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Letter on Appointments for Presidential Emergency Board No. 225

August 30, 1994

Dear Mr. Twomey:

Pursuant to section 10 of the Railway Labor Act, as amended, I established by Executive order an Emergency Board to investigate a dispute between the Soo Line Railroad Company and certain of its employees represented by the United Transportation Union. The functions and the duties of the Emergency Board are set forth in the Railway Labor Act, as amended, and in the Executive order creating the Board.

I am pleased to learn that you are willing to serve on this Emergency Board, and I hereby appoint you as Chair. This letter will constitute your appointment and your authority to act in that capacity. Each Member of the Board is to receive compensation at the rate of $429.00 per day for each day that you are actually engaged in the performance of your duties or in travel in connection therewith. In addition, each Member of the Board will be allowed per diem in lieu of subsistence while so engaged away from your home or your regular place of business.

Sincerely,

William J. Clinton

NOTE: This letter was sent to David Twomey, Chair, and similar letters were sent to Richard P. Kasher and Elizabeth Neumeier, members of the emergency board established to investigate the dispute between the Soo Line Railroad Co. and the United Transportation Union. This letter was released by the Office of the Press Secretary on August 31.

Statement on the Peace Process in Northern Ireland

August 31, 1994

I welcome today's watershed announcement by the IRA that it has decided to end the 25-year campaign of violence and pursue the path of peace. While much work remains to be done, the IRA's decision to join the political process can mark the beginning of a new era that holds the promise of peace for all the people of Northern Ireland.

I have just spoken with Prime Minister Albert Reynolds of Ireland and Prime Minister John Major of the United Kingdom to congratulate them for their persistent efforts to bring this day about. Their joint resolve to end the violence and pursue a negotiated settlement has been crucial to the progress made to date. Their historic joint declaration last December, together with the Anglo-Irish agreement of 1985, have built the foundation for the new hope we have today. I am pleased that the United States has been able to contribute to this process of reconciliation.

We join with the Governments of Ireland and the United Kingdom in the hope and expectation that today's step will help bring a lasting and just peace to Northern Ireland. I urge the IRA and all who have supported it to fulfill the promise of today's announcement to end the use and support of violence, just as we continue to call on all parties who have sought to achieve political goals through violence to cease to do so. There must be a permanent end to the violence.

The United States continues to stand ready to assist in advancing the process of peace in Northern Ireland. We hope that both traditions, unionist and nationalist, will support the only real avenue to peace, that of a negotiated settlement to the conflict.

Statement on Withdrawal of Russian Forces From Eastern Europe

August 31, 1994

Today marks the completion of the withdrawal of Russian military forces from the Republic of Estonia and the Latvian Republic, under terms of bilateral agreements concluded between Russia and each of these sovereign states. Russian military forces are also completing their withdrawal today from the Federal Republic of Germany, in accordance with the agreements reached between Germany and the Soviet Union in October 1990. These withdrawals constitute the final departure of Russian troops that have been present in Eastern Europe since 1945.

This effectively brings to an end a chapter in post-World War II European history, opening the door to a new era of regional stability and cooperation. I congratulate the

people of Estonia, Germany, Latvia, and Russia on this historic occasion and salute their leaders for the vision and statesmanship they have demonstrated on behalf of European integration. The United States will continue its active support for this process with the goal of a brighter and more peaceful future for all of our people in the next century.

Letter to Congressional Leaders on the Revised Pay Schedule for Federal Employees

August 31, 1994

Dear Mr. Speaker: (Dear Mr. President:)

Action on the FY 1995 Treasury, Postal Service, and General Government Appropriations Bill, will not be completed before the August 31st deadline for an alternative pay plan. Therefore, as a protective measure, in order to ensure that a substantially larger pay increase does not go into effect automatically by operation of law, it is necessary for me to transmit an alternative pay plan.

Under section 5303(a) of title 5, United States Code, the rates of basic pay of the statutory pay systems would be increased by 2.6 percent effective in January 1995.

Section 5303(b) of title 5, however, provides me the authority to implement an alternative pay adjustment plan if I consider the pay adjustment that would otherwise be required by law to be inappropriate because of ''national emergency or serious economic conditions affecting the general welfare.'' As you know, alternative pay plan authority has been used many times over the past 15 years. ''Serious economic conditions'' are defined in the statute to include consideration of economic measures such as the Index of Leading Economic Indicators, the Gross National Product, the unemployment rate, the budget deficit, the Consumer Price Index, the Producer Price Index, the Employment Cost Index, and the Implicit Price Deflator for Personal Consumption Expenditures.

The budget discipline put in place by my Administration has contributed to sustained economic growth and low inflation. To continue this budget discipline and its favorable impact on economic conditions I have determined that an alternative pay adjustment is appropriate for the 1995 pay raise under section 5303.

The 1995 budget I submitted to the Congress proposed a modest pay increase of 1.6 percent for Federal employees. I believed that this was an appropriate increase in view of the other disciplines we have worked with the Congress to put in place that have reduced the Federal budget deficit and improved our Nation's economy. Further, we are currently making substantial reductions in Federal employment pursuant to the Federal Workforce Restructuring Act enacted by the Congress this year. To achieve these reductions, many agencies are offering Federal employees early retirement and incentives of up to $25,000 to leave Federal service. These considerations, as well, lead me to conclude that the substantially larger pay increase that would otherwise automatically go into effect is not appropriate at this time.

The House version of the 1995 Treasury, Postal Service, and General Government Appropriations Bill includes a provision offered by Representative Steny Hoyer that provides a section 5303 pay raise of 2.0 percent and a limited section 5304 locality pay raise. The Senate version of the bill has no pay raise provision. The Administration has informed the conference committee that it would not object to the pay raise in the House version of the bill if military personnel receive a pay raise higher than the 1.6 percent proposed in the 1995 budget. It appears likely that the 1995 Defense Authorization Bill will provide military members a 2.6 percent raise.

Consistent with the provisions of the House-passed Treasury, Postal Service, and General Government Appropriations Bill, the pay raise will be made in accordance with the following plan:

In accordance with section 5303(b) of title 5, United States Code, the pay rates for each statutory pay system shall be increased by 2.0 percent, effective on the first day of the first applicable pay period beginning on or after January 1, 1995.

The statute also provides me alternative plan authority for locality-based comparability payments, or locality pay, under section 5304 of title 5. The deadline for transmitting this alternative plan to Congress is November 30. In the absence of legislation, it would be