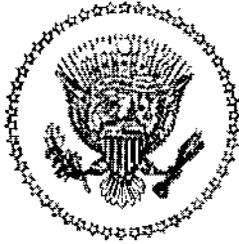


Weekly Compilation of
**Presidential
Documents**

WR - Speeches



Monday, September 25, 1995
Volume 31—Number 38
Pages 1569—1667

The President's Radio Address

September 16, 1995

Good morning. Last week I spoke with you about what I believe must be done to reform our Nation's broken welfare system. I said that real welfare reform should reflect the values all of us as Americans share: work, personal responsibility, and family. And I challenged the Senate to put aside its partisan differences to stand up to ideological extremism and to find common ground and higher ground.

Ever since the 1992 campaign, I've been appealing to Americans to join me in an effort to end welfare as we know it. Since I

became President, I've been working to reform welfare State by State while pushing for national action in Congress.

Our administration has freed 34 States from Federal rules to enable them to move people from welfare to work. We've offered all 50 States the opportunity to set time limits on welfare, require people to work or stay in school, give private employers incentives to work. And it's working. The welfare rolls are down, the food stamp rolls are down across America. But we still need national action in Congress.

The votes taken this week by the United States Senate under the leadership of a bipartisan coalition of Democrats and moderate Republicans give us hope that a conclusion to this effort may only be days or weeks away.

After months of sometimes bitter debate, we are now within striking distance of transforming the welfare system in four fundamental ways: First, people on welfare will have to work in return for the help they receive. Second, no one who can work will be able to stay on welfare forever. Third, we will begin to make work possible by providing child care for mothers of young children. And fourth, we will put in place the toughest child support enforcement measures ever.

It wasn't always this way. Not long ago, some in Congress wanted to punish children for the mistakes of their parents, and some still do. Others wanted to pretend that States could require mothers to work without the child care they need.

But this week, an overwhelming bipartisan majority in the Senate rejected that course and began to insist that welfare reform should be about moving people from welfare to work, not simply cutting them off. Senators in both parties agreed to provide resources for child care.

They agreed that States have a responsibility to maintain their own efforts to move people from welfare to work and to care for poor children and that States should have access to a contingency fund to protect against an economic downturn that would put people out of work and on welfare through no fault of their own. They also agreed on a revolutionary work performance bonus that I have urged that for the first time ever will reward

States for placing welfare recipients into private sector jobs.

They agreed that instead of just cutting off young unwed mothers, we should require them to live at home, stay in school, and turn their lives around. And if their homes are unsuitable, this bill provides incentives for States to establish second-chance homes, a part of our national effort to reduce teen pregnancy and give young people a better start in life.

All these things have long been critical elements of my approach to welfare reform, from my service as Governor to my work as President. For 15 years I have worked on this problem. I know these things will make a real difference in moving people from welfare to work.

Soon, both the House and the Senate will have endorsed all the tough child support enforcement provisions I supported last year, including saying to parents who owe child support, "If you can pay up and you don't, we'll take your driver's license away."

Despite the progress we've made, our work isn't done yet. We'll be working hard on this bill over the next few weeks to make sure the right incentives are there to move people from welfare to work, to make sure children are protected, and that States not only share the problem but have the resources they need to get the job done. And we'll be working hard to build on the bipartisan progress we made this week. We must not let it fall apart when the House and Senate meet to resolve their differences.

Still, there are some on the far right who say they don't want welfare reform at all unless it meets all their ideological litmus tests. These extremists want to cut off all help to children whose mothers are poor, young, and unmarried, even though the Catholic Church and many Republicans have warned that this would lead to more abortions. These same people want Washington to impose mandates, like a family cap, even though Republican and Democratic Governors alike agree that these decisions should be left to the States.

By an overwhelming bipartisan majority, the Senate showed wisdom and courage in rejecting those litmus tests this week. I challenged the conference committee of House

and Senate Members to do the same. One of the primary reasons I ran for President was to reform welfare. I've done my best to do it without congressional action, but with the right kind of congressional action, we can do the job right. We can advance work and personal responsibility and family.

Finally, we're on the verge of coming to grips with one of the most fundamental social problems of our time, moving people from welfare to work. Now we must finish the job, and we can't let ideological extremism and politics as usual get in the way. Make no mistake: If Congress walks away from this bipartisan progress, they will kill welfare reform.

But we've worked too hard, too long, to let partisan extremism kill this effort. Welfare reform will not work and cannot pass unless it's a truly bipartisan effort. And it will only become law if it truly reflects the spirit of our great Nation and the values of all Americans.

There's an important lesson in what took place this week. If we can find common ground on the issue of welfare reform, surely we can find it in our efforts to solve our other problems, especially in our effort to balance the budget in a way that will strengthen families and prepare our citizens to meet the challenges and opportunities of the 21st century. Let's do welfare reform, then let's do the budget and do it right.

Thanks for listening.

NOTE: The President spoke at 10:06 a.m. from the Oval Office at the White House.

WR-Speeches

**Remarks of President William J. Clinton
Welfare Reform
Nashville, Tennessee
October 27, 1996**

This week, I am going to talk about the four great challenges we face as we build a bridge to the 21st century:

1. Finish the job of balancing the budget while preserving our values
2. Set world-class standards for public education, and make two years of college universal
3. Strengthen families by helping all Americans succeed at work and at home
4. And tonight, I want to talk about how we must carry on our historic efforts to reform welfare and end the permanent underclass.

For decades, this nation was cursed with a broken welfare system that undermined our values and hurt the very people it was supposed to help. It fostered dependency and discouraged personal responsibility and initiative. It broke families apart instead of bringing them together. And it left entire generations to grow up in homes without fathers and in communities without work.

That is why four years ago, Al Gore and I pledged to end welfare as we know it. And my friends, with your help, that is what we have done.

I have been working on this issue for more than 15 years, as governor and now as President. Al Gore and I have made welfare reform a central mission of our administration. Even before I signed the welfare reform bill, we gave 43 states, including Tennessee, freedom from federal rules and red tape so they could reform their own welfare systems. Today, nearly 2 million fewer people are on the welfare rolls than the day we took office. Tennessee is leading the way, with 75,000 fewer recipients, a 25% drop.

We have also launched an unprecedented crackdown on child support, because governments don't raise children; parents do. I signed an executive order directing federal employees to pay child support. We required hospitals to have programs to identify the father at the time of birth, and insisted that welfare recipients name the father or lose their benefits. We posted deadbeat parents in Post Offices and on the Internet, and we're going to deny them federal loans. We used the IRS to collect a record \$1 billion in child support. We worked with states on a new computer system to identify those who switched jobs or moved from their state to avoid paying child support. In the first few months, we identified 60,000 deadbeats.

Just this week the government released new statistics showing that across America, child support collections have increased 50% in the past 4 years -- up in every single state. That's \$4 billion more going to children and parents who otherwise would have to fend for themselves. Tennessee is one of the top 5 states in the country over the last four years. Here in Tennessee, child support collections have doubled (+96%; 5th nationwide), an \$80 million increase. If we keep this up and

collect all the child support that parents ought to pay, we could move 800,000 women and children off welfare tomorrow.

We have taken on the problems of unwed teen births, with a national campaign against teen pregnancy, and executive action to require minor mothers to stay in school or lose their benefits. We must be clear with our young people: it is wrong to get pregnant or father a child until you are married and ready to support their child. The number of births outside marriage is still much too high. But I am pleased to report that teen births have gone down four years in a row, and last year, the out-of-wedlock birth rate declined for the first time in nearly 20 years.

Now, the landmark welfare reform law that I signed gives us an historic chance to restore these basic values of work, responsibility, and family, and to end the exile of millions of poor people from the promise of American life. The new law requires recipients to work, and assures them health care and child care so they can do so. It demands responsibility from parents who owe child support, and requires teenagers to stay in school and live at home or another setting with adult supervision. It imposes time limits, so that welfare can become what it was meant to be: a second chance, not a way of life.

From now on, people who can work will have to go to work, and no one who can work can stay on welfare forever. The days of something for nothing are over, and we're not going back. We have made responsibility a way of life.

With this new law, we have begun to restore the basic bargain of America: we'll help people turn their lives around, but they have to take responsibility to help themselves. We have literally changed the social contract -- as those 12,000 Tennessee families who have already signed personal responsibility contracts can tell you. Now we must keep up our end of the bargain: We should require people to work, and we should make sure the jobs are there so they have the opportunity to work.

All of us have a responsibility to do our part so that we can look back on this time not just for what we ended, but for what we began. Every state, every citizen, every business, every religious leader has a moral obligation to help move people from welfare to work.

States have a responsibility. Under the new law, every state can now take the money that was spent on welfare checks and use it to help businesses provide paychecks. That's a good deal for businesses, who can create more jobs for less money. It's a good deal for the taxpayers, who save every time someone leaves welfare for work. And it's a good deal for the people who get to trade the trap of welfare for the pride and dignity of earning a living.

Businesses have a responsibility. If we're going to get people off welfare for good, they need to find jobs in the private sector -- and businesses need to give them a chance to make it. In the end, the key to making welfare reform work is enlisting the private sector engine of our economy to bring more Americans into the economic mainstream. That is why, everywhere I go, I challenge

every business person in America who has ever complained about the failure of the welfare system to join in this effort and hire somebody off welfare.

And I have been astonished by the enthusiasm business people all across this country have shown for stepping up to this challenge. A month ago, in Kansas City, the CEO of Monsanto asked all his division heads to study every aspect of the company to see what they could do to help people on welfare find jobs at Monsanto, and to lean on their suppliers and other business contacts to do the same. The CEO of Sprint pledged to provide an 800-number that any employer in America can call to find out how they can help move people off welfare. A few weeks ago, in Connecticut, hundreds of business leaders pledged to help their companies meet this challenge. And last week in Louisiana, the CEO of Northrup-Grumman did the same.

But I am particularly impressed by the Tennessee Business Partnership you have lined up here. [details] If we can get the business community in every state to stand up like the Tennessee Business Partnership is today, we can unleash the power, the dignity, and the ethic of work across this country.

From now on, everybody's going to take responsibility, from the women here today who are working their way off welfare and up the ladder, to our most powerful business leaders who are putting the force of their companies to work solving this great American challenge.

We in Washington must live up to our responsibility as well. With the Earned Income Tax Credit, the increased minimum wage, and the assurance of child care and health care, we have finally made work a better deal than welfare. We want to expand empowerment zones, enterprise communities, and community development banks like the ones here in Tennessee to attract business investment to our poorest areas -- because the greatest untapped market for American enterprise is right here in America.

And we're determined to make it easier for more businesses to hire people off welfare. Al Gore and I have a plan to help move one million people from welfare to work over the next four years, by giving the private sector tax credits and hiring incentives to create jobs and hire people off welfare. Government can't create these jobs: Al Gore and I have already shrunk the federal government by a quarter million, and it's going to keep shrinking. If we're going to get people off welfare for good, we've got to help them find and keep jobs in the private sector.

We've already done a lot to help businesses create jobs, by keeping interest rates low and cutting taxes for small businesses that invest in the long term. But we can do more. Our plan will give businesses a new tax credit for every person hired off welfare. We'll give the same private job placement firms that Americans use to get better jobs a bonus for helping people on welfare find their first job. And we'll help states and communities give businesses incentives to hire welfare recipients.

Ten years ago, I met a woman from Little Rock named Lillie Harden, who we had helped move

from welfare to work. She told me the best thing about being off welfare was that when her son went to school and they asked him, "what does your momma do for a living?", he could give an answer. Well, ten years later, Lillie Harden is still working. She has four children -- one has a good job, one's studying to be a doctor, one's in technical school, and the other's an honor student in high school. If we all do our part, we can make a lot more Lillie Hardens.

If we do that, we can bring people back from the margins to enjoy the full promise of America, and give all our children the chance to know the thrill of that first paycheck, the challenge of starting a business, the pride of making it on their own. We can build a bridge to the 21st century that ends the permanent underclass, that lifts up the poor and ends their isolation so they're not forgotten anymore.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/22 ACTION/CONCURRENCE/COMMENT DUE BY: 10/23 9:30am

SUBJECT: Welfare Remarks - Dayton Beach

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	McCURRY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PANETTA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	McGINTY	<input type="checkbox"/>	<input type="checkbox"/>
McLARTY	<input type="checkbox"/>	<input type="checkbox"/>	NASH	<input type="checkbox"/>	<input type="checkbox"/>
ICKES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	QUINN	<input type="checkbox"/>	<input type="checkbox"/>
LIEBERMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RASCO	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RAINES	<input type="checkbox"/>	<input type="checkbox"/>	REED 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BAER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SOSNIK	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CURRY	<input type="checkbox"/>	<input type="checkbox"/>	STEPHANOPOULOS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EMANUEL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STIGLITZ	<input type="checkbox"/>	<input type="checkbox"/>
GIBBONS	<input type="checkbox"/>	<input type="checkbox"/>	STREETT	<input type="checkbox"/>	<input type="checkbox"/>
HALE	<input type="checkbox"/>	<input type="checkbox"/>	TYSON	<input type="checkbox"/>	<input type="checkbox"/>
HERMAN	<input type="checkbox"/>	<input type="checkbox"/>	HAWLEY	<input type="checkbox"/>	<input type="checkbox"/>
HIGGINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>
HILLEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Waldman</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
KLAIN	<input type="checkbox"/>	<input type="checkbox"/>	<u>Sperling</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LAKE	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
LINDSEY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Comments to Terry Edmonds or Jonathan Prince.

RESPONSE: on the road

Draft 10/22/96

WJ - Speeches

PRESIDENT WILLIAM J. CLINTON
CHILD SUPPORT/WELFARE INSERT TO STUMP SPEECH
DAYTONA BEACH, FLORIDA
October 23, 1996

96 OCT 22 P7:00

Your vote will decide whether we continue the job of reforming welfare.

1992 -- pledged "end welfare as we know it." Welfare system trapped millions of Americans in generation after generation of dependency and poverty, exiled from the world of work.

We acted: even before I signed welfare reform, we worked with 43 states, incl. Florida, to launch welfare reform experiments. Required teen mothers to live at home or lose welfare benefits. Gave Fla. waiver: imposed time limits, required work. Now, nearly 2 million off welfare rolls. Here in Fla., 170,000 off rolls -- 25% drop in 4 yrs.

One of major reasons people go on welfare: parents who don't pay child support. This is a quiet crisis -- no one should be able to walk away from their responsibilities to their children. But millions of people do. If parents paid all child support they should, we could move 800,000 women & children off welfare rolls tomorrow.

So we launched unprecedented crackdown on child support: Required hospitals to have programs to identify father at time of birth. Insisted that mothers name the father or lose their benefits. Posted deadbeat parents on Internet. Used IRS to collect a record \$1 billion in child support. And worked with states on a new computer system to ID those who switched jobs or moved from their state to avoid paying child support. In first few months, identified 60,000 deadbeats.

Today, Department of Health and Human Services has released new statistics showing the impact of our crackdown on child support. All across America, child support collections have increased 50% in the past 4 years -- up in every single state. That's \$4 billion more going to children and parents who otherwise would have to fend for themselves.

Here in Florida, collections up 61%. Last month, Gov. Chiles announced program, working w/ Miami Dolphins, Tampa Bay Buccaneers, & Jacksonville Jaguars, on statewide public ed. campaign -- "Don't Drop the Ball." TV ads, billboards, around ..othe state, say: pay your child support.

We are moving in the right direction, coming together around our values. We are saying to all fathers: You have a duty to your children. Live up to it. Responsibility is not an option; it must be a way of life.

Now, all Americans must live up to our duty -- to seize this moment and change welfare forever. The landmark welfare reform law that I signed makes responsibility a way of life: it requires work, imposes time limits, gives parents child support and training they need to move from welfare to work. Fla. one of first 3 states to fully comply with new welfare reform law.

We need a new social contract. We have demanded responsibility -- and today's child support announcement shows people are taking responsibility. Now, all of us must expand opportunity, to make sure the jobs are there for those who move off welfare. I have proposed a plan to work with the private sector to create another 1 million jobs for people who are on welfare.

- We should offer tax credits to encourage businesses to hire those who are on welfare.

- We should offer bonuses to job placement firms that place and keep welfare recipients in their first job off welfare.

- We should enlist businesses and churches and cities to put welfare recipients to work. I'm proud that hundreds of business leaders have already agreed to take up this challenge.

It's our duty: I challenge anybody who has ever said anything disparaging about the old welfare system to ask themselves: what can I do to make the new system work, to make responsibility a way of life?

Remarks of the President
Kansas City, Missouri
June 14, 1994

DRAFT Monday 6/13, 9pm

File:
PDS KC
Speech 6/14

[Acknowledgements: Gov. Carnahan, Mayor Cleaver, Rep. Wheat, CEO, Yolanda Magee] Harry Truman buck stops here in the bank.

I have come to the heart of America to talk about the values that brought us here: Faith and family; work and responsibility; community and opportunity. ^{all}

Last week, America ^{shared} had a rare ^{moment} opportunity. Together, we took a journey of remembrance, to honor the sacrifices a generation made for freedom. I came home from Normandy with a renewed sense that I hope you share of the work we must do in our time to preserve and to use our freedom for generations to come.

Those who ^{won world war II} took the beaches in Normandy and who came home to rebuild our country were driven by the bedrock values that have made America strong. And when they came home, they never lost sight of those pillars of our strength.

Now, we the children of their sacrifice, face the dawn of a new century. We must use those same values as our beacons to light the path ahead. Our challenge is different. For today, we must restore that sense of common purpose and shared understanding that previous generations ~~took for granted~~ ^{never doubted} -- about the bond of family, about the virtue of community, and about the dignity of work.

^{There is} No single public concern poses this challenge more starkly than our welfare system. For ~~no~~ greater gap between our people's good intentions and our policy's unfortunate consequences than when it comes to welfare. Our system was started for the right common purpose of helping those who have fallen by the wayside. But it has resulted in the perversion of the very values we know people need to put themselves back on track.

We must no longer tolerate the gap between our policies and our values. We must repair the damaged bond between our people and their government. That is why I say again: We must end welfare as we know it.

^{Inquiry A}
^(P. 2) If we value work, we cannot justify a system that doesn't help people find work, and punishes those who do. If we value responsibility, we can't keep letting millions of absent parents who owe child support just up and walk away. If we value strong families, we cannot perpetuate a system that actually penalizes those who stay together. ²

I worked on this problem for years before I became President, with other governors and members of Congress in both parties ~~in passing the Family Support Act~~. I worked on it with people who were on welfare -- lots of them. Let me say to everyone who joins in this

Remarks of the President
Kansas City, Missouri
June 14, 1994

DRAFT Monday 6/13, 11am

[Acknowledgements: Gov. Carnahan, Mayor Cleaver, Rep. Wheat, worker who does intro, bank/hosts]

I have come here to the heart of America to talk about the values that made this country strong, and more than ever we cannot live without: work, family, responsibility, community.

For too long, we have watched those mighty pillars of American life being chipped away. Many of our poorest communities, once vibrant, now find themselves outside the economic mainstream, without work or the ethic of work. Family life in America has been breaking down for three decades. Too many children are having children of their own. Too many fathers just up and walk away.

Through it all, the public institutions that should have been sounding the alarm and stopping the bleeding have failed us, and often undermined the very values they were meant to reinforce. Meanwhile, Washington dodged the real problems and real answers and quarreled over ideology and politics instead.

We cannot go on this way. We are paying a terrible price for the loss of values, work, and family in our society. And more important, so are the children trying their best to grow up in it. When the two-parent family is something many kids only see on TV, when 12-year-olds join gangs to find something they can belong to, when the struggle of having a child alone looks brighter than growing up, finishing school, and getting married; it is time to leave old arguments behind and put the social fabric back together.

Nearly 30 years have gone by since Daniel Patrick Moynihan first saw the explosion of out-of-wedlock births on the horizon. Today, we must get on with the national debate he began. This debate is not about politics or programs. It is about values, and whether we are willing to move beyond old notions of something for nothing and every man for himself to forge a new social compact that gives people new hope in return for new responsibility. The place to start is by ending welfare as we know it.

The current welfare system defies every value we stand for as a nation. If we value work, we cannot justify a system that doesn't help people find work, and punishes those who do. If we value responsibility, we can't keep letting millions of absent parents who owe child support off the hook. If we value strong families, we cannot perpetuate a system that actually penalizes those who stay together.

I worked on this problem for years before I became President, with other governors and members of Congress in both parties in passing the Family Support Act. I worked on it

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with people who were on welfare -- lots of them. Let me say to everyone who joins in this debate: If you want to know what's wrong with welfare, listen to the people on it. The people who want to change the welfare system most are the people who are trapped by it.

[Optional Trim: Over the past year, we have held hearings around the country and listened to their stories: A teen mother in Kansas who had a baby at 16 but took extra courses in the summer and a part-time job at night so she could graduate this spring with the rest of her class because she doesn't want her son to grow up on welfare the way she has. A woman in New Jersey who had to go on welfare because her son's father refused to pay even \$25 a week in child support. A woman in Washington <ck> who left welfare to become a caseworker because in her time on the rolls, the system had asked dozens of questions to make sure she wasn't working but never once asked her, "How can we help?"]

The truth is, most people on welfare want to get off welfare and go back to work and do right by their kids. Here today, I have met several parents who used to be on welfare and now get up every morning and go to work every day in factories <ck>, small businesses, and banks like this one. <KC stories>

That's what welfare reform is all about: People who can work ought to get a pay check, not a welfare check. If you can do that here in Kansas City, we ought to be doing it all across this country.

In a few days, I will send Congress my plan to get rid of a system based on welfare and replace it with a system based on work. The Work and Responsibility Act of 1994 will make welfare what it was meant to be: a second chance, not a way of life.

If we're going to end welfare, we've got to start by rebuilding the family. People who bring children into this world should take responsibility for them, because governments don't raise children, parents do. Our plan includes the toughest child support enforcement measures ever proposed. We're going to close the \$34 billion child support gap in this country by saying to absent parents: If you're not providing for your children, we'll garnish your wages, suspend your license, track you across state lines, and if necessary, make some of you work off what you owe. We can't let fathers just up and walk away.

At the same time, we need to teach and reward responsible parenting. We'll require teen parents to stay in school, and say minor mothers to live at home with their parents, not get a separate check for leaving home. We'll let states reward parents for working and for saving money in Individual Development Accounts to pay for a child's education. States can also choose their own ways to inspire personal responsibility, from encouraging two-parent families to stay together to limiting benefit increases for parents who have additional children while on welfare.

Sound BITE

Resp. EXPLAIN

paying kids to leave their families then to say

If we believe in family and responsibility, we have to change the signals we're sending the next generation. Births to unwed teen mothers have quadrupled in the last 30 years. Teen and out-of-wedlock births are by far the number one reason welfare rolls are rising.

The best way to reduce dependency is to keep people from needing to go on welfare in the first place. That is why we will enlist businesses, schools, churches, and the media in a national campaign against teen pregnancy, to send a strong message that it is wrong for teens to have children outside marriage. We know how to do this. We can help young people say no to behaviors that are bad for them, and give them a future they can say yes to. If we can change attitudes and get people to wear seat belts and not drive drunk, we ought to be able to teach teens to put off having children.

Really?

Finally, if we're going to end welfare, we've got to move people into work -- because work is the best social program this country has ever devised. Work gives hope and structure and meaning to our daily lives, and every one of us would be lost without it.

BIGGER DEAL

We'll offer people on welfare a simple compact: We'll help them get the skills they need for up to two years. But after that, anyone who can work will have to go to work, in the private sector wherever possible, in subsidized work where necessary.

From day one, we'll make sure people who get help contribute something in return. We'll ask people who come on welfare to sign a personal responsibility agreement and employability plan like the ones your Governor is about to institute here in Missouri, which spell out people's responsibilities and expectations and map out a road to independence. We'll change the culture of the welfare office to focus on moving people into work, and require anyone who is offered a private sector job to take it.

THIS IS REALLY HARD
WE CAN'T DO EVERYTHING -
SAVE BEFORE THEY BECOME DEPENDENT

Those who still can't find a job on their own within two years will have to take a subsidized one, where they'll go to work and earn their wages. We'll give communities the chance to put their people to work -- in child care and home health care and other fields this country desperately needs. We want every community to do what you've done here in Kansas City, and bring business, government, labor, and civic leaders together to find people on welfare lasting jobs in the private sector.

Work should pay less than welfare

If you work, you won't be poor. a tax cut

If we want people to work, we've also got to reward work over welfare. That's why we pushed so hard last year to dramatically increase the Earned Income Tax Credit, which will lift 15 million working families out of poverty, and make it possible for them to be successful workers and successful parents. That's why our reform plan will double the amount of child care available for working families who need it to stay off welfare.

IT IS GOING TO HAPPEN
BREAK THE CYCLE
FOCUSING ON SAVING PEOPLE 1ST TO

And that's just one more reason Congress needs to pass health reform this year to ensure all Americans universal, affordable health care coverage wherever they work. One million women and children are on welfare today because it's the only way they can get health care. Those who choose to leave welfare for jobs without health benefits find

themselves in the incredible position of paying taxes that help to pay for health care coverage for those who made the other choice to stay on welfare. No wonder so many people leave work and go back to welfare to get their health care covered. We can't solve the welfare problem unless we also solve the health care problem.

Finally, if we expect work, we've got to keep the economy growing to make sure there are enough jobs to go around. The deficit reduction we achieved last year in our economic plan fueled a recovery that has already created 3 million jobs, X percent of them in the private sector <ck>. That's also what our community empowerment agenda is all about.

I'm asking Congress to pay for this reform plan not by adding to the deficit or imposing new taxes, but through spending cuts as well as savings within the program, from reducing caseloads, cracking down on welfare fraud, and increasing child support collections. Welfare reform costs money, but over time, it will save money, too. If we can change the values system of our society toward work and responsibility, the full savings over the long haul cannot be calculated. As Pat Moynihan wrote 25 years ago, "The true issue about welfare is not what it costs the taxpayers, but what it costs the recipients."

Together, these changes will bring millions of Americans into the economic mainstream. According to the most conservative estimates, by expanding the EITC, passing health reform, and carrying out our welfare reform plan, we will move a million adults who would otherwise be on welfare into work or off welfare altogether by the year 2000. If our plan works the way I think it will, the new incentives and requirements in our plan will help even more people get work by then, and save the states and the federal government enough extra money to phase in these reforms even faster.

I want this to be a bipartisan issue. Over the last 30 years, the poor have seen all the political posturing they can take. We don't need any more divisions at their expense. Republicans and Democrats ought to be able to work together on something Americans agree so much about — and if we can heal families, I don't care who gets the credit. We can't afford to lose another generation arguing over what must be done.

We don't have any choice: Within a decade, unless we act, more than half the children will be born into families where there has been no marriage. We will never find a substitute for the American family. No nation ever has. We could have all the programs on earth and it won't be enough if people don't do right, but we could turn most of our problems around tomorrow if they do.

In the end, that is what our new social compact of work and responsibility is all about. When absent parents begin to pay child support, they restore a connection with their children they never knew they had. When people leave welfare for work and begin to provide for their families, they find a dignity that no one should ever have to live without.

SAND BITE

Work, Resp, Reaching Next Generation

I once had a hearing when I was a governor, and brought in people on welfare from all over America who had found their way to work. The woman from my state who testified was asked, what's the best thing about being off welfare and in a job? Without blinking an eye, she looked at the governors and said, "When my boy goes to school and they say what does your mother do for a living, he can give an answer."

Let's give every child in America the chance to give that answer. The end of welfare has begun.

POTUS - KC speech
4/14

I have come here to the heart of America to talk about the Amer. family, the American dream, & American values

Q-R-C?
(Need for change from it - who greater than ever)

For too long, social fabric

For too long, ordinary Americans separated got at of fundamental values (middle of America
= KC City)

I am here today to announce my plan to Overhaul it

- I do so to keep a covenant with our people. Between us, a covenant to people
on welfare. I've spent more time w/ people on W > any President... People who
help system work are people who are on it.

- In words of DPM, the cost to taxpayers is nothing compared to

4
WORK FUNDING

AFDC-UP

main. of effort

enhance match for JOBS

volunteers in JOBS

FRAUD

WR - ~~BE SAYS~~
POTUS SPEECHES

**FEBRUARY 28, 1994, MONDAY
REMARKS BY PRESIDENT BILL CLINTON
WILBUR WRIGHT JUNIOR COLLEGE, CHICAGO**

Let me say a word about welfare reform. [I am sure I have spent more time with people on welfare than anybody who has ever been president of the United States.] I am sure of that because when I was governor I made it my business to find out as much as I could about the welfare system. Why do people stay on welfare generation after generation? Why do they do it? I'll tell you one thing, for the overwhelming majority it's not because they like welfare very much. [The people who hate this system the worst are the people who are trapped in it.] Why do people stay on welfare? Is it because the checks are generous? No. Because overwhelmingly people on welfare are younger women with little children and little education and little employability, and if they take a job it's a low-wage job, they lose Medicaid for their kids, they have to figure out how to pay for the child care, so it becomes an economic loser. What we have to do is to end welfare as we know it, to make it a second chance, not a way of life; to give people education and training and support for their kids and medical coverage and then say after two years of this there will be a job there and you must take it; you must go to work, but there will be a job there. (Applause.)

FEBRUARY 28, 1994, MONDAY

**FRESIDENT CLINTON PARTICIPATES IN PANEL DISCUSSION WITH PARENTS,
STUDENTS AND TEACHERS AT HILLCREST HIGH SCHOOL**

Q Yes, my name is Damien Madison (sp), and I'm a junior here at Hillcrest. I was wondering (obviously ?) in the United States there's an increasing amount of homelessness, and I was wonder why have there been cuts in welfare?

FRESIDENT CLINTON: Well, there -- (scattered applause) -- to the best of my knowledge, unless you've done something here in Illinois I don't know about, I don't know that there've been cuts in welfare unless there was a state program that got cut. At the national level, there has been no cut in welfare, but the welfare check has not kept up with inflation. However, that's not the primary problem with homelessness. One of the things that we find is increasingly you've got families that are just -- that are out of work, that are homeless, as well as people who have some terrible problem in their lives. And what I think we've got to do is not only to improve the welfare system, which I want to do; that is, I want to spend -- people on welfare, I believe, should be required to work, but only after they've had education and training and until their children are supported with health care. Then I think you can require them to work. (Applause.)

So I think that is very important. But the homeless problem is a different one. One of the things that I'm most proud of about my government now is that the person in charge of this, Henry Cisneros, is -- who used to be the mayor of San Antonio -- has really spent an enormous amount of time trying to figure out all of the different reasons people are homeless, and why getting homeless people off the street involves a lot more than just building shelters where people come in and spend a night or two, and then they're homeless again. And what we're trying to do this year is take an approach to the homeless problem which will really give us a chance to go in and, family by family, person by person, examine why are these people homeless, what would it take to put them in control of their own lives again, and what do we have to do to do it. And I believe that within a year or so, you will be able to see some real results from our efforts with the homeless.

I keep telling our cabinet, you know, if we could just do one thing, just one thing that would make America feel better about itself, it would be to get these folks off the street and into constructive lives. People in our country want that, I think. I think all kinds of Americans want that. I think it breaks America's heart to see all of these folks trapped in a life that they can't really, seriously want to live forever. And we're going to do our best to do better. I'm glad all of you care so much about that.

**FEBRUARY 2, 1994, WEDNESDAY
SPECIAL WHITE HOUSE BRIEFING
SUBJECT: LABOR DEPARTMENT CONFERENCE ON RE-EMPLOYMENT
BRIEFER: LABOR SECRETARY ROBERT REICH
THE WHITE HOUSE BRIEFING ROOM
WASHINGTON, DC**

SBC. REICH: We spent the morning at the Omni talking to people who have been on welfare or have been unemployed and have been exposed to a system, an unemployment insurance system, a welfare system, various bureaucratic mazes as these people refer to them.

The first session was on what's wrong. These people have a very difficult time finding their way through these mazes. And this is not just people at the bottom rungs of the economic ladder. There were a number of middle-level managers who talked about being suddenly out of work, given all the corporate downsizing and defense downsizing and technological changes, and found themselves suddenly without resources, didn't know where to turn, needed some guidance. And the first session was on, frankly, what does not work. We talked about the fact that too -- there are too many lines, too many forms. The unemployment insurance system was designed and functions primarily as a system for helping tide people over until they got their old jobs back again, but the old jobs are not coming back, even though we're in a recovery. We used to use the term "layoff", suggesting that there was a condition of being back on. But in point of fact, very few people are going back on their old jobs. People on welfare -- 70 percent of them get off welfare within two years, but many of them fall back onto welfare again. And one of the primary goals of welfare reform is to keep people off welfare. One of the primary goals of unemployment reform or changing the unemployment system into a re-employment system, as the president noted in his State of the Union, is to help people get the next job, not just pay them while they wait for the old job to come back. The purpose of today was to talk to real people out there, listen to their problems.

The second panel was the more encouraging one. It was designed to show places around the country that have achieved enormous success in getting people jobs, places like the NOVA (sp) center, job center, in Sunnyvale, California, the Baltimore Works Center here in Baltimore, Job Links in Louisville and several other places. What they're doing -- and again, it came out in the discussion because we had both a lot of people who had been through these programs and we also had providers of the programs, there is no magic bullet, there's no easy answer, but there is an approach and the approach is, number one, to put all of these funding streams together so that when somebody needs help they can go to one stop, they don't have to find their own way around and through these bureaucratic mazes, they have somebody there. Somebody used the analogy of a primary care physician who is basically your own guide, helping you assess your needs, give you assistance in terms of what help is available, give you assistance in terms of getting the kind of job training that's necessary, and job search assistance.

A theme this morning was that short-term training doesn't work, particularly doesn't work for disadvantaged teenagers. Long-term training does work. I said last week one other thing that doesn't seem to be working, although it did not come up this morning, was the targeted jobs tax credit.

And the administration is not going to be seeking an extension of that tax credit because all of the evidence shows that employers would have in almost every case employed those people anyway and, therefore, get a windfall from the targeted jobs tax credit. Better to use that money to help people get jobs. We talked in terms of what works also about the importance of early intervention. In fact, some union people from Boeing, machinists, and also (Morty Barr ?) of the communication workers, talked about a new approach that unions are taking. Rather than seek job security in an environment in which there really isn't any longer job security for anybody, they are seeking employment security, helping their people get the job skills they need, the information and job search assistance they need to move relatively easily from job to job. And people on the panels were struck by how similar the innovations between places like Boeing and the communication workers, how similar those innovations were to the innovations in job centers around the country. Federal money is involved in all of these innovations. The point is to do more of what works and less of what doesn't work, to shift money out of what doesn't work into what works.

The president is going to be hosting the third panel this afternoon, in which he will be talking and I will be talking to more people who have been through the system successfully. They will be telling him their stories, and it will be in the context of what should the federal government be doing with regard to helping Americans get jobs -- reforming -- with the question, you know, reform of the welfare system and also reform of the unemployment and re-employment systems.

Let me just say one general word. Although jobs are coming back -- we're now firmly in a jobs recovery; as you know, 2.6 million private sector jobs last year -- there is still a problem; in fact, there are several problems. We have very high rates of long-term unemployment. People are getting stuck between jobs. Corporate downsizing continues, defense downsizing continues. International trade is good for the country but it does have a buffeting effect, changes industries. And technological change continues unabated. We used to have a lot of telephone operators; we now have automated switching equipment. We used to have a lot of bank tellers; we now have automated teller machines. As we get to work on reforming the health care system, there will be additional job changes. The net job effects should be -- as we've talked about before, are negligible but, undoubtedly there will be fewer -- or at least the growth in certain kinds of health jobs will slow down. And I'm talking specifically about what I've called the paper health jobs -- the form filing, file claiming, data processing -- all of the red tape jobs that now plague our health system. But there are likely to be many, many more home health care jobs as hospital beds simply become too expensive. They are too expensive right now and there will be many more people who are needed to provide home health care. And that is high quality care. Many people do better at home than they do in the hospital. But that also signals an occupational shift. As so much of America has to shift occupations because of defense downsizing, corporate downsizing, changes in the health care system, technology, international trade, we need a system that helps ease the transition.

Similarly for welfare. If we're talking about getting people from welfare to work or keeping them off welfare, we need to talk systematically about all of the ways in which Americans can keep jobs and be continuously trained and upgraded for the jobs that are opening up.

Let me end on that note and answer any questions any of you has. Yes?

Q You mentioned that the TJTC is a program that doesn't work and the administration is not going to recommend extending it. What are some other existing federal programs that the administration would like to phase out or eliminate and pour that money into something else?

SEC. REICH: Well, as I said, all of the evidence shows that short-term job training for disadvantaged teenagers doesn't work, and our plan is to shift those dollars. We are -- I'm not at liberty to give you the budget numbers at this time, but I can assure you that the president will be recommending an increase in funding for the disadvantaged, job training, and so forth, but we're going to move those dollars to where they do seem to work -- longer-term training, for example, training that combines work-based learning with classroom learning, and also training that has specific jobs attached to it, where the private sector has been involved in shaping the curriculum and provided some assurance that there are jobs at the end. In fact, this morning some people who were discussing various programs in terms of what works, one program that was highlighted was the CET program originating out of San Jose, California, focusing on disadvantaged workers, many of them welfare recipients. A very encouraging track record in getting people employed because they are working with employers and asking employers what they need, and employers are having a major role to play in creating those training programs.

I've mentioned the unemployment, re-employment; that's another goal. I think -- I doubt very much -- I'm not at liberty to say at this particular point, but I doubt very much whether the federal government is going to be spending what it spent last year on extended unemployment insurance. As many of you know, that bill totaled almost \$14 billion on top of the normal federal/state unemployment system, which is about \$22 billion. Now that system did not help people get new jobs, it simply provided them income support while they were on long-term unemployment. We have record numbers -- record percentage of unemployed workers who are long-term unemployed, but the federal government cannot continue that sort of expenditure.

Q Can you tell us a little bit about what would happen to people after they run out of welfare benefits after two years? Are you thinking about some kind of community work, like a WPA system --

SEC. REICH: There are many, many ideas being considered and we're costing all of those ideas out. The goal is to get people into work as fast as possible and keep them into work. A job is better than a welfare check. A job is better than an unemployment check. There is job growth in the United States. There has been some discussion about public service employment, but it has not gone beyond the discussion stage, and there are very many options being considered, but that is a last resort. Obviously, the hope is private sector employment.

Q Sir, will you accept that the program that you all had, the job training where they pay \$10,000 to an employer to train veterans?

SEC. REICH: The veterans training -- let me introduce to you, by the way, our assistant secretary for employment and training, Doug Ross. Doug has much of the responsibility and all of the burden -- not all of the burden; we have a great team. But Doug -- with regard to the -- specifically with regard to Ms. Thomas' question on the training of veterans and --

Q McClendon.

SEC. REICH: I'm sorry?

Q McClendon.

Q Sarah McClendon.

SEC. REICH: Yeah, McClendon.

Do you want to respond to that?

DOUG ROSS (Assistant Secretary of Labor for Employment and Training): Much of the training of veterans that goes on still goes on through separate programs that have been earmarked for veterans and with a variety of --

Q (Off mike) -- but I want you to assess this program that's been in effect for some time that doesn't seem to be worth a damn -- a job training program whereby you pay \$10,000 to an employer to put veterans to work.

SEC. REICH: Is it worth a damn?

MR. ROSS: Is it worth a damn? (Laughter.) I don't know if that one's worth a damn. It's not done through the Department of Labor, which is one of our difficulties. Or at least it's not my understanding that it's done through us. But I'll double check.

SEC. REICH: Let me just -- let me -- we'll check on that and get back to you. But let me just say, we are going carefully through all of our programs assessing what works and what doesn't because in this time of budget stringency especially -- I mean at all times, but particularly in times of budget stringency it's absolutely essential that we make every dollar work for Americans who need jobs. Yes?

Q Bob, the White House says that you're going to be having sort of a series of announcements maybe within a couple of weeks on your whole program. Can you give us an idea of where you're going and what the parameters are of what you're looking at?

SEC. REICH: Yes. Just to set this in context again, there are three programs which all relate to one another; one is school to work. Right now it's gone through the House, it's waiting Senate time on the floor. A lot of bipartisan support. The issue here is that it is very, very difficult for many young people to move from school to work if they're not going on to college. We in this country have the best system of university education in the world. I speak as somebody who has a little bit of interest in that, but I think objectively we do. But we have one of the worst systems in the industrialized world for getting young people from school to work if they are not going on to college. This program is not a large program in terms of money, but it's a terribly important piece of the puzzle for providing incentives to states to set up school-to-work transition programs, give young people skills after high school. The second leg of the stool is welfare to work. And you'll be hearing more about that. The third leg of the stool is going from an unemployment insurance system, premised on the

tion that you'll get your old job back again, to a re-employment system providing at one stop a collection of services as soon as possible to people after they lose their job. This would be job search assistance, job counseling, also long-term training for those who can use it, and extended benefits, unemployment benefits for people in long-term training. And to do so, we have to consolidate a lot of what's out there, prune back what doesn't work, but also we're going to need some additional funding, and you'll find out more about that on Monday.

Q And Monday is when it's going to be announced?

SEC. REICH: Well, because that's when the budget is going to be announced. Yes?

Q Mr. Secretary, on measuring the jobs that we do have, what's the potential for confusion? On Friday your BLS head, Katharine Abraham, said she wouldn't be surprised if the unemployment rate for January shoots up to 8 percent under this new system. What's --

SEC. REICH: I'm making no predictions at all about the unemployment rate on Friday. But I do -- I do want to say that we are using a new survey instrument. That survey began -- work on that survey began in 1988, actually, after many, many years of criticism by specialists in the field who saw biases in the current unemployment survey -- one major bias against women, because when the survey -- people who did the survey used to go to the houses and knock on the door and somebody came to the door, the normal question was did you -- what did you do last week, did you work, in order to find out whether there was employment or unemployment. But if an adult woman came to the door, the questioner was instructed in the manual to ask, last week were you a housewife or were you looking for work. Do you get the "or" were you working for work. And so that systematically understated the number of -- particularly of women who were counted as looking for work. And that systematic bias has been there for decades, but particularly in the '70s as women moved into the workforce and wanted careers, that bias became more and more important. There is also improvements in the computerization of -- in fact, hand-held calculators, so it's not by pencil. The net effect of that, there have been runs by the Bureau of Labor Statistics -- you're going to have to get briefed by them. But they will continue with an estimate of what the unemployment rate probably would have been under the old system, and you'll get that estimate on Friday. In addition, you will get the new figure.

Q Can we trust the new figure?

SEC. REICH: Sorry?

Q Can we trust the new figure, or what's the --

SEC. REICH: Trust? Well, for a few months there's going to be some, quote, unquote, "noise" in the system, that is every new survey instrument needs a couple of months to settle down. But certainly in terms of trust, I would say that the new survey instrument is a more accurate gauge of the nation's employment picture, as it has been for decades. And I want to stress that.

Q A number of governors from big states who have huge immigration costs were here the other day and said that the task force needs (work ?). What is your department's role going to be in that, and what can the Labor Department do to help those states with those costs?

SEC. REICH: We are part of the task force with regard to immigration. The Labor Department does have some enforcement roles with regard to immigration. Never lose sight of the fact that one of the reasons that employers hire illegals is because they feel that they can provide sub-standard working conditions and sub-minimum wages. One means, therefore, of reducing the incentives for employers to hire illegals is to crack down on illegalities with regard to sub-minimum wages and sub-standard working conditions. And I am very committed, as labor secretary, to reviving labor law enforcements. As we -- some of you know, yesterday we cited the first major citation under the lead standard -- and the lead standard was years in coming. We're going to enforce the laws diligently.

Yes?

MS. MYERS: We'll take one more.

Q Mr. Secretary, to go back to the welfare reform question that was raised earlier, there have been some published reports to the effect that if the president's proposal or concepts on welfare were implemented, several hundred thousand jobs would have to be created. Are those estimates reasonable, and if so, is the economy going to be able to create that level of jobs at a time two, three years down the road when the administration's own economic forecasts suggest that the unemployment rate is going to be down at levels that are normally associated with or have been associated with full employment.

SEC. REICH: Well let me say a couple of things. First of all, the welfare reform initiative is still on the drawing boards. We are still debating options and have not yet presented to the president final options.

With regard to employment, the figures that were being bandied about last week were very, very high. They were far higher than any figures that we have been using. I'm speaking specifically to the figures on community service employment. We are aware of all of the down sides and costs of a public service employment program. As I said before, the first and best option is to get people into private employment and keep them in private employment. Are there going to be enough jobs? Well let me just say this -- and it pertains to today's program as well -- the American job machine is back running. Last year's figures are encouraging. I anticipate 1994 will also be very encouraging. Does that mean everybody is getting a job who wants a job or needs a job? No. There are mismatches with regards to jobs and skills. But, undoubtedly, our key prerequisite for job growth is economic growth, and although corporations are downsizing, small and medium size companies are upsizing. Many individuals are going into business for themselves. In fact, the new provision under the unemployment insurance laws permits individuals to start their own businesses and collect unemployment insurance for a limited amount of time while they start their own business. That has been shown to be enormously successful in certain states. We're going to propose several other changes in the unemployment insurance system which will also enable individuals to move off of unemployment faster and into jobs. I'm sorry, we have to go. We'll talk again, I'm sure. Thank you.

FEBRUARY 1, 1994, TUESDAY

REMARKS BY PRESIDENT CLINTON TO THE NATIONAL GOVERNORS' ASSOCIATION, J.W. MARRIOTT HOTEL

PRESIDENT CLINTON: Today, I want to talk a little bit about two other fundamental challenges that we face -- health care reform and welfare reform. They are linked inextricably to each other, and in order to meet these challenges, we will have to have an open and honest partnership both in passing the laws and, perhaps even more important, in implementing them.

We began our partnership, at least with me in this new job, about a year ago today when we had a very long and fruitful meeting at the White House. I think it ran in excess of three hours. That meeting resulted, among other things, in the approval of every major waiver for state health care reform that you have requested. There have been five of them and about 90 smaller waivers to enable different changes to be made at the state level. In addition to that, we've now granted waivers to nine states in the area of welfare reform. I do believe the states are the laboratories of democracy. I do believe that where people are charged with solving the real problems of real people, reality intrudes, and politics often is more likely to give way to making progress. Last August you all said, Democrats and Republicans alike, that our health care system is in crisis. In the last several days we've had a big linguistic battle in Washington about whether we have a crisis or a serious problem. I think it's better, since we're at a governors' meeting, to focus on the facts. We do have a system, unlike any other in the advanced countries in the world, in which insurance companies decide who's covered and who isn't, what the cost of insurance is, and what's covered in specific policies. We do have a system in which the number of uninsured people is going up significantly. We do have a system in which more and more Americans, therefore, who have insurance are at risk of losing it if they get sick or if their job goes away. We clearly have a system, as our SBA director, Erskine Bowles from North Carolina, never tires of telling me, where small businesses have premiums that on average are 35 percent higher than large businesses or government. We have a system in which state budgets have been extraordinarily burdened by the exploding cost of their Medicaid match, so that last year for the first time ever states spent more money on health care than on state-funded higher education. We have a system in which the lowest estimate of uncompensated care burdens on hospitals is \$25 billion a year, in which 58 million Americans, according to the Medical Association, are without coverage at some time during the year, in which 81 million Americans have a pre-existing condition which means either that their premiums are higher or that they can't get insurance or that they can't ever change jobs, which is an enormous burden in a system in which labor mobility is, I am convinced, the key to personal and family prosperity as we move toward the 21st century.

And finally, we have a system in which three out of four insurance policies have lifetime limits, which means if you get really sick, you might run out of insurance in the middle of the time when you need it most. Now, those are facts. They can be seen in the million letters almost that the first lady has received since we started this whole effort to deal with health care.

On the way in I was describing briefly to Governor Campbell a letter I got from -- or, she got from Joanne Augustine (sp) of Sumter, South Carolina, who owns a small business, works six days a week, raised three children by herself, with diabetes and arthritis.

Although she had diabetes and arthritis, when she wrote us she hadn't been in the hospital one time in the twelve years that she'd been with her insurers. But her insurance rates went up to \$306 a month even though she was only taking home only \$205 a week from her business. Her doctors told her that the answer was to quit and go on disability. So she wrote, "Those high premiums are going to force people like me to the welfare and food stamp lines with no insurance. I'm a proud American, and I don't want this to happen to me. I have thought about nothing but this problem, and I don't know where to turn." Well, I think we ought to heed her call for help. A lot of you do, too, and that's why you've tried to reform your health care systems. After all, this woman has values that keep this country together. They're the ones that built our nation, and [we shouldn't force people like that to consider seriously whether they should go onto public assistance in order to take care of their children.] There's a flip side to this, too, this connection between welfare and health care, which I want to mention. I talked about it a little in the State of the Union address. But we often say to people they should leave welfare and go to work. And we know that welfare benefits themselves in real dollar terms are lower today than they were 20 years in most states, so that the welfare check has almost nothing to do with why people stay on welfare. They stay because of the medical care, and because of child care, and because they have low skills. But we have this incredible situation in our country where if someone on welfare leaves welfare to take an entry level job that doesn't have health insurance, as soon as the coverage of the Family Support Act runs out, you have people making low wages paying taxes to pay for health care for people who stayed on welfare and didn't make the same decision they did. So these two issues are clearly tied together, and we need to see them together as a part of what it would take to make America a place where people who work hard, play by the rules, and believe in the kind of values that permeate the efforts that all the governors around this table are making, are rewarded for that.

Now, we made a beginning. Last year, the Congress passed, in the context of the budget act, a huge increase in the earned income tax credit, which lifts families with children on modest wages out of poverty. When the tax bills come due this April, 15 million families with a total of about -- we estimate 50 million Americans will be lifted beyond the poverty line by getting tax reductions under the earned income tax credit. That means that there will no longer be an income incentive for people to choose welfare over work. But the welfare system has a lot of other problems as well. Too often it still rewards values other than family and personal responsibility. Instead of encouraging those to stay together, as we should, it often encourages families to break apart. Instead of encouraging children who have children to live with their parents or grandparents, it often encourages them to leave home. Instead of enforcing child support and asking those who bring children into the world to take responsibility for them, it too often ignores as too difficult to collect the \$34 billion absent parents should be paying to their children. Perhaps most important -- and we were talking about this on the way in -- an enormous part of this problem is the explosion of births to people who have never been married at all. And there is nothing in the present system, except where the states have taken the initiative to do it, to stop teen pregnancy from occurring in the first place.

Even in the Family Support Act of '88 -- and I want to say more about that because I'm really proud of what we did on it -- there was nothing to stop the condition from occurring in the first place. And we need to devote, as this debate takes place, an enormous amount of attention to some of the decisions that we ought to make, some of them quite politically

courageous. Governor Campbell was talking about some of the things they're doing in South Carolina, which mirrored some of the things we tried to do at home, to try to stop these things from occurring in the first place.

This year, I have committed -- and Senator Moynihan, I think, and Senator Dole probably both talked about this -- to offer in the springtime a comprehensive welfare reform bill to restore these values of responsibility and family. We want to help those who are welfare to get on their feet. We want to help them for up to two years with training and child care and other supports. But after that, we need to have a system that says anybody who can work and support themselves and their families must do so, in the private sector where possible, with a community service job if that's the only work available, to make welfare a second chance, not a way of life.

Now, those of us in this room have worked on this issue for years. I was privileged, along with the then governor of Delaware, Mike Castle, to be the representatives of the governors who worked with Senator Moynihan and with Congressman Ford and others on the welfare reform effort that became the Family Support Act of 1988. Mike Castle is now in the Congress, having changed jobs with Tom Carper (sp). Guess who thinks he got the better deal out of that? (Laughter.)

We never fully implemented that act. You know it and I know it. So we ought to begin asking ourselves did we do a good job then? What progress has been made in the states? There's a lot of evidence that significant progress has been made in the states that have been most aggressive. Why was it never fully implemented? Partly because Congress never fully funded it, partly because, as you will never hear the end of it, they will say, "Well, but the states never fully used all the money we came up with. States must not have really cared about this because they never provided the state match to use all the funds." You know why the states never provided the state match, don't you? You had to spend all your money making the Medicaid match, which was not optional, it was mandatory, and building prison cells. That's where we spent all of our new money in the 1980s, in the early '90s.

So I point this out not to do any finger pointing but just to say one of the things we need to do is to go back and look at that bill, see what's good about it, figure out what will be necessary to change so that the states can take full advantage of that bill, because it had incentives to work, it had supports for families. It was never fully implemented because you had to spend all your money on mandatory (exclusions ?) and medical costs and building prison cells, many of which were also mandated by the federal courts, not the Congress. So we need to begin there.

We also need to know that -- to recognize again -- no, I will say that we estimate that about one in five, just under one in five people who get back on welfare after they get off do so for a health-related reason, because so many people on welfare, virtually everyone, has younger children. The loss of the health care coverage for the younger children for people who leave welfare is an enormous disincentive to get off of it. That's why I think that a year ago in the winter meeting the governors hit the nail on the head when they said the kinds of structural changes that must occur in the health care system can't be effective until every legal resident of America has health insurance. I believe that the health care solution and the welfare solution are inextricably linked. Now let me say just a few words about health care. I'm encouraged by what I understand was said by the speakers before I got here today, and again, I wish I could keep you in constant session here. You seem to have a leavening effect on the political rhetoric of the nation's capital. Guaranteed private insurance for every American is

WR- SPEECHES
(POTUS)

**Remarks of President William J. Clinton
Commerce Bank
Kansas City, Missouri
June 14, 1994**

I have come to the heart of America to talk about the values that brought us all here: Faith and family; work and responsibility; community and opportunity.

Last week, Americans took a journey of remembrance, to honor the sacrifices a generation made for freedom. I came home from Normandy with a renewed sense, which I hope you share, of the work we must do in our time to preserve and to use our freedom for generations to come.

Those who won World War II and who rebuilt our country were driven by the bedrock values that have made America strong. Now, facing the dawn of a new century, we must use those same values to light the path ahead. But our challenge is different. For today, we must restore faith in basic principles that those before us could take for granted -- the bond of family, the virtue of community, the dignity of work.

No single public concern poses this challenge more starkly than our welfare system. For there is no greater gap between our people's good intentions and our policy's misguided consequences than in welfare. Our system was started for the right common purpose of helping those who have fallen by the wayside. But it has resulted in the perversion of the very values people need to put themselves back on track.

We must no longer tolerate the gap between our policies and our values. We must repair the damaged bond between our people and their government. That is why I say again: We must end welfare as we know it.

In a few days, I will send Congress my plan to replace a system based on welfare with a system based on work. The Work and Responsibility Act of 1994 will make welfare what it was meant to be: a second chance, not a way of life.

I worked on this problem for years before I became President, with other governors and members of Congress in both parties. I worked on it with people who were on welfare -- lots of them. Let me say to anyone who wishes to join in this debate: If you want to know what's wrong with welfare, listen to the people on it. The people who want to change the welfare system most are the people who are trapped by it.

Here today, I met a dozen parents who used to be on welfare but now get up every morning and go to work in factories, small businesses, and banks like this one. People like Yolanda Magee, a single mother trying to raise her two-year-old son without any child

support, who left welfare to work for a living. Most people on welfare want to do exactly what she has done -- get off welfare, go back to work, and do right by their kids.

People who can work ought to go to work, and get a pay check, not a welfare check. If you can do that here in Kansas City, we can do it all across this country.

We must begin with responsibility. Governments don't raise children, parents do. Our plan includes the toughest child support enforcement measures ever proposed. We're going after the \$34 billion child support gap in this country by saying to absent parents: If you're not providing for your children, we'll garnish your wages, suspend your license, track you across state lines, and if necessary, make some of you work off what you owe. We can't let fathers just up and walk away.

Responsibility also means rewarding responsible parents. Now, the system does just the opposite: it actually pays teen parents more to move out than to stay at home. That's crazy. Teen parents ought to live at home, stay in school, and take responsibility for their and their children's futures.

We have to change the signals we're sending the next generation. The rate of illegitimacy in this country has quadrupled since Daniel Patrick Moynihan first called it to our attention nearly 30 years ago. At the rate we're going, within a decade more than half our children will be born into homes where there has been no marriage.

We must keep people from the need to go on welfare in the first place. Together, we must undertake a national campaign against teen pregnancy, to send the powerful message that it is wrong for teens to have children outside marriage. We will never find a substitute for the American family. No nation ever has.

Even if we strengthen our families, no system will ever do the job unless it is rooted in one basic goal: getting people who can work back to work. For work is the best social program this country has ever devised. Work gives hope and structure and meaning to our lives. Every one of us would be lost without it.

We'll offer people on welfare a simple compact: We'll help them get the skills they need. But after two years, anyone who can work will have to go to work, in the private sector if possible, in a subsidized job if necessary.

This plan will let communities do what's best for them, not what somebody back in Washington says is best for them. We'll give communities the chance to put their people to work -- in child care and home health care and other fields we desperately need. We want every community to do what you've done here in Kansas City, and bring business and civic leaders together to find people on welfare lasting jobs in the private sector.

If we want people to work, we've also got to reward people for going to work. That's why we pushed so hard last year to increase the Earned Income Tax Credit, a tax cut that will help 15 million families pull themselves out of poverty. People who work shouldn't be poor.

That's just one more reason Congress needs to pass health reform this year to ensure all Americans health coverage wherever they work. One million women and children are on welfare today because it's the only way they can get health care. Those who choose to leave welfare for jobs without health benefits find themselves in this incredible position: They're paying taxes that help to pay for health care coverage for those who chose to stay on welfare. We can't solve the welfare problem unless we also solve the health care problem.

I'm asking Congress to pay for welfare reform not by adding to the deficit or imposing new taxes. We're going to pay for this through spending cuts, as well as savings within the program from reducing caseloads and cracking down on fraud. Welfare reform costs money, but over time, it will save money, too. Even by the most conservative estimates, these changes together will move a million adults who would otherwise be on welfare into work or off welfare altogether by the year 2000.

And if we can change the values system of our society toward work and responsibility, the full savings over the long haul are more than we can count. As Pat Moynihan wrote 25 years ago, "The true issue about welfare is not what it costs the taxpayers, but what it costs the recipients."

None of what we propose today will be easy to accomplish. We're trying to turn around a problem that has been generations in the making. That is why the next generation is where we must start. They are the ones who must break this awful cycle. We can't afford to lose another generation arguing over what must be done.

For that reason, ending welfare ought to be a bipartisan issue. Over the last 30 years, the poor have seen all the political posturing they can take. If we can heal families, I don't care who gets the credit. Family is where we learn responsibility for ourselves and those we love, and family is where we find faith, dignity, and hope. Those values aren't Republican values or Democratic values. They're American values.

I once had a hearing when I was a governor, and brought in people on welfare from all over America who had found their way to work. The woman from my state who testified was asked, what's the best thing about being off welfare and in a job? Without blinking an eye, she looked at the governors and said, "When my boy goes to school and they say what does your mother do for a living, he can give an answer."

We owe every child in America the chance to give that answer. Today, the end of welfare must begin.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 8, 1994

REMARKS BY THE PRESIDENT
TO THE AMERICAN SOCIETY OF ASSOCIATION EXECUTIVES

The Washington Convention Center

10:50 A.M. EST

THE PRESIDENT: Thank you very much, Bob, for that fine introduction. Thank you, ladies and gentlemen, for the warm welcome. This is the biggest stage I've been on in quite a while. I'm told it's so big because you're having the Oak Ridge Boys tonight. (Laughter.) That made me wish I'd been invited later instead of earlier. (Laughter.)

I want to thank your president, Bill Taylor, for the invitation to come here, and Bob Elaner for that fine introduction, especially what he said about health care. I guess if it were easy, it would have been done a long time ago.

I look out in this crowd and see many friends of mine from across the country. I saw my good friend, Neil Offen, the President of the Direct Selling Association, a minute ago. And I've already spotted five or six people in the audience that I've known for years. I thank you all for inviting me here and for giving me a chance to talk about health care today.

I'd like to just begin by trying to put this very briefly in the context in which I view it as your President. I think my job is to do everything I can to help every American reach his or her God-given potential, and to try to bring the American people together to make our country stronger. In other words, even though you often don't read about it in these terms, the real purpose of our political system, when it's working properly, is to get people together and to get things done.

In the last year, we have been able to bring the deficit down, keep interests rates down, see economic growth come back into this country. In the last three months of last year we had the highest growth rate in a decade, the biggest increase in productivity from American workers in eight years. If our budget is adopted, the one I have presented to the Congress, we'll have three years of decline in the federal deficit for the first time since Harry Truman was President, and the first real reduction in discretionary nondefense spending since 1969, if this budget is adopted. At the same time, we're moving the money around so we'll be investing more in Head Start, more in medical research, more in new technologies to support defense conversion and to rebuild the American economy. We are beginning to turn this situation around and to make this government work for the American people. (Applause.)

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But this year we have a lot of other challenges we are facing. The Congress is working on a very important crime bill to put more police officers on the street, to stiffen penalties appropriately, to provide alternative punishments to first-time youthful offenders, to provide some ways for kids to stay out of jail, to take assault weapons off the street. They're doing a lot of important things. That's a big issue. And the Congress is dealing with that as we speak.

The Congress will take up welfare reform, a subject on which I have worked for well over a decade now. And I hope they finally will make welfare a second chance, not a way of life for all Americans, and enable us to bring children up in a better fashion. The Congress is going to have a chance now to finally pass a campaign finance reform bill which will increase the confidence of the American people in the way we do our business here, and a lobby reform bill.

There are a lot of issues out there. But I can tell you that if, over the long run, we expect the American people to be a stronger community, if we expect our economy to have the funds necessary to invest in the growth opportunities of the 21st century, and if you want your federal government to be able to respond to the challenges of today and tomorrow, we must address the health care crisis. It is not just a problem for individual American workers and families, it is a problem for the federal budget and for the national investment patterns.

I can tell you, just to give you two examples. In addition to the fact that almost every American, at least those who don't work for larger businesses or for the government, is at some risk of losing his or her health insurance, or of having the inability to change jobs because someone in the family got sick. And almost every small business is at risk of having their premiums explode, or their deductibles and copays explode.

You also should know that this is a serious competitive problem for us. We are spending 14.5 percent of our income on health care; the Germans are just a little bit over 8 percent of their income; that's about where the Japanese are. Only the Canadians are at 10 percent of their income. If you think about spotting our competitors five and a half cents on every dollar spent, that is a significant issue. And almost all of you represent a group of business people who have personally experienced that. And as this economy becomes more global, that will become more relevant.

Now, should we spend more money than other countries on health care? I would argue we should and we must, because we invest more in medical research and technology and we lead the world in that. And that generates jobs, opportunities and incomes. We have these great academic health centers. Every American, just about, would be happy to pay a premium for that.

Must we spend more? The answer to that is, yes, we must, as long as we have higher rates of violence and AIDS and teen pregnancy than other countries, we'll have higher bills. Does that account for all of the difference? Not even close. Not even close. A lot of it is directly related to the way we finance health care.

they don't want to do something that has a harmful effect, the economics of their business dictate it because of the way the system is set up.

We can't permit that to go on anymore. The American people should have the power to choose. The American health care providers should have the power to deliver. There should be incentives to control cost through competition and requiring people to take some responsibility for their own health care. But it should not be organized the way it is now so that the people who are providing the financing in the middle have all the control, and themselves are in a position not to make it fairer for many people.

We cannot have the security of millions of our people in jeopardy with the system that they are basically satisfied with when they have it, but which could vanish overnight.

Another thing I want to say, because there have been a lot of questions about this, is that there's another part of our system we shouldn't mess up: Medicare is one of the best things about American health care because it works and has very low administrative costs; providing health security for millions of older Americans. The question is, how do we keep Medicare healthy as our population gets older? The faster growing group of Americans in percentage terms are people over 80. Hope to be one of them before long. (Laughter.)

But how are we going to do that? How are we going to take care of our own as health care costs keep rising? We believe that we have to keep Medicare, but that we have to recognize that the present system is heavily tilted toward institutionalized care which will, A, not be necessary for some people and, B, which will be explosively expensive as the percentage of our people living in higher age brackets goes higher and higher and higher. So our system, number one, covers prescription medicine along with Medicare, which Medicare doesn't do now, because we believe there is ample evidence that that keeps people healthier and will save money over the long run. A year's worth of medicine might cost the same thing as a day or two in a hospital.

And, secondly, by beginning to phase-in a long-term care system where we give people some help for making noninstitutional choices, for keeping their parents at home, or finding adult day care centers, or having in-home care. Because, otherwise, you're looking at a population, by the turn of the century and the end of the first decade of the next century which we simply cannot afford to maintain, and would be bad for our country unless we have more different options to deal with this rapidly aging population.

So, under our proposal, if you get Medicare you keep it, which also includes the doctor of your choice and medical security. We achieve some savings in the Medicare program by bringing the rate of inflation and Medicare down to twice the rate of normal inflation. When you hear there are all these cuts in Medicare, don't believe it. We're just going to bring the rate of inflation down to twice the normal rate of inflation and take those savings to pay for prescription medicine and to pay for the beginnings of a new and more comprehensive long-term care system.

This is, again, terribly important. We cannot do

anything to mess up health care security for older people. But we must strengthen it.

Finally, I think we should guarantee these benefits at work. And this is, after all, among the organized folks the most controversial decision of all. Nine out of 10 Americans who have private insurance get it at work. Eight out of 10 Americans who don't have any insurance have someone in their family who works.

Expanding the present system lets us reach out to most of the uninsured and is based on shared responsibility. It is the easiest and simplest way to accomplish the goal. It's also the right thing to do. You can never stop cost-shifting until everybody's got insurance.

Consider this: I just mentioned welfare reform earlier. If we take a welfare mother with two little kids who says "I hate welfare and I want to get off of it and I want to support my children," and you give that fine person job training, and then the woman finds a job and she goes to work for a small business at an entry-level pay slot because there has been no -- she got a very limited education, then -- and no health care benefits at the office, and that woman goes from getting a welfare check to getting a paycheck, she begins to pay taxes, she is now paying taxes for someone who made a different decision, who stayed on welfare to keep getting Medicaid, the government-funded health care program for poor people, which she has given up to go to work. That, by the way, is the central reason that we're having some difficulty moving people from welfare to work; people don't want to hurt their children. Again, this is a system that no other country has. So we have to find a way to do it.

Now, you say, "Well, but it's really tough on restaurants who have a lot of young people who are healthy and who don't want to pay for health insurance anyway." Or it's tough on people who have a lot of part-time workers -- some do and some don't. UPS has over 100,000 part-time workers and insures them all. But you say, "It's tough on businesses with part-time workers. And it's certainly tough on small businesses that are eking by."

But that is why we reasoned that if we do this, we have to give substantial discounts for small businesses with low average payrolls, low profit margins, difficult times. There are big discounts written into this bill for just that purpose. And the self-employed, for the first time, under our bill, get 100 percent tax deductibility, not limited tax deductibility as they do now. These things will make this insurance more affordable -- plus, which, if small businesses and self-employed people are in larger pools, they will not be paying higher rates as they do now. One reason small businesspeople have to keep -- either not cover their folks or reduce coverage every year is that the average small business premium is 35 percent higher than the average government premium or big business premium. And you can't blame people for doing something in the face of those kinds of economics.

Another reason is, as a restaurant owner told me -- the other day I was in Columbus, Ohio, and this restaurant owner said to me, look, I'm getting the worst of all worlds. I have 20 employees full-time and 20 part-time. And I was sick five years ago. So, our rates went up. I cover my 20 -- it was an eating establishment, she

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 5, 1994

REMARKS BY THE PRESIDENT
IN RADIO ADDRESS TO THE NATION

The Oval Office

10:06 A.M. EST

THE PRESIDENT: Good morning. Today I want to talk to you about what we're doing to put America back to work, and to have more good-paying jobs.

When you sent me to Washington, you entrusted me with the responsibility of turning our nation's economy around and improving the lives of hardworking, middle-class Americans -- the people who were hit hardest during the recession and the jobless recovery that followed.

So this administration took action, took responsibility. And in the last 13 months, we've worked to change the economic course of our country to recession-weary to healthy and growing. And that began to change the mood of our people, making us more confident again in ourselves and our possibilities.

We had to break gridlock in Congress to get discipline into the budget and to begin bringing down our nation's deficit. We created a healthier climate for business, leading to more investment and more jobs coming into the economy. We began to level the playing field in global trade, opening up opportunities to sell American products and services around the world. And at the same time, we began to expand access to education and training at home so that more of our people can compete and win in the world economy.

When I took office as your President, I said our goal was to create eight million jobs in four years. Critics said it couldn't be done. But it can if we have the right economic strategy and if we stick with it.

The Department of Labor has just confirmed that in the first 13 months of our administration, the economy has created an additional 2,090,000 jobs -- more than 90 percent of them in the private sector; so we're well on our way. In just 13 months, the economy has generated nearly twice as many private sector jobs than the total for the entire previous four years.

Of course, it's heartening that more people are collecting paychecks and many Americans are personally feeling the economic turn for the better, maybe with a first home or a new car financed at lower interest rates. But, still, there are too many Americans hurting, without jobs, or people settling for part-time work, many too discouraged to even look for work and millions and

millions of Americans working harder every year for the same or lower wages. I say to those Americans, don't give up. I promise all of you, when it comes to lifting our economy and creating opportunity, we won't let up, not for an instant. When it comes to jobs, we want to create two million more in '94. We'll keep building on the firm foundations already set in place.

Last year Congress passed the first phase of our economic plan. It's already had a major impact on the deficit. The 1993 deficit projection has gone down \$120 billion -- that's 40 percent lower than it was estimated to be when I took office. The next installment of the plan is now before the Congress. It cuts spending in more than 350 nondefense programs, eliminates 100 of them outright. We are keeping faith with our goal to reduce the deficit by \$500 billion in five years. This is the first serious effort by any recent administration to attack this deficit. And it has set the stage for much of the economic progress that's been made.

Because of this progress, because of the lower interest rates, we're in a better position to compete in the world. It's a fact, once again, from agricultural products to technology and services, America is making the products the world wants to buy. Our challenge is gaining access to the markets of our competitors and we're taking that challenge head-on, too. We've torn down trade barriers with NAFTA, the North American Free Trade Agreement, with the world-wide general agreement on tariffs in trade to negotiate open markets everywhere, and at our conference with the Asian and Pacific nations where so much of the world's growth is occurring.

In one year, we've done more to open markets than any other recent administration, but where unfair barriers to our exports remain, we still have work to do. So this week, I signed an executive order reviving a process to open markets called Super 301. It will help us to set priorities for opening markets around the world by identifying those practices, wherever they occur, that erect unfair barriers to American products and to the products of other countries as well. It will help us tailor our responses to these barriers to trade.

And this is the payoff: 30,000 jobs for every \$1 billion we sell in American exports. Jobs that pay, on average, 22 percent more than other American wages. And because these jobs require the most up to date skills, we're moving to make our workers the best trained in the world. Next week, with the support of business and labor, we will introduce the reemployment act of 1994 to bring our training programs into the 21st century, replacing the existing unemployment system with a reemployment system recognizing that most Americans don't get called back to the same jobs they lose; and the average American will change work seven times in a lifetime.

Then later this month, I'll be in Detroit to meet with the ministers of the G-7 nations. The subject will be jobs -- how can the wealthy countries create more jobs and make sure our people are trained properly for them?

Let me be clear: Of all the many important responsibilities of this office, putting America to work takes priority. Welfare reform is an important part of this picture, too. And reforming health care goes hand in hand, assuring our people that they need not fear they'll lose their medical coverage when they move



from welfare to work, or from their old jobs to new ones.

Make no mistake, more than two million jobs were created last year because we took responsibility and began to get our economic house in order. Now we have to keep our commitments to reduce the deficit, grow the economy and create jobs. We can do that by passing this tough new budget, adopting our programs for skills, new jobs and new opportunities. Thanks for listening.

END

10:12 A.M. EST