

Announcer:Ladies and gentlemen please welcome to the stage, Jeff Zients Director of National Economic Council and Assistant to the President for Economic Policy.

Jeff Zients:Well thank you everybody. Can you hear me back there? Until 7 years ago when I stepped into the White House I had never been in government. It's much more likely that I would've been in 1 of you seats than up here. It makes me very appreciative of your opportunity costs of being here. Thank you for carving out the time for such an important conference. It's a pleasure to be here and I want to thank Fred for both hosting us today and for his incredibly strong leadership. I also want to call out the entire EXIM team. It's often said that adversity reveals ones true character and you've certainly faced a lot of adversity over the past year.

With XM's authorization lapsing and watching the fight over your agency play out in public. The fact that you're showing so much strength in the face of this adversity by keeping your heads down and doing your job says so much about each of you. The President, all of us in the White House and your customers around the country appreciate the job you are doing for American businesses and American workers. Now my job at the White House is to coordinate economic policy for the President. To make sure we are doing everything we can to strengthen our economy and make sure it works for all Americans.

I thought I'd start by sharing our views on the current state of the economy and some of the key areas where we need to continue making progress including growing our exports. A big part of that will be getting the 12 country trade agreement, the Trans-Pacific Partnership over the finish line and getting congress to do its job and confirm a board quorum for XM. Now to really understand the state of the economy you have to remember where we came from. When the president took office we were losing 800,000 jobs per month. That's the equivalent of laying off the entire work force of West Virginia every single month. The unemployment rate was headed for 10%. The auto industry and the financial system were on the verge of collapse and we were possibly headed for second great depression.

Fortunately through bold determined action, we reversed this course. In the face of stiff opposition President Obama pushed through the recovery act which made critical investments in infrastructure, energy, broadband and education. It kept first responders and teachers on the job, it immediately cut taxes for working class and middle class Americans and it helped the hardest hit families make ends meet. At a time when a lot of people here in DC were urging us to let Detroit go bankrupt, the President engineered the rescue of the auto industry and he moved aggressively to repair our financial system and stabilize housing markets. That historic response paid off.

We averted catastrophe and jumped started growth. Just 6 months after the President took office an economy that had been shrinking at an annual rate of more than 8% started growing again. American businesses have now created 14.4 million new jobs across 73 straight months. That's the longest streak of private sector job growth on record. Unemployment is down to 5%, the stock market as more than doubled, rising home prices have replenished trillions of dollars in Middle class wealth and all of this progress has been achieved despite significant economic head winds from overseas. The bottom line is the United States has the strongest and the most durable economy in the world.

At the same time many Americans feel real anxieties. They see the impact of a decades-long economic transformation and they worry that the new economy doesn't have a place for them. They look at the disruptions that globalization and technology carry with them and worry that they might be left behind. While these forces have led to remarkable advances they are also testing the basic bargain of America that every American who works hard has a fair shot at opportunity and economic security. That's why we've been tackling these challenges from the first days of the Obama administration. The President has always taken the long view working to lay a new foundation for an economy that works for all Americans.

It's why the President has taken important actions on education, upping our commitments to pilgrims, catalyzing change across the Pre-K through 12th grade system and proposing universal Pre-K and free community college. It's why the President signed into law Wall Street Reforms to make our financial system safer and stronger. The Consumer Financial Protection Bureau the CFPB has put more the 11 billion dollars back in the pockets of over 25 million consumers who have been harmed by unfair practices. Just this week the labor department built on those efforts when it finalized new rules requiring financial advisors who provide retirement advice to always put their clients best interests first. Believe it or not that wasn't the case until now and as a result millions of families have been collectively 17 billion dollars per year.

In laying a new foundation for an economy that works for all Americans is why the President signed into law the Affordable Care act. A major step in addressing spiraling health care costs. These spiraling health care costs were preventing too many Americans from taking the entrepreneurial risk that will fuel the next generation of growth and prosperity. Most importantly 20 million more Americans now have health insurance. Despite the dire predictions from some here in Washington these actions to invest in our economy for the long term have not slowed job growth or caused deficits to sky rocket. In fact just the opposite; job growth is stronger, health care costs are rising more slowly than they have in 50 years, we've cut annual deficits by about 75%.

Off course we know there's more work to be done. While wages have been growing faster than inflation for the last 3 and a half years, too many families are still struggling to make ends meet. That's why the President has been pushing for a higher minimum wage and reforms that improve our tax code to better support middle class families. It's why the President has proposed wage insurance in modernizing our unemployment insurance system and it's why the President has fought so hard to make sure our businesses and our workers get to compete on a level playing field in the global economy. Last year we exported 2.2 trillion dollars of goods and services. These exports support good, really good American jobs. In fact they pay up to 18% more than none export jobs and we can do more.

There's a huge opportunity to grow our exports. Today 95% of the world's consumers live outside our borders. By the year 2030 just 15 years from now, there will be over 3 billion middle class consumers in Asia alone. That's why it's so critical to get TPP over the finish line. TPP covers nearly 40% of the global economy. It will cut 18000 tariffs, or what are really taxes, 18000 taxes currently placed on our goods and services. It will sweep away many other non-tera barriers that unfairly block or limit our ability to export. TPP will allow us to ship more made in America products around the world and to support more high quality well-paying American jobs here at home.

It's not just our economic bottom line that's at stake, whether it's committing partner countries to fully enforceable labor and environmental protections, or preserving free data flows, TPP will ensure that the high standards we set will drive progress across the Asia Pacific. TPP is about America's influence in the world and whether our interests and our values or those of our global competitors will guide the way forward. You can be certain that our competitors aren't waiting to secure their interests in the region. China is pressing forward with its own Pan-Asian Trade agreement. In fact they are having their 12th negotiating round later this month. Our partners in the region are counting on us to follow through on our commitments. As the President has said, we can't let countries like China write the rules of the global economy. We should write those rules.

Just today Secretary of Defense Carter is at the council on foreign relations talking about how failing to get TPP done would undermine our credibility with allies in the Asian Pacific and diminish our strength in this vital region. Clearly getting TPP done matters; it matters for American workers, it matters for our national security and I can assure you it matters to this President. Which is why he will be doing everything he can to get TPP done. We've got to get it done this year. As the Peterson Institute recently concluded delaying TPP by even a single year could cost Americans 94 billion dollars in lost income. If you do the math that's over 700 dollars per household.

Look I know trade is all over the news these days and there's a lot of empty rhetoric when it comes to TPP but most major pieces of legislation take a non-linear path toward passage. All of you watched last year the TPA bill, it took a winding path to get the trade promotion bill signed into law. I am very confident that there will be an opportunity to get TPP done this year. We've got to do everything we can to get it done because if we don't there's no guarantee when we'll have our next shot. This is our year to get TPP done. You know what else has to get done this year; it's actually something that people thought we actually got done last year. I'm speaking off course about the need for congress to get EXIM back up to full strength.

Everyone here knows really well how critical EXIM is for our businesses large and small. The President saw this first hand when he hosted small business owners who export to new markets and grow their business thanks to the bank. From a music stand manufacturer in Washington State to gourmet quiche business in New York. Even after last year's hard fought victory to get the bank re-authorized, EXIM remains hands strung by congresses failure to act. The banks board has only 2 of its 5 seats filled and without a quorum of 3, EXIM can't approve transactions north of 10 million dollars. This not only hurts companies that directly interact with the bank, it hurts the companies in those companies supply chain. That's tens of thousands of small and medium sized businesses. This is truly unacceptable and after the unforced era of letting the banks re-authorization lapse for months last year, the senate's failure to confirm a nominee is costing hundreds of millions, or even billions of dollars of lost exports every month. The senate needs to do its job and confirm Mark McWatters. McWatters is a republican who was recommended by Senator McConnell but an ideological fringe in the senate, is effectively pocket vetoing much of the banks worth. The senate's job is clear advice and consent; so we welcome advice and we welcome a committee hearing and

we welcome a vote. We can't accept doing nothing while American businesses and workers' pay the price.

Fred captures it well. We need trade agreements to open the doors and EXIM to close the deals. That has to be our mantra; lets open those doors lets close those deals. I promise you the President and his entire administration is going to be relentless in making the case for getting TPP done and getting EXIM a quorum because as the President has said, we cannot just focus on the next year, we've got to focus on the next decade; the next generation. Staying focused on the long term is tough it doesn't make for a good sound bite on a debate stage. It requires working hard and collaborating across public and private sectors.

All of you know taking the long term approach is the right way forward and that's why it's so important that all of you continue doing everything you can to make the case for how important the bank and TPP are for our economy and for our global leadership. We look forward to working with you to keep America the greatest place to invest and the greatest place to start a business. We've got the most desired products, the strongest exporters, the best workers and the most innovated businesses in the world. Let's do everything we can together to keep it that way. Thank you.