

leaders of all these countries at one time and to try to map out an agenda. But I don't want to prewrite what's going to happen there because it might get a little better as we go along.

Q. Who will represent China, sir?

The President. Well, we don't know yet. But I'm hoping that they'll be very well represented, and I kind of think they will be.

We owe the last question to an Australian journalist because we promised 50/50. Go ahead.

Q. I appreciate it. For both of you gentlemen, do you see that the NAFTA—

The President. He's not an Australian journalist. [Laughter]

Q. No, for the ABC, the Australian Broadcast Corporation.

The President. Oh really? Okay, go ahead.

Q. You talked a lot about—

The President. I thought we'd get an American trying to mimic an Australian accent. [Laughter] I didn't realize we had—go ahead.

Multilateral Trade Negotiations

Q. You've talked a lot about the NAFTA process and GATT. And for both of you, do you see any positive impact of having alternatives of NAFTA and APEC for the GATT process? Is there a certain political leverage that you get out of it? I believe Ambassador Kantor had talked about that during one of the congressional hearings. Is there a positive impact going back to the GATT process?

Prime Minister Keating. Well, I think APEC and NAFTA, too, end up being GATT-plus options. They are GATT plus. But in the event that GATT did fail, they do define themselves

as freer trade areas, in the case of NAFTA, in the case of APEC, defining an area which has got enormous mass, an enormous weight—economic mass and economic weight and economic growth. So the United States locking into that, all of us locking into that, lifting the velocity of that means that in defining a new economic and trading community, in getting that growth up, this is at least some alternative than where we'd have been in the unhappy position of the GATT round failing.

Now, frankly, I don't think the GATT round will fail. I don't think the Europeans can let the French decide that the world's trading round should fail. I don't think the French will want to carry the odium of the round failing at their expense. And therefore, I believe there's much in the GATT round succeeding. But I do see NAFTA and APEC as GATT-plus overlays or overlays to the GATT. But you can also see them in place thereof, in part, as discrete area communities where we can all benefit by freer trade.

Q. [Inaudible]

Prime Minister Keating. Well, I think you've got to say this, that APEC equals growth, equals jobs. I think NAFTA equals growth, equals jobs. And that's the point the President was making earlier.

The President. I couldn't give a better answer than that. Thank you very much.

NOTE: The President's 25th news conference began at 3:11 p.m. in the East Room at the White House.

Remarks and a Question-and-Answer Session on the North American Free Trade Agreement in New Orleans, Louisiana

September 15, 1993

The President. Thank you. I'm glad you didn't let a little rain and a change of venue dampen your spirits. You may all still be excited after the Saints game last week. But I'm glad to be here.

I want to thank Mr. Brinson and Senator Breaux and Congressman Jefferson for what they have said. I'm glad to be here again with your Governor, your Lieutenant Governor, your

State treasurer, and others, and Mayor Barthelemy. And I want to thank the Members of Congress who came here from other States, took time out of their busy schedules in Washington just to travel down to express their support on a bipartisan basis and from States all across this country for the North American Free Trade Agreement.

It really is, I think, not only a job winner

for the United States but the opportunity for us to get off the defensive in our economic policies and go on offense and try to build a world in which there are more opportunities for Americans not only for good jobs but for growing incomes.

For 20 years we have been buffeted by the fortunes of global competition and mechanization and all the things that you know about, and more and more working people have been pressured in their daily lives, finding it harder and harder to make ends meet. It is obvious that what we have been doing has not worked very well. We know what makes more jobs in a wealthy country: Expanding trade makes more jobs; educating your people better makes more jobs; providing more investment makes more jobs. These are the things that I am committed to.

There have been a lot of things said about the North American Free Trade Agreement. We came down here to New Orleans today to listen to people who know how the trade with Mexico works and who will be affected by it, talk about it. But I want to just say one or two general things to all of you today.

Three decades ago this port was dedicated by President Kennedy, a person who had a vision of America that knew no limits, who believed that we ought to face our challenges, that we ought to look outward to the world, that we shouldn't hunker down, that we could compete and win with any people anywhere on Earth. It is time that we reestablish that belief, that conviction, that commitment.

Today we come to New Orleans because I believe you face the rest of the world with confidence. We heard Senator Breaux and Congressman Jefferson talk about the Port of New Orleans. We heard Mr. Brinson say it's the most important thing in strategic planning for the future of this port to pass this new trade agreement with Mexico.

Well, yesterday I signed a couple of side agreements that strengthen that, agreements that do the following things: number one, that commit the Government of Mexico, as well as the Government of the United States to invest more money in environmental cleanup. Now, that means two things: number one, more opportunities for American companies who do that kind of work. Number two, it means that there will be less difference in the cost of production on either side of the border because of different environmental regulations.

The second agreement commits the Mexican Government to enforce its own labor laws. And you should know what that really means. It means that for the first time in history a government has committed itself to raise the minimum wage as its economy grows, thereby raising the wage structure throughout the country, because the President of Mexico has made a personal commitment to me, to the United States, and to this process that Mexico from now on will raise its minimum wage every time its economy grows on a regular basis, which means that more rapidly than before and much more rapidly than if we don't pass this trade agreement, the wage gap between their workers and ours will close, and there will be less incentive to move our plants to Mexico but more ability by the Mexicans to buy American products that we ship from places like the Port of New Orleans.

Why do I believe this will work? Well, for a couple of reasons. First of all, because in the last few years Mexico has begun to lower its tariffs and open their markets to more American products. You know that because you've been shipping more out of here. In 1986—these boxes basically represent where we are—but in 1986 our exports to Mexico were a little over \$12 billion, represented by this first crate here. At that time we had about a \$5.7 billion trade deficit with Mexico. Because they've lowered tariffs, already we've got a \$5.6 billion trade surplus with them now. And we estimate that by 1995, just a couple of years after the pact goes into effect, we'll have about \$60 billion in trade with Mexico, represented by this big crate. You don't have to be Einstein to figure out if you're an American it's better to have four crates than one. That's what this is all about.

Let me just say a couple of other things. It's not just Mexico, especially for the Port of New Orleans. If we can make this trade pact work, and we will, because keep in mind—I want to make one other point to all those people that say this is a job-loser—that tariffs in Mexico, in spite of our trade surplus, are still 4 times as high as the tariffs in America against Mexican products. The average Mexican spends \$450 a year buying American products, more than anybody in the world except the Canadians, more than the Japanese, more than the Germans, more than a lot of countries where the people are much wealthier. This will work be-

cause their tariffs are still higher than ours. If you lower the tariffs down to where they're as low as ours and then we eventually eliminate them, again it just stands to reason that we're going to have more sales and more products and more opportunities.

What I want to say to you finally is that this is the beginning of this process, because I can tell you that I have heard from the leaders of countries all over Latin America. They are looking at the Congress; they are looking about whether we're going to adopt this trade agreement. And if we do, then Chile, then Venezuela, then Argentina, then many other countries that are becoming more democratic and more free-market, free-enterprise oriented are going to want to have more trade with the United States and have more of our products. And that means still more, more trade going out of the Port of New Orleans because there are hundreds of millions of people in Latin America committed to democracy now, committed to free markets, and hungering for the benefits of a free economy. We can help them to get it and put the American people to work as well. And we know that trade-related jobs pay, on the average, higher wages than jobs not related to trade. So I ask all of you to support this. Now, let me just say that—thanks. *[Applause]*

There was a time when all the working people in America were for more trade, when people realized that if you didn't expand trade you couldn't keep expanding jobs. I want to say as a word of respect and partial regret, as we're here, there's a funeral going on in New Orleans for a labor leader named Lindsey Williams who helped to build this port. And Lindy Boggs, your former Congresswoman, wrote me a note about it, because I think she is there today. But she was reminding me in this note about how New Orleans had always been a place that pushed for more trade and a place where labor and management and Republicans and Democrats, African-Americans and whites and Hispanics and everybody got together because they looked outward to the world.

I'm telling you, folks, we cannot afford to look inward. We cannot repeal the force that is driving the world economy together. We can run away from it and get beat by it, or we can embrace it, do what we have to do, and win with it to create more jobs, more incomes, and more opportunity. That's what I think we want to do.

And as I sit down, I want to thank these men and women who are behind us. They work for and run companies that benefit from trade with Mexico today and who would flourish even more if we pass NAFTA. They ship their products through this port every day. And I thank them for coming here. They're not professional politicians or seasoned speakers, but they're the people that really count. They're the people that really count. They're the people who represent the future of this economy. And all the people who are arguing around this thing in politics, a lot of them won't be affected one way or the other. You need to assess who is going to be affected. Are they going to win or lose? The answer is this is a good deal. It's a winner. We ought to take it. And these folks are about to tell us why.

Thank you very much.

[At this point, a participant stated that NAFTA will create 15 to 20 more jobs in a local rice mill.]

The President. So you'll put together 15 or 20 more people, and the rice farmers in my home State of Arkansas will send you rice down here to go out of the Port of New Orleans. That's what you're saying, right?

Q. Well, I'd like for it to be that way, but unfortunately, I'm sure your mills will benefit from it too in Arkansas.

The President. Thank you. I appreciate that. Who's next?

[An Amoco employee discussed the environmental benefits of exporting natural gas liquids to Mexico.]

The President. I think we ought to talk about this a minute for people who don't know. One of the most closed aspects of the Mexican economy has been the whole energy sector. And the Mexicans, as you know, have their own oil company, and their own oil reserves, but they have flared off their natural gas. They never have saved it, distributed it. And as a consequence, they have a lot of problems, which you just mentioned, especially in Mexico City.

It may well be that in the short run the fastest growing economic opportunities will be in the energy area, particularly if we can figure out a way to get large volumes of compressed natural gas down there and get it into the stream of usage, as well as the other petrochemical products. So I thank you for talking about that.

That's a huge issue and a big short-term winner for us.

Who's next?

Q. I am all for the idea of the NAFTA because it means more security for our jobs and our families.

The President. What do you sell to Mexico?

Q. Hot sauce, canned beans—

The President. That's pretty good, they sell hot sauce to Mexico. I think we ought to clap for that, don't you? [Applause] Canned goods?

Q. Canned beans.

Q. We have five factories that produce processed food products in America, several of them in Louisiana and Texas. We're vitally interested in NAFTA because basically it opens the Mexican market to our company and our products. We have a processing plant in El Paso, Texas, that virtually has been unable to sell any of our manufactured food products into Mexico because of their closed-market situation, which began to change some 4 years ago under the Salinas government. What we need now is we need that to change and that opening to be completed under NAFTA so that the market will be totally open to us, and we will be able to compete on an even basis with the Mexican industry that we compete with.

The President. Do you have any idea what it will do to your sales? Have you done any estimates on how much it will increase your markets?

Q. Yes, we are talking millions of dollars of increased sales. And we're talking hundreds of jobs, possibly thousands in time to come. But Mexico has 80 million people, 80 million consumers who have a natural affinity to our products. And we think it's a great potential market for our products and will be enhanced greatly under NAFTA.

The President. Good for you. So you don't have—I want to get this straight—you have plants near the Mexican border on the American side; you don't have any intention of moving them. And in fact, you know you're going to hire more people to work there if this trade agreement is passed.

Q. That's exactly right.

The President. Thank you very much.

[A participant explained how NAFTA will benefit companies that are helping to alleviate environmental problems in Mexico.]

The President. What do you produce?

Q. We produce specialty polymers for water purification, wastewater treatment. We produce a lot of products and services to help our customers minimize pollution and to prevent pollution. And we produce superabsorbent polymers. We produce products that are used in the pulp and paper industry. All of these things would face a dramatic increase if the NAFTA agreement were ratified.

The President. Have you done any estimates on how much your sales might increase if it passes?

Q. I'm sure we do, but from the numbers I've seen, we know that for about every million dollars increase in sales resulting from NAFTA, that would generate about five additional jobs at NALCO, and most of those would be in manufacturing. And again, the Garyville plant here in Louisiana is our biggest plant, so it would have the most dramatic impact in that area.

The President. Thank you. Go ahead.

[A participant expressed support for NAFTA because the reduction in tariffs would create more jobs.]

The President. You know, I'm really glad that some of you are coming here who work for these companies, because we know that the only way a wealthy country like America can grow wealthier is if we have more customers, if we sell more. We know we can't just sell to each other. We have to open up our borders.

And the point I want to make to the working people who are worried about whether they are against this or not is that anybody who wants to move a plant to Mexico because wages are lower or because the environmental standards are low can do that today. They can do it tomorrow. They can do it if NAFTA fails. And in fact, if the NAFTA agreement fails, it will be easier to move a plant to Mexico because wages will be lower down there and environmental standards will be laxer. But it will be harder for them to buy our products because they won't be making as much money and because we won't be able to send as many products in there.

So I appreciate all of you being here, especially because in the end what my job is, is to find ways in a very tough world economy, where Europe's economy is not growing, where Japan's economy is not growing, I have to find ways to try to help our economy grow to create more jobs and higher incomes. Mexico's econ-

omy is growing. Latin America is the second fastest growing part of the world, next to Asia. And so I really appreciate the working people coming here because, in the end, the reason we're doing this is to provide greater security to the working families of this country.

I told the Members of Congress on the way down here, and I guess I ought to tell all of you, as many of you know I was the Governor of your neighboring State to the north for 12 years. I have known people whose plants shut down and moved to Mexico. I've seen that happen. Believe me, this agreement will not make that any easier. That's going to happen or not happen, regardless. This agreement will make it harder because it will change the economics in ways that benefit both sides of the border. If I didn't know that, I wouldn't be out here pushing for this agreement.

So I thank all of you for coming here today. Ron, would you like to say something?

[At this point, J. Ron Brinson, president and CEO, Board of Commissioners, Port Authority of New Orleans, stated that increased trade with Mexico would continue to produce jobs in Louisiana and that NAFTA might lead to a hemispheric trade agreement in the future. Gov. Edwin W. Edwards of Louisiana then endorsed NAFTA, stating that Louisiana industries would benefit from it.]

The President. We are going to wrap up, but before we do, I would like to ask all of you to give all of these people who came up here and spoke a hand, because they are what this whole thing is about. [Applause]

In the weeks and months ahead we are going to try to do a number of events like this to highlight the importance of NAFTA. But I'd like to ask all of you who are here from Louisiana to write to Members of Congress and your Senators and tell them that you support this, it means more jobs for your State, and you would appreciate their voting for it. They need to hear from you. The people who are afraid of this agreement are quite well organized. Some of them have a dollar or two, as you may know, and they need to hear from you. We just tried to give these folks a chance to make a direct plea today. I want everybody within the sound of my voice to also make your opinion known to your Representatives in Congress. It is up to them now.

We need your help. It means more jobs for America. Thank you very much.

NOTE: The President spoke at 12:03 p.m. at the Port of New Orleans. In his remarks, he referred to Lt. Gov. Melinda Schwegmann and State treasurer Mary Landrieu of Louisiana, and Mayor Sidney Barthelemy of New Orleans.

Remarks in Response to Letters on Health Care Reform September 16, 1993

The President. Good morning. Please be seated. Welcome to the Rose Garden. I'm glad the rain has stopped, but we put up the tent just as a precaution.

Nine months ago, when I asked the American people to write to us to send their thoughts about the health care system and the need to reform, I had no idea what I was doing to our already overworked correspondence staff. Today, more than 700,000 letters later, I am happy to be able to join Hillary and Al and Tipper in welcoming a few of you here who wrote to us.

In the weeks and months ahead, health care will often be topic number one at dinner tables, at offices, at medical clinics, and in the Halls

of Congress. But before we launch into the debate I wanted to invite you here to remind everyone that, as Hillary says, there are 250 million health care experts in our Nation, and everyone has a different story.

If you read some of these letters as I have, the picture very quickly becomes clear. Even the millions of Americans who enjoy health care coverage are afraid it won't be there for them next month or next year. They want us to take action to give them the security that all Americans deserve. Let's start then with four people whose stories speak volumes about our health care system.

In order, they are Jermone Strong, Nelda Holley, Stacey Askew, and Margie Silverman.