

**Remarks Prepared for Delivery
Jay Timmons, President and CEO
National Association of Manufacturers
Business Day in Madison
Madison, Wisconsin
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“Be the Solution”

Good afternoon. Thank you, WMC and Kurt Bauer, for the invitation and your incredible support and partnership.

Thank you, Wisconsin, for the warm welcome. This is the perfect way to conclude the 2017 State of Manufacturing Tour—to be with so many people who care deeply about the future of business...and manufacturing in America.

Thank you all.

Each year, the National Association of Manufacturers tours the country telling the story of modern manufacturing. But this year, manufacturing is truly in the national spotlight.

Manufacturing has seized the American imagination. As we saw during the President’s address last night, our leaders in Washington want to see us succeed. The country is rooting for us.

Manufacturing is diversifying, increasing output and bringing us transformative technologies. We are charting new frontiers and supporting new jobs. This is the state of manufacturing in America.

The past year alone has brought us headlines of autonomous vehicles, promising new medical treatments and the smartest technology to date.

As manufacturers, we are innovating and improving the human condition.

We contribute significantly to the economy. For every dollar invested in manufacturing, another \$1.81 is added to the economy.

And manufacturers today support more than 18 million American jobs. Here in Wisconsin, great NAM member companies like S.C. Johnson, Harley-Davidson, John Deere, Snap-on, Neenah Enterprises and so many more are driving the manufacturing economy.

The Badger State is in the top ranks in the nation for manufacturing job creation. But that doesn’t happen in isolation. It requires focused and steadfast leadership. It starts at the top.

Ladies and gentlemen, I have the great fortune of working with folks all over the United States, and I can say without a doubt that your governor is the most driven and passionate about growing manufacturing investment and jobs in his state.

Scott Walker and visionary leaders in the legislature have made manufacturing a priority.

Wisconsin’s success, though, is also because of the many men and women in this room who have spoken out and ensured elected officials put the right policies in place.

Across the nation, confidence is increasing that the business climate will improve. Our future is filled with promise.

However—and this is also important—it is true that you don’t see some of the same factories you used to.

In many cities and towns, like my hometown of Chillicothe, Ohio, the landscape is different. That is a source of pain, and we, as business leaders, must address that head-on.

If you're a manufacturing worker of many years, and your community's facility closed, it doesn't matter if the larger industry is thriving. Your world has been turned upside down.

There are men and women who wonder if they have a place in the modern economy. Our job—your job—is to show them that, yes, they do.

This is about helping hard-working employees move up the ladder in a company. And it's about equipping people with talents to thrive in a modern, evolving industry.

Today, more than 350,000 manufacturing jobs are left open. And, over the next decade, as many as 2 million could go unfilled because we don't have enough people with the right skills.

I'm talking about the engineers who turn the unimaginable into reality, developers who write the code for the Industrial Internet of Things, scientists discovering lifesaving treatments and the technicians who keep the robotics running in precision.

To connect more people with rewarding careers, we need to communicate what our industry is really about—innovation and life-changing products.

The other task before us is getting policymaking back on track in Washington, D.C., and the good news is that the possibilities for reform look better today than they have in decades.

Last week, NAM Board Chair David Farr took our message and policy priorities directly to the White House in a meeting with President Trump. It was like a meeting of the NAM Board of Directors, with so many NAM leaders in attendance.

Our message was this: We need a boost to competitiveness, so that we can win at home and in overseas markets.

President Trump listened to our message, and his remarks last night confirmed: he's putting the force of the White House behind many of our goals. And that was a speech Americans expect from a president. As he told the nation, "The time for small thinking is over."

He called for action on three of our big-ticket items: regulatory reform, infrastructure investment and tax reform.

On the regulatory front, we have witnessed a sea change in the past 40 days. But there's more work to do.

A recent NAM study found that manufacturers are subject to 297,696 regulations. And the cost of regulatory compliance for small manufacturers is nearly \$35,000 per employee per year.

It is absolutely possible to have safe workplaces and environmental stewardship at the same time our economy is experiencing robust growth.

And regulatory reform—making regulations smarter, simpler and streamlined—is one of the quickest ways to create jobs and give manufacturers the confidence to expand.

On the infrastructure front, the NAM led the way when we released an infrastructure plan of our own, called "Building to Win."

I'm proud to say that Trump administration officials have been citing it publicly since taking office.

President Trump vowed bold action in this speech last night, and all of Congress needs to get onboard the "Trump train" when it comes to infrastructure. That's what manufacturers want.

You can't overstate the urgency here—from transportation infrastructure, to energy infrastructure, to technological infrastructure like broadband. Our infrastructure is not what a 21st-century economic powerhouse needs. It's crumbling, it's outdated, and it's dangerous.

The infrastructure funding gap is well over a trillion dollars. If we invest now, we will put America in a stronger position to compete for at least the next generation.

Finally, manufacturers are working hard for progress on comprehensive tax reform.

Think about this: the last major reform was in 1986. In 1986, there wasn't internet in every home, never mind in every pocket. Fax machines were the hot technology at six minutes per page to transmit. Forget 3-D printing; we barely had color printing. And there were 86 million fewer people in the country.

Manufacturers have innovated over the past 30 years, the country and economy have transformed, but the U.S. tax system—well, it's gotten to be like that doddering old uncle who sits on his rocker all day muttering about the good ol' days.

To spur investment and job creation, effective business tax reform will:

- Reduce the corporate tax rate to 15 percent, which is what the president has proposed;
- Reduce taxes for small businesses and “pass-through” entities;
- Shift our system of international taxation to a modern and territorial one; and
- Strengthen R&D incentives and provide immediate deductions for capital investments.

Such bold changes could result in a boost of more than \$3.3 trillion in investments and more than 6.5 million jobs for American workers.

Last night, the president promised serious tax reform. We are encouraged and look forward to seeing his plan.

On many of these issues, the president and leaders in Congress, including House Speaker Paul Ryan, share our goals. Now, manufacturers need to see results.

As business leaders, we talk a lot about dollars and percentages. But all those numbers add up to something far more important: optimism, confidence and self-reliance.

Manufacturers want to be in the business of empowering Americans to better their lives. And we need the policies that empower us to do exactly that.

Because at the end of the day, this isn't about a party or a president. The only red and blue in manufacturing is woven throughout the flag that hangs on every shop floor.

We are the country's dreamers, the makers, the doers, and we will continue to inspire and change the world for the better.