

work themselves. As the National Performance Review noted, we had good people trapped in bad systems. I promised to cut the work force, and that's what I'm doing. Through our efforts, we have already cut the work force by 102,000 positions and we are on track to cut it by a total of 272,900 positions, bringing it to its smallest size since John Kennedy was President.

While committed to cutting the work force, we want to do it in a humane way. We faced the same dilemma that confronted many private companies; they needed to downsize but wanted to avoid firing large numbers of loyal employees. Many of them have given people an incentive to leave by offering "buyouts." We wanted to do the same.

Early last year, Congress approved my request to allow non-Defense agencies to offer buyouts of up to \$25,000 a person. The Defense Department and a few other agencies already could offer buyouts under existing law. Because normal attrition will help us downsize in the future, we offered buyouts only until March 31, 1995, which was last Friday.

Looking back, I can safely say that our buyout program has been a huge success. It achieved

what we had hoped: to help us cut the work force in a fiscally responsible and humane way.

To reduce the work force by 102,000 positions by the end of fiscal 1994, we offered about 70,000 buyouts. Several non-DOD agencies have offered deferred buyouts that will take place between now and March 1997. Defense will be using buyouts as it continues to downsize through 1999. Counting those, we expect to buy out another 84,000 workers through 1997 as we reduce the work force by a total of 272,900 positions.

The buyouts were not offered in a random fashion, however. We targeted them to reduce the layers of bureaucracy and micro-management that were tying Government in knots. We made sure that departments and agencies tied their buyout strategies to their overall plans to streamline their bureaucracies. As a result, almost 70 percent of our buyouts in the non-Defense agencies have gone to people at higher grade levels, such as managers.

I'm proud that our buyout program was so successful. It shows that we can, in fact, create a Government that works better and costs less.

## Remarks to the National Conference of the Building and Construction Trades Department of the AFL-CIO April 5, 1995

Thank you very much. Ladies and gentlemen, thank you for that wonderful welcome. Thank you, Bob Georgine, for that fine introduction, all the distinguished affiliated presidents up here on the platform, and all of you out there in the audience. And I thank those of you who brought your children. Since most of what we're doing and a lot of what I have to say is about them, I'm glad to see them here.

I forgive the person in the back who shouted, "UCLA." I told the Gridiron Dinner the other night at the Press Club—I said my worst nightmare was a final with Arkansas and UCLA, my worst nightmare, the team I love against a team with 54 electoral votes. *[Laughter]* It was a great tournament, a great game. They won it fair and square, and I congratulate them.

You know, a lot of us here have a lot in common. Bob and I have something in common.

We were both raised by strong mothers who believed in hard work and optimism and practiced what they preached and made sure that we practiced what they preached. It was our first lesson in organized labor. *[Laughter]*

I'm deeply honored to be here with you today. I want to thank you for the support that you have given to our programs to train America's workers for the future. I believe that good, strong unions and collective bargaining can help us to meet the challenges that are just ahead if all of us are willing to embrace those challenges and to do what has to be done to make sure that we compete and win in the global economy.

That's why one of the very first things I did as President was to rescind the anti-union Executive orders of the last 12 years and why last month I also signed an Executive order which

bars Federal agencies from doing business with companies that hire permanent replacement workers.

I have been saying as I'm going around the country that we know what works in our own lives. What works in our own lives is when we are well-educated, well-trained, we work hard, and we work together. There is no future in this country in pitting management against labor. All of us are caught up now in a common destiny in the global economy. All of us will have more job security or more job insecurity, as the case may be, depending on how well we adapt to the challenges of today and tomorrow.

That is the way we have to look at this. We are going up or down together. And it is time we stop looking for ways to be divided, one from another, and start at looking harder for how we can resolve these divisions in an open and honest way so we can get about the business of building our future. That's what we ought to be doing in this country, and that's what I'm trying to do for you every day at the White House.

I look at the unions represented here, the carpenters, the painters, the bricklayers, the electricians, the others; you built our homes, our cities, our factories, the biggest industrial system in the world. You have built our country. And then you have had to rebuild our country. One of the greatest wonders I have seen since I have been President is the swift handiwork of your members who rushed in after the natural disasters, from Florida to the Midwest to California. You did a very good job. And we now are doing a better job with our Emergency Management Agency to try to make sure we do our part and the money gets out there to rebuild places who are torn down through no fault of their own.

Many of you have become heroes to folks whose lives were devastated in those disasters, who wouldn't have a bridge to cross a river or roads to get them to work or offices to work in or roofs over their head if you hadn't worked hard to make sure that the American dream could be restored.

All through 1992 when I was out running for President, I met a lot of people who wondered about the state of the American dream, including construction workers, farmers, office workers, mothers and fathers. I talked with them and listened to them; I worked with them. I walked a picket line with them, with the Cater-

pillar workers in Illinois. What I found was that most people felt that they were out there on their own, struggling against forces that were bigger than they were without anybody very much concerned about what was going to happen to them.

I ran for President because I felt strongly that the end of the cold war and the dawn of the information age gave us opportunities for peace and prosperity, gave our children opportunities to live out their dreams never before known in human history, but that we also had some very, very profound challenges that unless they were faced, the American dream for all of our people would be at risk.

I wanted to make sure that middle class Americans and their children were not forgotten. I wanted to make sure that poor people would have a chance to work their way into the middle class. I wanted to make sure that we could keep alive opportunities for entrepreneurs to become wildly successful without forgetting that this country was built and this country will endure by the broad middle class and by the fact that they work hard, play by the rules, raise their children, and deserve to be rewarded for it, and must be rewarded for it if we're going to keep the American dream alive. That is why I ran for this job.

I also, very frankly, ran to challenge middle class America, because there are many things that Government cannot and should not do. The most important things in the world to us, our commitments, our values, our work, our family, our communities, by and large operate independent of the Government.

Today we're having a great debate here in Washington about what role our National Government should play and how far we can go in working together and moving together. Really, the debate has been going on for at least 15 years now, a debate that, frankly, I'm getting kind of tired of: an old debate that defends Government at every turn, a new debate that attacks Government at every turn; an old view that says we should spend more on everything, a new view that says we should spend less on everything; an old view that said we should do more of everything, a new view that says we should do less of everything. Both views defy our common experience, our common sense, and what we see about what's working, not only here in the United States but around the world.

What works is when the Government, in my judgment, focuses on four things. First of all, creating economic opportunity, jobs, working for better jobs and higher incomes, and demanding responsible behavior from citizens in return. I had an economic meeting in Atlanta last week, and Hugh McColl, from North Carolina, the chairman of NationsBank, pointed out that about that time, he said, "Tonight your basketball team and mine are going to have a basketball game. And the referee is going to throw the ball up, make sure the playing field is level, enforce the rules, and otherwise get out of the way. And that's about what the Government ought to do." But we have to make sure the playing field is level, that there are rules that are enforced, and we get out of the way.

The second thing that we have to pay attention to is the security of our people, our security from attack from abroad and our security from within. I'm proud of the fact that since I have been President, for the first time since the dawn of the nuclear age there are no Russian missiles pointed at the children of the United States of America. I am proud of that. But I know and you know that our security is also threatened by crime and violence and drugs on our streets. And our security is also threatened by the things which are breaking our families apart and punishing people who are doing their best to do the right things.

That's why we worked so hard to pass that crime bill with 100,000 police on the streets and with prevention programs to give our kids something to say yes to and why we should not walk away from our commitment to putting 100,000 police on the street. Violent crime has tripled in the United States in the last 30 years; the police forces have expanded by 10 percent. You don't have to be a rocket scientist to know that we could lower the crime rate if we did what city after city after city is doing now and put more police on the block, working with kids, trying to prevent crime and catch criminals quicker. And we must not back away from that commitment to our security.

And there is another element to our security, too. It's what happens to families. Are we really going to reward work? Are we going to permit people to be successful workers and successful parents? Most places today, whether they're single-parent or two-parent households, all the parents are working. That's why I fought so hard for the Family and Medical Leave Act—I saw

that as a question of family security; why I want to see all the children in this country immunized; why in the economic plan last year we insisted that we give tax breaks for families with incomes just above the poverty line so we would not encourage anybody to slip back into welfare, and because nobody who works full-time and has children in the home should live in poverty in this country. If you work hard, you ought to be able to have a decent life.

The third thing we have to do is to reform the Government. We do have to change it. It ought to be smaller. It ought to be less bureaucratic. We ought to give more decisions back to the State and local government. We ought to give more decisions back to private citizens in their own lives. We ought to have Government that meets tomorrow's problems, not yesterday's.

That's why we've worked hard at deregulation and why we have given more responsibility to States in the area of welfare and health care reform than—in 2 years—than the last two administrations combined did in 12 years. We have been the administration that has pushed the decentralization of authority for solving a lot of our problems. And we've reduced the size of Government. There are over 100,000 fewer people working for the Federal Government today than there were on the day I became President.

And we have also decided that we have to solve some problems too long ignored. In a little-known action at the end of the last Congress, there was a reform in the United States pension systems which saved the pensions of 8½ million working Americans who were in danger of losing their pensions and protected the pensions of over 30 million more. We still have work to do, and when we have to do it, we should do it well.

The fourth thing we have to do, and maybe the most important of all, is to help our people make the most of their own lives by making sure that everywhere—everywhere—we have a system of lifetime education and training that will permit people always to find work and always to compete and win in the global economy. That is what I think the job of Government is: create jobs, get better paying jobs, increase the security of the American people, make the Government smaller and less bureaucratic, but do the job that has to be done, and give people the skills they need to make the most of their own lives. That should be our road map.

If we could create opportunity and we can insist on more responsibility from the American people—and I believe that strongly. That's what welfare reform is all about. We'll help you if you're in trouble but not for a lifetime; you've got to go to work sometime. I think that's what child support enforcement is all about. If you've got the money, you ought to be taking care of your kid, not asking the taxpayers to do it. That's what enforcing the student loan program is all about. I increased the availability of student loans, but when I became President, it was costing you \$2.8 billion a year because people weren't paying the loans back. We've cut that down to a billion dollars a year. If people borrowed money from the Government to go to college, they ought to pay it back when they get a job so other kids can borrow the money when they come along.

I have called this new arrangement the New Covenant. What it means to me is simple: The Government should try to create more opportunity, but the citizens of this country are going to have to behave more responsibly in seizing it. And if you put the two together, there will be no stopping the United States.

Now, if you look at what's been accomplished in the last couple of years, I think the most important thing is that we have changed the direction of economic policy in this country. We went beyond the old debate. There's no more tax and spend, but there's not more trickle-down, either. This is invest and grow economics. And look at the results.

Two years ago when we were fighting for the economic plan, the people who were against it said the sky would fall: "If the President's plan passes, the economy will be wrecked. Everything will be terrible." Some said I was cutting too much. Some said it was an error to raise taxes on the wealthiest Americans to put against the deficit because that would hurt the economy. Well, 2 years later, we have over 6 million new jobs and the lowest combined rates of unemployment and inflation in 25 years.

In reducing the deficit by \$600 billion, we took \$10,000 in debt off the future of every family in the United States. In cutting taxes for 15 million working families, this year, on average, families with two kids with an income of \$25,000 a year or less will pay about \$1,000 less in taxes than they would have if that economic plan hadn't passed. We made it possible for our country to say, "If you work 40 hours

a week and you have a child in your home, you will not be in poverty." That is important, folks. If you want people to get off welfare, we have to reward work. And it's also why, by the way, we ought to raise the minimum wage, because people can't live on it.

And we didn't just spend more money on everything. We cut 300 programs, and the new budget I proposed cuts or consolidates 400 more.

We've also done what we could to help those of you in labor who have been taking responsibility all along. Last year, the AFL-CIO listed all the bills supported by organized labor that I signed into law. As of last fall, there were 32 of them—motor voter, family and medical leave, the assault weapons ban, to name just a few—laws that increased our security as workers, parents, and citizens.

But you know, in spite of all this, there's still a lot more to do. I have people all the time come up to me in kind of bewilderment and say, "Well, things are going well in my business. Things are going well for our country. This country is in better shape than it was 2 years ago. Why are people still so negative about the future of the country?" When you ask people what about the direction of the country, they say they are worried. I was interviewed by a magazine the other day saying their annual readers poll said that people understood that things were getting better, but they were more worried about their personal security than ever before. Why is that?

Well, there's a reason for that. The global economy has imposed new challenges and new burdens on our country and every wealthy country in the world and runs the risk in our country of literally splitting apart the American idea. Let me explain what I mean by that.

From the time I was born at the end of World War II until the year I was elected Governor of my State for the first time, 1978, the American people moved forward in absolute lock-step. That is, if you break the economy into people who are in the lowest 20 percent and the second and so forth on to the top 20 percent, all of them had about the same increase in their incomes. Incomes roughly doubled in America from 1950 to 1978 evenly across the board, except the poorest 20 percent had an increase of 140 percent. So we were all going forward, and we were actually coming together.

Since 1978, that's all changed. Wages have been stagnant and not kept up with inflation on average for hourly wage earners. And in the last 15 years, half of the American people are now living for the same or lower earnings that they were making 15 years ago when you adjust for inflation. Why? Because of the way the technology revolution and the global economy, where management and money and technology can fly across national borders, have divided opportunity, so that people with high levels of skill in growth industries tend to do well, and people with lower skill levels tend to get hurt. And then, if our Government walks away from its obligations to invest in our future, even more people get hurt.

The other thing that's happened is because the economy is changing so fast, even a lot of people that are doing well today think they're waiting for the other shoe to drop. So many big companies getting smaller all the time—you ought to read my mail about it, people my age, even young people I grew up with—not so young anymore—writing me, saying, “You know, I've worked for this company for 25 years. I've got to send my kids to college. We're doing great now, but what happens if they lay me off?”

So there is this uncertainty in our country today, even though we are clearly in better shape than we were 2 years ago. We've turned away from the false choice between tax and spend and trickle-down economics. We're moving in the right direction. The question is, how can we get everybody involved in the American dream? How can we reward everyone's work? How can we make people more secure in living with all these changes that are rifling through the world? That is the burden that I carry to the office every day, because I know—I know that if everybody in this country had a chance to live their lives the way most of you have lived your lives and raised your kids, this country would be fine, and our future would be unlimited.

The key to the 21st century, more than anything else, is clearly education for young people, lifetime job training for adults. It is clear that if we can raise the skill levels of our people, constantly and permanently, and continue to change the job mix so that we're always getting America's share of those high-wage jobs, we can keep the American dream alive, and we can stop the middle class from splitting apart, so

that everybody can grow and prosper. That is our great challenge, and that is the one we must not walk away from.

You have been working on this for years. You've had opportunities to train a new generation of builders. I want to especially commend the outreach programs that you've had with the Housing and Urban Development Department, reaching deep into our cities, taking thousands of young people from housing projects, teaching them the skills, and clearing away the obstacles to job opportunities. You have done some things that the Government could not do. And I thank you for that. I know that Bob really cares a lot about this outreach program because he spent his own early years in housing projects in Chicago. This is the kind of partnership we need more of.

For Government's part, we have to do more, as well. In 1994, the educational experts said that the United States Congress, in passing our education program, did more for education than had been done in Washington in 30 years. We expanded Head Start. We established the Goals 2000 program, which writes the national education goals into law but gives our local schools more flexibility in how they spend Federal money to achieve excellence. We dramatically increased the number of programs around our country for apprenticeships from young people leaving high school who aren't going on to college. And we expanded the availability of college loans to the middle class, at lower cost and better repayment terms.

And of course, our national service program, AmeriCorps, is now bigger than the Peace Corps ever was. And there are 20,000 young people all across America working in community service projects, doing things that need to be done and earning funds to go on to college.

Those are the kinds of things we must do more of. Those are the kinds of things that are important. That's why I said a moment ago that if we work on education and we work on incomes, the rest of this will pretty much take care of itself, I think. That's why I hope the Congress this year will not only raise the minimum wage, but with all this tax cut talk, we can't afford a lot of these tax cuts. We've got too big a deficit. But we ought to give the middle class a break. And the most important thing we could do is give people a tax deduction for any costs they or their children have for

any education after high school, because that will raise incomes over the long run.

Let me just ask you one other thing I want you to think about. There are a lot of exciting things going on in this town these days. And as I said, we are debating the role of Government, but there must be a distinction made. If you don't believe in tax-and-spend economics and you don't believe in trickle-down economics and you do believe in invest-and-grow economics and you've seen how it is working the last 2 years, then you also have to reject this debate that we should spend more money on everything or we should spend less money on everything.

We have to make judgments up here based on what is important. Therefore, I would say, let's cut more spending. I have cut and cut and cut, and I want to cut some more. We've got to get this budget deficit down further. We can bring this budget into balance, and we can do it in a fair way. But we have to make judgments. We should not be cutting Head Start. We should not be cutting aid to the public schools. We shouldn't be cutting the apprenticeship programs. And we certainly shouldn't be limiting the availability of college loans to the middle class. We shouldn't be adding to the cost of college education for working families. These are proposals that I think are wrong. We shouldn't be eliminating national service. And we certainly shouldn't be doing all these things either to pay for a tax cut for the wealthiest Americans or because we refuse to find other things to cut. That is wrong. Let's make decisions, and let's do it right, and let's stick up for education and training.

And you have issues in this Congress—Bob referred to one of them, the Davis-Bacon law. We need to make this economy more competitive. But we need more high wages. We don't need a low-wage strategy; we need a high-wage strategy for the future. We need a high-wage strategy. Like every other law, it shouldn't be abused. We should not pretend it's something it's not. But it is a decent thing to say that the Government should stand on the side of good wages and the real wages in the community that are good and fair.

I've made appointments, like Bill Gould to the National Labor Relations Board and Fred Feinstein to be the General Counsel, who now have given you a board that believes in the process of collective bargaining and one that believes we can be fair to workers. These are

the kinds of things that we ought to do if you believe our future is in working together.

I'm not for repealing Davis-Bacon. I also believe that we should not walk away from our commitment to safety in the American workplace. In 1993 there were more than half a million construction injuries and over 900 fatalities. We can reform OSHA in ways that you feel better about it and employers feel better about it, where it works better and makes more sense and helps you get more jobs and gain more income and helps them make bigger profits. But we cannot walk away from the fundamental fact that before we were committed to worker safety, a lot more people died in the workplace, a lot more people were permanently maimed in the workplace, a lot of more people were hurt in the workplace. There is a right way and a wrong way to reduce the burden of Government.

I could just—let me mention one other thing that affects some of your industries. I believe with all my heart if we hadn't passed the environmental protection legislation in the 1970's, the air would not be as clean, the water would not be as pure as it is today, and the legacy we're going to pass along to our children would not be as good. I believe that. I also believe, like any Government bureaucracy, there are things about the EPA that ought to be changed. So we're going to more market-based incentives to give companies incentives to clean up the environment. And Carol Browner, our Administrator, is reducing by 25 percent the paperwork burden of the EPA. It will free up 20 million man-hours of work next year. That's a lot of time in a lot of industries that all of you work in.

We're trying to give small businesses a break. We're saying to small businesses—I was at a union print shop in Virginia a couple of weeks ago to announce this—if you worry about whether you've got an EPA violation and you're afraid to call because you're afraid they'll fine you, now we're going to set up a compliance center, and if you call there and ask, if you ask, you can't be fined for 6 months. And you're going to be given a chance to clean up the problems.

I think we can change the way Government regulation works to make it less nutty. But let's not forget that we have a common public interest in a safe workplace. We have a common public interest in a clean environment. And we

have a common public interest in having a high-wage, high-growth partnership economy, not a low-wage, stagnant, divided economy.

So I say to you, engage the Members of Congress; tell them you welcome the debate about the role of Government. But Government has certain responsibilities: first of all, to change and get rid of the past stuff that doesn't work; to create more opportunity; to provide more security; to insist on more responsibility, but to give people the education and training and skills they need to make it in the 21st century.

I'm telling you that if we take advantage of this time, if we keep the economic strategy that we have adopted—that I hammered through the Congress by the narrowest of margins, with all the doubters saying, "Well, we had to either have tax and spend or trickle-down," and I knew this was the right thing to do—if we will stay

with this economic strategy and then aggressively go after strategies to raise wages, raise incomes, educate and train people, and if we don't throw out the baby with the bath water, this country is going to do just fine.

I am looking for a future for America like the ones most of us who are my age in this audience used to take for granted. And we can give it to our kids, but only if we are tough enough and wise enough and compassionate enough to do what we know in our heart is right. You help, we'll do it.

Thank you, and God bless you.

NOTE: The President spoke at 10:20 a.m. in the Grand Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Bob Georgine, president, Building and Construction Trades Department of the AFL-CIO.

## Exchange With Reporters Prior to Discussions With President Hosni Mubarak of Egypt

April 5, 1995

*President Clinton.* Good morning, everybody. Good afternoon.

*Q.* Good morning. What's on the agenda today?

*President Clinton.* A lot of things. But we're going to have a press briefing afterwards, so you'll get to ask all the questions.

*Q.* That's what you said yesterday, Mr. President. [Laughter]

*President Clinton.* And we did it, didn't we?

### *Nuclear Non-Proliferation Treaty*

*Q.* President Mubarak, will you support the extension of the Non-Proliferation Treaty?

*President Mubarak.* We were one of the founders who participated in the drafting of the NPT since 1968. So we support the NPT 100 percent. We have no problem with the United States, anyway, concerning the NPT.

*Q.* Do you have a problem with Israel?

*President Mubarak.* No, we would like to find a solution so as to keep our area free of all mass destructive weapons. That's all.

*Q.* It sounds like you're going to sign.

*President Mubarak.* I'm not going to tell you now anything.

*Q.* Was President Clinton persuasive?

*President Clinton.* We just met 2 seconds ago. We're going to have a press briefing soon.

*Q.* Thank you.

[At this point, one group of reporters left the room, and another group entered.]

*President Clinton.* Good afternoon.

### *Egypt-U.S. Relations*

*Q.* How would you describe the Egyptian-American relations?

*President Clinton.* I think it's very good. I've enjoyed working with President Mubarak, and I'm looking forward to this discussion. And of course, afterward, we'll have an opportunity to take your questions.

*Q.* President Clinton, will you ask Israel to fulfill its obligation and to deploy its forces from the West Bank and Gaza?

*President Clinton.* I'll answer the questions in the press briefing after I visit with President Mubarak.