-minute concessions necessary to get a trade deal. But for Americans to reject a trade agreement that benefits everyone is misguided. Provided China meets all the conditions, a deal could actually improve the possibility of dialogue on other contentious issues.

END

Déjà Vu All Over Again

Throughout the century the party-bolters have formed an interesting, if usually feckless, category in American politics. The latest Republican apostate, Patrick Buchanan, likes to compare himself to the noblest renegade of them all, Teddy Roosevelt. In his ideological zeal Mr. Buchanan also calls to mind a Democrat, former Vice President Henry Wallace, who quit his party to challenge Harry Truman from the left in 1948. But when it comes to rhetoric and even to his jackhammer speaking style, Mr. Buchanan is most reminiscent of George Wallace.

Indeed, had the former Alabama Governor lived a few months longer, he would have had the satisfaction of seeing that Mr. Buchanan has lifted a signature Wallace concept as the cornerstone of his incipient third-party adventure. Mr. Buchanan contends that the Republicans have done so much bargaining with President Clinton that there is now a "one-party system only in Washington." The Wallace take was that there is not a "dime's worth of difference" between the two parties. Mr. Wallace was talking about the national parties' civil rights policies at the outset. But as the Presidential candidate of the American Independence Party, he went on to add banks, utilities, Wall Street and the Russians to the list of threats from which Washington's one fat, comfortable super-party was allegedly failing to protect working Americans.

In place of the Soviet military threat, Mr. Buchanan has installed the Chinese economic threat. But whatever the outside villain, the psychology of this kind of third-party politics has remained remarkably steady across the years. It usually involves a mélange of nativism, populism and protectionism, plus the idea that the vast majority of Americans are being duped by an oligarchical conspiracy that stages fake political feuds designed to perpetuate both sides in office. What America needs "is a real opposition party," Mr. Buchanan said over the weekend. He is hardly the first practitioner of this deeply traditional American politics of betrayal. We have yet to see whether he will be remembered as one of the more skilled.

END

Economic Scene | Michael M. Weinstein

Minimum wage bandwagon needs some skillful reining.

CONGRESS will almost certainly raise the minimum wage this year, probably to $6.15 an hour from $5.15, phased in over two to three years. Democrats, as always, are in full support. So, too, are at least 20 moderate House Republicans anxious about next year's election. But whatever the political attraction, does a higher minimum wage make economic sense?

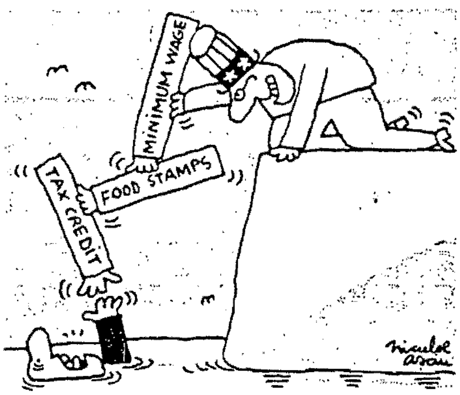
A growing number of economists say yes, though there is reason for Congress to move cautiously, perhaps even creatively.

• • •

The main purpose for raising the minimum wage is to make it possible for all full-time workers to earn enough to lift their families out of poverty. The current minimum wage falls short. By 2000, according to calculations by Isaac Shapiro of the Center on Budget and Policy Priorities, the combination of earnings at $5.15 an hour, $3,600 in food stamps and the earned-income tax credit — a provision of the tax code that has the Treasury send a check of up to $3,880 to low-wage workers — would bring the annual income of a family of four to about $16,100: $1,400 short of the poverty line.

But at a wage of $6.15, the family would fall short by about only $450.

Critics, like Prof. David Neumark of Michigan State, say further increases in the minimum wage would make some low-wage workers too expensive to hire. Teen-agers are especially vulnerable. Professor Neumark concludes, "the net effect of



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minimum wages is an increase in the proportion of poor families." Other critics say that the minimum wage showers help on the wrong people, for example, teen-agers from wealthy families.

But most studies show that none of these problems loom large. Based on widely accepted estimates, a $6.15 minimum wage would likely take jobs away from fewer than 64,000 of the 3.3 million teen-agers now working. And very few adults would lose work. Jared Bernstein, an economist at the Economic Policy Institute, challenges the argument that the benefits of the minimum wage go to nonneedy families. More than 70 percent of the beneficiaries of minimum wage increases in 1996 and 1997 were adults, about half of whom worked full time and typically accounted for more than half of their families' earnings. The 20 percent lowest-paid workers reaped about 35 percent of the benefits of the wage increase even though they accounted for only 5 percent of total earnings

Many economists who concede that a hi minimum wage would not destroy many oppose raising it because, they argue, there better way to help low-wage workers: increas tax credit. Because the credit does not hit em ers, it does not strip workers of jobs. But problem with this argument, many other ec mists point out, is that the tax credit has its problem. To control the cost of the credit, phased out as family income rises above $1 The credit is scaled back by 21 cents for e extra dollar the family earns. The claw-back ates like an extra 21 percent tax on addi earnings. The most effective antipoverty gram, Mr. Bernstein says, "would artfully bine the tax credit and minimum wages."

• • •

Yet, there is reason to proceed with cauti the next few years, women who have exha benefits under the 1996 welfare law will be f to enter the labor force. These women, ma whom will have poor or nonexistent work re will be pressed to find jobs. Making employe an extra dollar an hour will not help. There is reason for Congress to consider permittin ployers to pay $5.15 for recent welfare reci for, say, the first six months or so.

Congress might even venture a bit fu Small companies are dropping health insu for their workers. To reverse the trend, Co might consider permitting companies to some of the money they spend on health b toward their obligation under the minimum bill. There are problems with this appro young workers are likely to prefer higher w health insurance — but it could also help pressing and growing social problem.

The New York Times
THURSDAY, MAY 13, 1999

No real person showed up to 9.28.99 eut

UNITED STATES SENATE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS
WASHINGTON, DC 20510-6300

Senator Edward M. Kennedy's Labor Policy Office

DATE: Ruby Shamir

TO: 9/23/99

FAX NUMBER: 456-2878

FROM: Jen Liebman
(202) 224-5441 phone
(202) 224-3533 fax

Number of Pages: 4 (including cover page)

Message: Let's talk

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HOME HEALTH AIDES

* 33% of those who would benefit from this increase are in service occupations, including home health care workers.

These are workers like Cathy Adams, a home health aide from Viola, Illinois. Cathy is a high school graduate who is currently enrolled in a computer training program at the local community college. She lives with her two daughters, who are 10 and 11.

Cathy works 11 and one-half hours a day, five days a week. She cares for a woman with multiple sclerosis. She bathes her, dresses her and feeds her. She does the grocery shopping, the laundry and the cleaning. She runs errands and schedules doctor's appointments.

Cathy likes her job and is fond of her client. But she finds it hard to live on $5.30 an hour. In March, she ~~told a minimum wage forum that~~ said: "I literally live paycheck to paycheck. After paying the bills, whatever is left over goes to groceries. I have $9 in my savings account and worry about being able to save for my girls' education. We rarely have money to go to a movie or to eat out at a restaurant. The other day, my girls asked me to take them ice skating at school. While it only cost $10, I had to think twice about whether we could afford it. Most of the clothing I buy for my kids and for myself comes from yard sales and secondhand stores."

CHILD CARE WORKERS

According to "Worthy Work, Unlivable Wages," a recent study by the Center for the Child Care Workforce, in 1997 the average wage for a teaching assistant in a child care center ranged from $6.00 to $7.00 an hour. This is less than the 1998 poverty level for a family of three -- $13,650. Turnover among these assistants was very high -- 39% a year.

The study found that centers paying higher average salaries had lower turnover rates than centers paying less.

These are workers like Kimberly Frazier, a child care aide from Philadelphia. Kimberly works full time and earns $5.20 an hour. She is a single mother with three children. She has worked at the same center since 1992.

Kimberly says that her salary barely covers her bills -- rent of $250 a month, food, utilities, clothing for three growing children, and carfare to get her daughter and herself to the child care center. She ~~told our forum in March~~ said: "Of course, there is never money for a vacation for my children or me. I go without new clothes for myself because I have to keep buying new sneakers for my children, they outgrow them so fast. I can't afford a car and pay for gas and insurance so I rely on public transportation. If I had a car, I could get out to the places where there are better paying jobs. And, like all Americans, I dream of buying my own house so that I can raise my kids in a neighborhood that has less crime and more trees. But I know that, although I work and study as hard as I can, I will never have the down payment for a house earning the minimum wage." She concluded that "A dollar an hour probably doesn't sound like a lot to many people, but to me and my children it would mean a real improvement in our lives."

CUSTODIANS

Many minimum wage workers are janitors, cleaning offices in buildings across the country. They are people like Valerie Bell. Valerie works as a custodian at the Baltimore City World Trade Center. Since 1995, that building has been covered by Baltimore's Living Wage Ordinance, which requires city contractors to pay $6.10 an hour. That's higher than the federal minimum, but still lower than the level that I have proposed.

According to Valerie Bell, the living wage means dignity for workers and their families. As she puts it, "under the living wage, we no longer have to receive food stamps or other social services to supplement our incomes. We can fix up our homes and invest in our neighborhoods. We can spend more at the local grocery store. We can possibly work two jobs rather than three low wage jobs and spend more time with our families. Our utilities won't be cut off. We can pay the medical bills we accumulated from not having benefits in these jobs. The best welfare reform is a living wage job."

AIRPORT SECURITY SCREENERS

Nationwide, most security screeners at airports earn the minimum wage. These workers screen passenger luggage, operate metal detectors and work x-ray machines. They are responsible for the safety of millions of passengers and thousands of airplanes entering and leaving airports around the country -- yet they earn the minimum wage.

These are workers like Melvin Ware, a customs carousel handler at the Los Angeles Airport. He takes home about $317 every two weeks. "By the time you pay rent and utilities, you're broke," he said. "There's no life after work." Raquel Littlejohn screens passenger luggage, and spends much of her day at a computer terminal. This strains her eyes but, with take-home pay of under $400 every two weeks, she can't afford to get them checked. A sympathetic L.A. Councilwoman said, "I don't think it's good that the person who is doing such an important job has to be worrying about trying to get to the next one because the security job doesn't pay a living wage."

RETAIL WORKERS

* 18% of today's workforce is employed in the retail industry -- that's 22.5 million workers. Many are paid the minimum wage.

These are people like Cordelia Bradley of Philadepphia. She works at a clothing chain just outside Philadelphia. She is the mother of one son, and she earns $5.15 an hour.

She told our minimum wage forum in March that "I am currently living in a rented room for which I pay $300 a month. I would like to have my own apartment but I cannot afford one. In addition to paying my rent, I pay for food, clothing and transportation. . . . If the minimum wage was higher I would be able to save up for my own apartment for me and my son. . . . I ask you to reward the people who go to work by raising up the minimum wage. Things are very rough for people, not just people on welfare. There are many people like me who go to work every day and cannot afford to live. Please do the right thing."

LAUNDRY WORKERS

Many minimum wage earners work in light industrial jobs. These are workers like Diane Mitchell from Brockton, Massachusetts.

Diane is a high school graduate who works at an industrial laundry, cleaning linens for many hotels and restaurants in Massachusetts. Diane is a single mother with three teenage daughters. She works full time and earns $5.90 an hour.

Diane explains that making ends meet is "a constant struggle. I just got my electricity turned on because I had to pay my gas bill last month. Can't please everyone at the same time. I'm always juggling food and utilities. It's tough. If someone has a birthday, sometimes I don't even have money to get a card. I feel as though I'm working for nothing. I never have extra money to buy things for my kids and myself because I need the money to just live."

Diane knows that an increase of $40 a week doesn't sound like much to most people, but it is very important for her and her family. She won't have to choose between paying the electricity bill and the gas bill. She'll be able to feed her family throughout the month. As she put it, "it wouldn't be as nervewracking and I might have a little extra for me and my family."

Withdrawal/Redaction Marker
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002a. fax	To Ruby Shamir from Holly/Jen Liebman (partial) (1 page)	09/15/99	P6/b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Ruby Shamir (Subject Files)
OA/Box Number: 20367

FOLDER TITLE:

Minimum Wage [2]

2012-0565-S
ry1264

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

UNITED STATES SENATE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS
WASHINGTON, DC 20510-6300

Senator Edward M. Kennedy's Labor Policy Office

DATE: 9/15/99

TO: Ruby Shamir

FAX NUMBER: 456-6687

FROM: Holly / Jen Liebman
(202) 224-5441 phone
(202) 224-3533 fax

Number of Pages: 5 (including cover page)

Message: Info. for tomorrow's event.

[0020]

[redacted] P6/(b)(6)

Thanks,
Jen

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002b. report	Re: Workers Cannot Live on the Minimum Wage (2 pages)	09/15/99	P6/b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Ruby Shamir (Subject Files)
OA/Box Number: 20367

FOLDER TITLE:

Minimum Wage [2]

2012-0565-S
ry1264

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
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b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002c. statement	Re: Press Conference (3 pages)	09/15/99	P6/b(6)

COLLECTION:

Clinton Presidential Records
First Lady's Office
Ruby Shamir (Subject Files)
OA/Box Number: 20367

FOLDER TITLE:

Minimum Wage [2]

2012-0565-S
ry1264

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
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UNITED STATES SENATE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS
WASHINGTON, DC 20510-6300

Senator Edward M. Kennedy's Labor Policy Office

DATE: 9/27/99

TO: Ruby Shamir

FAX NUMBER: 456-6687

FROM: Holly Fechner
(202) 224-5441 phone
(202) 224-3533 fax

Number of Pages: 2 (including cover page)

Message:

Min Wage Event:
Comments by Jared Bernstein, Ph.D., Economic Policy Institute

When Frances Perkins, who became the first female cabinet member, was offered the job of Labor Secretary, she told President Roosevelt that one of her conditions for taking the job was the introduction of the minimum wage. She told FDR to be sure he wanted the wage floor, "because you don't want me for Secretary of Labor if you don't."

Like Secretary Herman today, Ms. Perkins understood the vital importance of the minimum wage to women workers. Because of their low-wages, female workers are over-represented among those who will be affected by the increase to $6.15. And among this population, minority workers, and single moms are also over-represented. If Congress wants to help make work pay for working women, this increase is a key part of the package.

Those who oppose raising the minimum wage will forever trot out the argument that the increase will force low-wage employers to fire, or hire fewer, of those workers affected by the increase. The evidence, however, clearly contradicts this claim. Since the last increase in 1996, the low-wage labor market has been stronger than ever. In recent months, unemployment rates of African-Americans, Hispanics, and 16-24 -year olds (all of whom are likely to be low-earners) hit 30-year lows.

But nowhere is the myth of disemployment clearer than in the case of single mothers. These women have sharply increased their participation in the labor force, as reflected by their booming employment rates. After stagnating for many years, these rates rose steeply from 62% in 1995 to 69% by 1998, directly over the period when the minimum was increased. For women leaving the welfare rolls, employment rates grew from 40% in 1995 to 49% in 1997, by far the highest level on record.

It is trends like these that have taught us one of the most important economic policy lessons of the robust current recovery. The macroeconomy is the key determinant of employment opportunity for low-wage workers, most of whom are women. But the wage that these women receive once they enter the labor market is very much a function a where Congress decides to set the minimum. Disregarding this reality can only serve to swell the ranks of the working poor.