

*Administration of Barack Obama, 2013*

## **Remarks at the Facilities of the Linamar Corporation in Arden, North Carolina**

*February 13, 2013*

*The President.* Hello, everybody! Hello, North Carolina! It is good to be back. I love coming to Asheville. Love coming to Asheville. The—Michelle and I always talk about how after this whole Presidency thing, and we're looking for a little spot to—you know?

*Audience member.* Come on down.

*The President.* Come on down. Play a little golf, do a little hiking, fishing, barbecue. There are two things that keep bringing me back here. Number one is I really like the people. And number two is 12 Bones, which I will be stopping on the way back to the airport. [*Laughter*]

Now, I want to start off by thanking Stratton for the wonderful introduction. And what made it wonderful was not only did he do a great job, but it was really brief. [*Laughter*] And I also want to thank Frank and Jim and everybody at Linamar for hosting us and giving me this terrific tour of the plant.

I want to point out two elected officials who are with us here today—first of all, your mayor, Terry Bellamy. Where is Mayor Bellamy? There she is. Good to see you. Plus, you got a wonderful mayor. I like that in you too. And also, Congressman Mel Watt is here. So give Congressman Watt a big round of applause.

So last night I delivered the State of the Union Address. And I talked about steps we can take right now to strengthen our recovery, but also to build up our middle class. And I said that while we're seeing some signs of solid progress—car sales are up, housing is starting to recover—we're still a ways away from where we need to be. There are still too many Americans who are out there every day, they're pounding the pavement; they're looking for work. You guys probably know friends or family members who are still pretty strapped, having a difficult time. And while it's true that corporate profits have skyrocketed to an alltime high, it's also true that for more than a decade now, wages and incomes haven't gone up at all, just about.

So we've got a lot of work to do. And our job—and this is a job for everybody; it's not a Democratic thing or a Republican thing—our job as Americans is to restore that basic bargain that says if you work hard, if you're willing to meet your responsibilities, you can get ahead. [*Applause*] You can get ahead. It doesn't matter what you look like. It doesn't matter where you come from. That's what we should be focused on: How do we make sure that people who are willing to work hard can make a decent living and look after their family?

Because the true engine of America's economic growth has always been our middle class. Now, there are a lot of countries that have folks at the top who are doing real well and a bunch of folks at the bottom, but part of what set America apart was ordinary folks, if they worked hard, they could do well. Our middle class—when it's growing, when it's thriving, when there are ladders of opportunity for people to do a little bit better each year and then make sure that their kids are doing even better than them—that's the American Dream. That's what we got to fight for. That has to be the north star that guides everything we do.

And as I said last night, we should be asking ourselves three questions every single day. It doesn't matter whether you're in North Carolina or Texas or California or Oregon. It doesn't

matter. Wherever we are, three things we should be asking. Number one, how do we bring more jobs to America? Number two, how do we equip people with the skills they need to do those jobs? And number three, how do we make sure that once they have a job, it leads to a decent living?

I believe we reward effort and determination with wages that allow working families to raise their kids and get ahead. And that's part of the reason why I said last night that it's time for an increase in the minimum wage, because if you work full time, you shouldn't be poverty—in poverty.

I also believe we provide our people skills and training by investing in education, and that has to start early. It has to start early. So I talked about making sure that kids are getting an early childhood education, making sure that our high schools are preparing our children for a high-tech economy, and making sure that colleges are affordable and accessible to every single American.

And I believe we attract new jobs to America by investing in new sources of energy and new infrastructure and the next generation of high-wage, high-tech American manufacturing. I believe in manufacturing. I think it makes our country stronger.

So that's what we can do together. And that's why I wanted to come down here to Asheville, because there's a good story to tell here. I know that a few years ago, manufacturing comebacks in North Carolina, a manufacturing comeback in Asheville, may not have seemed real likely, because Volvo had just left town. This plant had gone dark. Twenty-eight—22—228 jobs had vanished. And that was a big blow for this area, because part of what happens is, when those manufacturing jobs go away, then suddenly, the restaurant has fewer customers, and suppliers for the plant start withering. And it's hard for everybody. It has a ripple effect.

But then local officials started reaching out to companies, offering new incentives to take over this plant. Some of the workers who got laid off, like Stratton, went back to school, and they learned new skills. And then, a year later, Linamar showed up. They were looking for a place to build some big parts. And these parts are big, I got to say—[laughter]—hubs and wheels and anchors for 400-ton mining trucks. And while they could have gone any place in the world, they saw this incredible potential right here in Asheville. They saw the most promise in this workforce, so they chose to invest in Asheville, in North Carolina, in the United States of America.

So to date, Linamar has hired 160 workers. It will be 200 by the end of the year, and it's just going to keep on going after that. So the folks at Linamar said, they came to Asheville to grow their business. They came here to stay and put down some roots.

And the good news is, what's happening here is happening all around the country. Because just as it's becoming more and more expensive to do business in places like China, America is getting more competitive and more productive.

And after shedding jobs for more than 10 years, our manufacturers have now added about 500,000 jobs over the past 3 years. All right? And I mentioned this last night: Caterpillar, which I know you guys supply, they're bringing jobs back from Japan. Ford is bringing jobs back from Mexico. After placing plants in other countries like China, Intel is opening its most advanced plant here in the United States. Apple is starting to make Macs in America again.

So we're seeing this trend of what we call insourcing, not just outsourcing. And the reason is because America has got outstanding workers. We're starting to produce more homegrown

energy, which is driving down our energy costs. And obviously, we've still got the biggest market in the world. And if we try to improve our infrastructure a little bit more, then we're going to be even that much more competitive.

Now, I want to be honest with you. We're not going to bring back every job that's been lost to outsourcing and automation over the last decade. Now, I was talking to some of the guys who were showing me their facilities, who had been in manufacturing for 20 years, and they explained how things had changed. It used to be you had to—you wanted to do the kind of stuff you guys are doing here, everything was done manually. Right? Now you've got a computer, and you're punching in stuff. So it's changed, and that means that you can just produce a lot more with fewer people.

But there are things we can do right now to accelerate the resurgence of American manufacturing.

Number one, we can create more centers for high-tech manufacturing in America. Last year, my administration created our first manufacturing innovation institute. We put it in Youngstown, Ohio, which had been really hard hit when manufacturing started going overseas. And so you had a once-shuttered warehouse, it's now a state-of-the-art lab where new workers are mastering what's called 3-D printing, which has the potential to revolutionize the way we make everything. That's the future. And there's no reason that those same kinds of projects can't take root in other cities and towns.

So last night I announced the launch of three more institutes. And I'm calling on Congress to help us set up 15 institutes: global centers of high-tech jobs and advanced manufacturing around the country.

The second thing we need to do is make our Tax Code more competitive. Right now companies get all kinds of tax breaks for moving jobs and profits overseas, but companies that stay here get hit with one of the highest tax rates in the world. That doesn't make any sense. So what I'm proposing is that we reform our Tax Code, stop rewarding businesses that ship jobs overseas, reward companies that are creating jobs right here in the United States of America. That makes sense.

Number three, if you're a manufacturing town, especially one that's taken a hit—that's seen a company close up shop or a plant shut down—I want to partner with local leaders to help you attract new investment. Because once that investment starts coming in, things can start turning around. And that means infrastructure gets modernized and research facilities get built, and suddenly, a community that was knocked down is getting back up, and they're attracting new manufacturers who want to come and expand and hire.

So I want us to focus on, if a place like—when Asheville lost the Volvo plant, we've got to come in here real quick and help them figure out, all right, what is it that we need to attract a new employer.

Number four, we've got to help our workers get the training to compete for the industries of tomorrow. At least a couple of the guys that I had a chance to meet as we were taking the tour told me they were out of work for a year, in one case, 2 years. In part because we kept unemployment insurance in place so folks could get back on their feet, they were able to go back to school and now are gainfully employed. No job in America should go unfilled because somebody doesn't have the right skills to get that job—nobody.

So if there is a job open, we should train those folks right away, so that they can do the job. And that's why I'm proposing a national goal of training 2 million Americans with skills that will lead directly to a job. And we know this works. After Linamar came to town, they started working with AB-Tech, one of the community colleges here in Asheville. And AB-Tech and Linamar worked together to do something that is really smart. Rather than have kids just—or in some cases not kids, older workers—show up and they're taking a bunch of classes, but they don't know how this is directly going to lead to a job, what you do is you customize the class to train people so they can come and work at the plant and they're getting experience that's directly applicable to what's being done here at the job.

That's good for the community. It's good for Linamar because they're getting workers who they know can do the job. It's good for the folks who are going to the community college because they know if they work hard and they do well in the class, there's a job waiting for them. It's good for the economy as a whole.

So those are four commonsense steps that we can take right now to strengthen manufacturing in America. Now, there's no magic bullet here. It's just some commonsense stuff. People still have to work hard. Companies like Linamar still have to make good products. But the point is, is that if we can just do a few things, then over time, what happens is we start rebuilding our manufacturing base in a way that strengthens our economy as a whole.

Now, I'm doing what I can just through administrative action, but I need Congress to help. I need Congress to do their part. [*Applause*] I need Congress to do their part. I need Congress to take up these initiatives, because we've come too far and we've worked too hard to turn back now.

And you think about all that this city and all of you have been through over the last few years. Think about folks like Jeff Brower. Now, Jeff was in the trucking industry for over a decade. Two years ago, he got laid off, lost his job as a diesel mechanic. That's a tough thing to go through, even though Jeff's a pretty tough guy. But he bounced back. He decided it was time for him to change careers. He decided it was time to get some new skills. He went to AB-Tech, took a class in automated machining. A few months ago, Jeff got his diploma. He graduated on a Wednesday, interviewed at this plant on Thursday. By Friday, he was working as a machine operator.

Where's Jeff? There he is, right here. Now, obviously, Jeff is pretty good at interviews—[*laughter*]—because he just got hired like that. I hope he can give me some advice. [*Laughter*]

But here's the thing. The reason Jeff did all that—obviously, a lot of it was to support himself and his family—but it wasn't just to punch a clock at a new plant or pick up a paycheck from a new company. It was to make sure he could have a better future for his family and for his community and his country. Jeff said: "Getting my foot in the door has opened my eyes to bigger horizons. And I want to keep on going." I want to keep on going.

So that's our story. That's the American story. We don't give up. We get up. We innovate. We adapt. We learn new skills. We keep going. And I just want everybody here to know at this plant—but everybody in Asheville, everybody in North Carolina, and everybody all across the country—I want you to know as long as you're out here fighting every day to better your lives and to better the lives of your children, then I'll be back in Washington fighting for you. I will be back there fighting for you, because there's nothing we can't do and no possibilities we can't reach when we're working together. We just have to work together.

And we've got to stop with some of the politics that we see in Washington sometimes that's focused on who's up and who's down. Let's just focus on the same kind of common sense and cooperation that we're seeing at this plant and we see all across the country.

So thank you, everybody. God bless you. God bless America. Thank you.

NOTE: The President spoke at 12:10 p.m. In his remarks, he referred to Stratton Taylor, employee, Frank Hasenfratz, chairman of the board of directors, Jim Jarrell, president and chief operating officer, and Jeff Brower, machinist, Linamar Corporation; and Mayor Terry M. Bellamy of Asheville, NC.

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