

Lorber, USAF, Commander, Pacific Air Forces; Chief, U.S. Pacific Command; and Mayor Jeremy
Adm. Richard C. Macke, USN, Commander in Harris of Honolulu.

Memorandum on Micro-Enterprise Programs August 26, 1995

Memorandum for the Secretary of the Treasury

Subject: Micro-Enterprise Programs

I hereby direct you to take all appropriate actions to coordinate all micro-enterprise programs administered by the Federal agencies and departments. This should be accomplished through an interagency coordinating body chaired by the Administrator of the Community Development Financial Institutions (CDFI) Fund.

I also direct you to take the necessary steps for the establishment of a presidential awards

program designed to honor outstanding micro-enterprise lenders, consistent with the mission of the CDFI Fund.

In discharging these responsibilities, you are directed to consult with the heads of other Executive departments and agencies as may be appropriate.

WILLIAM J. CLINTON

NOTE: This memorandum was released by the Office of the Press Secretary on September 1.

Letter to Congressional Leaders on the Alternative Plan for Federal Pay Adjustment August 31, 1995

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

The law requires that the President transmit to the Congress an alternative plan for Federal pay adjustments if he views the pay adjustments that would take effect under the law as inappropriate. Therefore, to ensure that substantially larger increases do not take effect automatically, I am transmitting an alternative plan for the 1996 pay adjustments.

Under section 5303(a) of title 5, United States Code, the rates of basic pay would rise by 2.4 percent, effective in January 1996. In addition, pursuant to section 5304 of title 5, General Schedule employees also would receive an increase in their locality-based comparability payments that would cost 2.7 percent of payroll. When combined with the 2.4 percent basic pay increase, the locality-based payments would produce a total payroll increase of about 5.1 percent that would cost \$3.9 billion in 1996—\$2 billion more than the 2.4 percent pay increase I proposed in my 1996 Budget and which is included in my Balanced Budget Plan.

Sections 5303(b) and 5304a of title 5, however, provide me the authority to implement an alternate pay adjustment plan if I view the pay adjustments that would otherwise take effect as inappropriate due to “national emergency or serious economic conditions affecting the general welfare.” As you know, Presidents have used such authority many times over the past 15 years.

In evaluating “an economic condition affecting the general welfare,” the statute directs me to consider such economic measures 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. I have reviewed these and other pertinent measures of our economy.

The budget discipline that my Administration has put in place has contributed to sustained economic growth and low inflation. To continue

this discipline and its favorable impact on economic conditions, I have determined that an alternative pay adjustment of 2.4 percent is appropriate for the 1996 pay raises under sections 5303 and 5304. This raise matches the 2.4 percent basic pay increase that I proposed for military members in my fiscal 1996 Budget and that the Congress likely will include in the 1996 Defense Authorization bill.

Because many Federal civilian employees do not receive locality pay, I will put the bulk of the 2.4 percent adjustment into the general increase under section 5303, thus giving all employees a meaningful raise. I will apply the remainder to increasing the locality-based comparability payments under section 5304.

Accordingly, I have determined that the following alternate pay plan is appropriate:

- (1) Under the authority of section 5303(b) of title 5, United States Code, the pay rates for each statutory pay system shall be increased by 2 percent, effective on the first day of the first applicable pay period beginning on or after January 1, 1996.
- (2) Under the authority of section 5304a of title 5, United States Code, locality-based comparability payments in the amounts set forth on the attached table shall be effective on the first day of the first applicable pay period beginning on or after January 1, 1996. When compared with the pay-

ments currently in effect, these comparability payments will increase the General Schedule payroll by about 0.4 percent.

Finally, the law requires that I include in this report an assessment of the impact that my decisions will have on the Government's ability to recruit and retain well-qualified employees. While I regret that our fiscal situation does not permit granting Federal employees a pay increase greater than 2.4 percent, I do not believe this will have any material impact on the quality of our work force. In accordance with the Federal Workforce Restructuring Act of 1994, I am committed to reducing Government employment substantially; consequently, hiring and attrition are very low. In addition, the Government has at hand many pay tools, such as recruitment bonuses, retention allowances, and special salary rates, to maintain the high quality work force that serves our Nation so very well.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. The locality based comparability payment table was attached to the President's letter. This letter was released by the Office of the Press Secretary on September 1.

Remarks at the Joint Service Review at Wheeler Army Airfield in Honolulu September 1, 1995

Thank you, General Weyand, for your wonderful remarks and, even more importantly, for your lifetime of service to the United States.

Governor Cayetano; Secretary Perry; Admiral Macke; Secretary Brown; General Shalikashvili; distinguished guests, especially our friends and as good a friends the veterans of the United States have ever had, Bob and Dolores Hope; the honored veterans of World War II; your families, your friends; ladies and gentlemen: As we gather to celebrate the end of a war that engulfed the world, I ask your leave to say a few words about recent developments in the prospects for peace in troubled Bosnia. Just a couple of hours ago, we were able to announce

that the Foreign Ministers of Bosnia, Croatia, and Serbia have agreed to meet late next week in Geneva to try to reach agreement on the basic principles of a settlement for peace.

This is a positive step forward, but much remains to be done. Our own negotiating team will continue its work to bring the parties together. And as I said yesterday, no one should doubt NATO's resolve to prevent the further slaughter of innocent civilians in Sarajevo and the other safe areas in Bosnia.

I know that every American shares my pride in the skill and professionalism, the bravery, and the success of our pilots and crews and their NATO colleagues in the last few days. They