

reopen the Government today for the next several days while we attempt to finalize this, and I hope the House will follow suit. That's a very good sign, and I'm looking forward to the meeting tonight.

Q. Will the House follow suit, Mr. Speaker?

Speaker of the House Newt Gingrich. Well, our Members will be back by noon tomorrow, and we hope to meet with all of them and brief them on tonight's meeting and whatever happens tomorrow morning and maybe get something done during the day tomorrow. I think if we can both get movement on the balanced budget and get the Government back to

work and paid for, that really would be a good step in the right direction.

Q. Will you encourage them to take the Senate bill?

Speaker Gingrich. We're going to have a good meeting tonight, and we'll report to the Members what happened when they get back tomorrow.

NOTE: The exchange began at 6:15 p.m. in the Oval Office at the White House, prior to a meeting with congressional leaders. A tape was not available for verification of the content of this exchange.

Remarks on the Impact of the Budget Impasse and an Exchange With Reporters

January 3, 1996

The President. Good afternoon. I have just finished meeting with my Cabinet to receive an update on the consequences of the Government shutdown that Congress has imposed on the American people and on the hardworking public employees who are now working without pay and the many who want to work but are not permitted to return to work. Each day this shutdown continues, the consequences grow worse.

Before I get into some of the specific things that came out of the Cabinet meeting, let me remind the American people that this shutdown is not caused by the fact that the congressional leaders and I have not yet reached agreement on a balanced budget plan or on all the appropriations for this year. In fact, it is part of an explicit strategy by Republicans to shut the Government down to get their way on budget and tax issues. This has never been done before. It is not a natural disaster. It is an unnatural disaster born of a cynical political strategy.

It is long past time to reopen the Government. I am pleased that after 2 weeks of this shutdown, the Senate Republicans have voted to reopen the Government, putting the interest of our country ahead of politics. Our budget talks are proceeding seriously and in good faith. I have been impressed by the efforts made on all sides, including those by Senator Dole and by Speaker Gingrich and Leader Armey and

Senator Daschle and Mr. Gephardt. We are working together in good faith. This shutdown is not speeding our talks. It is only casting a shadow over them.

Let me report to you some of the specific examples of harm already caused by the shutdown. This week, the Meals on Wheels program for senior citizens will run out of money. Half the Head Start programs in the country will run out of money within the month. The Centers for Disease Control tracking system cannot accurately keep up with the flu outbreak in the Midwest. On an average day, 260 small businesses are being denied \$40 million in capital, loans that would create new jobs for Americans. We are not able to enforce our trade laws to protect our workers and our products. We're not able to weatherize homes in this winter to protect the elderly from the cold.

Yesterday, the Environmental Protection Agency shut down toxic waste cleanups at 32 sites across America. Every day, 240 calls to the Drinking Water Contamination Hotline now go unanswered. The EPA's efforts to prevent cryptosporidium from contaminating city water supplies, something that proved a deadly threat in the city of Milwaukee, have been badly delayed. EPA enforcement efforts have completely stopped.

Medicare contractors who serve our elderly are not being paid. Many of them now are dip-

ping into their own pockets to keep health care coming, but they won't be able to do it for long. Ten States have run out of the funding they use to run our unemployment insurance program, and 15 more will soon do so.

Ninety-five percent of all workplace safety activities have been shut down. All sweatshop enforcement has been stopped. And investigations into 3,500 potential cases of pension fraud have ground to a halt. Two weeks ago when a mill burned down in Massachusetts, workers received immediate assistance for child care, transportation, and job training. Last week when 2,000 workers lost their jobs from a Rhode Island factory, the Labor Department could not respond at all.

Medicaid funding that goes to pay for nursing home care, pregnant women, the disabled, and poor children will be exhausted by the end of this month. Every day we are unable to process 2,500 applications for mortgage insurance; that means now a backlog of 20,000 people who are losing their home loans, many of them losing their chance to buy their new homes. Funds to pay for drugs, food, and supplies at veterans hospitals run out today, and 170,000 veterans did not receive their December educational benefits.

At FEMA, an agency that has been universally praised by Republicans and Democrats alike, the emergency food and shelter program for people facing disasters has run out of funds. And according to Director James Lee Witt, some State emergency management agencies have actually had to shut their operations. We can only hope that they will not suffer a disaster while this occurs.

The Secretary of State reports that this shutdown is adversely affecting the national security of the country. We are running the risk of not being able to maintain our diplomacy abroad. And this shutdown, frankly, is injuring the reputation of the United States around the world. People wonder what is going on.

The shutdown has been especially devastating to hundreds of thousands of dedicated public servants who work for the American people through the Federal Government. Some of them have actually had their phones cut off or can no longer pay for child care because they are working without pay or because they are not permitted to work. Some of those are so dedi-

cated to their mission that they've actually tried to go to work and had to be run off.

It's time to stop holding the Federal workers hostage in this process. As the Secretary of State says, this is not how a great country behaves. And as I have said for months and months and every day since this shutdown occurred, this is not how to balance the budget; it is not influencing our talks; we ought to reopen the Government.

Again, let me say I'm convinced both sides want to balance the budget. We have different philosophies about how to do so. Based on the hours and hours we've spent working together, I'm convinced we can do it. But it is wrong, it is deeply wrong to shut the Government down while we negotiate under the illusion that somehow that will affect the decisions that I would make on specific issues. As I said, this is only casting a shadow over our talks. I will continue to do everything I can in good faith to reach an agreement. But it is wrong to shut the Government down.

Again, let me compliment the Senate on abandoning that process and voting to open the Government while we continue to work, and ask the House to follow suit.

Thank you very much.

Q. Mr. President, House leaders——

Q. What about your role in this, Mr. President?

Q. Is there anything you can do to bring the workers, some workers back?

The President. Well, I have worked with our people, obviously, at OMB to explore every conceivable option to bring them back. And I will continue to do that. I have done everything that I have been told I can legally do, and we are exploring some other options. As other options come up, I will do whatever I can. I think this is very wrong.

But they also deserve to be paid. And the American people need to know that those who are not working are not out there idle of their own choice. They want to be here. They want to be working, and we ought to give them a chance to do it.

NOTE: The President spoke at 3:19 p.m. in the Briefing Room at the White House.