

The White House

Office of the Press Secretary

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Remarks by the President on American Manufacturing

Master Lock
Milwaukee, Wisconsin

12:50 P.M. CST

THE PRESIDENT: Hello, Milwaukee! (Applause.) It is good to be back in the great state of Wisconsin. (Applause.) This is the closest I've been to home in a while. I was thinking about getting on the 90-94 and just driving down to my house. (Laughter.)

Thank you, DiAndre, for that outstanding introduction -- (applause) -- and for sharing your story. I can tell, though, DiAndre is a little shy. He doesn't necessarily like to get out in front of people. (Laughter.)

Before I begin, I want to thank some additional special guests who are here. Milwaukee Mayor Tom Barrett is in the house. (Applause.) Your Congresswoman, Gwen Moore, is here. (Applause.) You heard from your local UAW representative, John Drew -- (applause) -- and I got a great tour from the President of UAW Local 469, Mike Bink. (Applause.) And, finally, I want to thank Master Lock CEO John Hepner for inviting us here today. (Applause.)

It is wonderful to be at Master Lock. I have to say, though, it brought back some memories. I was thinking about my gym locker in high school. (Laughter.) And if you go into the boys locker room in high school, sometimes it's a little powerful -- the odor in there. (Laughter.) So I was thinking about the fact that we weren't washing our stuff enough. (Laughter.) And then I was thinking about, as I got older and I kept on using Master Locks, I became an even better customer because I couldn't always remember my combination. (Laughter.) So I'd end up having to have the lock sawed off and buy a new one. So I was giving you guys a lot of business. (Applause.)

And now, as I was looking at some of the really industrial-size locks, I was thinking about the fact that I am a father of two girls who are soon going to be in high school, and that it might come in handy to have these super locks. (Laughter.) For now, I'm just counting on the fact that when they go to school there are men with guns with them. (Laughter.)

But I'm actually here today because this company has been making the most of a huge opportunity that exists right now to bring jobs and manufacturing back to the United States of America. (Applause.)

I talked about this during the State of the Union. Over the last few decades, revolutions in technology have made a lot of businesses more efficient and more productive. And that's a great thing. It means you generally have a better choice of products, you get better prices. But, as some of you know, technology has also made a lot of jobs obsolete. And it's allowed companies to set up shop and hire workers almost anywhere in the world where there's an Internet connection -- you can produce things that previously you could only produce here in the United States.

So the result has been a pretty painful process for a lot of families and for a lot of communities, especially here in the Midwest. Too many factories where people thought they'd retire suddenly left town. Too many jobs that provided a decent living got shipped overseas. And now the hard truth is, a lot of those jobs are not going to come back. In a global economy, some companies are always going to find it more profitable to pick up and do business in some other part of the world. That's just a fact.

But that doesn't mean we have to just sit by and settle for a lesser future. That doesn't mean there's nothing we can do to create new jobs and restore middle-class security here in America. There is always something we can do. (Applause.)

For starters, I'm glad to see that Congress seems to be on the way of making progress on extending the payroll tax cut so taxes don't go up on all of you and 160 million working Americans. (Applause.) This tax cut means that the typical American family will see an extra \$40 in every paycheck this year. And that's going to help speed up this

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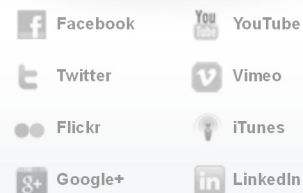
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recovery. It will make a real difference in the lives of millions of people. And as soon as Congress sends me that extension of tax cuts and unemployment insurance to my desk, I will sign it right away. (Applause.) You're going to get that signed.

the WHITE HOUSE PRESIDENT BARACK OBAMA



AUDIENCE MEMBER: Love you, Mr. President!

THE PRESIDENT: I love you back. (Laughter.)

But that's only a start. There's a lot more we can do -- a lot more we have to do -- to help create jobs and bring back manufacturing middle-class security to Milwaukee and Wisconsin and the United States of America.

And we've got examples of success. When I took office -- a lot of UAW workers here, you guys remember this -- when I took office, the American auto industry was on the verge of collapse. And there were some folks who said we should let it die. With a million jobs at stake, I refused to let that happen. (Applause.) I refused to let that happen.

We said, in exchange for help, we're going to demand responsibility. We got workers and automakers to settle their differences. We got the industry to restructure and retool, come up with better designs. Today, the American auto industry is back. And General Motors is once again the number-one automaker in the world. (Applause.) Chrysler has grown faster in the U.S. than any major car company. Ford is investing billions in U.S. plants and equipment and factories. And all together, over the past two years, the entire industry has added nearly 160,000 jobs. Well-paying jobs. (Applause.)

What's happening in Detroit can happen in other industries. What happens in Cleveland and Pittsburgh and Raleigh and Milwaukee, that's what we've got to be shooting for, is to create opportunities for hardworking Americans to get in there and start making stuff again and sending it all over the world -- products stamped with three proud words: Made in America. (Applause.)

And that's what's happening right here at Master Lock -- because of you. Over the last few years, it's become more expensive to do business in countries like China. Meanwhile, American workers, we've become even more productive. So when John Heppner was at the White House in January, he told me how it makes more business sense for Master Lock to bring jobs back home here to Milwaukee. (Applause.) And today, for the first time in 15 years, this plant is running at full capacity. (Applause.) And that's an example of what happens when unions and employers work together to create good jobs. (Applause.) Today, you're selling products directly to customers in China stamped with those words: Made In America. (Applause.)

And the good news is this is starting to happen around the country. For the first time since 1990, American manufacturers are creating new jobs. That's good for the companies, but it's also good up and down the supply chain, because if you're making this stuff here, that means that there are producers and suppliers in and around the area who have a better chance of selling stuff here. It means the restaurant close by suddenly has more customers. Everybody benefits when manufacturing is going strong.

So you all have heard enough about outsourcing. More and more companies like Master Lock are now insourcing -- (applause) -- deciding that if the cost of doing business here isn't too much different than the cost of doing business in places like China, then why wouldn't you rather do it right here in the United States of America? (Applause.) Why not? Why not put some Americans to work? (Applause.)

Companies would rather bet on the country with the best colleges and universities to train workers with new skills and produce cutting-edge research. They'd rather place their bet on the nation with the greatest array of talent and ingenuity; the country with the greatest capacity for innovation that the world has ever known.

During the State of the Union, I issued a challenge to America's business leaders -- folks like John. I said ask yourself what you can do to bring jobs back to your country, and your country will do everything we can to help you succeed. (Applause.) And since then, a number of companies -- large and small, domestic, but also even some foreign companies -- have said they now plan to open new facilities and create new jobs right here in America -- which is still the largest market on Earth.

These include Wisconsin companies like Diamond Precision, which is a machine manufacturer that is going to be adding dozens of jobs here in Milwaukee -- a company that's growing because its customers are choosing to buy American-made products instead of supplies from China. (Applause.) There's a company called Collaborative Consulting, an information technology company that wants to open a new call center here in Wausau. And across the nation, there are well-known companies like Caterpillar that are planning to bring jobs back home.

So last month, we decided to hold a summit -- that's where John was at -- a summit at the White House so we could hear from companies like these who've decided to insource jobs. We wanted to learn how can we accelerate this trend. And this last [sic] fall, for the first time, we'll be bringing companies from around the world together with governors and mayors and other leaders to discuss the benefits of investing and creating more jobs here in the United States.

So our job as a nation is to do everything we can to make the decision to insource more attractive for more companies. (Applause.) That's our top priority. That's our top priority. (Applause.) We've got to seize this moment of opportunity. We can't let it slip away. We've got an opportunity to create new American jobs and American manufacturing, put that back where it needs to be.

Now, one thing to watch out for is, we've talked about this a little bit at the State of the Union. Right now, companies get tax breaks for moving jobs and profits overseas.

AUDIENCE: Boo --

THE PRESIDENT: They're taking deductions for the expenses of moving out of the United States. Meanwhile, companies that are doing the right thing and choosing to stay here, they get hit with one of the highest tax rates in the world. That doesn't make sense. Everybody knows it doesn't make sense. Politicians of both parties have been talking about changing it for years. So my message to Congress is: Don't wait. Get it done. Do it now. (Applause.) Let's get it done.

As Congress thinks about tax reform principles, there are some basic things they can do. First, if you're a business that wants to outsource jobs, you have that right, but you shouldn't get a tax deduction for doing it. That money should be used to cover moving expenses for companies like Master Lock that decide to bring jobs home. (Applause.) Give them the tax break. (Applause.)

Second of all, no American company should be able to avoid paying its fair share of taxes by moving jobs and profits overseas. (Applause.) So we've said, from now on, every multinational company should have to pay a basic minimum tax. And every penny should go towards lowering taxes for companies that choose to stay and hire here in the United States of America. Give them a bigger tax break. (Applause.)

Third, if you're an American manufacturer, you should get a bigger tax cut. (Applause.) If you're a high-tech manufacturer, creating new products, new services, we should double the tax deduction you get for making products here in America. If you want to relocate in a community like this one that's been hard hit when factories left town, you should get help financing a new plant, financing new equipment, training new workers. (Applause.)

It is time to stop rewarding companies that ship jobs overseas, and start rewarding companies that are creating jobs right here in the United States of America. (Applause.) And this Congress should send me these tax reforms right now. I will sign them right away. (Applause.)

AUDIENCE MEMBER: Right now!

THE PRESIDENT: Right now.

AUDIENCE: Right now! Right now! Right now!

THE PRESIDENT: Right now. Right now. (Laughter.)

Now, another thing we're doing to support American jobs is to make it easier for businesses like Master Lock to sell their products all over the world. Everybody knows Master Lock makes the best lock. (Applause.) So two years ago, I set a goal of doubling U.S. exports over five years. With the bipartisan trade agreements I signed into law, we're on track to meeting that goal ahead of schedule. Pretty soon, there are going to be millions of new customers for American goods in places like Panama and Colombia and South Korea. I want new cars on the streets of Seoul, South Korea imported from Detroit and Toledo and Milwaukee. (Applause.)

There's nothing wrong with them being able to sell cars here. I just want to be able to sell cars there.

AUDIENCE MEMBER: Even playing field!

THE PRESIDENT: Even playing field is what we want. I'm going anywhere in the world to open up new markets for American products. And I'm not going to stand by when our competitors don't play by the same rules. It's not fair when foreign manufacturers have a leg up on ours just because they're getting heavy subsidies from their government.

So I directed my administration to create a Trade Enforcement Unit, and it's only got one job: investigating unfair trade practices in countries like China, making sure we've got an even playing field -- because when we've got an even playing field, I promise you, nobody is going to out-compete America. (Applause.) We've got the most productive workers on Earth. We've got the most creative entrepreneurs on Earth. Give us a level playing field -- we will not lose. (Applause.)

Now, part of creating that level playing field is also making sure that American workers have the skills that today's jobs require. And DiAndre talked about how even though he's working, he's still going back to school. I know that Master Lock's decision to create even more jobs here in Milwaukee in part is going to depend on something that

John raised when we were at our meeting -- it's going to depend on finding enough workers with the right training.

I had a chance to meet one of your coworkers, Eric -- where is -- is Eric here? (There, he is right there.) So Eric and I were talking -- been a die maker for a long time. He's older than he looks. (Laughter.) But he was pointing out that he's actually been comparing the gray in his beard to the gray on my head. (Laughter.) But he was pointing out that he's actually been ~~and he's been making the machinery that he works on more efficient, which is making the company able to do more~~ because it's not lying idle when certain orders aren't coming in. But that's an accumulation of experience that he's had over a couple of decades.

Now, not everybody is going to have all that experience, but the question is, can we make sure if they haven't already been working in this job, can they get that kind of training even before they're hired here at Master Lock so that they can provide that same value-added across the board? That's what's going to separate the companies that succeed from the companies that don't, is how skilled and talented the workers are, and whether management is listening to the workers. Because that's important. Part of what allowed Eric to be successful was somebody -- his supervisor said, hey, this guy has got pretty good ideas.

So that's why it's so important for the company's investing in training programs, and partnering with nearby community colleges to help design courses and curriculum, so that when workers show up they're already ready to hit the ground running. That's why I've asked Congress to join me in a national commitment to train 2 million American workers with skills that will lead directly to a job. (Applause.) We need to give more community colleges the resources they need to become community career centers -- places that teach people the skills that businesses like Master Lock are looking for right now. (Applause.) Right now.

There are jobs from data management to high-tech manufacturing that right now are open. And we've got a lot of folks out of work, but we've got to match up the folks who are out of work with the jobs. And sometimes the businesses may not be able to afford to train that person on the job, so let's have the community college help get the training.

At a time when so many Americans are out of work, there should not be any job openings, because every single job opening that comes up, somebody should be able to say, I want that job and I'm prepared and skilled to get it.

We're still recovering from one of the worst economic crises in three generations. And I'm not going to lie to you guys. You know it -- we've still got a long way to go before everyone who wants a good job can find it. I'm sure that if we traveled all around here, there are a lot of folks who want work and can't find it. And when you're out of work, that wears on you. It's not just the income. It has to do with your sense of place and your sense of dignity, and your ability to support your family, and the pride that you take in making a good product. That's part of what America has always been about -- is what our work means to us, the values we put behind our work. We don't just do it for a paycheck.

And so this has been hard on folks. It's been hard on our country. And it's going to take some time before middle-class Americans regain the sense of security that's been slipping away way before this recession hit. A lot of these factories were moving out before this recession hit. There was a lot of outsourcing going on over the last 20 years. So we've got a long way to go.

But here's what I want everybody to remember. Over the last 23 months, businesses have added nearly 3.7 million new jobs. (Applause.) Manufacturing is coming back. Companies are starting to bring jobs back. The economy is getting stronger. The recovery is speeding up. (Applause.) We're moving in the right direction. And now we have to do everything in our power to keep our foot on the gas. (Applause.) And the last thing we can afford to do is go back to the same policies that got us into this mess.

Milwaukee, we are not going back to an economy that's weakened by outsourcing and bad debt and phony financial profits. We need an economy that is built to last, that is built on American manufacturing, and American know-how, and American-made energy, and skills for American workers, and the renewal of American values of hard work and fair play and shared responsibility. (Applause.) That's what we're about. (Applause.) That's what we're about.

And let me say -- let me say this. These are not Democratic values or Republican values. These are American values. (Applause.) They have seen us through the most difficult challenges -- through war and depressions and civil strife. But we've always come out on the other side stronger than we were before. We don't give up. This country does not give up.

And we make sure that everybody is brought along. We don't leave people behind. We look out for one another. (Applause.) We reach out to one another. We are going for new opportunities, but we pull each other up. That's who we are. (Applause.)

If we work together with common purpose, if we pull together with common effort, I've got no doubt we will rebuild this economy so it lasts. We're going to create more success stories like Master Lock -- and we will remind the world just why it is the United States is the greatest nation on Earth.

Thank you, everybody. God bless you. God bless America. (Applause.)

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1:18 P.M. CST



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