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Remarks on Signing an Executive Order on Fair Pay and Safe Workplaces
July 31, 2014

Hello, everybody, hello! Thank you so much. Everybody, please have a seat. Welcome to the White House.

The Executive order I'll sign in a few minutes is one that's good for workers, it's good for responsible employers, and it's good for the middle class. And that explains the folks who are standing up on stage with me, including Secretary of Labor Tom Perez, who's done a great job on this.

Yesterday we learned that the springtime was a strong time for economic growth. Companies are investing. Consumers are spending. Our energy, our technology, our auto industries are all booming, with workers making and selling goods all around the world. Our businesses have created nearly 10 million new jobs over the past 52 months, and the unemployment rate is at its lowest point since 2008; 401(k)s have recovered their value. Home prices are rising. Millions more families have the peace of mind that comes with having affordable, quality health care.

And because of the incredible hard work and resilience of the American people, we've recovered faster, we've come farther than any other advanced country since the onset of the Great Depression—great recession. Things are getting better. [*Applause*] Things are getting better. Steadily, things are getting better. But we all know there's more work to do. And the decisions we make now are going to have an impact on whether or not this economy works for everybody or just folks at the top, whether we've got a growing economy that fuels rising incomes and creates a thriving middle class and ladders into the middle class.

That's what's at stake: making sure our economy works for every hard-working American, and if you work hard and you're responsible, you can get ahead. That's what we want. We want to make sure the young dad on the factory floor has a shot to make it into the corner suite or at least see his daughter make it there some day.

That's why I ran for office. That's what has driven every policy that we've initiated this year and since the advent of my Presidency. Policies that create more jobs rebuilding America. Policies to ease the student loan burden. Policies to raise wages for workers and make sure that women are being paid fairly on the job; and creating opportunities for paid leave for working families and support for child care.

These are all policies that have two things in common. Number one, they'd all help working families. And frankly, number two, they're being blocked or ignored by Republicans in Congress. So I've said to my team, look, any time Congress wants to do work with me to help working families, I'm right there. The door is always open. More than that, I'm going to—I'll go to them. I'll wash their car—[*laughter*]—walk their dog. [*Laughter*] I mean, I'm ready to work with them any time that they want to pursue policies that help working families. But where they're doing so little or nothing at all to help working families, then we've got to find ways, as an administration, to take action that's going to help.

And so far this year, we've made sure that more women have the protection they need to fight for fair pay in the workplace, because I believe when women succeed, America succeeds. We've acted to give millions of Americans the chance to cap their student loan payments at 10

percent of their income. I don't want young people to be so saddled with debt that they can't get started in life.

We've acted on our own to make sure Federal contractors can't discriminate based on sexual orientation or gender identity, because you shouldn't be fired because of who you love. If you're doing the job, you should be treated fairly and judged on your own merits.

We acted to require Federal contractors to pay their workers a fair wage of $10.10 an hour. And we've gone out, and we've worked with States and cities and business owners to join us on our $10.10 campaign, and more and more are joining us, because folks agree that if you work full time in this country, you shouldn't be raising your family in poverty. That's a pretty simple principle that we all believe in.

So the American people are doing their job. I've been traveling around the country meeting them. They're working hard. They're meeting their responsibilities. Here at the—in the executive branch, we're doing our job, trying to find ways in which we can help working families. Think about how much further along we'd be if Congress would do its job.

Instead, the big event last night, it wasn't a vote on the minimum wage. [*Laughter*] It wasn't a vote on immigration reform, strengthening the borders. It wasn't a vote on family leave. What did they have a vote on? [*Laughter*] They got together in the House of Representatives, the Republicans, and voted to sue me for taking the actions that I—that we are doing to help families. [*Laughter*]

One of the main objections that's the basis of this suit is us making a temporary modification to the health care law that they said needed to be modified. [*Laughter*] They—so they criticized a provision; we modify it to make it easier for business to transition, and that's the basis for their suit.

Now, you could say that, all right, this is a harmless political stunt, except it wastes America's time. You guys are all paying for it as taxpayers. It's not very productive. But it's not going to stop me from doing what I think needs to be done in order to help families all across this country.

So we've got too much work to do. And I said to Speaker Boehner, tell your caucus the best way to avoid me acting on my own is work with me to actually do something. Then you don't have to worry about it. We're not going to stop, and if they're not going to lift a finger to help working Americans, then I'm going to work twice as hard to help working Americans. They can join me if they want. I hope they do. But at least they should stop standing in the way of America's success. We've got too much to do.

So today I'm taking another action, one that protects workers and taxpayers alike. Every year, our Government signs contracts with private companies for everything from fighter jets to flapjacks, computers to pencils. And we expect our tax dollars to be spent wisely on these contracts, to get what we pay for on time, on budget. And when companies that receive Federal contracts employ about 28 million Americans—about one in five workers in America work for a company that has a Federal contract—we also expect that our tax dollars are being used to ensure that these jobs are good jobs.

Our tax dollars shouldn't go to companies that violate workplace laws. They shouldn't go to companies that violate worker rights. If a company is going to receive taxpayer money, it should have safe workplaces. It should pay its workers the wages they've earned. It should provide the medical leave workers are entitled to. It should not discriminate against workers.

But one study found that more than one in four companies that have poor records on these areas also still get contracts from the Federal Government. And another study found that the worst violators are also the ones who end up missing performance or cost or schedule targets or even overbill the Government, ripping off the taxpayers altogether, which makes sense. I mean, if you think about it, if you got a company that isn't treating its workers with integrity, isn't taking safety measures seriously, isn't taking overtime laws seriously, then they're probably cutting corners in other areas too.

And I want to be clear, the vast majority of the companies that contract with our Government, they play by the rules. They live up to the right workplace standards. But some don't. And I don't want those who don't to be getting a contract and getting a competitive advantage over the folks who are doing the right thing. Right? That's not fair.

Because the ones that don't play by the rules, they're not just failing their workers, they're failing all of us. It's a bad deal for taxpayers when we've got to pay for poor performance or sloppy work. Responsible companies that follow the law are likelier to have workers and workplaces that provide a better return for our tax dollar. They should not have to compete on an unfair playing field with companies that undercut them by breaking the law. In a race to the bottom, nobody wins.

So over the past few years, my administration has taken steps to make the contracting process smarter. But many of the people who award contracts don't always have the information that they need to make sure contracts go to responsible companies. So the Executive order I'm signing today is going to do a few things.

Number one, it will hold corporations accountable by requiring potential contractors to disclose labor law violations from the past 3 years before they can receive a contract. It's going to crack down on the worst violators by giving agencies better tools to evaluate egregious or repeated offenses.

It will give workers better and clearer information on their paychecks so they can be sure they're getting paid what they've owed. It will give more workers who may have been sexually assaulted or had their civil rights violated their day in court.

It will ease compliance burdens for business owners around the country by streamlining all types of reporting requirements across the Federal Government. So this is a first step in a series of actions to make it easier for companies, including small businesses, to do business with the Government. So we're going to protect responsible companies that play by the rules, make it easier for them, try to reduce the paperwork, the burdens that they have. They'll basically check a box that says they don't have these violations. We want to make it easier for good corporate citizens to do business with us.

But—and by the way, for companies that have violations, our emphasis is not going to be on punishments. It is to give them a chance to follow good workplace practices and come into compliance with the law. If you want to do business with the United States of America, you've got to respect our workers, you've got to respect our taxpayers.

And we'll spend a lot of time working with and listening to business owners so we can implement this thoughtfully and make it manageable for everybody. But the goal here is to make sure this action raises standards across the economy; encourages contractors to adopt better practices for all their employees, not just those working on Federal contracts; give responsible businesses that play by the rules a fairer shot to compete for business; streamline

the process; improve wages and working conditions for folks who work hard every single day to provide for their families and contribute to our country.

And even though it is an executive action, I want to acknowledge and thank the Members of Congress who support it and who always stand up for America's workers. And most of them are stuck at Capitol Hill, but I just want to mention their names anyway: Tom Harkin; Rosa DeLauro; Keith Ellison is here; Raul Grijalva; Eleanor Holmes Norton. They've all been working on these issues, so I want to thank those Members of Congress.

The Executive order I sign today, like all the other actions I've taken, are not going to fix everything immediately. If I had the power to raise the Federal minimum wage on my own or enact fair pay and paid leave for every worker on my own or make college more affordable on my own, I would have done so already. If I could do all that, I would have gotten everything done, like, in my first 2 years. [*Laughter*] Because these policies make sense. But even though I can't do all of it, that shouldn't stop us from doing what we can. That's what these policies will do.

And I'm going to keep on not just working with Democrats, but also reach out to Republicans to get things moving faster for the middle class. We can do a lot more. We need a Congress that's willing to get things done. We don't have that right now. In the meantime, I'm going to do whatever I can, wherever I can, whenever I can, to keep this country's promise alive for more and more of the American people.

So thank you all. We're going to just keep on at this thing, chipping away. And I'm confident that when we look back, we'll see that these kinds of executive actions build some of the momentum and give people the confidence and the hope that ultimately leads to broad-based changes that we need to make sure that this economy works for everybody. All right?

Thank you so much. I'm going to sign this Executive order.

[*At this point, the President signed the Executive order.*]

There you go.

NOTE: The President spoke at 1:40 p.m. in the South Court Auditorium of the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Executive Order 13673.

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