

Remarks Prepared for Delivery
Jay Timmons, President and CEO
National Association of Manufacturers
NAM State of Manufacturing Address: Lone Star College
Houston, Texas
February 20, 2019

Thank you, Dr. Napoles. Thank you, Lone Star College, for welcoming the NAM State of Manufacturing Tour to Houston, Texas.

Thank you to our partners at the Texas Association of Business, as well as our friends at the Texas Association of Manufacturers and the Greater Houston Partnership.

It's great to see many NAM members represented here. And I want to call out Glenn Johnson from BASF, who has been a great advocate for strengthening the manufacturing workforce.

As Houstonians, you probably know that this July will mark the 50th anniversary of the moon landing. In fact, the president mentioned it in his State of the Union address two weeks ago.

This anniversary will be a moment of pride for this great city. It will also be a moment of pride for America's manufacturers, who have always played a defining role in building the technology that makes achievements like that possible.

The Saturn V rocket, which launched Apollo 11 into space, was a team effort of more than a dozen manufacturers.

Each of them constructed different components that combined to create this 363-foot, 6.2 million-pound rocket that took Americans into the heavens. It was a true manufacturing feat.

Today, modern manufacturers continue to launch America into the future, to conquer the next frontier—whether it's the latest aerospace technology or the newest innovations for energy production, sustainability, medicine, smart devices, nutrition and so much more.

In Texas, so many types of manufacturing are thriving. Last year, the top manufacturing sectors for job openings in Texas were computer and electronics, transportation equipment, chemicals, machinery and food.

In Houston, you're leaders in the energy sector, which has powered tremendous economic growth and made America the leader in energy exploration technology.

And at the same time, the presence of the Johnson Space Center and iconic manufacturers like Boeing means you are closely tied to aerospace manufacturing.

Yesterday, we were in Colorado. Tomorrow, we'll be in Iowa. We're going to keep traveling the country this week and next—talking with some of the more than 12.8 million men and women who make things in America.

And we'll be talking with students like you, who, I hope, will be future manufacturing leaders.

There has never been a better time to join our industry. We're coming off of a great year. In 2018, manufacturers added an average of 22,000 jobs per month—the best record in more than two decades.

Last year, when we surveyed manufacturers who belong to the NAM, they said they were more optimistic than at any time in the 20-year history of the survey.

So, let me ask you, with a show of hands: who plans to go into modern manufacturing?

Let me follow up with this: when you hear the word “manufacturing,” what usually comes to mind?

We have a range of ages in the audience today. But I feel really lucky when I get the chance to talk with young students. I always ask them what they think of our industry.

And sometimes they don't realize what today's manufacturing jobs are. They're engineers. They're coders. They're robotics operators. They're welders. They're technicians and designers and marketers. Today's manufacturers are truly building the future.

So, what does all this mean? It means all the noise and rumors you hear about robots taking jobs and manufacturing being a thing of the past—it's just not the real story.

The real story is that manufacturing is an engine of job creation. It is the source of America's strength.

And what is the state of modern manufacturing in America? Today, manufacturing in America is on the rise. Tax reform was the rocket fuel it was promised to be, and it's helping us to climb higher and faster than almost anyone thought possible in this century—as we keep our promise to invest in our people and communities.

Sure, we have our challenges. That's what we're going to talk about. And the first one has everything to do with the people in this room.

Manufacturers need people. We need you.

Right now, manufacturers have 428,000 jobs open in America. And if you think that's a lot, listen to this: we're going to need to fill about 4.6 million jobs over the next 10 years.

This is all from a study from the consulting firm Deloitte and the NAM's workforce and education partner, The Manufacturing Institute. They also found that 2.6 million of those jobs won't get filled if we don't recruit more people to join manufacturing—people like you, starting your career or looking to change your career.

And you want to know one of our best-kept secrets? These jobs—they pay good money.

On average, American manufacturing workers make about \$85,000 annually in wages and benefits, which is about \$32,000 more than people in other fields.

These opportunities begin at places like Lone Star College—whether it's a certification, a training program, an associate's degree or the foundation for a bachelor's.

And Lone Star College really is an impressive place with 99,000 students. That's incredible.

That includes more than 4,400 veterans and their family members. And I'd like to ask any veterans in the room to please stand or identify yourselves.

Thank you for your service. Thank you.

Later today—I'm really excited—soldiers who are part of The Manufacturing Institute's Heroes MAKE America program at Fort Hood are going to join the tour.

And a person who has made the Heroes program possible is Carolyn Lee, the executive director of The Manufacturing Institute.

These soldiers are training for jobs in manufacturing as they transition out of the military. On the tour today, they will get a firsthand look at the opportunities that await them.

Carolyn and the Heroes group will tour BP, Microsoft and Bimbo Bakeries here in Houston. And American Bakers Association President and CEO Robb MacKie will join them for that stop.

Today, people in manufacturing are using technologies that most Americans couldn't have imagined a few years ago—artificial intelligence, augmented reality.

We don't just have robots; we have "co-bots," machines that work in tandem with you. And you have manufacturers trying to figure out how quantum computing could revolutionize logistics.

We'll see firsthand the future of artificial intelligence at the Microsoft Technology Center, where they are using cloud technology to help manufacturers be safer and to better serve their customers.

And a big thanks to David Breaugh, U.S. manufacturing lead at Microsoft. We're looking forward to continuing our partnership.

What's so promising is that all this technology allows people to do more. It also means that people who are differently abled, who may have thought there wasn't a place for them in manufacturing—they will know they have a home here, too. And anytime we can include more people in manufacturing, it's a win for our industry, for our economy and for our country.

So, this really is the next frontier in manufacturing.

We're always moving forward, always improving—not just how we make things but what we make.

For example, pharmaceutical manufacturers are investing billions of dollars to develop cutting-edge treatments for cancer. That's manufacturing that is making us healthier.

Automakers across America are expanding autonomous vehicle technology, which over time could reduce risks on the highway and make trucking more efficient. That's manufacturing that is making us safer.

Protolabs, which we'll visit in Minnesota and North Carolina, is the world's fastest on-demand, custom manufacturer. Among other technologies, they use industrial-grade 3-D printing. That's manufacturing that is making us efficient.

[Anheuser-Busch](#), which we visited yesterday in Fort Collins, Colorado, has vowed by 2025 to purchase 100 percent of its electricity from renewable sources, reduce CO₂ emissions by 25 percent, improve water efficiency at all facilities and make 100 percent of its packaging majority-recycled content or returnable. That's manufacturing that is making us sustainable—and, since it's beer, happier, too.

Yesterday, we were also at Ball Aerospace in Colorado.

Ball recently built a next-generation weather satellite for NOAA and NASA that increases the timeliness and accuracy of forecasts, providing earlier warnings ahead of severe weather events. In addition, they also recently finished building a space-based instrument for NASA to track pollution and improve air quality. That's manufacturing making us greener.

And it's proving once again that manufacturers in America are part of the solution for nearly all of our most pressing global challenges.

Now, later this year, when we mark that anniversary of the lunar landing, we will be looking to the future, to the next frontier—going back to the moon, onward to Mars and beyond.

And make no mistake about it: it is manufacturing that will create that future and move us forward every step of the way—every small step for man and every giant leap for mankind.

But America's future is only as bright as our manufacturing industry is strong. America's security and standing as a beacon of hope in the world depend on manufacturing's strength.

Last month, China landed a spacecraft on the dark side of the moon. That's a big milestone. But are we going to let China lead in space? Or is the United States going to lead?

Is China—or any other country—going to become the leader in the global economy? Or is the United States, our exceptional nation, going to keep leading?

I don't know about you, but I think America must lead.

That's how we will uphold the values that we cherish and that made America exceptional in the first place—free enterprise, competitiveness, individual liberty and equal opportunity.

So, we talked about why manufacturing matters for students and job seekers. Now, I want you to think about why manufacturing matters to you as an American—as a citizen or resident of the United States.

The decisions made in Washington affect the strength of this industry, and you affect what happens in Washington—and in Austin—with your voice and with your votes.

There are a lot of big issues that matter to manufacturers. I'm going to focus on three.

None of this, by the way, is about Republicans or Democrats or independents. It's not about politics or personality or process. It's about policy—good policy—that will make a difference in the lives of Americans.

You've probably heard the president and Speaker Pelosi talk about investing in infrastructure. Well, manufacturers want that, too. And all Americans deserve better roads and bridges.

We need modernized ports, waterways, pipes, pipelines, electric grid and airports—as well as next-generation communications infrastructure like 5G technology.

As manufacturers, we can't get our products to our customers quickly and cheaply if we don't have better infrastructure. And, more importantly, this is also about your family's safety.

So, manufacturers are calling on Congress to make a serious investment in our nation's infrastructure. Without action, we will lose 5.8 million jobs by 2040. But with an injection of \$1 trillion in American infrastructure, we will create 11 million.

Manufacturers' competitiveness depends on infrastructure. It also depends on trade. I'm sure you've heard talk about tariffs, and China, and NAFTA and the new U.S.–Mexico–Canada Agreement. And maybe you wanted to tune it out. But please don't. Here's why it matters.

There are 7.7 billion people in the world. Ninety-five percent of the world lives outside the United States.

If our economy is going to succeed, if we're going to stay on top, we need to sell the things Americans make to those people—before someone else does. And we need to partner with them to create new innovations, whether they live in Canada or the EU or China.

Being part of a strong world economy raises standards of living here at home and reduces poverty around the globe.

So, number one: manufacturers are counting on Congress to ratify the U.S.–Mexico–Canada Agreement and to do so quickly. These two countries are our most important trading partners.

Second, we want to see the administration come to an agreement to hold China accountable.

China cheats—plain and simple. And it hurts us here in America. And the tariffs on their products and on ours? Well, they hurt manufacturers, too.

China is the most challenging market in the world—but it also has big opportunities. So, a trade agreement between the two countries would not only fix those problems and set new rules—it would be historic. We want it done, and that’s why we called for it more than a year ago. You should want it done, too.

We also want to see lawmakers reach an historic agreement to fix our broken immigration system once and for all.

The broken system is not fair—not to the Dreamers who know no home other than the United States of America; not to Americans who want to know their country is secure.

And let me just say that if you’re a Dreamer, or your friend or your family member is a Dreamer, manufacturers stand with you. We need to reach a solution so that you can have the confidence you deserve to build your own future.

But let’s also be realistic. We need security as well. A nation has to protect its borders. That’s just a basic necessity.

Manufacturers understand that a truly comprehensive solution has to show compassion, provide security and address economic realities. Last week, the NAM released just such a plan. We sent it to Congress. And we sent it to the White House.

This plan, which we call “A Way Forward,” is pragmatic, and it is realistic. It bolsters security. It provides a path and certainty for undocumented workers. It improves our asylum and refugee system. It responds to employers’ priorities and needs. And it strengthens the rule of law.

It’s not all Republican ideas. It’s not all Democratic ideas. It’s a realistic compromise. That’s what it’s going to take. And that’s what Americans expect.

Congress says they want to solve the problem—we’re showing them how to do it.

Sure, manufacturers build walls. But we also build bridges. And we want to build consensus on an issue that has divided our country.

Bottom line: it’s time to stop playing politics with people’s lives.

Enough debating. It’s time for action.

Finally, there’s one more threat to our future that impacts all Americans, but it hits Houstonians in particular. Right now, there are groups of trial lawyers slinking around the country tantalizing elected officials in cities and states with unrealistic promises of jackpot justice if they will only agree to sue energy manufacturers over climate change.

This is Houston—home to energy companies—so this matters to you. These lawyers—they want to get rich at the expense of manufacturing workers.

The good news is courts have ruled repeatedly against these frivolous and baseless lawsuits. But if they were ever to succeed because one activist judge decides to make a statement instead of applying the law, the lawyers will get their payday, the politicians will get some headlines—and the rest of us will still be left to solve the climate challenge.

At the NAM, through our Manufacturers' Accountability Project, we're exposing these schemes and making sure our leaders stand up against this threat—so that manufacturers can continue to lead. Because we don't need politicians or attorneys to know that this earth is the only home we have, and we want to leave it better than we found it.

I want to be clear on this: manufacturers know that climate change is a very real problem that we all face. And manufacturers are developing the technologies that will make our environment healthier.

So, whether it's immigration, trade, infrastructure or a host of other issues, I implore you—stay engaged. It takes all of us to advance manufacturing in America. It takes all of us to make sure our beloved country remains exceptional.

We've made too much progress, and we're doing too much good, to let anything stand in our way.

It's all about your future. And that's why you're here in the first place.

You're here because you want to make your future as bright as possible because you believe in putting in the work to be the best version of yourself that you can be.

That's why you're the kind of people that we want in manufacturing. And while we can never be certain what the next few years will bring, I know this: manufacturing will always be the backbone of a strong American economy.

Technology has transformed our industry. It's created incredible opportunities. And as we journey further into this new frontier, we want you to be a part of it.

Thank you so much, Lone Star College. And I'd love to take some questions.