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NOTE: This proclamation was published in the *Federal Register* on March 9.

Proclamation 6534—To Revoke Proclamation No. 6491 of October 14, 1992

March 6, 1993

By the President of the United States of America

A Proclamation

Whereas, the provisions of the Davis-Bacon Act of March 3, 1931 (46 Stat. 1494, as amended), and the provisions of all other acts, Executive orders, proclamations, rules, regulations, or other directives providing for the payment of locally prevailing wages, which provisions are dependent upon determinations by the Secretary of Labor under the Davis-Bacon Act, were suspended by Proclamation No. 6491 of October 14, 1992, within specified geographic areas affected by Hurricanes Andrew and Iniki until otherwise provided;

Now, Therefore, I, William J. Clinton, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, do by this Proclamation revoke Proclamation No. 6491 of October 14, 1992, as to all construction contracts for which bids are opened or negotiations concluded on or after fifteen (15) days after the date of this Proclamation, whether direct Federal construction or federally assisted construction subject to Proclamation No. 6491.

In Witness Whereof, I have hereunto set my hand this sixth day of March, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and seventeenth.

William J. Clinton

[Filed with the Office of the Federal Register, 4:21 p.m., March 8, 1993]

NOTE: This proclamation was released by the Office of the Press Secretary on March 8, and it was published in the *Federal Register* on March 10.

Remarks to the Legislative Conference of the National League of Cities

March 8, 1993

The President. Thank you very much, Mayor Fraser, ladies and gentlemen. It's a great honor for me to be here. This is a pretty rowdy bunch. [*Laughter*] A vital group, a group more interested in change than in more of the status quo, I think. I look around this audience today, and already, just walking in and looking in the crowd and saying hello to people here at the head table, I see people without whom I would not be standing here today. I thank those of both parties and those who run as independents for your support of this plan. And I say again what I always feel when I'm with a group of people from America's cities and small communities or from the States, and that is I feel very much at home.

A lot of times my friends ask me what's the difference from being President and having any other kind of job or the life you used to have. The following thing occurred to me the other day in the White House. I was down on the ground floor; I had been out running or something, and I was going back up to get ready to start the day's work. And a group of people were coming out who had been at a meeting there, at another meeting with other people. And I ran into them and stopped and shook hands with them. It was totally an impromptu thing. And this man who worked at the White House said, ''Mr. President, I'm really sorry that you had to confront those people.'' And I said, ''That's all right. I used to be one once.'' [*Laughter*] I look forward to being one again someday. [*Laughter*]

The work of this White House has been very much influenced by many of you in this group. And I assure you that you will be represented in the future. We have a strong intergovernmental affairs group that works every day with leaders at the city and county and State level, including Regina Montoya

and Loretta Avent, who used to work for you. [*Applause*] Now, we had a bet coming over here. I said, ''Loretta, if I mention your name, will they boo or clap?'' She won. [*Laughter*]

I came here today to ask you to translate the support you have given to the program I have presented to the Congress and to the American people from support to a commitment to secure its approval in the Congress and to make the change that we seek inevitable and return to the status quo impossible.

All of you are on the frontlines of change. Every day in every way you have to struggle with the things which now confront me as your President. For a long time you've been making tough choices, struggling to balance your books, trying to spend less on yesterday's mistakes and more on tomorrow's needs. You try to put common sense into practice. And now I would like you to ask to help make common sense more common here in your Nation's Capital.

I think everyone now recognizes that we cannot continue on the past course. If we keep on doing just what we've been doing with no fundamental changes, then by the end of the decade the Government's annual deficit will be $650 billion a year. We will be spending 20 percent of our Nation's income every year on health care, and our nearest competitor will be spending about 10 percent, and we'll be insuring fewer people than any country with which we compete. And over 20 cents of every dollar the American people pay in taxes to the United States Government will be expended just paying interest on the vastly accumulated debt.

We've been spending too much and investing too little for quite a long while now. And the result has been slow growth and weak job creation. We've had our private sector handcuffed by high interest rates and inadequate investment, a work force inadequate to the needs of the 21st century and an economic program equally inadequate. If we keep on doing business as usual, we'll just stumble into the next century burdened by the baggage of the past. But if we have the courage to change, the next 20 years could be the best in our Nation's history.

When I introduced my plan to the Congress just 19 days ago, I asked all of us to ask of this plan not what's in it for me but what's in it for us. And people have responded in astonishing ways but I suppose predictable ways if you look at the history of the American people. All across this country people have been taking off their special interest hats and putting on their thinking caps. Business and labor, Republicans and Democrats, people from every walk of life and all points on the political spectrum have rallied behind this plan as a vehicle to move this country forward. I think everybody who seriously thinks about it understands that the great issue now is no longer Republican versus Democrat, urban versus rural, liberal versus conservative. It is whether we will stay in this gridlock that you have buttons campaigning against, or have the courage to change in ways that allow all our people to live up to the fullest of their potential. Even if I start preaching, I promise not to pass the plate. [*Laughter*]

You would be amazed how many times in the last year I would be in a little town or along some country crossroads and people would say to me they were worried about what happened in Los Angeles. You would be amazed how many times I was in a community that was 99 percent one ethnic group and somebody would say they wished that we could work out a way for the ethnic diversity of America to be a source of our strength. You would be amazed how many times I was in groups of people, all of whom had incomes above $150,000 a year, when they said to me, isn't there something we can do about homelessness in America. I think the people of this country are dying to come together again and make this country work again.

Nonetheless, let us be clear on this: There are people who are honestly debating whether this three-pronged plan is the right thing to do for the country. There are some who say, ''Well, of course, I want you to cut spending. And as a matter of fact, if you'll cut her spending more, you could cut mine a little less.'' [*Laughter*] And there are others who say, ''Well, I know you have to raise taxes, but I wish you wouldn't raise this one or that one so much. Raise the upper income taxes less,'' or ''Do away with the energy tax,'' or ''Put it all on gasoline,'' which is harder

on the rural States and the western States, "but let natural gas and oil off the hook."

And then there are those—and I want to talk to you about them today because you are not among them, but I need your help to deal with it—who say, "Well, if you cut the spending and raise the taxes and didn't invest any new money in anything, you'd have more deficit reduction," or "If you cut the spending and didn't invest any new money in anything, you wouldn't have to raise quite so many taxes," and "After all, if the Government spends a dollar, it's Government spending."

One of the central debates now raging in this Capital is whether there is any difference in the kinds of Government spending. Is there a distinction to be made between, for example, spending more for the same health care every year and accelerating the funding of the Surface Transportation Act? Is there a distinction to be made between a subsidy that was justified 50 years ago because we needed more wool in our uniforms and a subsidy that might be justified tomorrow to give to people who start new businesses and new high-tech enterprises to grow jobs for the future?

The people who say we do not need this economic stimulus plan and we do not need so much investment either argue one of two points. They either say, "All Government spending is bad, and there is no distinction to be made," something until recent times every Republican and Democratic officeholder in America, from the top to the bottom, would have disagreed with. Dwight Eisenhower knew there was a difference between the interstate highway system and paying to maintain the status quo of Government programs that didn't work. Everybody always recognized that distinction before, but there are a lot of people who have had a lot of sway in this town for years now who really argued that there are no distinctions to be made. There are others who say, "Well, the economy is recovering anyway and everything is going to be hunky-dory. So all you have to do is worry about reducing the deficit." Now, their view of what we ought to do might be characterized as "Status quo-lite." [*Laughter*] That is, "Yeah, I know you've got to change on the cutting side, and maybe we have to have a little tax increase, but there is no distinction between kinds of Government spending. And besides, the economy is in great shape. We just don't know it yet." [*Laughter*]

Now, let's be candid. We do have some good economic news in the aggregate. And last month, for the first time really in a very, very long time, we had a significant number of new jobs. But if you look behind those numbers, you see that while employment is edging up, an awful lot of those jobs were part-time jobs with part-time wages which rarely provide the health care benefits that families so desperately need today.

To build a stronger recovery with real jobs and rising incomes, we'll have to break the gridlock that has paralyzed public action, cut the deficit, and invest more in the future. If you look at our economic performance over the last dozen years and you say, describe the ways in which America has not been competitive with other nations that are growing faster, and you had to list them, you just think of what you would list. You would say, well, the deficit grew more rapidly than it did in Japan, for example. And America spent a higher percentage of its income on health care than any other country in the world by far, even though we did less with it in terms of covering people.

You'd also have to say, however, our investment in the things that make a country rich and strong actually went down in several areas, in our infrastructure, in K through 12 education. Nine nations in the world invest a higher percentage of their income in K through 12 education than we do, even though we have more diversity by race and income, which would argue for greater efforts in our Nation.

If you look at the United States budget just over the last 4 years, you will see we spent more on Medicaid and Medicare and food stamps, with over 1 in 10 Americans on food stamps, and more on interest in the debt, and relatively less on everything else, the investments which would make us richer as a country, which will grow the economy, which will put people back to work, which will reduce our reliance on public assistance and increase our ability to support each other.

So I would argue to you, my fellow Americans, that we have to argue in this community where the ultimate decision will be made: number one, that we need to pass the whole program; number two, there are jobs still begging to be created out there; number three, there are differences in the quality and character of government spending, whether it is in the smallest community of this country or the United States budget. There are differences.

The stimulus plan I have asked the Congress to adopt, along with the spending cuts, the investment increase, and the tax increase itself, will create a half a million new jobs in the short run. The economic program, if it is fully enacted, will create 8 million jobs over the long run—that is, in this 4 year period—the vast majority of them in the private sector.

This plan is based on values that are central to what makes America work and what has always made America work: work and family and faith, responsibility and community and opportunity. I think the change obviously has to start at the top. I have presented a budget which in the next fiscal year will cut the White House staff by 25 percent and save $10 million in privileges and perks and payroll. I have reduced the administrative costs of the executive branch by 14 percent over 4 years and, by attrition, payroll, 100,000 over 4 years, saving $9 billion.

I have asked the Congress to freeze the pay of Federal employees next year and then to lower it by one percent less than would otherwise be the cost of living for the succeeding 3 years, saving billions more dollars and asking a substantial, a very substantial sacrifice from the Federal work force because I thought that was important before I could ask the taxpayers to contribute more.

And last Wednesday, I asked the Vice President to head a national performance review of every Government agency and every Government program, not simply to identify more specific spending cuts but also to identify services that don't work and things that can be done better, to do what the smartest private companies and the best local governments are already doing: streamlining operations, eliminating unnecessary layers of management, empowering frontline workers in holding our investments up to the clear light of day to see whether they make sense.

I have proposed already 150 specific spending cuts, saving $247 billion. And that's much more than the cost of the net new investments I have proposed. I ask you to join me now in fighting for these investments and in cutting back the spending, but not in doing one without the other.

For example, our plan calls for ending the designated project program at the Department of Housing and Urban Development. It spends over $100 million a year without any published selection criteria or competitive procedures or basic accountability. But if you join me in cutting that program, I also ask that you support what I know you believe in and what we have to say to the Congress is worth doing: doubling the number of housing vouchers for working people on moderate incomes, creating a network of community development banks, bringing new opportunities to our communities through enterprise zones, and doing something to reinvigorate the housing programs of this country. These things can be done together.

I ask you to help me reduce low-priority highway demonstration projects by $1 billion; but also for calling in the new investments we need, we ought to fully fund the Surface Transportation Act, and do it quickly. And we should recognize that transportation offers enormous economic opportunities to increased productivity and jobs. So we have to look at mass transit, high-speed rails, smart cars, smart highways, and commercial aviation as we move toward the 21st century. If we want this economy to grow, we have to do those things.

This plan calls for cutting $300 million in earmarked small business loans but also calls for the most dramatic effort in the history of America that I can determine, at least, from our research, to help small business create jobs: a permanent investment tax credit for small businesses, 90 percent of the employers in this country with 40 percent of the employees creating the vast majority of the new jobs; a new venture capital gains tax for people who will start new businesses and have the courage to begin being on the cutting edge of change; and real steps which we will announce in a couple of days to try

to end the credit crunch and the lack of availability of credit to small businesses who have to provide the jobs of today and tomorrow.

In short, we have to cut, and we have to invest. We have to reject trickle-down economics, and we have to reject tax-and-spend economics. We have to stop spending money on things that don't work, but we have to continue to invest in things that do.

A lot of the things that we propose to do are literally direct investment incentives to the private sector. I mentioned a couple already: the $3 billion permanent small business investment tax credit; some significant changes in the way taxes are computed for our larger businesses so that when they do invest in new plant and new equipment and new jobs for our people, they will be rewarded, not punished, by the tax system. If people do what's right, they should be supported. We should make a distinction between how private companies spend their money. And when they invest to grow and to create jobs, they should be rewarded for that. And that's what we're trying to do in the tax system.

In addition to those things I have already mentioned, I recommended a significant increase, about $2.5 billion—the first one in a very long time, as all of you know—in the community development block grant program. I can say with confidence as a Governor that that program was absolutely critical to helping many of the smaller and moderate-sized communities in my State attract new jobs in the tough decade of the 1980's and that without it I do not know if we would have been able to do so. There are people in this audience from my State who know that is true because they have personally experienced it. And I think that is true all across the country.

We simply cannot afford not to invest what it takes to make our communities attractive to new businesses and new jobs. And if anyone here in this community tells you that the economy is fine in America, tell them where you live there's still a little work to be done.

I want to hammer this home as hard as I can. This is the first recovery, economic recovery, in my lifetime where if you look at the overall numbers, it really does look like a recovery is underway. Productivity is increasing. American businesses are doing a better job. A lot of things are going on, but the jobs themselves are not yet being created. And we are facing other problems which may further put pressure on some communities, including the imperative of continuing to reduce the defense budget. We have got to follow a jobs strategy. We have got to do that.

Now, one of the things that I've tried to do, as all of you know, is to reduce the deficit, because if we do we'll reduce interest rates. And if you keep interest rates down and people go out and refinance their businesses, their homes, their cars, their credit cards, they'll have more cash. They can invest it and make this economy grow. That is also happening.

Interest rates just since the election have gone down, long term, almost one full point. If we can keep them down and everybody, all of you and all of the people you represent, will go out and refinance all the debt they've piled up in the 1980's, that will free up another $80 billion to $90 billion to $100 billion this next year to grow this economy. That's important, but we also have to get some real investment incentives, public and private. Unless we create jobs, we cannot claim to have done anything to promote an economic recovery that affects the lives of the people that you see on the street every day.

Let me also say, in addition to creating an economic environment in which there is investment, we also have to do what we can in common to prepare our people for those challenges. And we have to recognize the fact that, in many ways, America has not done a good job of preparing its people. Example number one, to begin with children, all the nations in this hemisphere, only two, only two, Haiti and Bolivia, have lower immunization rates against preventable childhood diseases than the United States of America, where all of the vaccine is made. Only two. We have proposed in this program, starting with the stimulus package, an effort that will permit us over the next few years to immunize all the kids in this country against preventable childhood diseases.

The estimates are that for every $1 we spend immunizing children against those diseases, we'll save $10 down the road in the care that will otherwise be spent on them.

But in order to make those estimates right, you have to have a critical core threshold of young children who are immunized. And we are running the risk of falling dangerously below that threshold in many areas and having new epidemics of disease break out among our children simply because we do not provide either the infrastructure in order to do that or the affordability and availability of the vaccines. We must do that.

Let me give you one other example. The Head Start program, where it is fully and firmly implemented along with other support services, plainly saves more money than it costs in the terms of keeping kids in school and making them successful, in helping them to graduate and do well. And yet for years we've all talked about fully funding the Head Start program and supporting other efforts like in-school preschool programs or parent-based preschool programs, yet we've never really done it. Congress and the previous administration did expand the Head Start program some, but there are still enormous numbers of children who are not able to access those services. This budget starting this summer fully funds the Head Start program. And we ought to pass that.

If we begin this summer and we work for the next 3 years, just think what it will be like. Wouldn't it be nice to be able to say we've actually done something so we can go and work on a new problem? Wouldn't it be nice if in the next election cycle in 1996, no one could argue about Head Start or immunization; they had to argue about something else? [*Laughter*] I mean, somebody asked me one time what my goal as President was, and I said that I'd like to leave my successor a new set of problems. [*Laughter*] You think about it.

This plan will create about 700,000 summer jobs for people in this country. And we are attempting to mobilize private sector employers to match what we're doing with the goal of creating over a million jobs. Think about it. Think about how many young people in this country have been surrounded by devastating economic conditions year in and year out for the last several years. They flip on the television, and they see another ad telling them what they ought to say no to. Well, I'm all for telling them what they ought to say no to. But I think we should set an example and give them something to say yes to as well.

This plan will give our country the most ambitious system of lifelong learning we have ever had: programs for high school dropouts and others to learn to read adequately and get their high school equivalency; programs for young people to be able to borrow the money they need to go to college and pay it back on far more favorable terms or with service to our country here at home as police officers or teachers or in other forms of community service; programs for adults who lose their jobs because of defense cutbacks or because of sweeping changes in the global economy to get serious, serious opportunities to retrain in areas where there are jobs available, tied to incentives to getting investments for those new jobs in their communities. Not just talking about it; this plan gets serious about it. We have almost $5 billion for the retraining of adults in the work force alone in the next 4 years in this program, and it needs to pass.

And anybody who says that this recovery will just do fine without a serious attempt to retrain the work force has not been to California lately to see what's happened in the industries where the defense cuts occurred; have not been in the rural parts of America to see what has happened when a lot of those low-wage, low-skilled, high labor-intensive manufacturing plants closed down and moved overseas with no plans to retrain or reinvest in those communities; or all the places in-between.

There is too much work to be done. We need a partnership, and it has to begin with making sure the people of this country can compete and win in the global economy. And that requires some investment. And there is a difference between whether you spend money making people stronger and smarter and safer and more secure and more able to compete, and whether you just keep spending more money on the same thing. There is a difference. And this program is different.

This plan will enable us over the next couple of years to work with you to put 100,000 more police officers on the streets of the cities of this country. There are cities which

have actually seen a reduction in the crime rate, either in specific neighborhoods or in the cities as a whole, in the last few years, cities here represented in this room, when they've gone to community policing strategies. You know it works. I know it works. And we know most cities don't have enough money to do it right. We're going to help you through giving people incentives who are coming out of the service to be police officers, through giving people incentives to be police officers as a way of paying for their college education, and through, I hope and pray, passing the crime bill, which didn't quite make it through last year, to put these police officers on the street.

One of the most remarkable aspects of this program is one that hasn't received a great deal of attention and doesn't involve you directly, but it will shape the communities you lead and govern indirectly. And that is the astonishing increase in this program in the refundable earned income tax credit for working people, not only to offset the impacts of the energy tax on families with incomes under $30,000 but also so that we can finally say in this country, if this earned income tax credit passes as it will be presented, that if you work 40 hours a week and you have children in the home, you should not be in poverty. And the tax system will lift you out and reward work. It will reward work. Imagine it! Just imagine, politicians for years have been saying they wanted to reward work, not welfare. Now, by adopting a simple bill that says the tax system will reward work, not welfare, we can give people something new to argue about. It would be a great thing to do.

I ask for your help again. The big issue is, should we do all these things: Should we cut spending; should we raise revenues; should we increase investment so that the deficit goes down while investment goes up. This country has never tried to do this before. You've got to be fair to the Members of the United States Congress. We are asking them to do something our country has never tried to do before, which is to hammer the deficit down and increase investment significantly at the same time. But you know where you live, you can see it every day that we have to do both. We have to do both.

And so I say again in closing, I thank you for your endorsement of this program. It made me feel great. I want every Member of the United States House and Senate to know that you not only endorsed it but that you believe in it, not just because of what you get out of it but——

Audience member. What about drugs?

The President. You want to talk? I'll be glad—this program has a lot in it, actually, about drugs. It has a significant increase in funds for drug treatments and gives you, through providing 100,000 more police officers, the power to combat drugs on the street. It does both things. It increases enforcement and treatment, which I would think you would want.

But that makes a good point: Is that spending, or is that an investment? You have to decide. But you have got to give the Congress courage to do this. And you have to help people understand that in this group there were Republicans and Democrats and city people and country people, people from the frost belt and the sun belt and the rust belt and the Bible belt, people like me that have to get bigger belts every year. [*Laughter*] You can do that. And if we can do that, we've got a real shot to sit here in honest discussion year in and year out and face these problems.

You know, how many years have you been coming up here and listening to this debate, and it doesn't bear any relationship to the life you live when you go back home? How many, really? I mean, whether it's a discussion about drugs where somebody just talks about getting tough on crime and nobody ever gets down to what they're going to do to help you deal with the problem where you live; or jobs, and somebody rails against taxes and the deficit, and then every year the deficit goes up and so do taxes. Or just how many years have you been coming here listening to these debates when nothing ever changed?

And I just want to tell you, as I said to the Congress, there is plenty of blame to go around; this is not about party. And I don't care who is to blame. I'm prepared to take responsibility. I'm more than willing to face the heat, and if something goes wrong, I'll take responsibility for that and change it. But let's do something, and let's do it now.

Thank you.

NOTE: The President spoke at 1:15 p.m. at the Washington Hilton. In his remarks, he referred to Donald M. Fraser, Mayor of Minneapolis, MN, and president of the National League of Cities; Regina Montoya, Assistant to the President for Intergovernmental Affairs; and Loretta Avent, Special Assistant to the President for Intergovernmental Affairs.

Exchange With Reporters Prior to a Meeting With the Congressional Black Caucus

March 8, 1993

Spending Cuts

Q. Mr. President, do you agree with the extra $50 billion in cuts that the House and Senate leaders want?

The President. I agree that we will have a budget resolution which will be roughly conforming to the reestimates of the CBO in general terms. And that will still contain the investment strategy that I wanted to do.

NOTE: The exchange began at 5:11 p.m. in the Roosevelt Room at the White House. A tape was not available for verification of the content of this exchange.

Announcement of Nomination for Eight Sub-Cabinet Posts

March 8, 1993

The President continued the process of filling the sub-Cabinet today, expressing his intent to nominate eight senior officials at the Departments of Agriculture, Commerce, and Housing and Urban Development and at the U.S. Mission to the United Nations. Named today were:

Michael Stegman, Assistant Secretary for Policy Development and Research, Department of Housing and Urban Development

Everett Ehrlich, Under Secretary for Economic Affairs, Department of Commerce

Eugene Moos, Under Secretary for International Affairs and Commodity Programs, Department of Agriculture

Richard Rominger, Deputy Secretary of Agriculture

Wardell Townsend, Jr., Assistant Secretary for Administration, Department of Agriculture

Francis Vacca, Assistant Secretary for Congressional Relations, Department of Agriculture

Victor Marrero, U.S. Representative to the Economic and Security Council, United Nations

Karl F. (Rick) Indefurth, U.S. Alternative for Special Political Affairs, United Nations

"The people I am asking to serve in my administration today combine academic achievement with real world experience," said the President. "I am particularly pleased to be naming two family farmers to help run the Department of Agriculture."

NOTE: Biographies of the nominees were attached to the press release.

Exchange With Reporters Prior to a Meeting With the Senate Budget Committee

March 9, 1993

Q. Mr. President, are you going for nonmilitary domestic spending cuts across the board?

The President. Well, first of all, let me say I think both the Senate and the House committees deserve a lot of credit. They've come forward with further spending reductions consistent with what the CBO group calculations would indicate. They are consistent with the direction of my plan to reduce the deficit and increase investment. And I think that eventually all the committees will get together, and the two bodies will get together, and we will work out a budget that the American people can be proud of that does the things that we're all trying to do. I'm encouraged by it.

Q. So you are going to accept the across-the-board cuts?