

Week Ending Friday, February 10, 1995

Nomination for Deputy United States Trade Representative

February 3, 1995

The President announced today his intention to nominate Jeffrey M. Lang as Deputy U.S. Trade Representative.

"During the last 2 years, this administration has achieved unparalleled success in trade and will continue to pursue the breaking down of trade barriers worldwide," said the President. "Jeffrey Lang's extensive experience with trade issues will be an asset as we move forward with our trade agenda in the coming years."

NOTE: A biography of the nominee was made available by the Office of the Press Secretary. This item was not received in time for publication in the appropriate issue.

The President's Radio Address

February 4, 1995

Good morning. This week marked the completion of 2 full years of economic reports during our administration. Since I took office 2 years ago, nearly 6 million new jobs have come into our economy, the unemployment rate has dropped more than 20 percent.

Nineteen ninety-four was the best year for economic growth in 10 years in the United States. And the combined rates of unemployment and inflation are the lowest they've been in 25 years. Ninety-three percent of our new jobs are in the private sector. That's the highest percentage of private sector jobs created in any administration in 50 years and 8 times as many each month as were created during the 4 years before I took office.

The majority of these jobs are in higher wage occupations. And while the economy lost 2 million manufacturing jobs in the 12 years before I took office, we've gained back 300,000 of those manufacturing jobs in the

17 months since our economic plan went into effect.

I'm proud of this record. But I am very aware that far too many Americans have not benefited from this economic recovery. It used to be that a rising tide did lift all boats. From the end of World War II until the late 1970's, the incomes of all Americans rose steadily together. But since then, too many Americans are working harder and not getting ahead.

Since 1979, the top 20 percent of our country has done quite well. But incomes from the rest of us have barely grown at all, or have actually dropped. Why has this happened? Pressures from the new global economy and the constant demand for new skills put a huge premium on education and training and make it harder and harder for people without the necessary skills to compete for rising incomes. This has had an impact on nearly every one of our families, making it harder to guarantee job security, harder to get a raise.

That's why we push so hard to improve educational opportunities, including college loans for middle class people that are more affordable and easier to pay back. That's why I've proposed the middle class bill of rights which will increase income in the short and long runs by cutting taxes and promoting education and training, by giving a tax deduction for the cost of education after high school, by letting people withdraw tax-free from their IRA's for education costs, by making available to lower wage workers and unemployed people cash vouchers of up to \$2,600 a year for more training.

But even as we help Americans to gain the tools they need to compete and to raise their incomes, we have to reward their work by improving the wages of people who work full-time. I've worked hard to get higher paying jobs into our country through trade and increased investments and technology, but we have to do more. If we're really going

to honor work, we have to show that anyone who takes responsibility and works full-time can support a family and can live in dignity.

Those are the values at the heart of the New Covenant I've talked about for the last 3 years. Our job is to create opportunity for those who take responsibility to work hard and lift themselves up. Those are the values that have always sustained us and kept us a great nation.

That's why we fought so hard for the earned-income tax credit in 1993, a working family tax cut for 15 million families with incomes under \$26,000. And that's why I now call on Congress to raise the minimum wage 90 cents to \$5.15 an hour over the 2 years. In terms of real buying power, the minimum wage will be at a 40-year low next year if we don't increase it above where it is now at \$4.25 an hour.

As I told the Congress, already just this year, in 1 month of work, Members of Congress have earned more than full-time minimum wage workers earn all year long. Nobody can live on \$4.25 an hour, and yet, 2.5 million Americans are working for just that amount, and many of them have children to feed. Millions more are just above the minimum wage.

The only way to strengthen the middle class and shrink the underclass is to ensure that hard work pays. Increasing the minimum wage is an important part of our strategy to do that. Congress is considering other economic strategies now as well.

The test for all of these ideas should be: Do they reward work? Do they grow the middle class and shrink the underclass? Do they build economic opportunity in America? I believe, for example, if we're really serious about welfare reform, increasing the minimum wage will plainly help.

More than anything, I want to give a genuine bipartisan welfare reform effort the best chance it can to produce a bill that we can all be proud of, a bill that will encourage work and responsible parenting and independence. But welfare reform can't possibly succeed unless the people we expect to leave welfare and go to work are rewarded for their labors.

In 1990, Congress raised the minimum wage, just as I propose to do, 45 cents a year

for 2 years. Then, overwhelming majorities in both Houses with majority support from both political parties did that.

If, in 1990, a Republican President and a Democratic Congress could get that job done, surely in 1995 a Republican Congress and a Democratic President can do the same, to uphold the value of hard work for the American people.

Thanks for listening.

NOTE: The address was recorded at 1:30 p.m. on February 3 in the Oval Office at the White House for broadcast at 10:06 a.m. on February 4.

Remarks on the 1996 Budget

February 6, 1995

Good morning. Today I am pleased to announce our administration budget for fiscal year 1996. This budget, of course, is not a beginning, but a continuation, the next important step in our coordinated economic strategy to bring discipline back to Government and to help strengthen the American dream for all of our people.

I want to thank the economic team which has worked so hard to put this budget together. The Vice President, Secretary Rubin, CEA Chair Tyson, and Director Rivlin will talk today, but there are others who have also worked very, very hard on this budget.

This budget, like the two that preceded it, is based on the New Covenant I advocated when I ran for President. We're creating a leaner, not a meaner, Government, one which offers more opportunity to those who are taking responsibility for themselves, their families, and their communities.

None of this was being done when we came here 2 years ago. At that time, we faced slow economic growth, inadequate investment, very low levels of job creation, a deficit that was nearly \$300 billion and projected to go over \$400 billion a year by the end of the decade. The annual deficit and the total national debt had quadrupled in the 12 years before I took office.

In 2 years, we have turned that around. In 1993, we passed the single largest deficit reduction package in American history, reducing the deficit over 5 years by \$505 billion. When you take into account improved