

Opening Remarks to the National Welfare to Work Forum in Chicago, Illinois

August 3, 1999

Thank you so much. Ladies and gentlemen, thank you for the warm, wonderful welcome when I came in. Mr. Mayor, thank you for your friendship and your leadership. Chicago is a beautiful, beautiful city, and it works.

I think I should simply begin by thanking the people of this city and this State for being so good to me and to Hillary and to Al and Tipper Gore and to our administration, and for setting an example of what we can do to make America work. I'm also kind of getting used to seeing all these pretty cows all over the place here. *[Laughter]* I was trying to think of what animals I could start putting all over the White House lawn when I get back, to follow the mayor's lead. *[Laughter]*

I would like to say that Governor Ryan and Governor Thompson were here earlier. I thank them for coming by. I thank Governor Carper of Delaware for being here; Mayor Webb, Mayor Helmke, Mayor Morial, Mayor O'Neill. I thank Secretary Herman, our Secretary of Labor; Secretary of Transportation Slater; and Secretary Bill Daley, another native of this great city, for his work at Commerce; and Small Business Administrator Aida Alvarez.

Secretary Shalala, our HHS Secretary, has been heavily involved in this. She's not here today, but I want to thank Olivia Golden and Al Collins for being here. And most of all, I want to thank the leaders of this remarkable business partnership, my good friend Eli Segal, who is the best startup person in the world.

Many of you know this, but when I became President, I asked Eli to head our national service program, AmeriCorps. And we got it through the Congress, and in 4 years, AmeriCorps had 100,000 young people serving in our communities, earning money to go to school, a goal that took the Peace Corps 20 years to reach.

So, I thought, "Well, we need to get more employers involved in hiring people from welfare to work. I'll ask Eli to do it. Then I won't even have to think about it anymore." *[Laughter]* And so Eli got Gerry Greenwald and Paul Clayton, Robert Shapiro, Bill Esrey, and Jim Kelly, and they started, with five. And I said—then there were 5,000. And I said, "But we

need 10,000." And now there are 12,000. I think if I told them we needed 25,000, next year we'd have 30,000 employers here. And I thank him so much.

And I want to thank Gerry especially for chairing our efforts. I understand he runs an airline company in his off hours—*[laughter]*—but I think most of the time, he's spent on this project in the last few years.

Six and a half years ago I asked the American people to join me on a crusade to transform our system of welfare into a system of work; to transform a system of dependence into a system of independence; to prove that poor people could succeed, at the same time, at work and in raising their children; to bring a whole generation of Americans into the mainstream of our life.

Now you see the signs of the transformation everywhere: Inner-city buses that used to be empty at rush hour are packed; tax preparation services are moving into abandoned storefronts, helping former welfare recipients fill out the first tax forms of their lives. There are more subtle changes: mothers collecting their mail with a little more pride because they know they'll see a bank statement, not a welfare check; children going to school with their heads held a little higher.

It's difficult to remember that 7 years ago our country was largely out of work and out of ideas. Our economy was stagnant, burdened with a crushing debt and soaring deficits, high interest rates and high unemployment. But so was our political debate. For some, the welfare system was our last line of defense against abject poverty. To others, it was exhibit A of America's decline.

Clearly, it had become a system that undermined our cherished values of work and family. When I was a Governor, a job I had for a dozen years before you were kind enough to give me this one, I had the chance to actually go to welfare offices, talk to caseworkers, talk to recipients, watch people check in. I spent hours, over a period of years, talking to welfare recipients, asking them, what would it take to make the system work for them, and listening

to them tell me all the manifold ways in which welfare discouraged work and independence.

I asked the American people to change course, to restore with all of our people the fundamental bargain that we ought to have opportunity for all in return for responsibility from all our citizens, and to include everyone in America's community.

Today, the bargain is being fulfilled, and our country is working again. We have the longest peacetime expansion in history, nearly 19 million new jobs, the lowest unemployment in a generation, the lowest minority unemployment ever recorded, the highest homeownership in history. From a deficit of \$290 billion, we are moving to a surplus of \$99 billion, and this year alone we will pay \$85 billion on our national debt.

And a big part of this is the decision the American people, through their elected Representatives, made to end welfare as we know it. We raised the minimum wage and passed the earned-income tax credit, which says to working families, if you work full-time, you shouldn't have to raise your children in poverty. We gave 43 waivers to States to launch their own welfare reform efforts when I took office. And then in 1996, as has already been said, a big bipartisan majority, big majorities of both parties and both Houses reached across the divide to pass this welfare reform bill.

We recognize that in addition to requiring able-bodied people to work within a certain period of time, millions of people who had never known anything but dependency, who had never even seen, many of them, their own parents have a job, could not make the transition on their own or easily. So we made sure there was extra support for child care, for transportation, for housing, and we kept the national guarantee, after two vetoes, but we kept the national guarantee of medical care and nutrition for the children of people on welfare and for those moving off.

We also provided new tax incentives to encourage employers to hire people from welfare. Today I am very proud to be able to tell you that all 50 States and the District of Columbia have now met the work requirements for the percentage of people on welfare in their States that have to be in work that we set in 1996. Every single State is in compliance.

The welfare rolls have been cut in half; they're at their lowest level in 32 years. And those who are on welfare today are 4 times

as likely to work as when I took office. Now, while some of the credit, doubtless, goes to our booming economy, the Council of Economic Advisers recently did a study for me which found that welfare reform, with its new emphasis on work, has been the single most important factor in reducing the rolls. Three-quarters of the 6.8 million people who have left welfare since I took office did so after welfare reform was signed in 1996. And many who left before did so under the reform efforts adopted by the States.

The credit goes to all of you in this audience and people like you across our country. When we passed the law in '96, I said moving Americans from welfare to work would take the commitment of every element of our society, not just Government but businesses, faith-based organizations, community groups, and private citizens. The Vice President has done a tremendous job of bringing our religious and service organizations together in his coalition to sustain success. And in 1997, as I said, my long-time friend Eli Segal agreed to help to rally the business community and you know the rest. Today, he, Gerry Greenwald, and the other founders have built a partnership that is 12,000 businesses strong.

Members of this welfare to work partnership, businesses both large and small, have given—listen to this—just the members of this partnership have given 410,000 welfare recipients the opportunity to have a job. More than 8 in 10 executives report great success in hiring people off welfare rolls. They're finding these employees are a good investment. They work hard; they stay in their jobs as long or even longer than other employees. And in this era of labor shortages, we must not forget that welfare recipients can be a rich pool of untapped talent, people who are good for the bottom line. I thank you for recognizing the important role you can play in extending these opportunities to all Americans.

I am proud to say, also under the Vice President's leadership, the Federal Government has done its part. Our goal was to hire 10,000 people by this year from welfare. We have now hired 14,000—in the smallest Federal Government since 1963.

Mr. Mayor, one of the people we hired from welfare is here with us today. Her name is Maria Hernandez. She was on public assistance for more than 3 years; now she's worked as

an administrative assistant in our Cook County north census office since January. Thank you, Maria, and thank all the rest of you who are here who reflect the same story.

Now, before we get on with the program today, I want to tell you that as pleased as we are, we have to do more. And I'd like to mention the things that I believe we have to do to make the most of this economic opportunity for America, to fulfill our moral obligation, to promote the values of work and family to the people still on public assistance and those who teeter going back and forth.

First, we must continue to honor our commitment to welfare reform. There are some in Congress who want to cut the welfare block grants we give to the States and take some of that money back, because the welfare rolls are so low, to finance a big tax cut. I think that would be a mistake, and here's why; here's why: In every State, there are still people who could move from welfare to work if they had more training, if they had transportation, if they had child care. In every State, there are people who may be working today who might have to leave the work force, for lack of transportation or child care. In every State, there are people who can stay on the job if they get further training.

So I say, let's spend this money to develop the human capacity of our people. It will make the economy stronger, and we will all be better off.

There are other things which need to be done. I have asked the Congress to build on the welfare-to-work program, by helping those who are least prepared to work. My welfare-to-work budget this year contains extra funds for adult literacy and for education and training for adults. I think that's important.

We must also do more to help low-income fathers honor their responsibility to pay child support to their children. Three years ago we strengthened our child support enforcement laws. This welfare-to-work budget targets funds to help responsible fathers work and pay child support. I hope Congress will pass it.

Let me say, we also need to make sure that when people move from welfare to work, they understand, if they're in low-income jobs, that their kids are still entitled to Medicaid coverage if their employer doesn't offer health care, and to food stamps, so they'll have adequate nutrition.

The only piece of troubling news in this whole happy scenario is that there has been a drop in use of food stamps among low-income people that is greater than the number of people who have moved into jobs with incomes above that level. No one can find the answer for me, and we've been looking now for weeks and weeks and weeks. But I think, clearly, what has happened is, a lot of people moved from welfare to work; they're delighted to be at work; and they literally don't know that they're still eligible for this assistance. That's what I think is going on. So we have to work on that, and a lot of you here can help.

We also have to strengthen our commitment to child care. For years, mothers on welfare chose not to work because to do so would literally have hurt their children, because it would have cost them more in child care than they could make on the job. In 1996 we added \$4 billion to our child care subsidy, but believe it or not, we have only met one-tenth of the need. So I ask Congress to pass our child care initiative, to provide more child care subsidies and tax credits to needy families and new funds to improve the quality of care. This will also help to sustain welfare reform.

To finish the job, I've asked Congress to double our commitment to transportation assistance to provide 25,000 new welfare-to-work housing vouchers so people can live near their jobs. To finish the job, I have asked Congress to increase the minimum wage, to make sure, when people work, they are living above the poverty line. And to finish the job, we have to recognize that there are whole communities—big inner-city neighborhoods, places in Appalachia, places in the Mississippi Delta, small towns where the only factory has moved away, Native American reservations—where the light of prosperity has not shined on the whole community.

Last month I traveled across America to shine that spotlight on the inner cities, on the Mississippi Delta, on Appalachia, on the Native American communities. I saw families doing their best to raise children in neighborhoods where unemployment and poverty were more than double the national average. On some of our Indian reservations it is above 70 percent.

I ask your help in passing my new markets initiative, because it will give American investors the same incentives to invest in poor neighborhoods in America we give them today to invest

in poor countries around the world. I think it is a very, very good idea.

And finally, I ask you to continue your work. We all know that the people who still are on welfare, by and large, are the most difficult to place in work. We all know that they are the most likely to have children with special needs, or limited levels of education and skills, or to be a long way from an available workplace with no transportation funds. We know there are problems out there, but we also know that there are good people who wish to go to work and ought to have the chance. And so I ask you to stay at this and to recruit some of your vendors and clients, to reach out to small business people you know, to ask others to join this crusade.

I want to say a special word of thanks to IBM for sponsoring a new on-line network that can help match businesses who need workers with welfare recipients who need jobs. And for our part, I want you to know I'm working to extend the welfare-to-work tax credit and the work opportunity tax credit to reward those of you who take the chance on giving more Americans a chance.

The great Russian writer Leo Tolstoy once said that, "work is the true source of human welfare." In this era of unprecedented prosperity, we still have some work of our own to do to make sure that we embrace all Americans in this prosperity and to give every American the chance to succeed at work and to succeed at home.

I thank every one of you for what you have done, and I ask you to support the initiatives I outlined with the Congress and to stay at the job until we can literally say we have completely ended welfare as we know it, and America is a better place because our families are stronger, our children are growing up in more stable homes, and every adult American who is willing to work has a chance to do so.

Thank you very, very much.

NOTE: The President spoke at 11:10 a.m. at the Navy Pier Festival Hall. In his remarks, he referred to Mayor Richard M. Daley of Chicago; Gov. George H. Ryan of Illinois; Gov. Tommy G. Thompson of Wisconsin; Gov. Thomas R. Carper of Delaware; Mayor Wellington E. Webb of Denver, CO; Mayor Paul Helmke of Fort Wayne, IN; Mayor Marc H. Morial of New Orleans, LA; Mayor Beverly O'Neill of Long Beach, CA; Assistant Secretary of Health and Human Services Olivia A. Golden, Administration for Children and Families; Alvin C. Collins, Director, Office of Family Assistance, Administration for Children and Families; Eli Segal, president and chief executive officer, Welfare to Work Partnership; Gerald Greenwald, chairman and chief executive officer, United Airlines Corp.; Paul Clayton, president, Burger King North America; Robert B. Shapiro, chairman, president, and chief executive officer, Monsanto Co.; William T. Esrey, chairman and chief executive officer, Sprint Corp.; and James P. Kelly, chairman and chief executive officer, United Parcel Service.

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I've been asked to announce that as soon as we adjourn this meeting, in this very spot, Rodney will be offering memory training to everyone who would like to stay. [*Laughter*]

I want to thank you for your devotion to this cause. And Jim, thank you for giving us this fine man. I just want to ask you all to think about something. You know, while Rodney was talking to all the people here, I just got to sit here in the middle, and so I could see everybody else. And I would turn around, and I would look—every time somebody was talking,

I would look at every face in the section. And what I saw was that all of us had the natural human response. We were exhilarated by the stories that these people told. We were gratified by the enlightened self-interest of the employers.

I had a funny thing happen to me a couple of weeks ago. We were in an unrelated fight in Washington, and one of the people who took the opposite position from me said, "Oh, the President is always up there telling stories. What have stories got to do with this?" Well, we found