

Administration of Barack Obama, 2012

Remarks at UPS Las Vegas South in Las Vegas, Nevada
January 26, 2012

The President. Hello, Nevada! It is great to be back in Las Vegas.

Audience member. I love you!

The President. I love you back. *[Laughter]* Although I always say, when we stay here for the night, I've got to watch my staff to make sure that they get on the plane when we leave. *[Laughter]* Sometimes they conveniently miss the flight. *[Laughter]*

But everybody please have a seat, have a seat. It is great to see you. Joe, thanks for the introduction. Scott, thank you and the folks at UPS for hosting us today. I want to thank all of the elected officials and the tribal leaders who took the time to join us.

Before I get into the core of my remarks, I just want to mention something that I said to Scott and I said to Joe, and that is that UPS, I think, deserves just extraordinary credit for being the best in its space, one of the best businesses we have in the United States. But the reason is because it's got such outstanding workers, and the relationship between its workforce and management, cooperating, constantly figuring out how to make things better—it is just an outstanding organization. And so you guys all need to be congratulated for everything that you do.

Now, I'm here to talk a little more about what I talked about at the State of the Union on Tuesday night. And what I want to focus on is how we're going to restore the basic promise of America, something that folks at UPS understand, which is, if you work hard, if you do the right thing, you should be able to do well enough to raise a family and own a home and send your kids to college and put a little away for retirement. That's the American Dream. That's what most people are looking for.

They don't expect a handout. They don't expect anything to come easy. They do expect, if they're willing to work hard, to try to get ahead. If they're doing the right thing, then they can have a sense of security and dignity and help make sure that their family is moving forward. That's what Americans are looking for. That's what Americans deserve.

And today, 3 years after the worst economic storm in three generations, our economy is growing again. Our businesses have created more than 3 million jobs. Last year, businesses created the most jobs since 2005. American manufacturers are hiring again and creating jobs for the first time since the 1990s.

Now, we've got more work to do. But what we can't do is go back to the very same policies that got us into a mess in the first place. We can't go backwards. We have to move forward. I said on Tuesday, and I will repeat today, we will not—we cannot—go back to an economy weakened by outsourcing and bad debt and phony financial profits. So on Tuesday, at the State of the Union, I laid out my vision for how we move forward. I laid out a blueprint for an economy that's built to last, that has a firm foundation, where we're making stuff and selling stuff and moving it around and UPS drivers are dropping things off everywhere.

That's the economy we want, an economy built on American manufacturing with more good jobs and more products made here in the United States of America; an economy built on American energy, fueled by homegrown and alternative sources that make us more secure and

less dependent on foreign oil; an economy built on the skills of American workers, getting people the education and the training they need to prepare for the jobs of today, but also to compete for the jobs of tomorrow.

And most importantly, I talked about an economy that's built on a renewal of American values: hard work, responsibility, and the same set of rules for everybody, from Wall Street to Main Street. That has to be our future. That's how we restore that basic American promise.

Now, part of my blueprint and what I want to focus on a little bit today is for an economy built to last with American energy. That's why we're here. For decades, Americans have been talking about how do we decrease our dependence on foreign oil. Well, my administration is actually begun to do something about it.

Over the last 3 years, we negotiated the toughest new efficiency standards for cars and trucks in history. We've opened millions of new acres for oil and gas exploration. Right now, American oil production is the highest that it's been in 8 years—8 years. Last year, we relied less on foreign oil than in any of last the 16 years. That hasn't gotten a lot of attention, but that's important. We're moving in the right direction when it comes to oil and gas production.

And today I'm announcing that my administration will soon open up around 38 million acres in the Gulf of Mexico for additional exploration and development, which could result in a lot more production of domestic energy.

But as I said on Tuesday, and as the folks here at UPS understand, even with all this oil production, we only have about 2 percent of the world's oil reserves. So we've got to have an all-out, all-in, all-of-the-above strategy that develops every source of American energy, a strategy that is cleaner and cheaper and full of new jobs.

Now, a great place to start is with natural gas. Some of you may not have been following this, but because of new technologies, because we can now access natural gas that we couldn't access before in a economic way, we've got a supply of natural gas under our feet that can last America nearly a hundred years—nearly a hundred years. Now, when I say under our feet, I don't know that there's actually gas right here, but—[laughter]—I mean in all the United States.

And developing it could power our cars and our homes and our factories in a cleaner and cheaper way. The experts believe it could support more than 600,000 jobs by the end of the decade. We, it turns out, are the Saudi Arabia of natural gas. We've got a lot of it. We've got a lot of it.

Now, removing that natural gas obviously has to be done carefully. And I know that there are families that are worried about the impact this could have on our environment and on the health of our communities. And I share that concern. So that's why I'm requiring, for the first time ever, that all companies drilling for gas on public lands disclose the chemicals they use. We want to make sure that this is done properly and safely. America will develop this resource without putting the health and safety of our citizens at risk.

But we've got to keep at it. We've got to take advantage of this incredible natural resource. And think about what could happen if we do. Think about an America where more cars and trucks are running on domestic natural gas than on foreign oil. Think about an America where our companies are leading the world in developing natural gas technology and creating a generation of new energy jobs, where our natural gas resources are helping make our manufacturers more competitive for decades. We can do this. And by the way, natural gas

burns cleaner than oil does, so it's also potentially good for our environment as we make this shift.

So last April, we issued a challenge to shipping companies like UPS. We said, if you upgrade your fleets to run on less oil or no oil at all, we're going to help you succeed. We want to help you with that experiment. So we started out with five companies that accepted the challenge. And of course, UPS was one of the first. That's how they roll. *[Laughter]*

So less than a year later, we've got 14 companies on board, and together, they represent 1 million vehicles on the road. That's a lot of trucks.

We should do more, though. And that's why we're here today. First, let's get more of these natural gas vehicles on the road. Let's get more of them on the road. The Federal fleet of cars is leading by example. Turns out the Federal Government has a lot of cars. *[Laughter]* We buy a lot of cars. So we've got to help not only the Federal Government but also local governments upgrade their fleet. If more of these brown trucks are going green, more city buses should too. There's no reason why buses can't go in the same direction.

Second, let's offer new tax incentives to help companies buy more clean trucks like these.

Third, let's make sure all these new trucks that are running on natural gas have places to refuel. That's one of the biggest impediments, is the technology. We know how to make these trucks, but if they don't have a place to pull in and fill up, they got problems.

So we're going to keep working with the private sector to develop up to five natural gas corridors along our highways. These are highways that have natural gas fueling stations between cities, just like the one that folks at UPS, South Coast Air, and Clean Energy Fuels are opening today between Los Angeles and Salt Lake City. That's a great start. So now one of these trucks can go from Long Beach all the way to Salt Lake City. And they're going to be able to refuel along the way.

And finally, to keep America on the cutting edge of clean energy technology, I want my Energy Secretary, Steven Chu, to launch a new competition that encourages our country's brightest scientists and engineers and entrepreneurs to discover new breakthroughs for natural gas vehicles.

So we're going to keep moving on American energy. We're going to keep boosting American manufacturing. We're going to keep training our workers for these new jobs. But an economy that's built to last also means a renewal of the values that made us who we are: hard work, fair play, and shared responsibility.

Now, right now that means, first of all, stopping a tax hike on a hundred and sixty million working Americans at the end of next month. People cannot afford right now losing \$40 out of each paycheck. Your voices convinced Congress to extend this middle class tax cut before. I need your help to make sure they do it again. No drama, no delay. Let's just get this done for the American people and for our economy as a whole.

But we've got a longer run issue—Scott and I were talking about this before we came out—and that is, how do we get America's fiscal house in order? And we're going to have to make some choices. The reason that we've got these debts and deficit is because we're not making hard choices. Right now we're supposed to spend nearly \$1 trillion more on what was intended to be a temporary tax cut for the wealthiest 2 percent of Americans—supposed to be temporary, back in 2001. *[Laughter]* That's a long time ago. *[Laughter]* A quarter of all millionaires pay lower tax rates than millions of middle class households. Warren Buffett pays a

lower tax rate than his secretary. I know because she was at the State of the Union. *[Laughter]* She told me.

Now, that's not fair. That doesn't make sense. And the reason it's important for us to recognize that is, if we're going to reduce our deficit, then we've got to have a balanced approach that has spending cuts. And we've already agreed to \$2 trillion worth of spending cuts. We got to get rid of programs that don't work. We've got to make Government more efficient. I have asked Congress for authority to consolidate some of these agencies to make them run better. We're going to have to be much more effective when it comes to Government spending. We all acknowledge that, and we're making progress on that front.

But that alone doesn't do it. So if we want to actually deal with the deficit, we've got to look at the other side of the ledger. Do we want to keep these tax cuts for the wealthiest Americans? Or do we want to keep investing in everything else, like education, like clean energy, like a strong military, like caring for our veterans who are coming home from Iraq and Afghanistan? We can't do both. We can't do both.

So what I've said is let's follow the Buffett rule: If you make more than a million dollars a year, you should pay a tax rate of at least 30 percent, which, by the way, is lower than you would have been paying under Ronald Reagan. Nobody's talking about anything crazy here. On the other hand, if you make less than \$250,000 a year, which 98 percent of all Americans do, then your taxes shouldn't go up. That's a—I think that's a fair approach.

And a lot of folks have been running around saying, well, that's class warfare. Asking a billionaire to pay at least as much as his secretary in taxes, that's just common sense. *[Laughter]* And I promise you, if we make this change, Warren Buffett will be doing fine. *[Laughter]* I will be doing fine. Scott will be doing fine. We don't need more tax breaks. You're the ones who have seen your wages and your incomes stall while the cost of everything from groceries to college to health care have been going up. You're the ones who deserve a break.

And I want to make one last point: We do not begrudge success in America. We aspire to it. We want everybody to succeed. We want everybody to be rich. We want everybody to be working hard, making their way, creating new products, creating new services, creating jobs. That's the American way. We don't shy away from financial success. We don't apologize for it.

But what we do say is when this Nation has done so much for us, shouldn't we be thinking about the country as a whole? When Americans talk about folks like me paying their fair share of taxes, it's not because they envy the rich. Just yesterday Bill Gates said he agrees with me that most—that Americans who can afford it should pay their fair share. I promise you, Bill Gates does not envy the rich. *[Laughter]* He doesn't envy wealthy people.

This has nothing to do with envy. It has everything to do with math. It's what I talked about earlier. We've got to make choices. Americans understand, if I get a tax break I don't need and a tax break the country can't afford, then one of two things are going to happen. Either it's going to add to our deficit, right? Or somebody else is going to have to make up the difference.

A senior suddenly is going to have to start paying more for their Medicare, or a student is going to have to pay more for their student loan, or a family that's trying to get by, they're going to have to do with less. And that's not right. That's not who we are. Each of us is only here because somebody somewhere felt a responsibility to each other and to our country and helped to create all this incredible opportunity that we call the United States of America.

Now, it's our turn to be responsible. And it's our turn to leave an America that is built to last for the next generation. That's our job, and we can do it. We can do it. We can do it. And I know we can do it because I've seen in States like Nevada and with people like you that I meet all across this country, you understand the history of this country, generations of Americans working together, looking out for each other, living by the idea that we rise or fall together. Those are the values we have to return to.

I mentioned praise for our military at the State of the Union and the incredible work that they do. And the reason our military is so good, the reason why they're so admired is because they—it's not like everybody in the military agrees on everything. You got Democrats in the military. You got Republicans in the military. You've got folks who are conservative or liberal, different races, different religions, different backgrounds, but they figure out how to focus on the mission. They figure out how to do their job.

And that sense of common purpose is what we're going to need to build an economy that lasts. And if we work together in common purpose, we can build that economy and we can meet the challenges of our times. And we'll remind the entire world once again just why it is that the United States is the greatest country on Earth.

Thank you, everybody. God bless you, and God bless the United States of America.

NOTE: The President spoke at 10:11 a.m. In his remarks, he referred Joseph Mueller, employee, and D. Scott Davis, chairman and chief executive officer, UPS; Warren E. Buffett, chief executive officer and chairman, and Debbie Bosanek, assistant, Berkshire Hathaway Inc.; and William H. Gates III, chairman, Microsoft Corp.

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