

## Message to the Senate Transmitting the South Africa-United States Tax Convention

June 26, 1997

*To the Senate of the United States:*

I transmit herewith for Senate advice and consent to ratification the Convention Between the United States of America and the Republic of South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains, signed at Cape Town February 17, 1997. Also transmitted is the report of the Department of State concerning the Convention.

This Convention, which generally follows the U.S. model tax treaty, provides maximum rates of tax to be applied to various types of income and protection from double taxation of income. The Convention also provides for the exchange

of information to prevent fiscal evasion and sets forth standard rules to limit the benefits of the Convention so that they are available only to residents that are not engaged in treaty shopping.

I recommend that the Senate give early and favorable consideration to this Convention and give its advice and consent to ratification.

WILLIAM J. CLINTON

The White House,  
June 26, 1997.

NOTE: This message was released by the Office of the Press Secretary on June 27.

## Remarks and a Question-and-Answer Session With the League of United Latin American Citizens

June 27, 1997

*The President.* Thank you very much. Thank you, President Robles. I enjoyed very much our meeting with you and your board members a few days ago, and I know since then several members of my administration have had the chance to visit with you during your convention—our United Nations Ambassador, Bill Richardson; SBA Administrator Aida Alvarez; Ida Castro, the Director of Women's Bureau at the Labor Department; and my Deputy Assistant for Legislative Affairs, Janet Murguía. Secretary Peña would have been there, too, except that he has just become a new dad for the third time, little Ryan Federico, so he now has a namesake.

I thank you for inviting me to join you in celebrating the achievements of LULAC and of Latinos across our Nation. LULAC has a proud history, and for more than 65 years now you've fought to advance the rights and the opportunities of Hispanic-Americans, and in so doing, your dedication has helped all of America.

Two weeks ago I asked all Americans to join me in thinking about and talking about how America can use our great diversity of race and

ethnicity as a strength to get past our divisions and closer to what unites us so that we can become the world's greatest multiracial, multi-ethnic democracy in the 21st century. Hispanic-Americans must be a big part of this initiative. Latinos represent the youngest and fastest growing population in our Nation, and in many ways America's success depends upon Hispanic success. That's why we have to all work in partnership to create a plan of action to allow every child to make the most of his or her life.

Earlier this week, Aida Alvarez and I met with Belen and the LULAC executive council, as I said a moment ago. We had a very constructive talk about the work that still needs to be done to ensure that Hispanics share in the fruits of the strong economy. In the last 4 years, the Hispanic unemployment rate has gone down from 11.3 percent when I took office to about 7.4 percent in May. That's been one of the great dividends of more than 12 million new jobs created in our economy. And when we won a raise in the minimum wage, 1.6 million Hispanic workers benefited directly.

In the first 3 years of our administration, more than 220,000 new Hispanic-American-owned businesses were created. Our Small Business Administration helped even more Latino-owned businesses to get the management training and counseling they need to succeed. A new study shows that between 1987 and 1996, the number of companies owned by Hispanic women, in particular, has grown at three times the overall rate of business growth. All of this signals progress.

But our work is far from over. That's because despite a strong work ethic and a strong sense of personal responsibility, Hispanic-Americans are the only racial or ethnic group in America that has experienced a decline in income during our current economic boom. One big reason is the high Hispanic high school dropout rate. It's far above that of blacks and whites. It's holding young Hispanics back. Many times these dropouts only want to help their families by bringing in income. But long, hard hours at the low-paying jobs will never amount to the earning potential of someone who stays in school. In the new economy, education is the key and responsibility means staying in school. That's the message we must get out to young Latinos.

I know you share my concern that too many Latino youth are missing out on an education. I'm especially pleased by the interest your organization has shown for our America Reads initiative. Since our meeting on Monday, your president has spoken with Carol Rasco at our Department of Education, and we have committed to work with LULAC to ensure that LULAC volunteers are a critical part of this important effort.

Latinos know about helping others; an impressive 15 percent of the participants in our AmeriCorps program of national service are Hispanic. With your help and the participation of AmeriCorps and other volunteers, we'll be able to mobilize a million people to make sure that all of our children can read independently by the third grade. America Reads will help our children to succeed and to stay in school.

I want all young people to have the tools they need. That's why our budget agreement increases funding for bilingual education by 27 percent. It's the bridge that some students need to achieve in English. [Applause] Thank you. We've also worked to widen access to college, with the largest increase in Pell grants in two decades, a big increase in work-study funds, and

by proposing scholarships that would make 2 years at a community college affordable for every single family, because I believe the 13th and 14th years of school must become as universal as a high school diploma is today.

We also want every family to be able to deduct up to \$10,000 a year to help pay for the cost of any higher education after high school. All that is part of the biggest increase in higher education since the GI bill 50 years ago, and it's included in our balanced budget proposal. We are working with Congress to ensure that the budget agreement does not shortchange education. And I ask you to stand with us in that. [Applause] Thank you.

I also want to tell you where we are in the budget negotiations on the matter of benefits for legal immigrants. As you know, when Congress enacted last year's welfare law, it included provisions affecting legal immigrants that were harsh and had nothing to do with the real goal of welfare reform, moving people from welfare to work. Since then, we've worked hard to restore SSI and Medicaid eligibility for disabled legal immigrants. I place a great deal of importance on this issue, and I'm hopeful that with the recent Senate action we will be able to restore benefits to both disabled and elderly nondisabled immigrants who were in the United States when the law was signed last August.

We all have a role to play in making a better future for coming generations. Citizens and Government must work together. We've got to give every child a fair chance to live out his or her dreams. We have to give every child a safe place to grow up. We have to give all of our children decent health care, a world-class education, and a more united, stronger America—one America.

I applaud LULAC for your commitment to improving the lives of Hispanic citizens, and I look forward to continuing our work and partnership toward the great goal of one America for the 21st century.

Thank you, and God bless you.

Ms. Robles. Thank you very much, Mr. President. And now, if you will permit us, we do have some questions from the LULAC membership. And I would like to introduce to you the national president of the LULAC youths, Alejandro Meraz, a senior at Skyline High School in Dallas, Texas, that will pose the first question.

Mr. Meraz. Good morning, Mr. President.

*The President.* Good morning, Alejandro.

*Hispanic High School Dropout Rate*

*Mr. Meraz.* As you are aware, the Hispanic high school dropout rate is extremely high. Allowed to continue, this problem would devastate the Hispanic community. What initiatives are you already undertaking to reduce the dropout rate in Hispanic communities? And what additional steps can be taken to alleviate this problem?

*The President.* First of all, let me say that I take this problem very, very seriously. I have been talking about it all across America. I raised it at the University of California in San Diego at my race speech, where 45 percent of the graduates in the class were Hispanics. I think that we all understand what we have to do here. I have charged Gene Sperling, who is the head of the National Economic Council, and Maria Echaveste, who heads my Office of Public Liaison, to make sure that our educational initiatives address the specific concerns regarding Hispanic dropouts. They, along with the Department of Education, will work with the Congressional Hispanic Caucus and other Hispanic leaders to evaluate our current programs to identify positive actions that can be taken right now to increase the percentage of Latinos graduating from high school and increase the number going on to college.

Let me just mention two or three specific things that I think can be done. Number one, if we can succeed in our goal of making sure that every 8-year-old is proficient in reading by the third grade, that will increase the ability of children whose first language is not English to do well in school, and it will increase the chances that they will stay there.

Number two, having national standards for all children will help Hispanic students. I spoke with the wonderful Latino superintendent of the San Antonio, Texas, school district the day before yesterday, and she said that San Antonio would become the first large city in Texas to participate in our national standards program, including testing fourth graders for reading and eighth graders for math in 1999. Why? Because they are learning in San Antonio that when you raise academic standards, you make school more interesting and more meaningful to people, and they are far less likely to drop out.

So I believe raising these standards and giving children a chance to get a good education in

high school will, in fact, lead to a substantial reduction in the Hispanic dropout rate, especially if we've done our job on reading in the early grades.

Now, in addition to that, I think it is very, very important that we follow up on another one of the goals of the Presidents' Summit of Service. We need to make sure that all these young people who are at risk of dropping out have an adult mentor who is working with them, trying to help them and encourage them to stay in school and continue on their road in education.

So I think that that is another thing that we really need to focus on. We know from experience in community after community after community that if there is at least one caring adult which is trying to tie the young boy or the young girl to school, to school life and help them succeed, that will also make a big difference.

So those are just three things that I think we should start with. But we're going to work on it here at the White House; we're going to work with the Congressional Hispanic Caucus and the Department of Education. And we want to do everything we can to make sure that there are more young people like you as we move into the 21st century.

*Ms. Robles.* Thank you very much, Mr. President. And now I would like to introduce to you the district director of LULAC in Hollister, California, Ms. Micki Luna.

*Ms. Luna.* Greetings from the Golden State of California, Mr. President.

*The President.* Hello.

*Affirmative Action*

*Ms. Luna.* We applaud your recent announcement to create a commission to study race relations in our country. However, we are increasingly concerned about the effects of California's Proposition 209, which eliminated affirmative action programs in our community. What actions are you taking to lessen or to reverse the effects of Proposition 209, which have already drastically lowered Hispanic enrollment in higher education within the university system of California?

*The President.* Well, Micki, first of all, I've tried to continue to speak out in favor of affirmative action as I have been, as you know, for the last several years, to discourage anyone else

from doing the same thing. I think that's very important.

Secondly, I have asked the Domestic Policy Council to coordinate a review by the Justice Department and the Education Department on the impact of Proposition 209 and the Hopwood decision in Texas. We need to make sure that we do everything we can to keep the doors of higher education open to all Americans, including all minorities. We are looking for specific things that we can do to ensure that higher education does not become segregated or that the progress we've made over the last 20 years is not reversed.

Secondly, I think we need to do more in secondary schools to prepare young people for college. If we can really implement the standards movement that I'm pushing for over the country and get all the schools, like the San Antonio district, to participate, what we will see is that we will do a better job of giving our young people the tools they need to get into college in the first place.

One of the things that I have noted is that so many affirmative action students have done very, very well in the universities of our country. They've also improved the quality of education there for other students by diversifying the student body. And because they do well it means that they could have done better on the entrance test, they could have done better in the beginning if we, their parents' generation, had provided them a finer elementary and secondary education. So I think that's a big part of this answer, too.

But I'm not willing to give up on affirmative action in education. I'm not about to give up on it. And we are exploring what our legal options are, as well as what policies we might implement to try to stop public higher education in America from becoming resegregated.

*Ms. Robles.* Thank you, Mr. President. And at this time may I introduce to you the LULAC national vice president for the Southwest from Dallas, Texas, Mr. Hector Flores.

*Mr. Flores.* Thank you, madam chair. Good morning, Mr. President.

*The President.* Good morning, Hector.

*Mr. Flores.* I'm glad to see you again.

*The President.* Thank you.

#### *Empowerment Zones Along the Border*

*Mr. Flores.* Mr. President, despite the general low level of unemployment throughout the

country, our communities along the United States and Mexican border continue to experience high unemployment levels, ranging from as high as 12 to 15 percent. Will you work with LULAC to increase empowerment zones along the border to reduce the devastating high level of unemployment in these areas, sir?

*The President.* The short answer to your question is, yes, I will do what I can to increase the availability of empowerment zones, enterprise communities, incentives in all the high unemployment areas of our country.

Two weeks ago, the Vice President was in southwest Texas and hosted a townhall meeting in McAllen at the Southwest Border Conference. It was a gathering of over 200 people from the rural empowerment zones, including mayors, local elected officials, representatives from five States that are involved in these issues. And one of the things we learned is that we must have economic development along the borders to combat these double-digit unemployment rates.

We're working to find additional moneys now to fund more zones to help people help themselves. And let me say that in my budget, I call for a doubling of the number of empowerment zones and enterprise communities. We know that these things will work. [Applause] Thank you.

One of the continuing struggles I'm having up here in Congress to get the right kind of balanced budget is to get the Senate and the House to agree to invest funds in the empowerment zones, in the enterprise communities. Now, we've had one empowerment zone in south Texas. You know that it can work. And one of the things I'd like to ask LULAC to do is to write or call the Members of the House and the Senate who represent the border States and remind them that these empowerment zones are important and that they will work. We've got to get in the final budget coming to me—we have got to get funds for the empowerment zones and the enterprise communities, because we know we have to turn these communities that are in difficult shape, that have not participated in our economic revival. We know we've got to turn them around one by one with local leadership and private sector investment.

I will do my part. But when you leave here I want to implore you all to contact the Members of Congress, especially in the border States,

and intensely argue for not only reauthorization of the empowerment zones but to expand their number. If you do, I will go in there and work with you to get these high unemployment areas fully participating in our economic recovery.

Thank you.

Mr. Flores. Thank you, Mr. President.

The President. Thank you.

Ms. Robles. Thank you, Mr. President. On behalf of all the LULAC membership, 110,000 grassroots members from across the United States and the island of Puerto Rico, I thank you. I particularly want to thank you also on behalf of the State director of the State of Arkansas, Mr. Ben Rodriguez—

The President. My longtime friend.

Ms. Robles. —and the membership of your native State.

The President. Thank you. Tell him I said hello. Bless you.

Ms. Robles. He's here in the audience, sir. He's listening to you.

The President. Hello, Ben.

NOTE: The President spoke at 11:12 a.m. by satellite from Room 459 of the Old Executive Office Building to the meeting in California. In his remarks, he referred to Belen Robles, president, League of United Latin American Citizens.

## Remarks on Signing the Drug-Free Communities Act of 1997 and an Exchange With Reporters

June 27, 1997

The President. Let me, first of all, say to you, Congressman Portman, and to Congressman Levin and Congressman Hastert and, in his absence, Congressman Rangel, and to the Senators who worked on this, this is a very important day for this legislation because it does reflect our commitment in Washington to behave in the way that people in communities behave when they do what works in fighting the drug problem, and I cannot thank you enough.

The fact that we did this in a bipartisan fashion, and we did it, to use Congressman Portman's words, based on trying to legislate nationally a system not only to empower people to do what we know works in some communities today already but to give them the incentive to do more of it, is, I think, a great thing. So I thank the Congressmen for being here. I thank the members of the Cabinet for their support. I thank Jim Copple, the president of the Community Anti-Drug Coalitions of America; Dick Bonnette, the Partnership for a Drug-Free America; and all the rest of you who are here.

Now, before I sign this bill, I have to make a couple of comments about—this has been a very interesting week of momentous decisions by the Supreme Court. Today the Supreme Court issued a ruling on the Brady bill. And since I have been so heavily identified with that

for several years now, I'd like to make a few comments.

The decision struck down the requirement that local police officers conduct background checks but left intact the Brady bill's 5-day waiting period. Since the Brady bill passed, 250,000 felons, fugitives, and mentally unstable persons have been stopped from purchasing handguns. I don't think anyone can seriously question that it has made a major contribution to increasing the safety of the American people. And I'm going to do everything I can to make sure that we continue to keep guns out of the hands of people who should not have them.

These criminal background checks make good sense; they save lives. Now 27 States, 9 more than when the Brady bill first passed, have State laws requiring them, and they will continue to do the background checks. Even in other States, criminal background checks will continue. The Brady law was drafted by our law enforcement community; they wanted it. Again, it was a community-based resolution of a difficult problem. So I know that these State and local law enforcement officials who asked us to pass the law will continue to do the background checks.

I've asked Attorney General Reno and Secretary Rubin to contact police departments across our country to make sure they know that the background checks can and should continue