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9/8/95 9:30am

PRESIDENT WILLIAM J. CLINTON
REINVENTING GOVERNMENT REPORT
THE ROSE GARDEN
SEPTEMBER 7, 1995

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THE PRESIDENT HAS SEEN

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Thank you very much Mr. Vice President. Not so

~~much for the introduction -- I've come to expect that~~

~~from you -- but for the extraordinary work you and~~

~~your reinventing team have done to give the American~~

~~people a government that works better and costs less.~~

> Rego → Δ Gov't: Smaller, less bur, high qual, lower cost
more power to states, less reg
less reg, more merit
more common sense, common ground

This work is always important, and we should always

be looking for new ways to ensure that the American

people get the best service at the lowest cost for their

tax dollars. But reinventing government is probably

more important today than any time in the two years

since the Vice President first started. That's because,

in the next two months, America must make a pivotal

choice: What road do we take to balance the federal

budget? → coming up with Δ to federal

Tue - Peter
Cotton
Harris
Loring
Adams
Rago
Fellers

At 11
Pres thanks
Bring together
↳ 20% cut

Cut sig program
Cut reg
More auth to states
Fix: Procurement

We must balance the budget. That's why I fought so hard for the economic plan I signed two years ago, which is already cutting the deficit by over \$1 Trillion. ^{f. 290 to 160 - total} 7 yr.

And that's why I proposed a plan to eliminate the deficit completely and balance the budget in ten years.

> Objection: Debt off China / for I Growth
reflect values, Obligation

When you ~~get right down to it~~, the federal budget is really a ~~statement about what's important to us as a nation~~. ~~The choices we make when we develop a budget -- what ought to be eliminated completely, what should be cut, what's worth spending money on -- these choices say a lot about what we think is important, for America today, and for Americans in the future.~~

I believe the federal government is too large, and needs to be cut back. There's too much waste, and too much duplication. All of that needs to be rooted out. But I believe very strongly, that even as we cut spending, we must keep in mind that some things are truly important. Taking care of our elderly. Protecting the environment. Keeping faith with our veterans. ^{17 For a chance to work, NC.} And giving our children the best possible education, so they have a chance to build the best possible future.

Those are the values and priorities of the American people. They should be reflected in our budget. The Republican budget proposals reflect a very different set of priorities. Let me give you an example.

The report the Vice President presented me with today includes over 180 specific cuts in government that will save \$70 Billion over the next five years. One by one, these cuts aren't the kind that make headlines. Some of them are pretty big, but others are relatively small. But that's not the point -- because when you put them together, these cuts trim \$70 Billion from the federal budget. These cuts allow us to balance the budget without cutting the single most important investment we can make in our future -- education. In fact, my budget increases education.

In contrast, the Republican budget proposals spend \$76 Billion less on education and training than I do in the next seven years.

They make deep cuts in education, precisely when education is more important than ever before. If the Republicans have their way, fewer children will go to Head Start. Fewer schools will be able to teach kids to stay away from drugs and gangs, or have the resources to set the highest possible standards. There won't be as many young people who get scholarships to go to college, and college loans will cost more.

This really is America's choice. [CHART] Do we balance the budget by spending \$76 Billion less on education? Or do we balance the budget by cutting \$70 Billion in government waste and duplication?

Do we want fewer people to go to college?

Do we want the size of classes in our schools to climb?
Do we want to scale back our efforts to keep drugs and
guns away from our schools? Do we want to say that
having the highest standards for what we teach our
children isn't important in America?

I don't think we do -- and I know we don't have to.

We can give our children the opportunity for the best
possible education if we balance the budget the right
way. Here are some examples of the cuts in my
balanced budget. We've listed them again right here in
Appendix C of the Vice President's report. I'll warn
you -- a lot of them don't sound very interesting, which
is probably a good sign that they're the right kind of
cuts.

We're going to save \$118 Million by getting rid of about 200 weather stations the National Weather Service doesn't need anymore because computers can do the job better and cheaper.

The Small Business Administration is going to save \$14 Million just by consolidating their loan processing operations.

The Department of Housing and Urban Development has three basic responsibilities: public housing, affordable housing, and economic development. Instead of running 60 programs to do 3 things, they're going to run 3 programs to do 3 things -- and save \$825 Million in administrative costs alone.

The Clean Coal Technology Project was implemented to develop a way to burn coal as cleanly as possible.

Well, they did it. The Project was started to do a job; it did the job; and now we're closing it down. That's the way government ought to work.

The Naval Petroleum Reserves in Elk Hills, California were created during World War I because America's new battleships needed oil. The last time I checked, World War I was over, and the strategic need for the Navy to have its own oil fields has long since passed. By eliminating the Clean Coal Technology Program and privatizing Elk Hills, along with other cuts, the Energy Department will save \$23 Billion in the next five years.

How about this? Like you, when I think of the U.S. military, I think of the Army, Navy, Air Force, Marines, and Coast Guard. I don't think of the National Oceanic and Atmospheric Administration Corps -- about 400 officers who command a fleet of less than 10 antique ships. Well, now we're not going to pay for it anymore either.

You get the picture. Common-sense, good business practices, and hard work by the Vice President's team adds up to \$70 Billion in savings. And how do people know that this will work? How do they know that the savings on paper will become savings in the bank?

We've got a track record.

The first report of the National Performance Review predicted we could save \$108 billion in the next five years by reinventing government. Two years later, \$58 Billion is already in the bank. More than half the savings we promised, in less than half the time. Two years ago we said we would shrink the size of government by 252,000 positions. Today, the federal government has 160,000 fewer people on the payroll than it did the day I took office. We are well ahead of schedule.

At the same time, we are literally changing the way the government we need does business, so that it works better for the people it's supposed to work for.

Last May, *Business Week* ran an article about the best customer service on the telephone. They ranked companies like L.L. Bean, Federal Express, and Disney World. And do you know who they said provides the most "courteous, knowledgeable, and efficient" telephone customer service in the country? The Social Security Administration. They're setting the standard for everybody else.

Two years ago, when the Vice President presented me with his first set of recommendations, a lot of the "experts" predicted it would take at least a decade to change the way government works. Some of them said it would never change.

The operators at Social Security are some of the thousands of people who are proving the skeptics wrong. Because of their hard work, we know that we can balance the budget without cutting education and risking our children's future.

Now we just have to decide. Should we cut an out-of-date coal program, or should we cut college loans? Should we phase out obsolete weather stations, or should we let drugs back in our classrooms? I think America's choice should be absolutely clear.

Thank you and God bless you all.