

Remarks Following a Meeting With Cabinet Members and an Exchange With Reporters

April 20, 2009

The President. Hello, guys. Good to see you. Well, I just had my first official Cabinet meeting. We have one future Cabinet member missing, but everybody else is present and accounted for.

I delivered a few messages. Number one, I am extraordinarily proud of the talent, the diversity, and the work ethic of this team in an unprecedented situation where we had to hit the ground running and get enormous amount done in the first 3 months. Everybody here has performed, I think, at the highest levels. And I'm extraordinarily proud of the quality of this Cabinet.

Number two, I emphasized to this Cabinet that we have had to take some extraordinary steps in order to shore up our financial system and to deal with an unprecedented economic crisis. And as a consequence, we've had to spend a significant amount of money, both on the Recovery Act to create and save jobs and to lay the foundations for long-term sustainable economic growth, also, in order to make sure that the financial systems are strong enough to start lending to businesses and communities so that we can start creating jobs again. That was the right thing to do, and the necessary thing to do.

However, moving forward, we have an obligation, as I talked about in my weekly radio address—or Internet address now—to make sure that this Government is as efficient as possible, and that every taxpayer dollar that is spent is being spent wisely. Joe Biden is doing an outstanding job working with all the Cabinet members to make sure that the Recovery Act is moving out in—with unprecedented transparency and effectiveness, and I'm very grateful to him and his team for the work that's being done there.

Many of the agencies have already taken some extraordinary steps to consolidate, streamline, and improve their practices. Just a couple of examples: Veterans Affairs has canceled or delayed 26 conferences, saving nearly \$17.8 million, and they're using less expensive alternatives like videoconferencing. The USDA, under Secretary Vilsack, is working to combine a hundred and—1,500 employees from seven office locations into a single facility in 2011, which we estimate will save \$62 million over a 15-year lease term. Janet Napolitano, at the Department of Homeland Security, estimates that they can save up to \$52 million over 5 years just by purchasing office supplies in bulk.

So there are a host of efficiencies that can be gained without increasing our personnel or our budget, but rather decreasing the amount of money that's spent on unnecessary things in order to fund some of the critical initiatives that we've all talked about. Obviously, Bob Gates just came out with a historic budget proposal with respect to the Pentagon, and we expect to follow up with significant procurement reform that's going to make an enormous difference.

So none of these savings by themselves are going to solve our long-term fiscal problems, but taken together they can make a difference, and they send a signal that we are serious about changing how government operates.

So one of the things that—messages that I delivered today to all members of the Cabinet was: As well as you've already done, you're going to have to do more. I'm asking for all of them

to identify at least \$100 million in additional cuts to their administrative budgets, separate and apart from the work that Peter Orszag and the rest of our team are doing to go line by line with the budget and identify programmatic cuts that need to be made.

And in the next few weeks, we expect to cut at least 100 current programs in the Federal budget so that we can free up those dollars in order to put them to use for critical areas like health care, education, energy, our foreign policy apparatus, which is so important.

So I'm very pleased about the work that we've done. But we've got more to do. And one of the things that everybody here is mindful of is that as we move forward dealing with this extraordinary economic crisis, we also have a deficit, a confidence gap when it comes to the American people. And we've got to earn their trust. They've got to feel confident that their dollars are being spent wisely. And I have every confidence that the team that I've put together is going to be able to deliver on that efficiency and productivity in the weeks, months, and years to come.

Okay. Thank you, everybody. Thank you.

Federal Budget

Q. A hundred million dollars, isn't that a drop in the bucket, sir?

The President. It is, and that's what I just said. None of these things alone are going to make a difference. But cumulatively, they make an extraordinary difference because they start setting a tone. And so what we're going to do is line by line, page by page, \$100 million there, \$100 million here, pretty soon, even in Washington, it adds up to real money.

All right, thank you, guys.

NOTE: The President spoke at 1:18 p.m. in the Cabinet Room at the White House. In his remarks, he referred to Secretary-designate of Health and Human Services Kathleen Sebelius; Secretary of Agriculture Thomas J. Vilsack; Secretary of Homeland Security Janet A. Napolitano; and Peter R. Orszag, Director, Office of Management and Budget. A portion of these remarks could not be verified because the tape was incomplete.

Categories: Addresses and Remarks : Cabinet meeting; Interviews With the News Media : Exchanges with reporters :: White House

Locations: Washington, DC.

Names: Biden, Joseph R., Jr.; Gates, Robert M.; Napolitano, Janet A.; Orszag, Peter R.; Sebelius, Kathleen; Vilsack, Thomas J.

Subjects: Agriculture, Department of : Budgetary discipline; Agriculture, Department of : Secretary; Budget, Federal : Deficit; Budget, Federal : Government programs, spending reductions; Budget, Federal : Procurement policies, reform; Cabinet : Members, meeting with President; Defense, Department of : Budgetary discipline; Defense, Department of : Secretary; Economy, national : American Recovery and Reinvestment Act of 2009; Economy, national : Credit markets, stabilization efforts; Economy, national : Economic recovery, oversight and transparency; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Employment and unemployment : Job creation and growth; Government organization and employees : Accountability and transparency, strengthening efforts; Government organization and employees : Federal programs, performance of, improvement efforts; Health and Human Services, Department of : Secretary-designate;

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