

dent, I just want to say one thing: The United States is the greatest country in the world. God bless America.” The men and women of our Armed Forces also bless our America with your service and your skills. Because you do your job so well, our Nation will always be the land of the free and the home of the brave.

Now let me say it was a very great personal honor for me to host Captain O’Grady and all the fine members of his family, beginning with his grandparents and going down to his brother and sister and some of his friends, at the White House for lunch today. I can tell you that he

certifies he got a better meal today than he did in those 6 days in Bosnia. But he gave us something more precious than we can ever give him, a reminder of what is very best about our country.

And I’d like to now ask Captain O’Grady to come up here and say what’s on his mind and heart to the people who gave him back his freedom.

Captain Scott O’Grady.

NOTE: The President spoke at 1:42 p.m. at the Pentagon.

Remarks to the United Auto Workers Convention *June 12, 1995*

Thank you very much. Thank you, Owen, for that fine introduction, and thank you for your leadership over the years. I want to congratulate you and the other officers who are retiring. I want to say a special word of hello to all the brothers and sisters of the United Auto Workers throughout the country, especially those from my home State of Arkansas with whom I’ve worked over the years.

I’d like to say a word also to Dennis Fitting, the president of Local 455 out of Saginaw, who was with me last Friday at the White House for a reunion of a group of exceptional Americans whom I met along the campaign trail in 1992. We call this group the Faces of Hope, and I want to thank Dennis for being a member of the group and for his commitment to our efforts to move America forward.

All of you know better than anybody that Owen Bieber has dedicated his entire life to improving the lives of working families. He took over the UAW 12 years ago, during one of the toughest periods in your entire history. In all of the years, he has never wavered, even in the face of administrations here in Washington that were sure less than friendly. He’s always stood strong not only for UAW workers and their families and their incomes and their future but for the kind of broad social progress that has been the hallmark of the UAW since its beginning in the 1930’s. Whether it was in the fight for civil rights or the fight to end apartheid in South Africa, your solidarity with the Amer-

ican farm workers, the UAW has always been there for others as well as for your own interests.

Owen Bieber has truly carried on the legacy of Walter Reuther. And moreover, in a very difficult period in our country’s history, he has set the stage for even greater strength for you in the 21st century. We all owe him our deepest gratitude and our best wishes. And I feel especially indebted to him for his advice, his counsel, and his ferocious support. Thank you very much, Owen. We all wish you well and Godspeed.

Now, I know you haven’t elected your new officers yet, but I wanted to say that I personally would feel a whole lot better about my campaign if we could go into 1996 with poll numbers looking like Steve Yokich’s do right now for you.

One of the most memorable moments in my 1992 campaign, and I had a lot of memorable moments with the UAW, but one of the most memorable was the opportunity I had to walk the picket line with Owen and the striking workers of Caterpillar in Peoria. I looked into the tired but determined faces of men and women on that picket line, and I realized how much was at stake for them and for all the rest of us as well.

I ran for President because I believed we had to do more to help those workers and millions of Americans just like them who had seen their stake in the American dream uprooted during the 1980’s, people who were being aban-

done by Washington, people who were working harder and harder for less and less. Their struggle showed me better than any report or any poll that the fight to save the American dream and the fight to save American families must begin with the fight to save America's workers and their incomes and their jobs. Of course, the struggle at Caterpillar is still not over, but my administration continues to walk the line with you, and we'll stay there.

I came to Washington to work with you and with all other Americans to turn these disturbing economic trends around. I wanted to shrink the under class and to grow the middle class. I wanted to rebuild a sense of hope and community. I wanted to help people to make the most of their own lives. I wanted to reward the values that have kept this country strong, the values of work and family and community. And so I've worked hard to develop an economic strategy that focuses on both creating jobs and raising incomes. And I've focused on a social strategy that would, instead of just talking about family values or work, would actually reward work and family and responsible parenting and good citizenship. And it's beginning to work.

In the past 2½ years, our economic strategy has added almost 7 million new jobs to our economy, and nearly all of them have been in the private sector. We're cutting the deficit by a trillion over 7 years, reducing it for 3 years in a row for the first time since Harry Truman was President. But we have been able to invest more in the education and training of our people and in the promotion of our children and strengthening our families.

We've been able to give a tax cut to 15 million working families through the earned-income tax credit. What that means in simple terms is that this year working families with two children with an income of under \$28,000 will have a tax break of about \$1,000.

We want to make it so that every family who works for a living will not live in poverty. We want parents who are willing to work full-time to be good parents and good workers at the same time. That's also why I worked so hard and you worked so hard for the passage of the Family and Medical Leave Act. It will make a real difference to working families in this country.

As you know, we're having a big debate now in Washington over balancing the budget. As I have said many times, I want to balance the

budget. It will help you if we do. It will lower interest rates. It will free up money to invest in the private sector and new jobs. It will mean that we can spend more of your tax money on things like the education of our children and less paying interest on the debt.

But we cannot balance the budget by giving a huge and untargeted tax cut that benefits mostly very wealthy people and paying for it by excessive cuts in the Medicare program. We can't do it by walking away from the fact that we have not only a budget deficit but an education investment. You know as well as anyone, from the increases in productivity the UAW has achieved in the last several years, that we have to have constant education and training if we're going to guarantee our young people the incomes and the security they need.

So I say, we all know that the countries that do the best job of educating all their people will be the real winners in the global economy. No one understands this more than you. You have led the way with your apprenticeship programs and your training programs. You have worked and worked and worked to support the kind of lifelong learning agenda that is central to my efforts to revitalize the American middle class.

And that's why, even though I agree we should balance the budget, we don't have to be targeted into an arbitrary timetable, funding excessive tax cuts to people who are doing well and don't need it, and having excessive cuts either in Medicare for our elderly or in the investments that make our country strong.

I'm fighting to preserve our investments, like the direct student loan initiative, which lowers the cost of college loans to your children, eases their repayment terms, and makes it possible for more of our young people to go and to stay in college; our innovative school-to-work apprenticeship efforts, which involves partnerships with unions and community colleges and employers all over the country; our successful national service initiative, AmeriCorps, which gives 20,000 young people college scholarship funds in return for community service work in their local community, helping people to help themselves.

We can't afford not to support something as important to our future as the education and training of all of our people. That's why I am also supporting a new "GI bill" for America's workers, to collapse about 70 smaller Govern-

ment training programs into one big block and to give people a check or a voucher when they're unemployed or when they're underemployed so that they can take the money for up to 2 years to a local community college or to any other approved training program to get the kind of training they need. When people lose their jobs in this country today, too often people walk away from them. And it's wrong.

Let me take just a moment to talk about one other aspect of our strategy that is crucial to our future. As we enter the 21st century, trade is becoming more and more important to the long-term health of the American economy. We only have 4 percent of the world's population. Our success in the future rests heavily on being able to sell our goods and our services to the other 96 percent of the world.

When we open new markets, we find new consumers for our products. When we sell more products, we create more jobs. Every billion dollars in new exports creates 17,000 new American jobs. That's why I've done my dead-level best as President to open new markets around the world. The Congress has helped me, because it means so much to our economy and to our way of life. The fight for open trade should not be a partisan issue. Democrats and Republicans work together to put in place more than 80 trade agreements in just over 2 years.

I know you haven't always agreed with us, and I understand. I think I did the right thing, because we get the burdens of low wage countries shipping goods into this country and into our markets no matter what we do. The trade agreements we've reached aren't just pieces of paper; they're meaningful, concrete pacts that open up markets to us and create jobs that, on balance, pay above the national average.

Open trade is now expanding all around the world, everywhere, that is, but Japan. Of all the industrialized countries, Japan imports fewer manufacturing goods for their size than any other by a long shot. At times, some people said it was our fault that we didn't sell more there. They said our deficit was too high. They said our products were not competitive.

Well, we cut the deficit, and on an annual basis now, our deficit is as small a percentage of our income as that of any other advanced country in the world. And all of you and millions of American workers like you worked hard to make sure that our products could compete and win in terms of price and quality.

Now, in some areas we have made progress with Japan over the last 2½ years. We've concluded 14 results-oriented agreements. Believe it or not, they're now eating American rice in Tokyo. Japanese consumers are buying everything from our apples to our telecommunications equipment. But in many areas, Japan's market remains stubbornly closed. There's no question this is about artificial trade barriers, not the quality of American products.

By some estimates, if Japan had open markets, the increase in U.S. exports would create hundreds of thousands of American jobs. By the way, it would have been good for the Japanese, too, because their consumers pay almost 40 percent more than they should for the basic necessities and products of life.

Japan's trade barriers are most unfair, as you well know, when it comes to cars and car parts. In the last 25 years, we shipped 400,000 cars to Japan, and they shipped 40 million cars to us. That's a 100:1 ratio. Be sure and quote that number the next time somebody tells you there's not really a trade problem here.

Twenty-two years ago, in 1973, the Big Three had less than one percent of Japan's auto market. Every President since then has tried to fix this problem and open the Japanese market to American cars. You know what kind of success we've all had, what kind of market share the Big Three has today, after 22 years? A whopping 1.5 percent.

Now, you know how bad this problem is. Our auto industry accounts for about 5 percent of our gross domestic product directly. It employs 2½ million Americans. But when the auto industry does well, so do a lot of other people, the people who make iron and steel and aluminum and rubber and glass and semi-conductors, the things the auto industry needs. American auto parts are so good that we have an auto parts trade surplus of \$5.1 billion around the world, because demanding companies like BMW and Mercedes use our auto parts all the time. But with Japan, we have \$12.8 billion trade deficit.

My fellow Americans, this is a simple question of fairness. The American auto market is open to Japanese products, more open than the European market, more open than most markets in the world. The Japanese auto market, by contrast, is still closed to American products. We have tried and tried other means as long as we could. And we have tried long enough. Now

we must act decisively to level the playing field and to protect American jobs.

I have ordered the U.S. Trade Representative to impose 100 percent tariffs on 13 Japanese-made luxury cars by June 28 unless Japan agrees to open its markets to cars and car parts before then. Now the ball is in their court. I hope Japan is ready to reach a serious agreement. But make no mistake, if we have not resolved this by June 28, these sanctions will go into effect.

I'm gratified that there's so much overwhelming bipartisan support for this policy in the Congress. It's time for the Japanese to play by the same rules the rest of us play by. If working Americans see us continue to put up with unfair deals, they'll lose their faith in open trade. And we can't afford that. We've made too much progress opening markets to risk letting this problem with Japan spin out of control. We can't hesitate to fight for our rights.

Japan is a valued friend and partner. We cooperate on a host of other issues. Our trade relationship must also reflect that kind of cooperation. It has to be a two-way street. That's all I'm working to do. Just as we must be good partners with the other nations of the world, we know that Japan must be a good partner with us.

Let me say again, this is not just in our interest; this is in their interest. Even though their incomes are high, they are paying almost 40 percent more for consumer products than they should. We'll all win if we have fair and open trade.

I also want to ask all of you to be partners in strengthening the economy. I believe good, strong unions and good faith collective bargaining are essential to helping us meet the challenges of the future. That's why one of the first things I did upon taking office was to rescind the anti-union Executive orders of the previous 12 years. And 3 months ago, I signed an Executive order that states loud and clear we will not allow companies that do business with the Government to permanently replace striking workers.

The right to strike is a fundamental American right. Anyone who tries to deny that right can expect a fight from this administration. Labor unions have worked too hard in the 1980's and the early nineties. They have made too many concessions. They have changed too many work rules. They have shown over and over and over

again the willingness to make changes to become more productive and more competitive. When they make those kind of changes and show that kind of flexibility and when they have the kind of results that have been achieved, they deserve to be respected. And the spirit as well as the letter of the law should be honored.

We will also fight any attempts by companies to dominate labor unions. I will veto any effort to weaken Section 8(a)(2) of the National Labor Relations Act. And I am fighting to preserve your hard-earned wage protections. The Davis-Bacon Act and the Service Contract Act are the foundations for decent living standards for many, many Americans. Some want to take that away, but I want to stand at your side to protect that standard of living that you have fought long and hard to maintain. I don't agree with those who criticize these acts as inefficient or excessive. I believe that the Davis-Bacon and Service Contract Act simply put the American Government on the side of favoring a high-wage, high-growth economy. I don't believe we should support policies that increase the inequality that has grown so much over previous years. I believe we should go up or down together. We should have shared sacrifice; we should have shared benefits. And I will veto any effort to repeal those laws.

I also believe, as you do, that collective bargaining is not a privilege but a right. Our appointments to the NLRB, Bill Gould, Peggy Browning, and the General Counsel, Fred Feinstein, are committed to preserving that right.

And so, together, we are all working here, fighting hard to help you hold onto what you've struggled to win over six decades. But after standing in your way for 12 years, there are those in Congress who now want you to believe they're on your side. Kind of reminds me of the words to a country and western song, "How can anything that sounds so good make me feel so bad?"

There are those who talk about the health and safety of working Americans that try to weaken, even to gut health and safety standards; those who say they support work over welfare but support a welfare reform bill that's weak on work and tough on children, one the Congressional Budget Office says is unworkable in 44 of our 50 States. They say that work should pay, but they oppose raising the minimum wage to make it a living wage. All of you know how

important the minimum wage has been to making sure people have a decent standard of living in this country.

You know, I saw something recently that brings home the need for an increase in the minimum wage more than anything else that I've seen in recent months. I was watching a news special on television, and they went down South to a town that had a lot of minimum-wage workers. There they interviewed a remarkable woman in a local plant who was working for the minimum wage. They said to her, "You know, your employer says if we raise the minimum wage, then they'll either have to lay off people or put more money into machinery and reduce their employment long term, and you could be affected. What do you say to that?" And the woman just threw back her shoulders and smiled and said, "Honey, I'll take my chances."

There are a lot of women and no small number of men out there who are in that situation. Some of them are raising their kids on the minimum wage. The truth is we have looked at all the arguments, pro and con. There is really no evidence that a raise in the minimum wage will cost jobs, but we do know it will make more people want to move from welfare to work. We do know it will reward work. And we know if we don't raise the minimum wage, next year it will be at a 40-year low, once you adjust for inflation.

That's not my idea of the 21st century economy. My idea of the 21st century economy is

Americans working hard, working smart, well-trained, well-supported, competing and winning in the global economy, doing the kinds of things the UAW is doing today, not driving down the minimum wage so that more and more people work harder and harder just to fall into poverty. That's wrong, and we need to turn it around. We need to give everybody a fair shot at the American dream.

In closing, let me say that our work here requires a partnership with you, so that we'll be ready to compete and win in the 21st century, so that we don't raise the first generation of Americans to do worse than their parents, so that instead we begin to grow the middle class and shrink the under class again. The future of our Nation depends upon rewarding the efforts of workers like you. You and your families are the heart and soul of America, so we have to work together to preserve not only what has been won but to fight for the jobs, the incomes, the justice, the American dream of the future. We can do it. We can do it.

Thank you, and God bless you all.

NOTE: The President spoke by satellite at approximately 5:45 p.m. from Room 459 of the Old Executive Office Building to the UAW convention in Anaheim, CA. In his remarks, he referred to Owen Bieber, outgoing president, and Steve Yokich, incoming president, United Auto Workers.

Statement on the Retirement of Lane Kirkland *June 12, 1995*

American workers and workers around the world owe a tremendous debt of gratitude to Lane Kirkland. For nearly five decades, he has been a catalyst for international democracy and a guiding force for workplace fairness, dignity, and innovation.

His record of achievement rivals the great labor leaders that came before him, and his ideas and accomplishments will benefit working

families for generations to come. He served with distinction during some of the toughest times for American workers and brought creativity, a laser-like determination, true grit, and an unparalleled intellect to his job as president of the AFL-CIO.

Hillary and I wish him the very best for the future and will always be grateful for his strong support, keen advice, and valued friendship.