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States to display the flag at half-staff from their homes on that day.

In Witness Whereof, I have hereunto set my hand this fifteenth day of May, in the year of our Lord nineteen hundred and ninety-five, and of the Independence of the United States of America the two hundred and nineteenth.

William J. Clinton

[Filed with the Office of the Federal Register, 2:38 p.m., May 15, 1995]

NOTE: This proclamation was published in the *Federal Register* on May 17.

Remarks Prior to a Meeting With Congressional Leaders and an Exchange With Reporters

May 16, 1995

Budget Proposals

The President. First of all, I want to welcome the Members here for this meeting. And as you know, we're going to be discussing the budget. And we'll just make a couple of observations.

I have just returned, as you know, from my trip, and I look forward to having the opportunity to study in detail the budget resolutions passed by the Senate and the House—or offered by the Republicans in the Senate and the House.

Obviously, I believe that deficit reduction is good for our economy. It lowers interest rates. It promotes growth if it's done in the right way.

We're using 7-year figures now. The last Congress reduced the deficit about a trillion dollars over 7 years, or about as much as the Republican proposals recommend.

I am concerned, as I have said repeatedly for months now, about three things. I do not believe that we should cut Medicare deeply, cut long-term care for the elderly deeply to pay for tax cuts for upper income citizens. I believe that we have to slow the growth of Medicare. I am glad to hear the majority in Congress acknowledging that, after 2 years of denying that there is a crisis in Medicare. I agree that there is. But the proper way to do it is within the context of health care reform so that we can consider the implications on the health of our people, the welfare of our people, as we do this.

And the third thing I would say is that we have two deficits in the country that are hurting us badly. One is the budget deficit; the other is the education deficit. The most significant thing about America in the last 15 years is the stagnant wages of working people and the growing inequality among middle class people because they do not have the skills they need to compete in the global economy. So I don't think we should cure the budget deficit by enlarging the education deficit.

Those are my three preliminary observations. And I look forward to having the chance to study this and to work with them and with the Democrats in the Congress to continue to bring this deficit down. We must do that. We all agree with that. But there's a right way and a wrong way to do it, and we're going to be discussing that in greater detail today.

Q. Senator Dodd says it may be time to drop all proposals for a tax cut right now and to focus instead on deficit reduction. Are you willing to drop your middle class tax cut proposal if the Republicans drop theirs?

The President. Well, first of all, I believe that we can pay for something in the range that I have proposed with a dramatic—[*inaudible*]—deficit reduction. I think you could—I think we can achieve that. But I—I want to—that's my position, but I want to have a chance to meet with these folks today and hear from all of them, and we'll be talking more about this.

I believe that what I recommended is the right course. I'm prepared to hear from anybody else who's got any other ideas. My concern is, I don't want to see us just jump off the deep end on Medicare cuts without understanding what the implications are to pay for huge tax cuts which we plainly can't afford and which mostly go to upper income people. I do not believe that we can fix Medicare unless we have some idea of how the system is going to be reformed and what the consequences will be. And I don't believe that we should be eviscerating the education budget and making it harder for people to go to college and stay there, for example.

Now, other details and other issues—I'm going to review their proposals and evaluate them, and then we'll be glad to work with them and go forward.

Japan-U.S. Trade

Q. [*Inaudible*]—go in effect today. [*Inaudible*]—when you meet with Prime Minister Murayama you'll be able to resolve this matter and avoid a trade war with Japan that could affect security and other strategic interests, as well?

The President. I certainly hope that we'll be able to resolve this. And as you know, we—the way this issue works—the Trade Ambassador, Mr. Kantor, will announce the details of what we propose. They won't actually go into effect if we can avert the disagreement with the Japanese. But if you look at the special problem of autos and auto parts and how long we have labored over them, and how reasonable the United States has been, for years, even for more than a decade, I believe that this is something we have to go forward on. The Japanese Government has acknowledged that we have important security interests and other interests in common and that we cannot let our entire relationship be left by this. That is a welcome observation by them, and I agree with them. But we can't anymore deny this or sweep it under the rug. We've got to go forward; we're going to do that.

NOTE: The President spoke at 9:04 a.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Remarks on the National Performance Review

May 16, 1995

Thank you very much, Mr. Vice President, Secretary Reich, Mr. Dear, to our friends from Maine, all of them, for the fine work they have done. Congresswoman Norton and members of the DC City Council and others who are here, we're glad to be in the District of Columbia and in one of the most interesting workplaces I've been in in a while. I want to thank the folks who work here for making us feel welcome and for taking a little time off from work to let us come in and interrupt the flow of events. I'm sure that's not a terrible burden. [*Laughter*] I want to thank Mr. Gawne for having us here. Mr. and Mrs. Gawne made us feel very welcome when we came in, and they didn't waste much time in establishing the productivity of their leadership by pointing out that they have 6 children and 14 grandchildren, and most of them are here today. [*Laughter*] I'd also like to say a special word of appreciation to the Vice President's reinventing Government team who worked so hard on this—Elaine Kamarck is here and many others who worked so hard on it. I thank all of them.

We have taken this business of trying to make the Government work and make sense very seriously. We have worked at it steadily now for a good long while. We think it's one of the most important things we can do to make the American people believe, first of all, that their tax dollars are not being squandered but instead are being well spent and, secondly, to fulfill some important public objectives.

Protecting the health and safety of our country's workers is an important national value. It's something we should all share. From the Triangle Shirtwaist fire back in 1911, which galvanized the conscience of our Nation, to the fire in Hamlet, North Carolina, in 1991—which I remember so very well because 25 poultry workers were killed there and thousands and thousands of people work in the poultry industry in my home State—we have recognized that we have a special responsibility as a people to ensure that workers are not put in undue jeopardy. We don't believe that anyone should have to endanger their personal health or their very lives to make a living for their families, to live a life of dignity.

But still, in spite of all the progress that has been made, over 6,000 Americans every year die at work. That's 17 a day. And about 50,000 more people die each year from exposure to chemicals and other hazards in the workplace. Six million Americans are injured, and the injuries alone cost our economy over $100 billion a year. So it is obvious that we still have work to do and that to whatever extent we can reduce death and injuries in the workplace, we will not only improve the