(SAMPLE OP-ED)

Investments in Child Care Needed by Public and Private Sectors
April 24, 1998

Millions of Americans are working and struggling to be both good parents and good workers. Many of them rely on child care and after-school programs every day. Three out of five mothers with children under the age of six work outside of the home.

At the White House conference on child care last year, President Clinton and the First Lady heard over and over again from parents, business leaders and child care experts that quality child care is unaffordable for too many families. At the conference, the President asked Treasury Secretary Robert Rubin to assemble a working group of business and labor leaders to examine the problems working parents face with child care.

The President recently released the Treasury Working Group's report along with a report from the Department of Labor, which found that businesses and the economy benefit from quality child care. When employers provide child care, they experience increased productivity, improved morale, decreased absenteeism, better recruitment, and lower turnover.

Recognizing the importance of a national commitment to child care, President Clinton issued a call to action to all members of Congress to pass child care legislation this year. The President's plan includes substantial new subsidies and tax credits to help low- and middle-income families pay for child care; investments to help states and communities improve the quality of early childhood programs; a new tax credit for businesses that provide child care services; and an expansion of before- and after-school programs. Congress must put aside partisan differences and pass legislation this year to make child care more affordable, better and safer for America's working families.

Increasingly, companies understand that investing in child care now will make for a better workforce in the future. It's time for Congress to act.

(SAMPLE TWO OF LETTER TO EDITOR)

April 24, 1998

Dear Editor:

American families should not have to choose between being good workers or good parents. This is an unfair choice for any working parent to have to make. American workers have provided this country with the strongest economy in a generation. Now it is time to give back to the American people by providing child care that will strengthen our country's families.

As a member of Congress, I realize that we must put our partisan differences aside and support President Clinton's child care initiative. This historic initiative proposes over $20 billion over the next five years to help working families pay for child care, build a good supply of after-school programs, improve the safety and quality of child care, and promote early learning.

The average family pays over 60 percent of the costs for child care, whereas families with children in college only pay 25 percent of the costs for their education. It is unfair to expect parents who may be younger with a lower income and just starting out in the workforce to pay so much for child care.

We, as a nation, must understand that quality child care is critical for our future. The most important job in America today is being a good parent and raising your children well. Therefore, I am prepared to invest in child care for all Americans. I urge my colleagues to do the same.

Representative (name)
U.S. Congress

(SAMPLE ONE OF LETTER TO EDITOR)

April 24, 1998

Dear Editor:

As a member of Congress, I realize that child care must be a priority for our country. America's working families are struggling to find child care they can rely on, afford and trust. If we want Americans to succeed in today's economy we have to allow every family the opportunity to succeed at home and at work.

Recent reports by the Treasury Department's Child Care Working Group and the Department of Labor found investments in child care make good business sense. Such investments lead to increased productivity, improved morale, decreased absenteeism and lower staff turnovers. In short, providing child care and other "family-friendly" policies is good for workers, good for business and good for the economy. Although the business community can do more, it can't meet America's child care challenge alone.

President Clinton's child care initiative proposes over $20 billion over five years to make child care more affordable for working families, promote early learning and healthy child development, improve the safety and quality of child care, and expand access to safe after-school care.

It is now Congress' responsibility to pass legislation this year that will make child care safer, more affordable and more accessible. We should take a major step forward to the 21st century by investing in child care for all Americans because no job is more important than raising our children.

Representative (name)
U.S. Congress

TALKING POINTS ON CHILD CARE
April 23, 1998

- Today at the White House, the President released two reports highlighting private sector efforts to provide child care assistance to workers, and he urged Congress to pass child care legislation this year.

- Today more than ever, families are struggling to afford child care. Low-income families spend as much as 25 percent of family income on child care.

- States do not have enough funding to meet the need for child care assistance. In fact, because of resource constraints, some states set eligibility levels far below what is allowed by federal law. In 10 states, a family of three with as little as $20,000 of income is not eligible for any help with child care costs. In as many as 37 states, a family of three with $28,000 of income is not eligible for a child care subsidy. And most states have insufficient funds even to subsidize all families meeting their eligibility requirements.

- Businesses are doing important things to provide child care assistance to working families. The reports released today highlight these efforts and urge their replication. But businesses cannot solve the child care problem alone.

- As part of his balanced budget request, the President called for significant new investments in child care -- to help working families pay for child care, build a good supply of after-school programs, improve the safety and quality of care, and promote early learning. To encourage more private sector investment in child care, the President has proposed a new tax credit for businesses that offer child care services to their employees.

- The President is urging Congress -- which has less than 70 days left in its congressional session -- to put aside differences and come together to pass child care legislation for America's working families.

PRESIDENT CLINTON:
AFFORDABLE, SAFE HIGH-QUALITY CHILD CARE

April 23, 1998

"For any American who by choice or by necessity becomes a working parent, child care is a concern -- available, affordable, safe, high-quality child care. For five years I have committed my administration to that goal. We are making substantial strides toward achieving it. But we must move further, and push harder, to build a strong and healthy America in the 21st century."

President Bill Clinton
April 23, 1998

Today, President Clinton calls on Congress to take action to make child care better, safer, and more affordable for America's working families. In a Rose Garden ceremony, the President releases two reports highlighting private sector efforts to provide child care assistance to workers. These reports show that providing child care is good for workers, good for businesses, and good for the economy.

More than ever, America's parents are working: three out of five mothers with children under age six work outside the home. Yet a recent study found that *only one percent* of revenues for child care and early education come from the private sector.

INVESTING IN CHILD CARE -- GOOD BUSINESS SENSE. At the White House Conference on Child Care last October, President Clinton asked Secretary Rubin to convene a group of business and labor leaders to look at child care problems facing working parents and to identify best practices in the private sector and in public-private partnerships. Today, the Treasury Working Group on Child Care releases a new report, *Investing in Child Care*, that finds:

- Child care problems can reduce productivity and profits. The Working Group report finds that businesses benefit from providing child care assistance -- through increased productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale.

INCREASING PRIVATE SECTOR INVOLVEMENT. Today, the Department of Labor releases a new report, *Meeting the Needs of Today's Workforce: Child Care Best Practices*, which examines best practices initiated by businesses, government agencies, unions, not-for-profits, and business/community partnerships to meet the demands of employees who are also parents. The key finding of the report is that, in today's global economy, providing child care and other family-friendly policies helps companies recruit and retain the best workforce for the future. The President also announces a new commitment by the Department of Labor to serve as a clearinghouse for businesses interested in child care, and to set up a business-to-business mentoring program on child care.

CALLING FOR CONGRESSIONAL ACTION. Millions of Americans, struggling to be both good parents and good workers, rely on child care and after-school programs for part of each day. As part of his balanced budget request, the President called for significant new investments in child care -- to help working families pay for child care, build a good supply of after-school programs, improve the safety and quality of care, and promote early learning. To encourage more private sector investment in child care, the President has proposed a new tax credit for businesses that offer child care services to their employees. Today, the President calls on Congress to put aside partisan differences and take action on child care this year.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release April 23, 1998

REMARKS BY THE PRESIDENT ON CHILD CARE

The Rose Garden

10:20 A.M. EDT

THE PRESIDENT: Thank you. Ladies and gentlemen, Hillary and I are delighted to have all of you here. We thank Mr. Tobias for his work and the power of his example. I thank Secretary Shalala and Secretary Herman for their extraordinary work, and Secretary Rubin, in his absence. And I note the presence here by SBA Director Aida Alvarez, and our OMB Director, Frank Raines, in the back. I thank the members of Congress who are here -- Representatives Lois Capps, Rosa DeLauro, Sheila Jackson Lee, Sandy Levin, Patsy Mink, Tim Romer, Ellen Tauscher, Lynn Woolsey, and Steny Hoyer.

There are many other members of Congress who are supporting this child care initiative --two who are not here, three that I think I should mention are Senators Dodd, Jeffords, and Kohl, along with Senator Specter who have given real bipartisan leadership to the child care initiative in the Senate.

Let me also say I'm delighted to see all the children here today. I like Take Our Daughters To Work Day. As Representative Capps pointed out, since her daughter works in the White House, she came to work with her daughter today instead of the other way around. (Laughter.) But, for the rest of you, I like this day.

When my daughter started pre-school, and she was asked what her father did, she said that he works at McDonald's. (Laughter.) So I decided I better take her to work with me, even though I realized it would result in a diminution of my status in her eyes. (Laughter.) So then, by the time she went to kindergarten, she had actually been to work with me, and they asked her what I did for a living and she said, "Well, he drinks coffee, makes speeches and talks on the telephone." (Laughter.) (Laughter.) So I'm delighted that all the children are here.

The idea of merging work and family is embodied in Take Our Daughters To Work Day. There's also another important idea embodied in it, which is that we want our daughters to believe, along with our sons, that they can aspire to do whatever it is they want to do, whatever they're willing to do, whatever they're prepared to make the effort to do. Now, if you want that to be a reality, we have to make a commitment to give all of our children the best possible childhoods. That's really what all this is about.

Last year Hillary and I sponsored two conferences that many of our administration people helped on and many of you participated -- one on child care and the other one on early childhood and the brain. Now, what they showed is what all of you already know, but what is still not widely accepted by decision-makers in our society. They showed, first of all, that the early years are profoundly important and that an even greater percentage of a child's learning capacity and intellectual infrastructure is built up in those very early years. And they showed what we in the child care conference, what we've all been here to say today, that people are worried about whether they can find child care, whether they can afford it, and whether it will be good child care.

We've been very fortunate in our country in the last few years, and I know we're all grateful to have the best economy in a generation and the lowest welfare rolls in 30 years and the lowest crime rates in a generation. But if we really want Americans to succeed over the long run we have to allow every family the opportunity to succeed at home and at work. It is the most fundamental decision we have to make. There is no more important job in a society than raising children well. Nothing even compares with it. In the end, if you fail at that job, all the other jobs will, by definition, fail.

Therefore, there is virtually nothing worse you can do to a parent than to put a parent in the position of basically just being knotted up every day, worrying about whether he or she has fulfilled the responsibilities to the child. How can you be at work worrying about your kids, and if you have to leave work to take care of your kids, except in emergency situations or for appropriate events -- there's a sacrifice there.

One of the reasons the business community is interested in this is that enlightened business leaders understand that, actually, if you permit people to do the right thing by their children you wind up having a happier, more upbeat, more affirmative, more positive business environment, and ultimately the business enterprise will be more successful because the workers are also successful at home. That's what this whole business is about, taking care of their children and not asking their parents to choose between being good parents and good workers. It all comes down to that.

The private sector obviously can and should do more. We should have more companies that are willing to follow the example of these fine leaders who are here and who have been acknowledged. The Treasury working group that Secretary Rubin has led has done a very important job in participating in and presenting this report to me, and I am glad to receive it.

I'm also releasing a report today that Secretary Herman has provided that highlights other family-friendly businesses, giving them sort of an honor roll status. I think it's well-deserved, and I hope that the work the Labor Department will now do in serving as a clearinghouse for companies interested in child care and setting up mentoring programs between businesses on child care will get more and more private sector folks involved. Secretary Shalala pointed out that in the welfare reform bill -- the one we finally got -- we fought like crazy to get $4 billion in child care for states. But, believe it or not, there's still a lot of demand out there that's not being met, in state after state after state.

Hillary said before we came out of the Oval Office this morning that everybody talks about how important child care is, but if you look at higher education -- and this may be hard for some of you to believe if you have staggering tuition bills, but still, nationwide, families directly pay only about 25 percent of the costs of their children's move through college.

No one questions that we have the best system of higher education in the world. No one questions that it's not only been good to let our children live out their dreams, but it's also been very, very good for the American economy. By contrast, with child care, the average family, at an earlier age with a lower income, just getting started out in the work force with young children, on the whole, pays over 60 percent of a cost out of pocket.

So I would suggest to you that we basically have a choice to make here. I have put a proposal before Congress that deals with affordability, accessibility, the training of the workers, the quality of the child care. But the fundamental question is not so much over the specifics of our proposal, but whether the national government has a responsibility to do more. And we have a fundamental choice: Do you believe that the early years are as important as all the evidence says? Do you believe that we could hardly do anything better for America's families than to relieve them of the burden of being terribly worried about their children while they're at work? In other words, do you believe that this should be an urgent priority for America?

That is the decision every member of Congress should make. And this year, we shouldn't slide by it. Everybody should just stand up and say, yes, or no -- because the budget is going to be in balance, we have the money to make a major step forward. (Applause.)

Now, there's a highway bill making its way through Congress, and I support a good highway bill. I presented a good highway bill that would have significant increase in our infrastructure. But I hope that as Congress continues to consider this and determine how much money should be put in it, they will remember some other things. We've got to build a lot of highways -- or bridges, if you will -- to the 21st century. We have to have a road that will make Social Security strong in the 21st century. We have to have a road that will make our children's environment better in the 21st century. We have to have a road that will guarantee universal high-quality, high-standards education in the 21st century.

I think we have to have a road that will guarantee that people will not have to choose between being good parents and good children, and that we will act on the overwhelming weight of the evidence about the importance of the earliest years in the child's life.

Now, there are choices to be made, and it is wrong to pretend that there are no choices here. We now have the opportunity because of the good fortune that we enjoy as a people, because of the solvency of the budget, to take a major step forward in child care; to build that part of our national infrastructure. You look around at all these children today, and at their parents beaming about them -- I don't really believe that any part of our infrastructure is more important than they are.

Thank you very much. (Applause.)

Q Mr. President, do you propose tax cuts for mothers who want to stay home?

THE PRESIDENT: I'm glad you didn't stay home today, Sam. (Laughter.)

Q What do you think of the idea of tax cuts for a stay-at-home mom?

THE PRESIDENT: Well, we need to get into a negotiation. We need to get started talking seriously about what we're going to do.

Q Would you be open to it?

THE PRESIDENT: I'll be happy to talk to them, but we've got to -- are we going to make a serious effort here? We need to have a discussion about it.

Q So you are willing to negotiate, then?

THE PRESIDENT: I'm willing to negotiate with anybody who wants to help people raise their children better so that people can succeed at home and at work. It's not an either-or deal. That's why we had the $500 tax credit last time, children's tax credit, because we wanted to help all parents. We're not against helping all parents. But the question is, most parents are in the work force and we have to do something serious about it. We have to decide, are we going to do it, or not.

Q Children's advocates, Mr. President -- children's advocates --

Q What do you think of McDougal testifying today?

Q Did the French betray the effort in Bosnia to bring Karadzic --

Q Mr. President, did the French soldiers prevent Mr. Karadzic from being arrested?

END 11:00 A.M. EDT

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Investing in Child Care

Challenges Facing Working Parents and the Private Sector Response

U.S. Department of the Treasury

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So I would suggest to you that we basically have a choice to make here. I have put a proposal before Congress that deals with affordability, accessibility, the training of the workers, the quality of the child care. But the fundamental question is not so much over the specifics of our proposal, but whether the national government has a responsibility to do more. And we have a fundamental choice: Do you believe that the early years are as important as all the evidence says? Do you believe that we could hardly do anything better for America's families than to relieve them of the burden of being terribly worried about their children while they're at work? In other words, do you believe that this should be an urgent priority for America?

That is the decision every member of Congress should make. And this year, we shouldn't slide by it. Everybody should just stand up and say, yes, or no -- because the budget is going to be in balance, we have the money to make a major step forward. (Applause.)

Now, there's a highway bill making its way through Congress, and I support a good highway bill. I presented a good highway bill that would have significant increase in our infrastructure. But I hope that as Congress continues to consider this and determine how much money should be put in it, they will remember some other things. We've got to build a lot of highways -- or bridges, if you will -- to the 21st century. We have to have a road that will make Social Security strong in the 21st century. We have to have a road that will make our children's environment better in the 21st century. We have to have a road that will guarantee universal high-quality, high-standards education in the 21st century.

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Thank you very much. (Applause.)

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THE PRESIDENT: I'm willing to negotiate with anybody who wants to help people raise their children better so that people can succeed at home and at work. It's not an either-or deal. That's why we had the $500 tax credit last time, children's tax credit, because we wanted to help all parents. We're not against helping all parents. But the question is, most parents are in the work force and we have to do something serious about it. We have to decide, are we going to do it, or not.

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END 11:00 A.M. EDT

Today, the President called on Congress to take action on child care legislation. He also released two reports highlighting private sector efforts to provide child care assistance to workers.

The Treasury Department's Working Group on Child Care met this morning with the First Lady and Erskine Bowles. Their report discusses the challenges facing working parents and the economic impact of child care, and highlights good private sector efforts. Just to run down some of the reports findings:

- Families. In 1996, 51 million working Americans representing 38 percent of the labor force had children under the age of 18. Child care is a serious financial benefit for families, costing an average of about $4,000 annually and representing more than 1/4 of household income for low-income families.

- Economy. Child care problems can have significant effects on productivity; a recent study found that more than one in four employed parents with children under the age of 13 had experienced a problem with their usual child care arrangement in the previous three months.

- Benefits to Businesses. Many businesses find that the advantages of child care programs and workforce flexibility are not only felt by employees, but by the companies bottom line as well -- through increased productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale. A new Families and Work Institute survey included in the report shows that for many companies, the benefits of providing child care programs outweigh the costs or are cost neutral.

The report also highlights best practices. The President also released a Department of Labor Report documenting model business practices (largely drawn from among the Women's Bureaus Honor Roll companies) and announced the launch of a new Department of Labor initiative to serve as a clearinghouse and to set up a business to business mentoring program in order to increase private sector involvement in child care.

However, only one percent of revenues for child care and early education come from the private sector. And, as the President noted, families are struggling to pay for child care and states are not able to meet the demand for affordable care. Today's event is designed to point out what good is happening across the country and to spur further action, but businesses can not do it alone. As part of his balanced budget request, the President called for investments to -- help working families pay for child care, give tax credits to businesses to encourage their involvement, improve the safety and quality of child care, promote early learning, and build the supply of after-school programs. Many bills on the Hill reflect the President's priorities, and there are important champions of this issue; We were particularly pleased that the bipartisan women's caucus sent a letter to Speaker Gingrich urging action on child care, but Congress is not moving. This morning, the President made very clear his view that Congress should pass child care legislation this year.

TALKING IT OVER
BY HILLARY RODHAM CLINTON
RELEASE: WEDNESDAY, APRIL 22, 1998, AND THEREAFTER

The need for child care has become a fact of American life. But not all parents are able to afford or find the child care they need. Gilbert Ayala of San Jose, Calif., is a perfect example. When his wife was hospitalized, Gilbert was forced to stay home to care for their 3-year-old son. He was on three waiting lists for child care help so that he could return to work and support his family, but before assistance came, Gilbert lost his job and their apartment. He and his son for a time lived out of their car before finding a room to rent.

Legislation before Congress is designed to help families like Gilbert's. Congress has fewer than 70 days left in this year's session -- not much time to tackle the ambitious agenda before it and certainly not much time to address the critical issue of child care in America.

We all know that the character of the American work force has changed dramatically. Today, well over half of all mothers with small children work outside the home, a number that will continue to grow as women leave the welfare rolls for the workplace. Thirteen million preschool children spend all or part of their day in the care of someone other than a parent, and millions of school-age children need care after school gets out.

Now is the time to act. The legislation that the President and members of Congress -- on both sides of the aisle -- have proposed would significantly increase the number of children receiving child care subsidies, give tax cuts to businesses providing child care and expand child care tax credits to millions of working families. It would also augment after-school programs, improve the quality of child care centers and provide more funds to train workers.

The quality of care children receive in their earliest months and years profoundly affects their intellectual development. I know that all parents, myself included, worry about whether child care will be good or bad for their children. New research shows that quality child care -- meaning care with lots of positive interaction between children and caregivers -- can be healthy for a child's cognitive and language development.

But quality care is of limited value if it's out of reach for most working parents. About half of America's families with young children earn less than $35,000 per year, and for them, child care -- which typically costs between $4,000 and $10,000 per child annually -- is a significant financial burden.

Federal, state and local government programs provide subsidies for some working parents, but many others who need help aren't getting it. Some don't meet the low eligibility limits set by their states. Some don't know they're eligible. And some states just don't have the money to meet every eligible family's needs.

Not only do government programs have a role in helping families such as Gilbert's, but employers can provide effective support and understanding, as well. Here's the good news: Workplace policies that help families also benefit employers and the bottom line.

Not long ago, it wouldn't have occurred to anyone to involve an agency such as the Treasury Department in child care issues. But American business is learning that good child care is good business. So, last October, at the White House Conference on Child Care, the President asked Treasury Secretary Robert Rubin to convene a group of business and labor leaders to look at the child care problems facing working parents.

In a report released this week at the White House, they highlight some of the great family-friendly programs taking place in businesses across the country. The CEOs of these businesses have figured out that if they're going to hang onto their most valuable asset -- their workers -- they need to provide a work environment that works for families.

What did they find were the benefits of these programs? Improved employee morale, reduced turnover and absenteeism, and increased productivity.

For example, Lexis-Nexis reduced operating expenses by more than 45 percent through a telecommuting program and a flexible work environment for parents. First Tennessee Bank saw reduced turnover costs of more than $1 million annually from work and family programs, including more flexible scheduling. Johnson & Johnson realized more than $4 for every $1 invested in its work and family programs. And Lancaster Laboratories now has a turnover rate one-half the industry average, in part due to an on-site child care center.

It is the job of parents -- not the government and not the private sector -- to decide what kind of child care works best for them. But government and the private sector do have a role in making sure that affordable, quality care is within reach for every family who needs it. And that is good for everybody's bottom line.

To find out more about Hillary Rodham Clinton and read her past columns, visit the Creators Syndicate web page at www.creators.com.

Today, the President called on Congress to take action on child care legislation. He also released two reports highlighting private sector efforts to provide child care assistance to workers.

The Treasury Department's Working Group on Child Care met this morning with the First Lady and Erskine Bowles. Their report discusses the challenges facing working parents and the economic impact of child care, and highlights good private sector efforts. Just to run down some of the reports findings:

- Families. In 1996, 51 million working Americans representing 38 percent of the labor force had children under the age of 18. Child care is a serious financial ~~benefit~~ burden for families, costing an average of about $4,000 annually and representing more than 1/4 of household income for low-income families.

- Economy. Child care problems can have significant effects on productivity; a recent study found that more than one in four employed parents with children under the age of 13 had experienced a problem with their usual child care arrangement in the previous three months.

- Benefits to Businesses. Many businesses find that the advantages of child care programs and workforce flexibility are not only felt by employees, but by the companies bottom line as well -- through increased productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale. A new Families and Work Institute survey included in the report shows that for many companies, the benefits of providing child care programs outweigh the costs or are cost neutral.

The report also highlights best practices. The President also released a Department of Labor Report documenting model business practices (largely drawn from among the Women's Bureau's Honor Roll companies) and announced the launch of a new Department of Labor initiative to serve as a clearinghouse and to set up a business to business mentoring program in order to increase private sector involvement in child care.

However, only one percent of revenues for child care and early education come from the private sector. And, as the President noted, families are struggling to pay for child care and states are not able to meet the demand for affordable care. Today's event is designed to point out what good is happening in the private sector ~~across the country~~ and to spur further action, but businesses can not do it alone. As part of his balanced budget request, the President called for investments to -- help working families pay for child care, give tax credits to businesses to encourage their involvement, improve the safety and quality of child care, promote early learning, and build the supply of after-school programs. Many bills on the Hill reflect the President's priorities, and there are important champions of this issue; We were particularly pleased that the bipartisan women's caucus sent a letter to Speaker Gingrich urging action on child care. But Congress is not moving. This morning, the President made very clear his view that Congress should pass child care legislation this year.

White House Child Care Event
April 23, 1998
Questions & Answers

GENERAL QUESTIONS

Q. What are you announcing today?

A. The President is releasing two reports which focus on efforts of the business community to meet child care needs: (1) the Treasury Department Working Group on Child Care report, *Investing in Child Care*; and (2) the Department of Labor report, *Meeting the Needs of Today's Workforce: Child Care Best Practices*, coupled with a new initiative by the Department of Labor to serve as a clearinghouse for businesses interested in child care, and to set up a business-to-business mentoring program on child care.

Q. There has not been any movement on the Hill on child care and House leaders in particular have stated their opposition to your initiative. Isn't your child care initiative in a lot of trouble?

A. No. Since the President announced his child care initiative in January, legislation has been introduced by Republicans and Democrats, including Senators Chafee and Dodd, and Representatives Johnson and Kennelly. Many of the bills incorporate the Administration's key child care priorities -- substantial new subsidies and tax credits to help low- and middle-income families pay for child care; investments to help states and communities improve the quality of early childhood programs; a new tax credit for businesses that provide child care services; and an expansion of before-and after-school programs. We were particularly encouraged that, just this month, the bipartisan Women's Caucus wrote a letter to the House leadership urging the consideration of child care legislation this year. Further, several of the tobacco proposals, including those sponsored by Senators McCain, Conrad, and Kennedy, would direct a portion of tobacco revenue to child care and early childhood programs.

However, the Republican Leadership must act on these bills soon. Congress has less than 70 days to pass child care and other pressing initiatives to meet the needs of America's families. We will be working hard with Congress on a bipartisan basis to enact legislation this year to make child care better, safer and more affordable for the hardworking American families that rely on it.

Q. There are currently a number of child care proposals on the Hill from both sides of the aisle, which contain tax breaks to stay-at-home parents. What's the Administration's position on helping stay-at-home parents?

A. There are a number of proposals on the Hill to help stay-at-home parents, and we are working hard to evaluate their costs and effects. The President believes that we should respect and support parents in whatever choices they make, whether they work or stay at home. He has tried to support that choice in the past through a variety of actions to increase family income, such as expanding the Earned Income Tax Credit, increasing the minimum wage, and passing the $500 per-child tax credit. The President believes that by continuing to work together on a bipartisan basis and by taking the best proposals from both sides of the aisle, we will achieve legislation that benefits all America's families and children.

Q. A big piece of your child care initiative depends on getting tobacco legislation. What will you do if you don't get a tobacco bill?

A. First, the initiative is paid for in a number of ways -- only one part comes from tobacco revenues. Second, and more important, we believe that a national tobacco settlement will pass. We support strong tobacco legislation, and many Republicans and Democrats alike are working vigorously to craft comprehensive legislation. Of course, no offset proposed in a budget is guaranteed; the Congress can reject any proposed way of financing a program. If Congress does not pass comprehensive tobacco legislation, we will work with Congress to find other offsets.

Q. Why do you propose spending money from a tobacco tax on child care? What is the connection?

A. First things first. The Administration is working to pass comprehensive tobacco legislation this year that will help stop our nation's children from taking up smoking in the first place. The most important thing is that Congress commit to such legislation -- not that it allocate the resulting funds in any particular way. Of course when the debate over funding occurs, the President will push for some tobacco revenues to pay for initiatives designed to ensure the health and well-being of our children -- the innocent victims of the tobacco industry's practices. Child care is one such initiative because it is critically important for the future of America's children and families.

Q. Why are you proposing to expand the Child Care and Development Block Grant (CCDBG) when states aren't using all of their child care subsidy money now?

A. We are very encouraged by state reports showing they have obligated over 99% of the child care funds available under the new welfare law for FY 1997. This demonstrates the tremendous need states have for child care, and the President has continued to urge states to invest their dollars into helping these working families. But let's be clear—the President's current initiative is aimed not at mothers on welfare, but at working parents who desperately need this assistance. Today, working families with annual incomes under $14,400 that pay for care for children under five spend 25% of their income on child care -- and even then it's difficult to find accessible, quality care.

TREASURY REPORT:

Q. What does the Families and Work Institute survey that it is in the Treasury Report show?

A. It shows that child care services, flexible work schedules, and leave policies benefit not only employees -- but also businesses by improving retention and increasing productivity. It also shows that businesses promote access to child care for their employees in a variety of ways -- not just by providing on-site care. Employers also contribute to the cost of off-site care, help provide access to resource and referral networks, participate in public-private partnerships, and provide greater flexibility for working parents.

Q. Why are you emphasizing employer-provided care when it makes up such a small percentage of all child care?

A. The key finding of the reports released today by the Treasury and Labor Departments is that it makes good business sense to provide child care. In fact, companies that do provide child care experience improved recruitment, higher retention, better morale, and lower absenteeism rates. This event is an effort to raise awareness among businesses that providing child care will help them meet their bottom line.

Q. If companies are providing quality child care, why do we need a government program?

A. Today, too few companies are providing child care -- only one percent of revenues for child care and early education come from the private sector, according to a recent survey. But while businesses can do more, they cannot meet the incredible demand for child care by themselves. The President's child care proposal would make child care more affordable, safer and more available for working families, while also stimulating new investments by the private sector through the proposed employer tax credit.

Q. Who was on the Treasury working group on child care and how were they chosen?

A. The members of the Treasury's working group on child care are: Travelers Group CEO Sandy Weill; Eli Lilly and Co. Chairman and CEO Randy Tobias; AFL-CIO president John Sweeney; FirstBank of Colorado CEO Doug Price; General Converters & Assemblers president and CEO George Stinson; and Marcy Whitebook, national Co-Director of the Center for the Childcare Workforce. In addition, a number of advisors and other business leaders worked closely with the group, including Ted Childs of IBM; Ellen Galinsky of the Family and Work Institute; and Dee Topol of the Travelers Foundation. In putting together this group, we tried to select a range of business and labor leaders who have been active on work/family issues.

Q. How often did the group meet?

A. At the White House Conference on Child Care (10/23/97), President Clinton asked Secretary Rubin to convene a group of business and labor leaders to look at child care problems facing working parents and to identify best practices in the private sector and in public-private partnerships. In December, representatives of the working group members met with Treasury officials, child care experts, and interagency staff in Washington to discuss plans for the working group. The work on the report has been ongoing since that time by conference call and through staff.

Q. Was this group subject to the rules of the Federal Advisory Committee Act (FACA)?

A. Treasury's Office of General Counsel determined that the nature and structure of the group meant that the requirements of the Federal Advisory Committee Act would not be triggered.

Q. There don't seem to be any major policy recommendations. What does the group think that businesses should do?

A. Secretary Rubin indicated in the cover letter accompanying the report that he hopes businesses will draw lessons from the best practices presented in the report. By identifying and publicizing programs such as the ones contained in this report, Secretary Rubin and the members of the group hope to replicate these successes around the country in large and small businesses.

<u>LABOR REPORT:</u>

Q: What is the Department of Labor's Report, *Meeting the Needs of Today's Workforce -- Child Care Best Practices* and how is it useful?

A: The Department of Labor's report is a compilation of best practices initiated by businesses, government agencies, unions, not-for-profits, and business/community partnerships nationwide to meet the demands of their employees who are also parents.

The Department of Labor is also launching a new initiative, **"Ask Me About Child Care --I Care" Outreach Initiative,"** to reach out to 1,000 companies by next year to increase business' awareness of the benefits of offering child care assistance for workers. DOL's Women's Bureau, through its 10 regional offices, will provide technical assistance to businesses and facilitate a mentoring initiative by linking interested businesses to those highlighted in the Department's Best Practices report. As part of this initiative, the Department of Labor is launching a new user-friendly child care web page, which will give employers information about doing child care assessments, opening on-site child care centers, offering non-standard hours care, etc. Today's report, coupled with the

Department's new outreach initiative, will help businesses across the country provide child care and other family-friendly policies.

Q: **How were these entries selected?**

A: There are many excellent child care programs throughout the country, but as mentioned above, this report is a sampling of dozens of best practices that were selected to reflect the diversity of child care options available to employers of different sizes and types (including businesses, local governments, unions, hospitals, community colleges, etc.). Many of the entries were chosen from the Department of Labor's Working Women Count Honor Roll, a list of companies that have committed to make work better for women and their families.

Q: **How is this report different from the Honor Roll Report?**

A: The original Honor Roll Report issued in 1996 outlined commitments by employers to make work better for women and their families. This new report highlights employers that have expanded their initiatives over the last two years since the Honor Roll Report in the area of child care, and shares the lessons that they learned as a result.

HIGHLIGHTS OF THE TREASURY REPORT ON CHILD CARE

The Treasury working group on child care will deliver to President Clinton a report on child care from Secretary Robert E. Rubin. The report, *Investing in Child Care,* discusses what businesses can do to promote access to affordable, high quality child care for their employees. It also discusses the challenges facing working parents on child care and the economic impact of child care.

The report comes in response to President Clinton's request last year that Secretary Rubin convene a group of business and labor leaders to focus on best practices in the private sector and public-private partnerships which address child care problems facing working parents.

Here are some of the report's findings:

The Challenges Facing Working Parents

In 1996, 51 million working Americans representing 38 percent of the labor force had children under the age of 18. Of the ten million preschoolers of employed mothers, more than half were cared for by someone outside the family. Child care is a serious financial burden for many families, costing families an average of about $4,000 annually, and representing more than one-quarter of household income for low-income families.

The Economic Impact of Child Care

Child care problems can have significant effects on productivity; a recent study found that more than one in four employed parents with children under the age of 13 had experienced a problem with their usual child care arrangement in the previous three months.

How Businesses Can Help

The Treasury report looks at a number of areas beyond on-site care in which employers can further help their employees with child care, including: resource and referral programs; flexibility for working parents; corporate partnerships; and out of school care.

The Benefits to Businesses

Many businesses have found that the advantages of child care programs and workforce flexibilities are not only felt by employees, but by the company's bottom line as well -- through increased productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale. A new Families and Work Institute Survey shows that for many companies, the benefits of providing child care programs outweigh the costs or are cost neutral.

Examples of the bottom line benefits of programs to assist working parents include:

- First Tennessee Bank reports reduced turnover costs of more than $1 million annually from work/family programs, including more flexible scheduling.
- Johnson & Johnson reports savings of more than $4 for every $1 invested in its work/family programs, including child care resource and referral information.
- Lancaster Laboratories has a turnover rate one-half the industry average, in part due to an on-site child care center.

As Randy Tobias, Chairman and CEO of Eli Lilly and a member of Treasury's Working Group on Child Care, said in the report, "The bottom line is that our efforts to support employees' work/family priorities are good business. These are neither 'perks' or 'giveaways.' These tools will help us attract, motivate, and retain people who are more likely to be more dedicated, more focused, more innovative, and more productive."

The members of Treasury's working group on child care are: First Bank of Colorado CEO Doug Price; General Converters & Assemblers president and CEO George Stinson; AFL-CIO president John Sweeney and executive vice president Linda Chavez-Thompson; Eli Lilly and Co. chairman and CEO Randy Tobias; Travelers Group CEO Sandy Weill; and Marcy Whitebook, national co-director of the Center for the Childcare Workforce.

PRESIDENT CLINTON URGES CONGRESS TO TAKE ACTION ON CHILD CARE AND RELEASES REPORTS HIGHLIGHTING PRIVATE SECTOR EFFORTS
April 23, 1998

President Clinton called on Congress today to take action to make child care better, safer, and more affordable for America's working families. In a Rose Garden ceremony, the President released two reports highlighting private sector efforts to provide child care assistance to workers. These reports show that providing child care is good for workers, good for businesses, and good for the economy. Today more than ever, America's parents are working: three out of five mothers with children under age six work outside the home. Yet a recent study found that *only one percent* of revenues for child care and early education come from the private sector.

Treasury Department Working Group on Child Care Report Finds that Investments in Child Care Make Good Business Sense. At the White House Conference on Child Care (10/23/97), President Clinton asked Secretary Rubin to convene a group of business and labor leaders to look at child care problems facing working parents and to identify best practices in the private sector and in public-private partnerships. Today, the Treasury Working Group on Child Care released a new report, *Investing in Child Care*:

- Child care problems can reduce productivity and profits. The Working Group report finds that businesses benefit from providing child care assistance -- through increased productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale.

- "The report carries an important lesson: investments in child care can pay off in real dividends for employers and employees." --Treasury Secretary Robert Rubin, *Investing in Child Care.*

The Treasury Working Group is made up of business and labor leaders, and includes Sandy Weill, CEO, The Travelers Group; Randy Tobias, President, Eli Lilly; John Sweeney, President, AFL-CIO (and Linda Chavez-Thompson, Vice President, AFL-CIO representing him); Doug Price, CEO, First Bank of Colorado; George Stinson, President and CEO, General Converters and Assemblers; and Marcy Whitebook, National Co-Director, Center for the Child Care Workforce.

New Department of Labor Report Highlights Model Business Practices and New Initiative Aims at Increasing Private Sector Involvement. Today, the Department of Labor released a new report, *Meeting the Needs of Today's Workforce: Child Care Best Practices*, which examines best practices initiated by businesses, government agencies, unions, not-for-profits, and business/community partnerships to meet the demands of employees who are also parents. The key finding of the report is that, in today's global economy, providing child care and other family-friendly policies helps companies recruit and retain the best workforce for the future. The President is also announcing a new commitment by the Department of Labor to serve as a clearinghouse for businesses interested in child care, and to set up a business-to-business mentoring program on child care.

Businesses Can't Do it Alone: The President Calls for Congressional Action. Millions of Americans, struggling to be both good parents and good workers, rely on child care and after-school programs for part of each day. As part of his balanced budget request, the President called for significant new investments in child care -- to help working families pay for child care, build a good supply of after-school programs, improve the safety and quality of care, and promote early learning. To encourage more private sector investment in child care, the President has proposed a new tax credit for businesses that offer child care services to their employees. Today, the President calls on Congress to put aside partisan differences and take action on child care this year.

April 22, 1998

CHILD CARE EVENT

DATE:	April 23, 1998
LOCATION:	Rose Garden
EVENT TIME:	10:00 am - 11:00 am
FROM:	Bruce Reed

I. PURPOSE

To urge congressional action on child care, and release two reports documenting business efforts on child care: (1) the Treasury Working Group on Child Care report, *Investing in Child Care*; and (2) the Department of Labor report, *Meeting the Needs of Today's Workforce: Child Care Best Practices*. You will also announce a new commitment by the Department of Labor to serve as a clearinghouse for businesses interested in child care, and to set up a business-to-business mentoring program on child care.

II. BACKGROUND

Legislative Update on Child Care
While the event will spotlight best practices in the corporate community and urge greater private sector commitment to child care, the purpose of this event is to emphasize the importance of a federal commitment to child care and to urge Congress to act on child care legislation this year. Numerous child care bills have been introduced by Democrats and by Republicans since you announced your child care initiative earlier this year. Many of the bills incorporate the Administration's key child care priorities -- substantial new subsidies and tax credits to help low- and middle-income families pay for child care; investments to help states and communities improve the quality of early childhood programs; a new tax credit for businesses that provide child care services; and an expansion of before- and after-school programs. Further, several of the tobacco proposals (Conrad, Fazio, and Kennedy) would direct a portion of tobacco revenue to child care and early childhood programs.

Some key Members of Congress are committed to Congressional action on child care this year, including Senators Dodd, Kennedy, Kerry, Chafee and Snowe, and Representatives Kennelly, Tauscher, and DeLauro. Importantly, the bipartisan Congressional Women's Caucus, led by Representatives Norton and Johnson, recently released a letter to Speaker Gingrich urging that Congress pass child care legislation.

Despite the interest in child care, there are serious obstacles to enacting the Administration's proposals. First, as you know, the Senate Budget Resolution targets all tobacco funds to Medicare. While the Resolution allows for up to $9 billion for expanded child care tax credits and $5 billion to increase discretionary spending for the Child Care and Development Block Grant, offsets would have to be found for these expansions. Second, both Houses have passed resolutions emphasizing that any child care proposal must include significant new funding for stay-at-home parents, thereby pitting child care investments against programs and tax cuts that would help parents who stay home care for their children. Third, many Democrats are more interested in using child care as a political issue in an election year than in passing a bill this session. Finally, the Republican leadership is stalling child care legislation for political reasons. The House Ways and Means Committee has not scheduled any hearings on child care, and Senator Chafee was only recently able to schedule a child care hearing before his Finance Subcommittee.

Release of Final Report of Treasury Working Group on Child Care

Investing in Child Care is the final report of the Treasury Working Group on Child Care, which you asked Secretary Rubin to lead at the White House Conference on Child Care. This initiative has garnered significant enthusiasm from the children's advocacy community, as it represents the first time a Treasury Secretary has focused on child care issues. The report discusses what businesses can do to promote access to affordable, high quality child care for their employees, highlights a wide range of best practices, and presents evidence that investing in child care makes good business sense. The Working Group report finds that, while only one percent of revenues for child care and early education come from the private sector, businesses benefit from providing child care assistance in a variety of ways -- through improved productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale.

The Treasury Working Group will meet with the First Lady and Erskine Bowles before this event. The Working Group consists of business and labor leaders, and includes Sandy Weill, CEO, The Travelers Group; Randy Tobias, President, Eli Lilly; John Sweeney, President, AFL-CIO; Doug Price, CEO, FirstBank of Colorado; George Stinson, President and CEO, General Converters and Assemblers; and Marcy Whitebook, National Co-Director, Center for the Child Care Workforce. (Please note that the group was not subject to the Federal Advisory Committee Act and therefore *will not* make recommendations.)

Release of Labor Department Report and Announcement of New Commitment

The Labor Department report that will be released at the event, *Meeting the Needs of Today's Workforce: Child Care Best Practices*, highlights best practices of the corporate sector to offer child care assistance to their workers. The examples are primarily gleaned from the Labor Department's Honor Roll of companies with model family-friendly workplace practices. You will also announce a new commitment by the Department of Labor to serve as a clearinghouse for businesses interested in child care, and to set up a business-to-business mentoring program on child care.

Take Our Daughters to Work Day

April 23rd is the sixth annual Take Our Daughters to Work Day. The Ms. Foundation for Women began the program in 1993 to address issues facing adolescent girls aged nine to fifteen. The program gives girls the opportunity to visit a work setting with a parent or friend so they can see all of the different jobs women do. Many guests at this event will have their daughters with them.

Purpose
- Release 2 reports ~~[illegible]~~ highl. bus. involvement
- Urg ~~[illegible]~~ Cong Action
Order on CC
HRC
Shalala
Herman
~~[illegible]~~ Tobias
POTUS

III. PARTICIPANTS

- The First Lady
- Secretary Herman
- Secretary Shalala
- Randy Tobias, CEO, Eli Lilly and Co.

Also on stage:
Secretary Aida Alvarez
Members of Congress

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- **YOU** will briefly meet the members of the Treasury Working Group and advisory committee in the Oval Office.
- **YOU** will be announced into the Rose Garden accompanied by the First Lady, Secretary Shalala, Secretary Herman, and Randy Tobias.
- The First Lady will make welcoming remarks and introduce Secretary ~~Herman~~ Shalala.
- Secretary Shalala will make remarks and introduce Secretary Herman.
- Secretary Herman will make remarks and introduce Randy Tobias.
- Randy Tobias will make remarks and introduce **YOU**.
- **YOU** will make remarks and then depart.

VI. REMARKS

Remarks provided by Speechwriting.

HIGHLIGHTS OF THE TREASURY REPORT ON CHILD CARE

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The report comes in response to President Clinton's request last year that Secretary Rubin convene a group of business and labor leaders to focus on best practices in the private sector and public-private partnerships which address child care problems facing working parents.

Here are some of the report's findings:

The Challenges Facing Working Parents
In 1996, 51 million working Americans representing 38 percent of the labor force had children under the age of 18. Of the ten million preschoolers of employed mothers, more than half were cared for by someone outside the family. Child care is a serious financial burden for many families, costing families an average of about $4,000 annually, and representing more than one-quarter of household income for low-income families.

The Economic Impact of Child Care
Child care problems can have significant effects on productivity; a recent study found that more than one in four employed parents with children under the age of 13 had experienced a problem with their usual child care arrangement in the previous three months.

How Businesses Can Help
The Treasury report looks at a number of areas beyond on-site care in which employers can further help their employees with child care, including: resource and referral programs; flexibility for working parents; corporate partnerships; and out of school care.

The Benefits to Businesses
Many businesses have found that the advantages of child care programs and workforce flexibilities are not only felt by employees, but by the company's bottom line as well -- through increased productivity, lower turnover, better recruitment, reduced absenteeism, and improved morale. A new Families and Work Institute Survey shows that for many companies, the benefits of providing child care programs outweigh the costs or are cost neutral.

Examples of the bottom line benefits of programs to assist working parents include:

- First Tennessee Bank reports reduced turnover costs of more than $1 million annually from work/family programs, including more flexible scheduling.
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- Lancaster Laboratories has a turnover rate one-half the industry average, in part due to an on-site child care center.

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The members of Treasury's working group on child care are: First Bank of Colorado CEO Doug Price; General Converters & Assemblers president and CEO George Stinson; AFL-CIO president John Sweeney and executive vice president Linda Chavez-Thompson; Eli Lilly and Co. chairman and CEO Randy Tobias; Travelers Group CEO Sandy Weill; and Marcy Whitebook, national co-director of the Center for the Childcare Workforce.

Elisa Millsap
04/22/98 08:07:23 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc:
bcc:
Subject: Re: Members of Congress Attending Child Care Event

It is Rep. Sander Levin, not Carl Levin. sorry.
Elisa Millsap

Elisa Millsap
04/22/98 07:19:21 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: Members of Congress Attending Child Care Event

EVENT: Child Care Event
DATE: Thursday, April 23, 1998
TIME: 10:00 am-10:45 am
LOCATION: The Rose Garden

CONFIRMED TO ATTEND (13):
Sen. Jim Jeffords (R-VT)
Sen. Arlen Specter (R-PA)
Sen. Chris Dodd (D-CT)
Sen. Herb Kohl (D-WI)
Rep. Carl Levin (D-MI)
Rep. Tim Roemer (D-IN)
Rep. Rosa DeLauro (D-CT)
Rep. Ellen Tauscher (D-CA)
Rep. Sheila Jackson Lee (D-TX)
Rep. Lois Capps (D-CA)
Rep. Matthew Martinez (D-CA)
Rep. Patsy Mink (D-HI)
Rep. Lynn Woolsey (D-CA)

MEETING WITH TREASURY WORKING GROUP ON CHILD CARE
MEETING SCRIPT
April 23, 1998

The First Lady Opens the Meeting

- Thank you all very much for your participation in this working group.

- For many of you, this is not the first time that you worked with us -- many of you participated in the White House Conference on Early Childhood Development or the White House Conference on Child Care, and we're delighted to have you all here.

- Secretary Rubin very disappointed that a personal commitment is keeping him from joining us today, but I'm delighted to be with you, and I'm pleased that the President's Chief of Staff, Erskine Bowles, could also join us for this important discussion

- Child care is a top priority for the President and me. We are committed to making child care better, safer, and more affordable for America's working families.

- As you know, the President is pursuing a bold legislative agenda on child care. We also want to support more discussion and examination of the role of business in offering child care assistance to their employees. For this reason, the President asked Secretary Rubin and the Treasury Department to lead this effort, and I want to thank them for their work.

The First Lady Turns to Erksine Bowles for a Few Remarks

Erskine Bowles Makes Brief Remarks

The First Lady Begins Discussion

- I know that many of you are leading the way on business involvement in child care issues; some of you have worked together before this project, others have just met. I'm very much looking forward to hearing from all of you about your perspectives on this topic.

- I'd like to first ask the six formal members of the Treasury Working Group on Child Care to say a few words about topics that I understand are of particular concern to them:

Sandy Weill... BACK-UP CARE
Chairman and CEO, Travelers Group

Randy Tobias...PUBLIC-PRIVATE PARTNERSHIPS AND
Chairman and CEO, Eli Lilly and Co.: **SICK CARE**

Linda Chavez-Thompson...........................BUSINESS/UNION PARTNERSHIPS
Exec. VP, AFL-CIO
(representing John Sweeney, Pres., AFL-CIO)

Doug Price...WORKPLACE FLEXIBILITY
CEO, First Bank of Colorado

George Stinson..SMALL BUSINESS
President and CEO
General Converters and Assemblers

Marcy Whitebook.......................................QUALITY/CHILD CARE WORKFORCE
National co-Director
Center for Child Care Workforce

The First Lady Moderates Discussion

- Other Possible Topics:

    Resource and Referral Networks
    On- and Off-Site Care
    Corporate Partnerships
    After-school Care

- Possible Questions

    --How can we all do a better job of encouraging companies to get involved in offering child care assistance? Why do you think more companies don't provide some form of child care benefits?

    --Where do we go from here? What are some of your plans?