

MARK HAMRICK: Good afternoon and welcome to the National Press Club. I'm Mark Hamrick, a broadcast journalist with the Associated Press. I'm the 104th President of the National Press Club. I'd like to welcome our club members and their guests here in the audience here today as well as those of you watching live on C-SPAN and listening over any variety of broadcast audiences.

I would also like to remind our audience that members of the public are in attendance here today. So if you hear applause, by chance, it is not necessarily evidence that our journalist members have checked their impartiality at the door. Now, before we get started with our special guest today, I want to thank Jennifer Schonberger from Kiplinger's, who is over here in our front row. She is a member of our speaker's committee who did an excellent job bringing today's event together. Thank you very much, Jennifer.

As we all know, America is facing the worst job crisis since the Great Depression. The official unemployment rate stands at 9.1 percent. The so-called real unemployment rate, which included discouraged workers is a little over 16 percent. And of the unemployed 30 percent have been out of work for more than a year. The percentage of American adults in the workforce has dropped to 58 percent and we are told that's the lowest rate since 1983.

So Labor Day is right around the corner. Our guest kindly sits down today with us as the unemployment landscape continues to change. Lack of useful skills for new jobs is helping to create a larger pool of unemployed workers. Unions are fighting to maintain their position in the labor force while their public image is said to be at an all-time low. According to the Pew Research Center poll, Americans believe unions have a positive influence on their salaries, their benefits and their working conditions. But they don't think the unions contribute to productivity or the ability of US companies to compete around the world.

And the political season is heating up. I don't have to tell any of you that. Republicans are vying for their party's nomination and they are hitting the Administration hard. For example, Republican Texas Governor Rick Perry said, "One in six work-eligible Americans cannot find a full-time job. That is not economic recovery," he said, "that is economic disaster." The Administration has talked about the presiding during the duration of 2.4 million jobs but 14 million people remain unemployed. And we now know that the Administration is working on details of a plan to spur job growth with an expected announcement by the President after Labor Day.

Secretary Solis is no newcomer to Washington. Before becoming Labor Secretary, she served in the House for eight years, where her initiatives included affordable healthcare, protecting the environment and improving the lives of working families. As an advocate for clean energy jobs, she authored the Green

Jobs Act in Congress, which provided funding for job-training for veterans, displaced workers and families in poverty.

Before coming to Washington, she served in the California State Assembly and in 1994 made history by becoming the first Hispanic woman elected to the California State Senate. A first generation American, our guest's father was a Teamsters' Union shop steward from Mexico who worked at a battery recycling plant. And her mother, from Nicaragua was an assembly line worker for Mattel, also a union member.

As Labor Secretary she helped implement major facets of the Administration's American Recovery and Reinvestment Act that included increasing and extending unemployment benefits, providing training for workers in need of new skills and helping to create jobs in clean energy and health information technology. And we don't want to overlook the fact that in the year 2000 she was awarded the JF Kennedy Profile in Courage Award, which is said to be presented annually to public servants who have made courageous decisions of conscience without regard for the personal or professional consequence.

So first of all, I would ask our audience to please give a warm, traditional round of applause to speaker today, Labor Secretary, Hilda Solis.

[Applause]

Secretary, thank you for sitting down with us at this important time. It's an important week. As we noted we have the holiday coming up on Monday. We have what we call, in the business and financial field, Numbers Day on Friday, which is the monthly unemployment statistics. And as we know the President both yesterday and today has been reference ways to help cure what seems to be a much more substantial unemployment problem than maybe many of us had expected that would be persistent this long after the financial crisis.

So we know the President is going to make a speech of some kind. And I presume that you have been working very closely with him and the White House on that plan. There have been some dribs and drabs coming out on that. What can you tell us out what we can expect at this point?

LABOR SECRETARY HILDA SOLIS: Well, Mark, I don't certainly want to go ahead of the President and the drips and inkling of information that comes out. I think the public is aware that the President is very concerned about job creation as well as I am. I mean that's been our priority since Day One. And I've think we've learned in the last two and a half years what will work, what can work. And one of the things that he has talked about already was extending the payroll tax that will help millions of people and help put some discretionary funding out there that will help spur job creation. That's one part of it.

The other would be to extend the unemployment insurance benefit program that helps to provide a safety net for millions of people who are still looking for jobs. And I have a lot of empathy for those five workers to one job. They are looking for entry into the workforce. We can't fault them. They lost their jobs through no fault of their own. And we owe them as much support as we can to help them transition into new jobs. So it's very important that unemployment insurance be used as a tool that can help people reinvent themselves, get retrained, get new certification and be able to find the means of getting into that job.

And the other thing I would say is very important to the many people that have been laid off in the construction and trades industry is the Infrastructure Bank. And that isn't a new idea. That's something that's been talked about for a long time. Even as a former member of the House I recall bi-partisan support on that issue. It shouldn't be about Democrats and Republicans. It should be about Americans getting back to work and helping with that recovery.

So that Infrastructure Bank is going to be critical in helping us maintain our roads. And we're seeing it right now with what happened with hurricane Irene where we know that we have an aging infrastructure. We can put people back to work, create incentives for job development, draw down public and private sector funding to help restore and rebuild our infrastructure, put people back to work. Those are good paying jobs, good middle class jobs.

MARK HAMRICK: So let's take it from the top. You talked about the extension of the payroll tax. So that is simply—is that not just a continuation of the status quo, I mean extending a program that already exists?

HILDA SOLIS: Well, we know that it's a program that worked. We know, certainly after December when that agreement was made between the President of the House and the Congress that we saw as a result in the first part of the year where jobs were coming back. And there's a whole series of other things that I think were attributed there. And I think those were positive signs.

MARK HAMRICK: Then the Infrastructure Bank, I know, I think Senator Kerry was a sponsor of that. That idea makes the rounds. But it may not be coffee table conversation in many households. So, can you explain to us essentially how that works?

HILDA SOLIS: Well, I would say that what's really important here is to understand that there is a large number of individuals that represent very key sectors of our economy. And that's the building and construction and trades, in addition to engineers and architects, accountants, individuals who are tied into that industry, into infrastructure. So we are also talking about the restoration of bridges, highways, high speed rail, major investments in our corridors where we find that, perhaps, if we could ship goods and services in a better way, that will

help also impact our economy—and hopefully increase the marketability of our products getting one place to another.

But getting people from home to work and vice versa, and allowing for aged structures to be retrofitted—and in many cases the incentive will be to retrofit them in a new—how could I say, with new technology, renewable energy, new types of resources that should be utilized.

So I'm a big believer. As you said earlier, I was the author of the Green Jobs Act that was passed in the former Administration but wasn't funded. This time around and the last two and a half years I'm very proud to say that this President helped us make those investments so that we could really retrain people in renewable energy.

And I think, look at states like California and the Southwest and even in Maine and other parts of the country where you see the growth of new industries coming to bear—and if we continue to make those key investments, training people appropriately, I think we're going to, hopefully, see a good stabilization in our economic situation—and make us more competitive. Think about what's happening in Brazil. Think about what's happening in China and India and other folks that are so, making so many advancements in these areas in renewable energy.

It's taken us this long. And it shouldn't be that way. I think that we are ready to take on that next, major step. And some cities and states are already doing it. So there are lessons to be learned and I think that the path that the President has laid out is very positive.

MARK HAMRICK: So, just a little bit more specifically on the idea of an Infrastructure Bank—is the idea to draw on private investment to help--

HILDA SOLIS: Both.

MARK HAMRICK: --Finance these infrastructure--

HILDA SOLIS: Right.

MARK HAMRICK: --Improvements?

HILDA SOLIS: Bonds would be put out and then, obviously, give opportunities for contractors, developers and individuals who want to make those kinds of investments. And hopefully, we know that that's a very affordable way of getting structures up and built, but also engaging the private sector. Obviously, this isn't something that is just being led by the Federal government. So we need all partners, so local, state, city government, everyone, private sector, folks that

want to make those investments. I think it's a great opportunity. And there will be a potential of who knows, how many millions of jobs created.

MARK HAMRICK: The President on the road today, talking about one of the key priorities for when the Congress comes back, is to push ahead for a tax credit to help employ veterans, an astonishing number of whom are actually unemployed after giving service to their country. How does that work, exactly?

HILDA SOLIS: Well, it's an incentive to hire up our returning vets, vets that are coming back, say, from service, less than six months. A small business owner or medium size or a large business owner can give them a job and receive a tax credit in the amount for those that have been unemployed less than six months would be about, I believe, \$2,400 dollars. And then it's double if they have been out of work longer than six months.

So, obviously, that is an incentive to get these young folks that are coming back, returning, not finding success right now but to have a job. And that's the least that we can do. We need to do much, much more as well. And the President talked about that today at his speech before the American Legion, about making sure that we honor our commitment to those returning men and women who served us—many that maybe didn't quite understand that they were going to be serving our country for three and four tours. And it's had a devastating impact on their families.

And the White House and even our department, our vets division has done much work now in opening up opening up opportunities so the private sector will hire our returning vets and give them those opportunities. And especially those that are disabled, because I think that is going to be something that we all should take very seriously and know that it is something that is constantly on our minds and that we want to address and we want to make sure we bring all the resources to bear to help those veterans

MARK HAMRICK: You were a member Congress as we said from the outset. You were in the California legislature. That means that perhaps unlike some other members of the Cabinet who come to Washington straight from the private sector, you have been well educated on how the political world works, for better or for worse, right? So we've obviously seen an almost unprecedented bifurcated debate surround the debt ceiling, which wasn't comforting to a lot of people, discomfoting to many. When you are looking at the priorities the Administration is putting out there and that you are working to hone, what's the reasonable expectation that any of these things can actually get through before an election?

HILDA SOLIS: Well, I'll tell you, it's been an interesting experience sitting in the Executive Branch and watching what is happening in the Congress. And it is something that is highly unusual in terms of the polarization that I see, that I've seen. Because there were many occasions where we would be able to travel and

spend time with members on the other side of the aisle. In fact, I served my first year in the House on the Education and Workforce Committee under Chairman Bainer(?). We had a very good, very interesting relationship.

Got along with, you know, people across the aisle. You didn't have to always agree on issues. But where you could find agreement, it worked. And our ranking member at the time was Chairman Miller. And I learned quite a bit. We got a lot done. And when we saw that there were challenges for both sides, we could work them out and think rationally through the process.

I don't know what has happened since then that there is this big gap. And I know that the public is very frustrated. I'm very frustrated because I know that there are members of the House from both sides that want to see things accomplished. The urgency is to make sure that we create jobs, I believe, now and also to be able to make whole many communities that really need this help urgently. And I think about the Northeast. I think about the automobile industry that we impacted and what's happened there.

I think about the home builders. I think about folks that are in foreclosure. I think about education and training and the challenges that we're facing. And I remember serving on the Energy and Commerce Committee, talking about, not just healthcare reform but also this whole initiative to really bring more change in terms of access to different forms of media through broadband—but making sure that we did not leave any neighborhood or rural community behind.

And there were a lot of arguments going back and forth about how that should happen. But I still believe that a role in Congress, the role that I had and that I continue to think is very important, it so make sure that we try to balance or approaches. And I don't know that many people in Congress are thinking that way at this time. It may be because people have never served before or don't have an exact understanding about how government functions. And that could be a part of it because, even not understanding the budgetary process can be complicated for members.

And if you have staff that aren't there to help prepare and make sure that you're making the right decisions, you know, sometimes that can have consequences. I hope that people will be able to come together and do the right thing because there is an urgency to get our economy working for everybody. And I just underscore that.

MARK HAMRICK: So, I have to think that at some levels of the government right now, there is an assessment being made of what can reasonably be passed. Right? In other words you are trying to figure out what the political landscape is. Where do you see the areas that Republicans and Democrats can reasonably be expected to agree on these things?

HILDA SOLIS: Well, I hope that the Infrastructure Bank, you know, that whole concept of really helping to restore aging facilities might be something that immediately would draw the attention of members on both sides of the aisle. I believe the Chairman of the Transportation Committee, Chairman Mica, I think has, in the past supported those kinds of efforts. And I have to believe that we are really talking about communities that have, in this one instance, this hurricane just showing you what devastation can occur across the country in areas that, for lack of a better description, are somewhat conservative and may need Federal assistance at this time.

So let's think about it in terms of trying to help areas that need immediate attention and help look at long-term planning so that we don't run into situations where you have aging bridges that all of a sudden collapse—or our rail systems that can't now transport our goods and services from one port to another. And I think about those things all the time.

Having come from a state like California, where we have all kinds of commerce, where one slip up, say a bad decision on a railroad line or crossing can devastate communities—if things are not appropriately cared for and handled and we don't have appropriate means to continue to make sure things operate appropriately and safely. Those are things that I think that members across the aisle can agree on, that they need our attention.

MARK HAMRICK: There doesn't seem to be much disagreement on the notion that the job market needs help. The question is, of course, how to go about that. And there are people who, at one end of the spectrum say, the government needs to be as far out of the equation as possible. And there are others that say it needs to be more aggressive. And somewhere there is in between. Upcoming luncheon at the Press Club will be Ron Paul. I think I know where he stands on all of that. It will be interesting to hear his views.

We had Michelle Bachman, who is a presidential nomination candidate, somewhat taking a similar viewpoint. Where do you put yourself on the proper mix of government and the private sector, generally, when you are looking at these solutions?

HILDA SOLIS: Well, I work for the government, number one. And my role is to help facilitate access to employment opportunities. We run 3,000, what we call One Stop Job Centers around the country. And so this has been going on for some time, to try to get people into our doors, connected to a business or an industry to get trained. I look at my job as one, as trying to help enhance. Not to be a barrier but want to try to help provide access choices and opportunities.

And many people are befuddled by what the Department of Labor does. Because we are not just exclusively an enforcement agency. However, we are the second largest in the Federal government. Compared to the Department of Justice, we are

number two. But our role is also to facilitate investments. So if I have someone that I meet that's interested in trying to train their employees or attract employees in, say, technological areas, say in pharmaceutical—our One Stop Centers can help post those openings, even train, collaborate with some of our partnerships, our community colleges or our technical schools that we work with and provide the training so that we can meet the needs of that employer. That's what we need to do better, a better job at. And we are doing it now.

And I've seen in the last two and a half years a more, how could I say, precise way of figuring that out. Because it has taken a while for the government, so to speak, to really understand that the priorities making sure that we're connecting with the businesses—that we are actually not training people for jobs that don't exist but for jobs that will make their employees or potential employees competitive.

And you hear a lot about, well, the workforce isn't trained well and we have all these jobs open. I will tell you one thing, there are so many people in terms of those that haven't been able to find jobs—and many are very highly skilled. You've got Ph.D.'s. You've got scientists. You've got architects, engineers. You've got a whole slew of well-trained people. But the jobs that they are seeking, they may not be available right now.

So what that tells me is we better start investing in a whole new source of jobs and, hopefully, making investments, as I said earlier, in renewable energy, IT, broadband, healthcare—these are all areas that are growing by leaps and bounds. And I see that there will be a future there. But likewise, also bringing back some of that manufacturing base and bringing those jobs back here.

One example is the creation of lithium batteries and putting new and smarter cars out there, with GM and Chrysler now competing with the foreign markets—and seeing the reality of formerly laid-off, dislocated workers, now being put back to work, now creating new systems. Same methodology but now applying new systems and being a part of that management and labor partnership. And I saw it on the ground when I went out in Ohio. I saw it in Detroit. I saw it around different places in Tennessee and other parts of the country—where, I think, these are stories that have to be told to the public and to our elected officials—that there are some good things that come out of the negative aspects of the fiscal crisis.

It creates a challenge for us. It is one that is stubborn. It's hard. But I'm committed and the President is committed to see that we put people into the best fit for them.

MARK HAMRICK: Let me ask you, though, Secretary, there is a perception the people express that the President's priority was more about deficit reduction than it was on getting jobs created and that he has only recently turned around on that. Is that accurate?

HILDA SOLIS: I don't think so at all. I mean for the last two and a half years we've been making major investments, as I said, in training for a new workforce in renewable energy and in healthcare and IT and broadband. And also, training up individuals—we still need—this struck me as something very interesting when I was out in the field about a year and a half ago. There are many, small, manufacturers, toolmakers who told me, "You know, Secretary, it would be great if I could have just an average Joe that could help me develop and continue with the development of our industry, tool making.

Tool making. So welders, the old jobs that people are not prioritizing right now—we have a shortage of highly skilled people in those industries. And I've seen where appropriate investments are made, you can bring back that industry. And we can compete across the world. In fact, I saw this happening at Vikings, at an operation that is run by Vikings, one of the largest manufacturers of tool bits, tool bits, learned a lot about it.

And found that through assistance that they received through a Federal government, some investments, but also private investments that were made—they were able to retool their factory, actually take old machinery that was unused, that was maybe 50 years old, take it all the way down to the bottom, rebuild it, create a whole new dynamic. And now are creating new bits that are being sold around the country.

Now they have more shifts ongoing. They've also, because of investments have reduced their energy consumption. They are saving money there. They are also recycling. They are conserving and they are retraining. They are sending some of their folks to some of our neighboring partnership schools.

So people can't tell me that it can't be done, that we can't retool our workers in some of these older, traditional jobs as well as creating opportunities for those that are looking into the future.

MARK HAMRICK: Someone asked, can the US job market grow in a robust way without having manufacturing lead the way, in your opinion?

HILDA SOLIS: I think manufacturing is definitely a major cornerstone for our economy. And it has helped so many people in the past stay in the middle class. And I know there have been some changes in the past but I do believe that there is this interest now. And, you know, I'm just talking hypothetically here, from what I've seen. But people are feeling as sense but, you know, we've got to invest in our country. We've got to invest in our best resource and that is our human capital. That is retraining and training people here and making products here and selling them abroad.

And that is why the President has talked about these trade agreements, to be able to sell our products, our automobiles, our agro, our pharmaceutical, our technology and send them abroad to help lift up those economies. So, I'm for that. I think that is something that is very real. And the President and I, we're all working together. And something that we want to see accomplished—I think the other side of the aisle had talked about that as well. Now they have an opportunity to help.

MARK HAMRICK: Well, that's a good example, isn't it, that there has been a push for trade agreements to be passed even recently. And in this political environment that we talked about earlier, we can't even find agreement on those points. Is that discouraging to you when you see that?

HILDA SOLIS: To a certain extent it is. But you have to know what you are dealing with. And I think that we remain very committed to seeing that these agreements move forward. And the President knows that part of our success will be the kinds of products that we can sell abroad. And, obviously, that is going to have a tremendous impact. That is going to drive markets in whole new areas, hopefully help a lot of our farmers and agro business, all kinds of industries that can benefit.

But meanwhile, also making sure that we are mindful of our labor protection and keeping our standards where they should be. Those are two goals that I think come out of the whole, you know, trade discussion.

MARK HAMRICK: I think it'd be interesting to know, to the degree that you can describe it, how does the dynamic work, let's say, between you and your department and the White House, in terms of driving the employment agenda. Are you well aligned on that? Or, in your position being Labor Secretary, do you have to sometimes step up the voice a little bit to say, "Hey, you know, don't forget about us." We know there are wars out there the Defense Department has to be concerned with. We know Homeland Security is concerned about keeping the nation safe. But there's a lot of people out there who are hurting. How does that dynamic work in the conversations that you have with the administration?

HILDA SOLIS: To be quite honest, I'm very pleased with the communication and dialogue that we have at the White House. I, you know, for the first time in a long time, am so happy to work for this President. And I have met many Presidents and worked, you know, many years ago, in the White House, but at a different level, obviously. But thinking about the ability to sit with the President and talk about policies and what I see out in the field, and sharing that with him and his staff, I think is very, very legitimate and very, very welcome.

And I have to say that much of what I think I bring to the table are exactly what the President wants. He wants honesty. He wants to know what, in our analysis, is better served for the public. And he wants to know how quickly we can get things

done. And I am very—I am very pleased with the relationship that he personally has with members of the Cabinet, but with myself. This is the first time I see myself in a very, very unique situation.

I'm also the first Latina Cabinet member ever in the history of this country. So I think about that, not as something that, you know, puts me in a different category, no. It's allowing for more people to see that there is a vision in this White House that allows for different ideas and different individuals to serve.

And, while I didn't attend, perhaps, all the prep schools and all those different formalities that other individuals have been exposed to, I bring a different experience, but one that ...(inaudible) people in public service. And the President, being the first African American President, is quite an accomplishment, do you think?

MARK HAMRICK: Well I would say you both have something to brag about. And I'm glad that you're able to make that point for us. Would you expect, if the President is reelected, that you'll continue to serve as Labor Secretary?

HILDA SOLIS: That's entirely up to our President. I serve at his will.

MARK HAMRICK: Well, he doesn't control your expectations. [laughter]

HILDA SOLIS: Well, I enjoy working for him and representing this administration. It has really been an exciting time, I think, for some of us to serve, because the needs are so profound and so great. And people have often asked me, "Why did you take this job at this time, knowing that unemployment was so high?" You know, that wasn't the first driver of why I decided to do this. I did it because this is a historic moment in time for us.

And I think my country needs—needs individualists who are going to think a little differently, but with the same kind of enthusiasm and patriotism to want to help our entire country, and hopefully be able to set a good example. And I think that that's probably one of the greatest things, you know, that I could say that I've—that I've experienced in just this short time. We're not even through our first term yet, only two and a half, two and a half years.

MARK HAMRICK: You talked earlier about, in a sense, what you have in common with the President. It seems as if, through the experience of the last several months, as, you know, poll numbers go up and down or down and up, that some Americans feel like they don't know who the President really is. That they have a sense that they had—they thought they knew him during the election to be one thing.

And obviously, I'm speaking in generalities, but I'm basing it on what some of the polls have told us and anecdotes have told us. And that sometimes, there's a

desire, on the parts of some people, to see a President who's more passionate. And I can think about when he was talking about the BP oil spill, where I think he used some colorful language about, you know, making sure that people are brought to bear for their responsibility for that. Since you've had an opportunity to see the President in both private and public settings, who is President Barack Obama? What is he really made of? [laughter] I ask the question seriously, in all seriousness.

HILDA SOLIS: I think he's a very passionate, compassionate, and also very intelligent human being, one that will listen and will take the time to better understand issues and problems and want to hear everybody out, regardless of, you know, what authority you might bring to bear. And I respect that. And I also see an individual who cares very deeply about this country and has inspired many, many people.

So here in Washington, you know, it's really easy for us to get lost and to think that gee, just because all the networks or cable, you know, TV folks are saying this or that, that that's the rule of the day. But, when I go out in the communities that I visit—and I spend a lot of time out across this country—I'm hearing more about, “You know, gee, it's nice to know that—that you all are focusing in on helping us create jobs, to get the job training, or to get that assistance that I need, so that I can continue to look for a job through UI benefits.”

Or recently, let me give you an example. I visited a reservation in Arizona, a group of individuals that had been serving a community that had suffered from high unemployment for decades, maybe 40 percent unemployment. And their need of assistance through our programs was helping to provide job training in the area of healthcare and in renewable energy, and giving some semblance of hope for these individuals.

And, while our funding wasn't the major source that they received, they were very grateful and thankful. And they were very kind and very—how could I say—very proud. And they didn't necessarily want—how could I say—handouts. They wanted a hand up and assistance. So I see that as very, very important in what I see out there, and what people believe, and what they see.

And I do believe that the American public, because they are very resilient, we have that can-do spirit about us, regardless of what situation you're in. And I've seen it from those that are at the very bottom, some that are in the middle, and some that were in the middle that have now fallen down for the first time. And let me tell you how horrifying that can be for families.

So, what I see I know the President sees as well. So I can tell you that he is a very, very sensitive individual. And everyone has their different style, right. But I do respect him greatly, and for the people that he has brought together to serve in this

administration. And you don't hear a lot about that, a lot about that. And sometimes it's about making sure that people get the services that they need.

The President made a good point to us once at a Cabinet meeting. He says, "You know, if I didn't call you in as a Cabinet member, that's good. Because I don't have a problem with you. You're doing your job. You're getting the services out. You're doing what you're supposed to be doing." And to me, it makes so much sense.

MARK HAMRICK: Speaking of people he brings to serve, yesterday he announced that a former chief economist of the Labor Department—I believe it was before you were Secretary there—is now his choice to be the head of his council of economic advisors. And some people were making the point that, well, he's a labor economist. Therefore, that means this, that or the other thing. Is there any particular importance to the background of Alan Kruger that means this is where the President's priorities are for at least the remainder of his first term?

HILDA SOLIS: I know Alan. We worked together on different issues when he was in Treasury. I respect him greatly. I think he will provide and continue to provide good leadership and counsel to the President and to his economic team and to us and to others. And I look forward to working with him. I think he'll bring a depth that—a greater understanding about what our economic situation is, and how to help remedy that. And I think that it would be—it would be great.

And I know that the President is—We urgently need these positions filled. So I would help that the Congress and Senate, who will make their voices heard—and some are already—that they truly understand the role that he will play and has played in previous administrations, because he did serve—even at the Department of Labor, as Chief Economist. I know him as a very intelligent and very thoughtful and very highly respected individual.

MARK HAMRICK: Would you be dismissive of those who are suggesting that the appointment of someone who has Labor Department experience means anything about where the President's agenda is going? Or is this merely a continuation of what the President has been intending all along?

HILDA SOLIS: I'm not one to predict what the President—you know. I think that, as I said, I can just base my opinion on what I know. And he is a highly talented, highly intelligent individual who's served us well, and hopefully will continue in this—in this new capacity, and be able to help us immediately begin to attack this problem of high unemployment, and help to provide a better balance in our economic endeavors. And I think that he'll do a good job.

MARK HAMRICK: We mentioned at the outset, Friday is Numbers Day. We have the unemployment rate and the payrolls numbers, among others, being released. I know that's always a big day for you and for those who are following

these numbers. Today, for example, we had some consumer confidence numbers that weren't just bad, they were horrible. And they may have been reflecting the situation with the debt debate. We don't know exactly how all that played into it.

But, as one who's interviewed you, really, from the beginning of the administration on a monthly basis, I would say that you have been very consistent—I'm just trying to be fair here—I think you have been very consistent with never wanting to raise expectations that the recovery was going to be particularly easy. And that I remember one month, I think there was an outsized gain in payroll's numbers. And you were sort of like, you know, "Don't look for this for the next three months" kind of a thing.

So, at this point, do you feel like—You have seen all along that this was going to be a slow and steady process? Whereas, as you've said yourself, many Americans right now are frustrated. And that's showing up in some of the poll numbers?

HILDA SOLIS: Well, I know that this is a really tough recession coming out and in the recovery, because we have added 2.4 million private sector jobs. And, while that amount may seem small, it needs to be higher, definitely. But, where we've come out of, I think people have to understand, when the President began his job, we had already lost close to, you know, four million. And then on top of that, in February, as soon as I came onboard around that time, another—I mean, we came out another four million. So we lost, you know, eight million jobs. We were losing over 700,000 jobs at the beginning of his administration.

Now, we're adding. While it might be smaller, we're seeing contraction in our—in our economy and in different sectors. Some sectors are doing really well. Silicon Valley, pharmaceuticals, some of these highly technical areas are the ones that are helping to continue to move our economy. And I see that continuing at that—you know, at that level.

Therefore, we need to start bringing and making those changes that we need to bring people along, so that we have better skills, better trained, more competitive individuals, and that we're actually competing with our other friends from other countries, like China and India and Brazil and other places. And we need to make those hard choices.

And some people are of the mindset that no, they don't want to go in that direction. And that's kind of the forces that we have to contend with. But I am—I am cautious. I'm not an—I'm not an economist. But I know that I can only base my judgment on what reports I'm given through the Bureau of Labor Statistics. So I make my assessment based on what has happened.

And the pattern in the past 17 months has shown me that we have been able to create 2.4 million private sector jobs. And they've been in these manufacturing,

they've been in healthcare, we've seen them in business and professions. And, you know, there are different sectors that have actually been able to improve.

One that I worry about a bit is the public sector, local government and teaching. Because, if we want to remain competitive, we need to be very mindful that we don't just release and allow for a lot of our teachers, especially the young teachers that we're trying to bring in, to slowly be dissuaded and not want to stay in the teaching profession. We need good teachers. And we need young, vibrant teachers.

We need to also take care of those teachers that have been serving us well, and make sure that we do the right thing to help increase the ability for our young people who desire to go to college, to have access to go to college, and to be able to have the tools and training available to them. And right now, education is suffering. We know that. And I see it.

And we work a lot with community colleges right now. Many of them—and I know—I look back at my own State of California, where their budgets have been shrinking. But we can't afford to not make those investments. So we have to be mindful of where we're going, where our path is. And that path, if we take the right path, will take us down the line where we're better prepared, better educated, and ready to make and meet those challenges.

MARK HAMRICK: But, when you talk about make those investments, the federal government isn't in the position to fund state and local governments anymore, is it, at a greater degree than it is already?

HILDA SOLIS: I don't think we're going to see stimulus two, if you're asking that. But I do think that the things that we talked about earlier, the infrastructure bank very important, and immediate remedies to help alleviate the distress that is being experienced by many families, and extending unemployment, the payroll tax, all those things are going to be helpful. And I would just hope that we can—we can get to the business of the people that we represent and want to help.

MARK HAMRICK: So another person that's taking some political fire is Federal Reserve Chairman Ben Bernanke, who's criticized probably as much from the Republican side as he is from the Democrats any more. At the fed meeting earlier this month, essentially the fed came out and said, "We're going to have persistent unemployment for the next two years." Did that seem surprising? Were you disappointed when you heard that, that the fed would say, essentially, "Give up hope. But the unemployment rate is going to go down, frankly, before the election"?

HILDA SOLIS: Well Mark, I don't think he said, "Give up hope." I don't give up hope, and I know you don't. And I feel, very strongly, that again, going back to what I see out in the field around the country, people's resiliency, and wanting

to get up. Just imagine, if it was you, you were laid off, your job went away and no one ever called you back. And, all of a sudden, you've got—you've got to figure out what to do. And you get up every morning to go find that job. And you find resistance. And you find that the employer is not calling you back, or no one is going to accept you. And it's tough.

But yet, you get up every morning because you know you have to. There are millions of people that are feeling like that right now. And, you know what? I'm not going to give up hope.

MARK HAMRICK: Well, I perhaps misspoke when I said that, because he's no one's spiritual advisor. But I think—I think what he was saying was, this is the reality. And, when you have someone who speaks, that can move markets in a minute, saying, you know, "I do not expect—or we do not, as a central bank expect the job market to be improved," I mean, did that come as a surprise when the fed came out and said that to you?

HILDA SOLIS: What didn't surprise me is what he said, is that it's the job of the Congress, now, and our leaders to make some decisions and to break the gridlock. That is what's important. And I think that is what the public and everyone is watching, from around the world, to see what's going to happen. And I believe that the President is ready, and he said he's ready to meet those demands, and to work until this is resolved. Take care of our debt. But also making sure that we don't hurt the economic recovery.

And, I mean, I'd like to just remind people that, in the previous administration, we were adding on, in average, I think it's about 11,000 jobs per month. And I can tell you that, in the short time that I've been with this President, we've added, on an average, far above and beyond that. And 2.4 million jobs is not where it should be. But, let me tell you, we have worked really hard to make sure that we increase the opportunity.

So, we have a long ways to go, Mark. But, you know, people have to understand where we started and where we're going. And that path tells me—You know, I hear from other economists, too, that they see—that they do see the path that the President has taken is one that has been well thought out, developed, given the restraints and constraints that we're faced with. And both political, as well as other structural problems that we're faced with.

MARK HAMRICK: Let me ask you about the holiday upcoming, Labor Day. As I mentioned in my introduction, I mean there's a wide divergence of opinion among members of the American public, now, about unions. And we've seen that, as you know, borne out in debates in state capitals in places like Wisconsin and Ohio very recently—recall elections involving that process in Wisconsin as well.

As Labor Secretary, do you feel as if you're an advocate for all workers, all potential workers, including members of labor unions? And how do you balance that when you have, essentially, all the potential workers out in the American public seeming to have a rather angry debate about where the role that unions should play?

HILDA SOLIS: Well first of all, as Labor Secretary, we represent all workers. So, that's number one. And that is very—That's very important, especially for those folks that are—that are workers that have, you know, been dislocated. That's very important to all of us. You know, we represent everyone. And obviously, I support individuals who choose to be a part of the union and those that don't. I mean, that's my role. And I have to be very fair and objective in how we run our programs. And, you know, making sure that, across the board, there's a balance. And I think that's what we've been able to do.

And all you have to do is look to see the kinds of things we—where we've made our investments, in terms of our federal funding. And we want to continue to raise standards of our programs so that we do a better job.

MARK HAMRICK: My sense is that some people don't mind the ideas that unions have helped them, or the accomplishments that they have helped Americans to attain, like a 40-hour work week, or the right to a minimum wage, or overtime. But, when they see some union members that they perceive have greater benefits than they do, especially if they're state or unionized government workers, that they become resentful. And that seems to be what's driving some of what's been happening lately.

So, when you see a state that has a debate over trying to take away collective bargaining rights for some workers, and yet it's potentially workers or people who are already employed that aren't represented by unions who are pushing that agenda forward, how would you weigh in on that debate?

HILDA SOLIS: Well, first and foremost, I think that we're concerned when there are issues that arise like in Wisconsin and Ohio. I know that that's been a big debate. A lot of states are faced with some financial crises right now. They're operating in the red. And we know that there are challenges.

I would just continue to say that it's good if both sides can meet at the table and decide in the best interests of the public and themselves and what they're charged with doing, to be able to work those differences out. But, face to face, not worrying overruling the other, but sitting down and having that kind of a conversation. And I think that's what the President and I believe in, that you should—you should be able to negotiate.

And I know that unions, especially public sector unions—and others—in other sectors—have given up a lot in the past few years. In fact, some members will

give up salary increases and bonuses just to keep their healthcare benefits. I've seen that, time and time again. But you don't hear a lot about that.

And so, I think that sacrifices can be made and have been made. But you can't just hold one group responsible for the demise of, say, a whole state. That's not what this is about. And that's not how that happened. So you shouldn't be blaming a group of people in that manner. We realize that there have to be compromises. I understand that. President understands that. But let's do it rationally. Let's do it at the table.

MARK HAMRICK: Let me just try to knock out a few questions from the audience real quick. Should U.S.—and maybe if you want to answer these as concisely as you can, even more so than you normally would, that would be fine. Should U.S. workplace laws cover both legal and illegal workers? Are you concerned about encouraging illegals to work here in the United States?

HILDA SOLIS: Our current laws, federal laws, protect all workers in this country. Previous administrations, both Republican and Democrat, have held to that. So I'm not doing anything different. And my priority, right now, is to make sure that we enforce our laws appropriately, and that we help businesses and employees understand what their rights are and what the expectations are. And also, assist businesses to better understand that they also have a responsibility when they do take on that role of employing individuals. And I think that that's what my role is.

MARK HAMRICK: Another person asked—and this came from Twitter, for what it's worth—What impact will the plan to provide work permits to potentially 300,000 more foreign workers have on the limited number of jobs that are available in the workforce?

HILDA SOLIS: There are, obviously, some great challenges right now in the job market. And our priority is to make sure that citizens here in our country have the opportunity to apply for those jobs. I mean, we've got a lot of jobs that go unfilled now. And let me just give you an example: agriculture.

We hear a lot from farmers and contractors are saying they can't attract people into these jobs. And some of these jobs, quite frankly, pay anywhere from \$11, \$12, \$13, \$14 dollars an hour. And I wonder why we're not perhaps allowing for more folks that are unemployed, that are actually drawing in less through their unemployment check, that were told that there were these jobs available. I would think that we should, number one, try to do that first before we necessarily have to go outside of our own country.

But we do have programs in place, like the H2A program, that we've just revamped, so that we can minimize abuses in the workforce and allow for a better standard, so that everyone complies. And they're not also somehow

disadvantaging a competitor that's over here on this side, that's actually playing by the rules, paying their taxes, doing everything right, instead of rewarding another individual who may not be doing any of those things, and really hurting our economy, and hurting our American workers.

MARK HAMRICK: You may have heard the story—it came from Hershey, PA, recently, about some foreign students who were being employed in the plant there by a third party, and came—essentially went on strike recently. Now the questioner asks, do you think foreign students should be employed in American industries packing plants, or plants that are doing any kind of work, such as Hershey?

HILDA SOLIS: Well, that's one thing of great concern to us right now. So we are currently investigating that issue. So I don't want to get in to much detail.

MARK HAMRICK: Okay, so that's a working investigation. Do you think the government should subsidize summer jobs in resorts such as Ocean City for American youth desperately—that's Maryland, for those of you who are hearing this from outside the immediate area-- seeking summer employment, rather than being given almost exclusively to foreign youth, especially from Eastern Europe, willing to work for much cheaper wages, live under what in America are substandard conditions?

HILDA SOLIS: Those are real issues. And that's why we're looking into them. So I think that there has been, in the past, some abuse of these visa programs. And we're really trying desperately to find a balance there. Because we know that there are industries that do thrive on these individuals that are—that are brought in. But I think, with this administration, we are really looking at providing a better—a better accountability and transparency, and making sure that people are meeting the intent of the law and they're not abusing it. So that's number one.

And again, we have so many people here, talented individuals, that I'm sure would be interested in serving in some of those positions that pay well. So I want to strongly encourage folks to seek those positions. If we can fill them with folks here, obviously that's a priority of ours.

MARK HAMRICK: Someone asked, what is your vision of apprenticeship and manufacturing in the future of the relationship between those two things?

HILDA SOLIS: I have actually seen very good labor management apprenticeship programs run throughout the country. And one good example that I see happening, that I recently visited in Camp Pendleton, was the Helmets to Hard Hat program, where you're going to see some of our veterans—young vets that are going to be coming home, but are still serving, get trained up and get services provided through this apprenticeship program that's being offered.

And they can get into different types of trade, whether it's pipefitting, all kinds of different activities. And much of it is subsidized through the private sector and through union dues. It's worked well in some parts of the military branches. I hope it can expand. And I hope that more people will take advantage. I've seen that work well. I've seen also industries—I look at examples with the IBEW, the electrical workers and some of their contractors, the laborers union and contractors. It's public/private, you know, collaboration, or union—union and private industry that come together, that know how to get things done, that get projects done, that are well trained, good-paying jobs.

So I've seen them work at their best, and I've also heard where, perhaps, they haven't, or there's been some abuses. And, of course, we want to rid the system, as much as we can, of those abuses.

MARK HAMRICK: Well, we're almost out of time. Before I get to the absolutely last question, I have a couple of housekeeping matters to take care of. I'd like to remind our audience about some upcoming luncheon speakers that we have coming up. September 6th, former mayor of New York, Rudy Giuliani will talk about the 10th anniversary of 9/11. That'll be in our ballroom.

September 29th, Elon Musk, the Chief Executive of Space X, will talk about the future of space flight. And, as any of you have been covering or watching that story lately, the International Space Station, on whether it can be inhabited by humans in the near term, is a very pressing question. So that will be a newsworthy event as well. And Ken Burns will be here on October 3rd to talk about prohibition, which is a subject of his next documentary on public broadcasting.

But, before I get to that last question, Secretary, I'd like to present you with a token of our appreciation, truly a token, which is our National Press Club coffee mug. Thank you so much for being here.

HILDA SOLIS: Thank you.

[applause]

MARK HAMRICK: Thank you Secretary. And my last question is, someone told me that essentially, you could write a book that could be titled something along the lines of "Everything I Ever Needed to Know About Government I Learned in the State of California." You saw so many things taking shape there. I'm just wondering briefly why that was so important, that you had that [00:59:46] experience in the Golden State.

HILDA SOLIS: California is very well represented—representative of what happens throughout our country. You've got rural. You've got inner city. You've got suburbia. You've got different types of geographical landscapes. And you definitely see different economic growth in different sectors of our economy,

whether it's Silicon Valley, Napa Valley, agri-business, manufacturing, some of the finest institutions of higher learning, and also some of the challenges that we see faced by the unemployed.

I recall, as a member of the House before I even took this position, that I saw, in my own district, at least three years before the recession was actually called a recession, high rates of unemployment, manufacturing jobs already leaving, and the fact that we could already see a kind of a slow—you know, a slow-moving economy. Loss of jobs was already starting to happen.

And I knew, then, that there was—there was going to be some challenges. If I saw it happening in California, and in my own district, I knew that we were—we were going to be faced with some major challenges. And serving in the House there, in the Assembly, in the Senate, I was Chair of the Industrial Relations Committee, where a lot of these labor issues I was confronted with there, whether it be dealing with sweat shops, or whether it be dealing with safety measures and construction, minimum wage issues, healthcare issues, many things that I was privy to work on, I was exposed very early on there.

And it's just a continuance, now, where I am now, to see that many of the projects and programs and bills that we crafted or funded or what have you, I had some exposure to while serving in the House, also, as a member of the Congress. But, more importantly, back in Sacramento, I was also a board member, a trustee for a community college. Right now, they're one of our major sources of—or engine of growth, so to speak, for our training programs. So I know those programs very well. And I'm very proud, very proud of them. And very proud to be able to have had such a rich experience coming from California.

MARK HAMRICK: How about a round of applause for our speaker today.

[applause]

HILDA SOLIS: Thank you.

MARK HAMRICK: Thank you, Secretary. I'd like to thank our National Press Club staff, including our Library and Broadcast Center for organizing today's event. I'd also like to thank our guests from China, who have been so kind to visit us here today through Georgetown University. And a reminder that you can find more information about the National Press Club on our website. And you can find that at www.press.org. Thank you. We're adjourned. Happy Labor Day, everybody.

END OF INTERVIEW