

age of 20 percent, except education. I want to increase education, not cut it. We'll continue to cut waste. Under Vice President Gore's leadership, we're already cutting hundreds of programs and thousands of regulations and 270,000 Federal positions. We'll still be able to protect the environment and invest in technology and medical research for things like breast cancer and AIDS. But make no mistake, in other areas there will be big cuts, and they'll hurt.

Second, we should limit tax cuts to middle income people, not upper income people, and target the tax cuts to help Americans pay for college, like we did with the GI bill after World War II. Let's help a whole new generation of Americans go to college. That's the way to make more Americans upper income people in the future.

Third, don't cut Medicare services to the elderly. Instead of cutting benefits, maintain them by lowering costs. Crack down on fraud and abuse, provide more home care, incentives for managed care, respite benefits for families of Alzheimer's patients, and free mammograms. For all Americans, I propose the freedom to take your insurance with you when you change jobs; to keep it longer after you lose a job; insurance coverage, even if there are preexisting conditions in your family; and lower-cost insurance for groups of self-employed and small business people. If we don't have tax cuts for upper income people, as congressional leaders have proposed, we won't need to make harsh cuts in health care or in education.

Finally, balance the budget in 10 years. It took decades to run up this deficit; it's going to take a decade to wipe it out. Now mind you, we could do it in 7 years, as congressional leaders propose. But the pain we'd inflict on our elderly, our students, and our economy just isn't worth it. My plan will cut the deficit year after year. It will balance the budget without hurting our future.

This budget proposal is very different from the two passed by the House and the Senate, and there are fundamental differences between Democrats and Republicans about how to balance the budget. But this debate must go beyond partisanship. It must be about what's good for America and which approach is more likely to bring prosperity and

security to our people over the long run. We ought to approach it in the same spirit of openness and civility which we felt when the Speaker and I talked in New Hampshire last Sunday.

There are those who have suggested that it might actually benefit one side or the other politically if we had gridlock and ended this fiscal year without a budget. But that would be bad for our country, and we have to do everything we can to avoid it. If we'll just do what's best for our children, our future, and our Nation, and forget about who gets the political advantage, we don't go wrong.

Good night. Let's get to work.

NOTE: The President spoke at 9 p.m. from the Oval Office at the White House.

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

June 14, 1995

Plan to Balance the Budget

The President. I'd like to, if I might, just say a couple of words. First of all, I want to thank Senator Daschle, Senator Moynihan, Senator Breaux, Senator Mikulski for coming here today to discuss welfare with the Vice President and me and Governor Romer and Secretary Shalala.

Last night I laid before the Nation my plan to balance the budget in 10 years in a way that is consistent with the long-term prosperity of the American people and our fundamental interests. And one of the priorities I stated was pursuing the right kind of welfare reform. I still believe that the Republican bill is too tough on children and too weak on work and runs the risk of undermining our fundamental commitment to the welfare of children without moving people from welfare to work.

I want to endorse today the bill authored by Senators Daschle, Breaux, and Mikulski because it does meet those criteria. It is—it supports work. It supports doing the things that are necessary to get people into the work force and protecting children, especially dealing with the child care issues and requiring States to continue to support the children

of the country who, through no fault of their own, are born into poor families.

So I believe this is the right kind of welfare reform. It also saves money. It will help us balance the budget, but it does it in the right way.

Q. Mr. President, the Democratic reaction to your budget has been overwhelmingly negative. Do you have a revolt on your hands on Capitol Hill?

The President. Well, I think it's been sort of decidedly mixed, don't you? Senator Breaux was just telling me that he and Senator Lieberman endorsed it today.

Q. But a lot of people feel that you have let them down, you pulled the rug out from under them.

The President. Well, let me just say, a lot of people—I'm sympathetic with the Democratic position. The Democratic position is the Republicans won the Congress by just saying no. They voted against deficit reduction. They proposed health care plans and then walked away from them. They just said no. And somehow, they were rewarded for that, and therefore, we should just say no at least for a much longer time.

But I do not believe that's the appropriate position for the President even if it—the voters have a lot on their hands in their own lives. It's hard not to figure out what's going on in your own life today without trying to figure out what's going on here. And I don't believe it's right for the Democrats to kind of overreact to the last election.

Even though I don't think they were treated fairly—I don't think the last Congress got anything like the credit they deserved for reducing the deficit, bringing the economy back, and doing all the wonderful things that were done—I still believe that the long-term best interests of the country are furthered by bringing the deficit down in a way that increases our investment in education, preserves our commitment to the historic commitments of the Democratic Party to helping those in need, permits us to protect the environment and have a strong defense and do the things the country needs.

So I believe I have done the right thing. I know there will be those who think that it's the wrong time or the wrong thing, and

they are free to express their opinion. But I still feel very good about what I—

Q. Mr. President, much of that criticism appears to be directed at your proposal to cut the growth of Medicare.

The President. Well, I believe—if you look at what we've done—first of all, we've already cut the growth rate of Medicare. The inflation rate has been coming down. And we've done it without cutting services to the elderly.

Their proposal will provide for drastic cuts in services to the elderly. Our proposal will provide for some health care reform which expands health care coverage, including to the elderly, and cuts the rate of increase at a more moderate rate than the Republicans do and in a way that enables us to avoid cutting services to the elderly or charging low-income elderly people a couple of thousand more dollars for health care that they can't afford. We're not going to do that.

So if you look at the details of our proposal compared with theirs, I think ours is going to stand up very, very well. And that's why I have urged all the Members to look at the details, look at the facts before they reach a final judgment.

Q. Do you want to meet with Republicans as well?

Q. Where does it all go from here, Mr. President, a budget summit?

The President. —the details, like welfare reform.

NOTE: The President spoke at 12:33 p.m. in the Oval Office at the White House. A tape was not available for verification of the content of these remarks.

Exchange With Reporters Prior to Discussions With European Union Leaders

June 14, 1995

The President. Let me say that it's a great honor to have President Chirac here for the first time since his election, although he's been here before and we've had several good visits since I've been President. And I'm looking forward to the conversation. We have had no conversations yet, and we're going to