

Remarks at a UPS Customer Center in Landover, Maryland

April 1, 2011

Thank you. Hello, everybody. Thank you so much. Everybody, please have a seat.

I am thrilled to be here, proud to be joined here today by two of our outstanding Cabinet Secretaries, Steven Chu and Ray LaHood. Where are Steven Chu and Ray? There they are over there. We're here today for a simple reason: Ray wasn't home when they tried to deliver a package yesterday—[*laughter*—]—so we thought we'd just grab it and be on our way. [*Laughter*] I've been working him too hard.

In addition to Steve and Ray, we also have the attorney general of Maryland, Doug Gansler, is here. And we've got one of the finest Senators in the United States Senate, from Maryland, Ben Cardin is in the house.

We actually didn't come here for—to grab a package. We're actually here to announce an exciting new partnership between the Federal Government and some of America's leading companies, a partnership that will help reduce our dependence on oil, that will protect our planet, and will spur economic growth.

I gave a speech about this earlier this week, and I laid out a blueprint that will put America on a path toward a clean energy future. I know a lot of folks have been feeling the pinch of higher gas prices lately, whether you're filling up your tank or you're running a business like UPS. And usually, it's times like these when everybody starts saying we should do something about our dependence on oil. And when prices go back down, we forget about it and we move on until the next crisis hits.

The point I made earlier this week is that we can't keep on doing that. That's not how we should conduct our energy policy in this country. We can't go from shock to trance, rushing the proposed action when gas prices rise and then hitting the snooze button when they go back down. We've got to have a steady, sustained, smart strategy. And at a time when we're addressing instability overseas, we know this is a national security issue, and it's a huge economic issue.

Nearly 2 years after one of the worst recessions in our history—certainly the worst one in our lifetimes—our economy is showing signs of real strength. Today we learned that we added 230,000 private sector jobs last month, and that's good news. That means more packages. [*Laughter*] Right? That makes 1.8 million private sector jobs created in the last 13 months. And the unemployment rate has now fallen a full point in the last 4 months. And the last time that happened was during the recovery in 1984, where we saw such a significant drop in the unemployment rate.

Now, despite that good news, everybody here knows we've got a lot of more work to do. There are still millions of Americans out there that are looking for a job that pays the bills. I know there's a lot going on in the world right now, and so the news has been captured by the images of the Middle East and what's happening—the tragedy to our friends in Japan.

And I'm focused on those issues, but you should know that keeping the economy going and making sure jobs are available is the first thing I think about when I wake up in the morning and it's the last thing I think about when I go to bed each night. And I will not be

satisfied until every American who wants a good job can find one and every American gets a shot at the American Dream. That's what we're focused on. That's what we're fighting for.

So although we got good news today, we have to keep the momentum going. And making the transition to a clean energy economy will help us do that in two very important ways. First, it reduces the chance that our families, our businesses, and our economy will be held hostage to the whims of the oil market, will be held hostage to something that happens on the other side of the world. Second, investments in clean energy have the potential to create a whole—untold number of new jobs and new industries right here in the United States.

So for all these reasons, I set a new goal for America. When I was first elected to this office, America imported 11 million barrels of oil a day—11 million barrels. [By a little more than]* a decade from now, I want us to have cut that by one-third. That is achievable, it is necessary, it's good for our future, and we are going to get it done. I am confident we can get it done.

Now, to meet that goal, we're going to need to pursue a broad range of policies: new incentives for natural gas fleets, new research on advanced biofuels. And my hope is, is that members of both parties, Republicans and Democrats, will support these kinds of proposals. This shouldn't be a partisan issue, this is an American issue: making sure that we've got energy security and energy independence.

But one of the best ways to reduce our dependence on oil is by making our cars and trucks more energy efficient, because transportation accounts for more than 70 percent of America's oil consumption. And by the way, using energy-efficient cars and trucks can also make economic sense because transportation is one of the biggest costs for many businesses and certainly for many families. So energy-efficient cars and trucks won't just cut our dependence on oil, it can save us money day to day.

If we're serious about making the transition from gas-guzzlers to hybrids, then we've got to show automakers and truck manufacturers that there's a real market for these incentives. They're not going to build them if they don't think anybody's going to buy them. We need to show them that if they manufacture fuel-efficient cars and trucks, people will buy them. We need to put our money where our mouth is.

And I'm proud to say that one group that's actually leading by example on this is the Federal Government. Right now, the Government's fleet includes more than 600,000 vehicles, which means that we have the largest fleet in America. And that means we've got a lot of purchasing power. So what we're doing is we're using it to boost clean energy technologies. We've already doubled the number of Federal cars and trucks that are hybrids, and I'm directing our departments and our agencies to make sure a hundred percent of the vehicles they buy are fuel-efficient or clean-energy cars and trucks by 2015. Not 50 percent, not 75 percent—a hundred percent of our vehicles.

So the Government can lead by example. That creates a market. That means they're manufacturing more of it. That means that unit cost may go down, which makes it cheaper for businesses and consumers.

But if we're going to upgrade all of America's fleets, then our businesses are going to need to step up as well. And that's why I am very proud of what companies like UPS, FedEx, AT&T, Verizon, and PepsiCo are doing. Along with Secretaries Chu and LaHood, I just had a chance

* White House correction.

to see some of these fuel-efficient cars and trucks that they're adding to their fleets, including hybrids and all-electric vehicles manufactured right here in the United States of America by Ford and GM—right here in the U.S. of A. And as owners of some of our Nation's largest private fleets, these companies are leading the way when it comes to building clean fleets, and we need to make sure all our businesses are following their example.

So that's why we're launching a National Clean Fleets Partnership. If you're a business that needs to transport goods, then I'm challenging you to replace your old fleet with a clean energy fleet that's not only good for your bottom line, but good for our economy, good for our country, good for our planet. And if you accept this challenge and you join our Clean Fleets Partnership, we're going to make a number of tools available, from technical assistance to cutting-edge research and development, that will help you make the transition to a clean energy fleet. And Chu and LaHood will also come and wash your car or truck. *[Laughter]* Wasn't that part of the deal? Absolutely. *[Laughter]* A little Armor All—it's going to look good. *[Laughter]*

Just to give you a sense of the kind of difference this partnership can make, every single year millions of commercial vehicles travel America's roads and highways, burning nearly 4 billion gallons of fuel along the way—4 billion gallons. With this partnership, we'll help make sure those vehicles are energy efficient so we can cut the amount of pollution they pump into the air, cut the amount of gasoline they need to fill a tank, cut the amounts of oil America imports from abroad.

Now, this Clean Fleets Partnership is just part of a broader effort that we've been making over the last couple years to promote fuel-efficient vehicles and build a clean energy economy. Last year, after going about 30 years without raising fuel-efficiency standards, we finally put in place a national fuel-efficiency standard for cars and trucks. And as a result, our cars will get better gas mileage, and ultimately they're expected to save 1.8 billion barrels of oil. Our consumers will save money from fewer trips to the pump. Our automakers will build more innovative cars and trucks. And later this year, as we finalize the first-ever fuel standards for heavy-duty trucks, we'll announce the next round of fuel standards for cars that builds on what we've done.

Now, beyond raising fuel standards for our cars and trucks, we're also working to build the next generation of vehicles. I mean, it was wonderful seeing some of these trucks and cars that were back here, and I was getting the input from folks about how we can advance the technologies. Soon after I took office, we set a goal of having 1 million electric vehicles on our roads by 2015, which would make the United States the first country in the world to reach that milestone. And to help meet that goal, we need a \$7,500 tax rebate that's available directly at the dealership for those who want to buy electric vehicles. And we should launch a new program to reward communities that make it as easy as possible for families and businesses to use electric vehicles.

And one of the things that I heard repeatedly, and some of the folks who are already driving some of these cars will tell you that—or these trucks will tell you—and that is, making sure that we've got stations, charging stations if we're talking about electric vehicles, making sure that we've got fueling stations if we're talking about natural gas conversion. That's critical. And we don't have the distribution platforms right now. That's something that we've really got to work on.

Meanwhile, we're also investing in the advanced batteries that can power these electric vehicles, investments that are already making a difference. You know, a couple of years ago,

America produced less than 2 percent of the world's advanced batteries. These are the batteries that go into these hybrids and these electric cars. We produced less than 2 percent of them. Over the last few years, we've made investments in a homegrown American advanced battery industry. And partly because of the investments that we've made, we're going to be able to produce 40 percent of the world's advanced batteries. So we've helped jump-start a big new industry right here in the United States of America, and that's a smart investment.

So that's the kind of partnership between business and Government that's always made our economy strong, and I think there's a lesson in that. It's not the role of Government to be the engine of innovation and prosperity in America. That's the job of entrepreneurs and executives and the outstanding workers of the companies that are represented here. You're the ones who are really making innovation happen. But Government does have the ability to spark innovation, to support the research, the scientific discovery that has always led to breakthroughs and new products. And it's in our national interest to make these investments.

For example, we were just talking about some of these trucks. There is still work to be done to make the fueling faster, to bring down the price. And all of those things require some innovation and some new technologies so that in the end it's not only as cheap to run a truck like this or purchase a truck like this, but it's cheaper than a traditional engine. There's going to be more work to do on this, and historically, individual companies may not be able to make all those investments on their own. Government has to make those investments.

Now, this is tougher to do in light of the deficit that I inherited when I took office. We're all concerned about our debt. We're all concerned about our deficit. And that's why I've proposed some deep cuts in spending so we can live within our means and focus the—on the investments that are most likely to help grow our economy and create jobs: investments in education, investments in our infrastructure, investments in research and development, investments in clean energy technologies of the kind that I've talked about today. We've got to make those investments; otherwise, we're going to fall behind other countries. China's making those investments. Germany's making those investments. South Korea's making those investments. We can't afford to fall behind.

So the key issue here is, how do we pay for all this at a time when we've also got to shrink the deficit? Well, that means we've got to make some tough choices. We got to stop spending on things that we don't need to spend on things that we do. And right now, there's a debate about all this going on in Washington as Congress puts together a budget for this year, and then we're going to have to put together a budget for next year.

So far, after a few weeks of negotiations between Democrats, Republicans, and my team at the White House, it appears that we're getting close to an agreement between the leaders of both parties on how much spending we should cut. There are still details and differences to work out. And what I've said is, neither Democrats or Republicans should get a hundred percent of what they want. They're going to have to compromise. They're going to have to figure this out.

Both sides are close, though, and we know that a compromise is within reach. And we also know that we can't afford not to have Congress work out these budgets and make sure that we're investing in the right things. If these budget negotiations break down, we could end up having to shut down the Government, just at a time when the economy is starting to recover.

That could jeopardize the economic recovery. It has an impact on everybody's bottom line. UPS, I know, delivers a lot of packages to the U.S. Government. You don't need a shutdown right now. Every business here could be impacted. We can't allow that to happen.

So given the encouraging news we received today on jobs, it would be the height of irresponsibility to halt our economic momentum because of the same old Washington politics. That's not what we need.

The American people, they don't want us to go to our respective corners and then just have the same battles we've been having for decades now. It can't be "my way or the highway." They want their leaders to come together. And right now, I believe we have a real opportunity to do just that, in the same way that we did back in December when we cut taxes for the American people in a bipartisan way.

So it's time to agree on a budget that makes us live within our means, while still investing in our future. That's how these businesses operate, and that's why they're successful. Businesses have gone through tough times during this recession and had to make some cutbacks on things that weren't needed. But that made those companies stronger. The same can be true for America as a whole. That's how we're going to keep our economy growing. That's how we're going to put our people back to work. That's how we're going to keep the American Dream alive for the next generation.

And so I just want to say to all of you, thank you for the extraordinary work you've done. Thank you for your help. We got to get busy. God bless you, and God bless the United States of America.

Thank you.

NOTE: The President spoke at 12:33 p.m.

Categories: Addresses and Remarks : UPS Customer Center in Landover, MD.

Locations: Landover, MD.

Names: Cardin, Benjamin L.; Chu, Steven; Gansler, Douglas F.; LaHood, Raymond H.

Subjects: Budget, Federal : Deficit and national debt; Budget, Federal : Fiscal year 2011 budget; Business and industry : Automobile industry :: Strengthening efforts; Business and industry : Entrepreneurship :: Promotion efforts; Business and industry : Global competitiveness; Business and industry : Manufacturing industry :: Strengthening efforts; Congress : Bipartisanship; Economy, national : Improvement; Economy, national : Recession, effects; Economy, national : Strengthening efforts; Education : Global competitiveness; Employment and unemployment : Job creation and growth; Employment and unemployment : Job losses; Employment and unemployment : Unemployment rate; Energy : Alternative and renewable sources and technologies :: Federal Government use; Energy : Alternative and renewable sources and technologies :: Promotion efforts; Energy : Alternative and renewable sources and technologies :: U.S. production; Energy : Battery technology for hybrid automobiles; Energy : Biofuels and ethanol; Energy : Carbon dioxide emissions, reduction; Energy : Domestic sources; Energy : Energy consumption, increase; Energy : Foreign sources; Energy : Fuel efficiency standards, strengthening efforts; Energy : Gasoline, oil, and natural gas costs; Energy : National energy policy; Energy, Department of : Clean Cities grant program :: National Clean Fleets Partnership; Energy, Department of : Secretary; Environment : Carbon pollution; Japan : Earthquake and tsunami, damage and recovery efforts; Maryland :

UPS Customer Center in Landover, MD; Maryland: President's visit; Middle East :
Democracy efforts; Science and technology : Research and development; Transportation :
Infrastructure, national, improvement efforts; Transportation, Department of : Secretary.

DCPD Number: DCPD201100218.