

a vital contribution in manning the international observation force, which has monitored the cease-fire and helped maintain peace in the disputed area.

## Remarks in a Roundtable Discussion on Women and Retirement Security October 27, 1998

*The President.* Thank you, ladies and gentlemen. Welcome to the White House. I want to thank the Vice President, the members of the administration, Congressman Cardin, all the panelists who are here, the satellite audience at the 12 other sites across our country. I'd like to say a special word of appreciation and welcome to Betty Freidan, who has written with such insight and appreciation for the challenges women face as they grow older.

We're here to talk about the special impact of the challenge to Social Security on the women of the United States. I would like to put it in, if I might, a larger context. Six years ago, when the Vice President and I came here, we brought a new vision of Government against a backdrop of a \$290 billion deficit and the kind of problem we're here to talk about today that we knew was looming in the future. We believed that we could give the American people a Government that would live within its means but at the same time invest in and empower our people.

It led to an array of new policies in education and the economy, the budget, the environment, in health care, in crime, in welfare reform. Indeed, it led to the very effort to reinvent Government, to use the Vice President's phrase, and the great effort that he made in that regard. But over the last 6 years, we have been more active, among other things, in family matters and health matters and a whole range of domestic areas, while giving the American people the smallest Federal establishment since President Kennedy was here.

And the results, I think, have been quite good for our people, in terms of prosperity. Opportunity is abundant; communities are stronger; families are more secure. This year, all year long, I have told the American people and done my best to persuade the Congress that it is terribly important to build on this prosperity and its newfound confidence to meet the remaining challenges this country faces on the

edge of a new century, particularly, and perhaps most important, the need to save Social Security and to prepare for the retirement of the baby boomers.

On December 8th and 9th we will hold the first-ever White House Conference on Social Security, with a goal of paving the way toward a truly bipartisan national solution early next year. Social Security, as many of you know from your own experience and as all our panelists will be able to discuss in one way or the other, is more than a monthly check or an ID number. It represents a sacred trust among the generations. It represents a trust not only between grandparents, parents, and children, those in retirement and those that work, but also the able-bodied and those who are disabled. It is our obligation to one another, and it reflects our deepest values as Americans. And it must maintain a rock-solid guarantee.

We have a great opportunity to save Social Security. As all of you know, just this month we closed the books on our first balanced budget and surplus in 29 years. It is the product of hardworking Americans who drive the most powerful economic engine our country has had in a generation, the product of hard choices by lawmakers who put our Nation's long-term economic interest very often above their own short-term political interest. It is an achievement that all Americans can be proud of.

But we have to ask ourselves, to what end has this been done? Of course, balancing the budget is essential for our own prosperity in this time of intense global competition. But it also gives us a chance to do something meaningful for future generations by strengthening Social Security. And doing that will help to keep our economy sound and help to keep our budget balanced as we honor our duty to our parents and our children.

As the Vice President said, soon there will be many more older Americans. I hope that he and I will be among them—[laughter]—2

of the 75 million baby boomers who will be retiring over the next 30 years. By the year 2013, what Social Security takes in will no longer be enough to fund what it pays out. And then we'll have to dip into the Trust Fund as provided by law. But by 2032, as this chart on the left makes clear, the Trust Fund itself will be empty, and the money Social Security takes in will soon be only enough to pay 72 percent of benefits.

Now, that's the big reason I wanted to reserve the surplus until we decide what to do about Social Security. Every American must have retirement security in the sunset years. We plan for it, count on it, should be able to rely on it. That holds true for women as well as men. But in the case of women, Social Security is especially important. On average, women live longer than men; women make up 60 percent of all elderly recipients of Social Security, 72 percent of all recipients over the age of 85, as you can see here.

For elderly women, Social Security makes up more than half their income. And for many, it is literally all that stands between them and the ravages of poverty. You can see what the poverty rate is for elderly women. It's 13.1 percent with Social Security; without it, it would be over 50 percent. Study after study shows us that women face greater economic challenges in retirement than men do, for three reasons.

First, women live longer. A woman 65 years of age has a life expectancy of 85 years. A man 65 years of age has a life expectancy of 81 years. Second, for comparable hours of work, women still have lower lifetime earnings than men, although we're working on that. Third, women reach retirement with smaller pensions and other assets than men do.

Now, Social Security has a number of features to help women meet these challenges. And we have done a lot of work over the last 6 years to try to help make it easier for people to take out their own pensions and to make it more attractive for small businesses to help to provide pensions for their employees, which could have a disproportionate impact, positive impact, for women in the years ahead. But the hard fact remains that too many retired women, after providing for their families, are having trouble providing for themselves.

Now, we have worked these last 6 years to expand pension coverage, to make the pensions more secure, to simplify the management of

pension plans. We've worked for the economic empowerment of women, to end wage discrimination, and strengthen enforcement of the Equal Pay Act. But we must do more until women earn one dollar for every dollar men earn for the same work, and today we're only three-quarters of the way there. We must work harder to give retired women the security they deserve that they could not get for themselves in the years they were working.

Today I am announcing two concrete steps we must take. First, I propose that workers who take time off under the Family and Medical Leave Act should be able to count that time toward retirement plan vesting and eligibility requirements. Sometimes the few months spent at home with a child mean the difference between pension benefits and no pension benefits. That is precisely the wrong message to send to people who are trying to balance work and family. Millions and millions of people have now taken advantage of the family leave act when a family member was desperately ill or a baby was born. None of them should have lost time for retirement vesting and eligibility benefits.

Second, I am proposing that families be given the choice to receive less of their pension when both spouses are living, leaving more for the surviving spouse if the breadwinner dies. That should help keep elderly widows out of poverty in their twilight years. And the poverty rate for single women, for elderly widows is much higher—almost—about 40 percent higher than that 13 percent figure there.

These proposals build on the work of Congressman David Price of North Carolina and Senator Barbara Boxer and Senator Carol Moseley-Braun. They will make a difference for our mothers, our wives, our sisters, and someday for our daughters. But let me emphasize again the most important thing we can do for future generations is to strengthen Social Security overall.

When I said in my State of the Union Address I would reject any attempt to spend any surplus until we save Social Security, I knew the congressional majority wanted to drain billions from the surplus even before it appeared on the books, much less having the ink dry, and not just this year but permanently. Now, I am not opposed to tax cuts; in my balanced budget we had tax cuts for education, for child care, for the environment, and for making it easier for people to get pensions. I'm just opposed to

using the surplus to fund tax cuts until we have used all we need of it to save the Social Security system for the 21st century.

The threat of a veto put a stop to that effort in this last Congress. The next Congress will be the Congress I call upon actually to move to save Social Security for the 21st century. It should not be a partisan issue, and we should not have another partisan fight to save the surplus until we reform Social Security.

But recently, Republican leaders are still saying the surplus should go to fund tax cuts first, and the Senate majority leader has suggested that he may not even be willing to work with me to save Social Security. Well, I hope that's just election season rhetoric. After all, they were willing to work with the insurance lobbyists to kill the Patients' Bill of Rights. [Laughter] And then they worked with the tobacco companies to kill our teen smoking bill to protect our children from the dangers of tobacco. And they were happy to work with the special interests who were determined to kill campaign finance reform. I think the Senate majority leader will be able to find time to work with me to save Social Security. And I certainly hope so.

I say this partly with a smile on my face but in dead seriousness. This issue will not have the kind of money behind it that the tobacco interests can marshal or the health insurance companies could marshal against the Patients' Bill of Rights. And everybody here with an opinion is going to have to give up a little of it if we're going to make the right kind of decision to get there. This is the sort of decision that requires us to open our minds, open our eyes, open our ears, open our hearts, think about what America will be like 30 years from now, not just what it's like today, and imagine what it will be like when those of us who aren't retired will be retired and our children will be raising our grandchildren—increasingly, when those of us who are retired will be looking after our great-grandchildren, as the life expectancy goes up and up.

This requires imagination. And it will be hard enough under the best of circumstances. It would be foolish to take this projected structural surplus that has been built in through 6 hard years of effort and squander it, until we know what it will cost to have a system that all Americans, without regard to party, can be proud of.

Now, this is an issue that offers us that kind of choice, between progress and partisanship;

moving forward, turning back; putting people over politics. In 11 days we will elect a Congress that will determine the future of Social Security. We need one that is 100 percent committed to saving Social Security first; to putting the long-term security of the American people, our parents and our children, ahead of the short-term politics.

Now let me say, I am eager to hear from our panelists. I think it's important to note on this day with this subject that one of America's first great advocates for Social Security was the Secretary of Labor, Frances Perkins. As Secretary Herman would tell you, Frances Perkins' name now graces the Department of Labor building, just down Pennsylvania Avenue. She was the first woman to hold that office or any other Cabinet office. Years later, on the 25th anniversary of Social Security, Frances Perkins looked ahead and said this: "We will go forward into the future a stronger Nation because of the fact that we have this basic rock of security under all our people."

That foundation, that rock, was laid by Frances Perkins and Franklin Roosevelt. It is up to all of us together, women and men, to make sure that rock will hold up all our people in the 21st century. Thank you very much.

Molly, why don't you go first? Tell us your story and your family's experience with Social Security.

[Molly Lozoff described how Social Security had helped her family survive after her husband had a disabling stroke in 1955, in particular, the disability insurance for minor children of a disabled income provider. Ms. Lozoff said that as a senior citizen, she again depended on Social Security for basic living expenses.]

The President. I'd just like to say, I think I speak for everyone in this room. I guess some bad things happen to everybody in life, and a lot of us were probably feeling nonetheless that we can't imagine how we would have dealt with what you have obviously dealt with so magnificently. And if Social Security helped, then I think we can all be grateful that it did. But we thank you very much.

[Vice President Al Gore introduced Howard University student Tyra Brown, an AmeriCorps volunteer, who described how the Social Security survivors benefit had helped her following her mother's death when Tyra was 15 years old.]

*The President.* We have heard from a student and a retiree. Now I'd like to call on someone who is working and planning for retirement. And I'd like to mention something that I mentioned in my opening remarks, to which the Vice President also referred, and that is that 60 percent of women workers, both part- and full-time, work at jobs that do not provide a pension. And as I said, we have worked very hard on this for the last 6 years, and we've tried to come up with all kinds of proposals that would facilitate more employers providing pensions. And we will do more on that.

But meanwhile, we are where we are. Most Americans, even on Social Security, have some other source of income. But as you see from the chart, over half the women in this country who are retired would be in poverty but for Social Security.

So I'd like for Bernice Myer to talk a little bit about the challenges that she's facing and how she's trying to deal with the prospect of retirement in the job that she's in.

Bernice.

*[Bernice Myer, a home-care aide, explained that since she had a low-wage job with no pension, she planned to rely on Social Security when she retired.]*

*The President.* One of the questions that we'll be asked to deal with, that most younger people who are interested in this will ask us to deal with, is the question of how much flexibility individual citizens should be given, and should there be alternative investment strategies for the Social Security fund. There will be a lot of these questions asked by young people, particularly.

And I think it is important to keep in mind that there is always a balance between greater flexibility with the prospects of greater return on the Trust Fund and rock solid certainty. And ironically, to people in Bernice's position, she'd actually be better off with both, because if you don't have a pension, you need a higher income out of Social Security; but if you don't have a pension, you have very little room for risk.

And there are—if you think about it, our society, for decades, by and large, made a bargain with our critical service workers, the people that pick up our trash every day or the police that patrol our streets or the teachers that teach our children. We say, "Okay, we'll get you the best pay we can, but even though you'll never get

rich, at least you'll have a pension as well as Social Security."

Now, there's been an explosion, in the last 10 years especially, in America, of trying to provide more direct services to people in-home. And most everybody believes that's a good thing. It promotes more independence, a greater sense of security of the people receiving the services. But there are huge numbers of Americans like Bernice out there who are performing critical services and taking our country in a direction most people who study this believe we need to do more of. And one day, eventually, they'll all be covered by some kind of an organizational system that will give them a decent retirement plan. But meanwhile, you've got people like Bernice that are out there doing things that we should have been doing as a society long before, that are making this a better place, that don't yet either have the bargaining power, the political support, or whatever necessary to have the pensions that they need; either that or the economics of reimbursing for the service are not sufficient to support a pension. It is wrong to let people like her do all this work for us and not at least be able to rely on an adequate Social Security system in retirement.

This is not an isolated story. This is a person who represents a growing number of Americans, not a shrinking number of Americans, doing something that most experts believe is making us a better society.

I didn't want to take so much time, but I just think it's very important that you understand we picked these people—they're very compelling, I think, all of the panelists, but they're also representative, not isolated cases. And I think it's important to think about this when we make these plans for the future.

*[Vice President Gore made brief remarks and introduced Wilma Haga, who described how she and her husband had worked hard to put their children through college. She said she had retired with a pension of \$200 a month and an additional \$300 a month from Social Security, but when her husband died, her Social Security payment rose an additional \$600 a month at a time when it was really needed.]*

*The President.* We asked Lucy Sanchez to come here to talk about the Family and Medical Leave Act and its effect on her life, because I think it's important to point out that while both men and women are equally eligible for

the Family and Medical Leave Act, women are far more likely to take advantage of it. And they should not lose a year of eligibility, in terms of retirement vesting, when they do.

Keep in mind, if men and women all had retirement systems in addition to Social Security and they were more or less equal, then our task of dealing with handling the baby boomers in the retirement system would be much, much easier. And so anything we can do now to equalize the impact of retirement earnings among similarly situated people 20 years from now will change and make less difficult the changes we are going to have to make anyway in the Social Security system.

I think it's very important for everybody to kind of keep that in mind. So when I announced earlier today, a few moments ago, that we wanted people not to lose credit in retirement vesting when they access the Family and Medical Leave Act, I think it's important. We have an illustration of why it's important to have this law on the books and why it is inconsistent with being pro-work or pro-family to disallow retirement vesting just because people are taking advantage of the law.

Lucy?

*[Lucy Sanchez described how the Family and Medical Leave Act ensured her job stability throughout the previous year, when she had to take 90 days off to care for her husband and when her 85-year-old mother was hospitalized. Ms. Sanchez said she was concerned that her time off would affect her employee pension plan, and she expressed support for the President's proposal to count such time off toward retirement plan vesting and eligibility requirements.]*

*The President.* Well, thank you for sharing your story with us. We can all see how recent it has been and how difficult it has been for you, and you were very brave to come here and talk with us today. And we thank you for that very much.

We believe, the Vice President and I and our spouses, that the family leave law ought to be expanded some. We've tried in two Congresses to do that and haven't gotten very far. But we'll keep plugging away at it, because I think unless people have been in this situation where they're afraid they're going to lose their job or wreck their retirement because they're just doing what's necessary to hold their families together, they can't imagine it. And the law is

actually a great—it's actually good for businesses, too, because it doesn't put any employers at a competitive disadvantage if it applies to all employers equally. It tends to minimize the cost, the burden of risk, for that. And I thank you very much for what you said.

But I think if we can take this whole family leave issue out of the whole—just eliminate it in terms of whether your retirement vests or not, I think it would be a good thing to do, modest cost to the retirement systems, enormous benefit to the stability of families. So I thank you very, very much for that.

Well, I think our panelists have done a great job, and I want to thank them for that. Again, what we attempted to do today was to show that on the present facts, that women have a disproportionate interest in the stability of the Social Security system and in the adequacy of the benefit because they are disproportionately likely to need it and more likely to have other assets—or less likely to have other assets.

We also wanted to emphasize the disability and child survivor benefits, which our panelists have so eloquently done. None of this, however, is an excuse to avoid making the hard decisions we have to make because of the demographic changes that are occurring. It is just that we have to be mindful of it.

And what I'm hoping we did today was not to confuse anyone, that we've still got hard decisions to make, but to say we ought to be especially sensitive to how these decisions affect women, number one. And number two, we ought to be steely in our determination not to let the surplus go until we figure how much cost is involved and how we're going to balance all the difficult choices that have to be made and the risks that will have to be taken, because we've got to maintain the social cohesion that Social Security has given us.

Think about what we got out of Molly being able to live her life under the circumstances and raise her children. Think about what society got out of that. Think about what society is going to get out of Tyra Brown because she was not abandoned, when her mother suddenly passed away, at the age of 15. And we were all sitting there watching her talk, just feeling better being Americans, weren't we, every one of us. Don't you think it was worth it to take care of her, help her grandmother take care of her for 3 years? We all got something out of that, and she's got 60 years or more of giving

back to society, that we're all going to benefit from that.

So I think as we—we identified, all of us, with each one of these panelists as they talked to us about their lives. And so I'll say again, none of this lets us off the hook for making the hard decisions, but it ought to make us determined to be more sensitive to how they affect women, number one, and determined not to let the surplus go, in case we need it to fill in the patches of the decisions to make sure

that we can have more stories like this 10, 20, 30, 40 years from now.

Thank you very much.

NOTE: The roundtable began at 2:30 p.m. in the East Room at the White House. The transcript released by the Office of the Press Secretary also included the opening remarks of Vice President Al Gore. In his remarks, the President referred to feminist Betty Freidan.

## Remarks to Regional Federal Officials

October 27, 1998

Thank you very much and welcome. I know you have had a lot of briefings. I've been briefed on some of the briefings. [Laughter] I got a colorful briefing on Mr. Begala's exuberance when he was here. [Laughter]

### Kosovo

I would like to, before I begin my remarks to you—it's my last opportunity to see the press today, and I'd like to say a few words about Kosovo and the recent developments there.

I'm very encouraged that NATO's persistence and resolve have compelled President Milosevic to pull back his forces and comply very substantially with the demands of the international community. Hopefully, now the climate of fear and intimidation can be lifted and Kosovar Albanians can return to their villages and, more importantly over the long run, that negotiations toward a durable and peaceful resolution can move forward.

From the outset, we have had three overriding objectives in Kosovo: first, to end the violence that threatens the fragile stability of the Balkans; second, to prevent a humanitarian crisis from becoming a catastrophe by stopping the repression of Kosovar Albanians; and third, to put Kosovo back into the hands of its people by giving them self-government again.

We've achieved real progress toward each of these objectives: The fighting has stopped; displaced people are beginning to return to their homes; humanitarian aid is flowing; and Mr. Milosevic has agreed to negotiate self-government for Kosovo with a timetable to achieve it.

It is not enough, however, for Mr. Milosevic to come into compliance. He must also stay in compliance. To verify that, the international community will continue to deploy an unprecedented international presence in Kosovo, on the ground and in the air, something Mr. Milosevic had resisted before for a decade.

As a result of the improving security climate, up to 40,000 displaced people already have been returned to their homes from the mountains, escaping the mortal jeopardy of a winter without shelter. As the cease-fire holds, more humanitarian relief workers and international verifiers move into Kosovo, Serb forces stay out, and roadblocks and checkpoints stay down. The confidence level of the remaining displaced people should now increase. And they, too, will be able to come in from the cold.

Over the long run, stability in Kosovo depends upon a durable political settlement, ultimately, on the establishment of democracy and civil society, including a free press throughout the former Yugoslavia. Now Mr. Milosevic has agreed to internationally supervised democratic elections in Kosovo, substantial self-government, and a local police, in short, rights the Kosovars have been demanding since Mr. Milosevic stripped their autonomy a decade ago.

NATO's willingness to act, combined with determined diplomacy, created this chance to end the suffering and repression in Kosovo and to put its people on the path to peace. But this is a chance, not a guarantee. That is why NATO today agreed to retain the authority, the forces,