

Press Briefing by Press Secretary Jay Carney, 2/12/2014

 obamawhitehouse.archives.gov/the-press-office/2014/02/12/press-briefing-press-secretary-jay-carney-2122014

February 12, 2014

The White House

Office of the Press Secretary

For Immediate Release

February 12, 2014

James S. Brady Press Briefing Room

12:54 P.M. EST

MR. CARNEY: Good afternoon. Thank you all for being here. I have with me, as you can see today, another guest briefer, the Secretary of Labor Tom Perez, who is going to talk to you a little bit about the President's event today where he will sign the executive order that raises the minimum wage for federal contractors to \$10.10 an hour, and why it is an important step forward towards achieving the President's objective here, which is ensuring that if you work hard, if you take responsibility for yourself and your family, you should not be paid a wage that keeps you in poverty.

So, as you know, the President very much wants to see Congress take action on this, but this is a step he can take using his authority, and he will sign that order today.

So, as in keeping with past practice, we'll have the Secretary speak first. You can address questions to him on subject areas that he covers at the top. We'll let him go and I'll remain for questions on other subjects.

With that, the Secretary of Labor.

SECRETARY PEREZ: Great. Thanks, Jay. Good afternoon. The President has said that this year will be a Year of Action, and so today he will take an important step to expand opportunity by rewarding hard work with fair wages.

In a short time from now, the President will sign an executive order to raise the minimum wage to \$10.10 for workers employed through federal contracts. If you're serving food or doing laundry on a military base, if you're a nursing assistant caring for our nation's veterans, if you're staffing the parking lot at a federal courthouse, or if you're working concessions at our national parks, then you deserve a raise. As the President said in the State of the Union address, if you cook our troops' meals or wash their dishes, you shouldn't have to live in poverty.

The President believes that the federal government should lead by example as a model employer, joining so many other private businesses who recognize that paying a fair wage is both the right thing to do, the smart thing to do, and the efficient thing to do.

We estimate that the executive order will benefit hundreds of thousands of people directly by increasing their pay, but it will also improve taxpayers' return on their investment. Higher wages make for a more productive workforce, thus improving the quality and efficiency of services provided to the government.

But this should be a first step. Every American worker, not just federal contract employees, need a raise. That will take an act of Congress. So the administration will continue to push strongly for the passage of the Harkin-Miller bill, which will increase the federal minimum wage to \$10.10 an hour. And in the meantime, we'll continue to encourage and support efforts at the state level and at the local level to do the same.

And with that, I'm happy to take any questions.

MR. CARNEY: Chuck.

Q Mr. Secretary, do you have an estimate on how many workers are going to be helped by this federal contract raise? I know that you've been coming up with a -- there hasn't been a full -- in the last few weeks. Do you have a better --

SECRETARY PEREZ: Well, we estimate that it will be in the hundreds of thousands. And the reason we don't have a more precise estimate than that is as we finalize the regulations in the course of the ensuing months, that will give us a better handle on that. I had read a study that it indicated that it was in the millions. We believe that's too high. And the assumptions that were involved in that estimate, including the fact that they had a \$12/hour minimum wage, those assumptions didn't apply to the executive order that the President will be issuing. But we're confident that our estimates are where the actual number will be.

Q Can I follow up on that? You said hundreds of thousands -- during what time period?

SECRETARY PEREZ: During the course -- it goes into effect January 1st of next year. So not every contract will come up January 1st of next year. So in the course of the ensuing period of time, which will be months and years for contracts to come to the end of their life and be renewed, then you will have more and more people benefitting. The President was very explicit about not wanting it to interfere with contracts that are already in place.

Q No, but I'm asking you a specific question. You've given us an estimate here. You claim this is going to benefit hundreds of thousands of workers. So is this during the first year, during the first five years, during the first ten years? What period of time are we talking about?

SECRETARY PEREZ: It will benefit hundreds of thousands of workers as new contracts come in place. And new contracts will come in place over the course of years beginning January 1st of 2015 when the executive order goes into effect.

Q So over the course of eternity? I mean, I'm just wondering, what's the --

SECRETARY PEREZ: Over the course of a number of years -- three to five years.

Q Three to five years?

SECRETARY PEREZ: Some will benefit year one, more will benefit year two, more will benefit year three. Even more will benefit in the ensuing years.

Q And what percentage of workers on federal contracts make the minimum wage, or make less than \$10.10 an hour?

SECRETARY PEREZ: Well, again, we don't have a precise figure because we're still finalizing the regulations and preparing the regulations. But, again, we estimate that there are hundreds of thousands of workers who will benefit from this, which means they are making below \$10.10 an hour right now.

Q Just one last question. What more will this cost? Because obviously you're raising the wages of those working on federal contracts, so what will be the cost of this?

SECRETARY PEREZ: All federal agencies will be doing this within their existing budget. And the reason why this is the efficient thing to do is because when employers are paying a fair wage, they have a more efficient workforce. And when you have a workforce where you have less attrition, you have those sorts of efficiencies. So we're confident that just like so many other private sector companies that have paid a fair wage and have low attrition and an efficient and effective workforce, that we will realize the same efficiencies here in the federal government.

Q So you're not allowing the price of the contract to go up? Are you preventing that in the executive order?

SECRETARY PEREZ: All of this will be implemented within the existing budget of agencies. So there's not a bump-up in the budget to account for this. Because, again, the efficiencies of paying a fair wage are what we will gain from this executive order. The President has said many times that the federal government should set the example, and that's exactly what we're doing here.

Q Mr. Secretary, there were some who had hoped that this would apply to existing contracts. Can you explain both the legal and economic reasons why that decision was not made?

SECRETARY PEREZ: Well, the President made a judgment, and I agree that it should be applying to new contracts so that in the middle of a contract there's not the disruption of having to have a wage inserted that wasn't in place when you negotiated the contract to begin with.

Q Was there ever going to be litigation over that?

SECRETARY PEREZ: Well, no, again, the President wanted to draw an appropriate balance between ensuring that we have a minimum wage and also minimizing disruption on contractors. And changing the rules in the middle of a contract we felt would be disruptive and that is why it applies to future contracts and doesn't take effect until January of 2015.

Q And you can see there will be some economic lag time before these benefits are actually enjoyed and then translates to the broader economy?

SECRETARY PEREZ: Well, again, any law that you put in place will have an effective date that is some time down the road. And so this is no different than any other law, whether it's increases in the minimum wage that Congress has passed, which had an effective date down the road. We just issued some regulations to help home health care workers and we had a delayed effective date so that we could work with the various stakeholders to ensure the effective implementation of that law. This is no different than any other law that would address these important pocketbook issues for people.

MR. CARNEY: Jeff.

Q Mr. Secretary, this is obviously something -- right here.

SECRETARY PEREZ: Hey, Jeff.

Q Hi -- that the President can do with his pen. How likely is it, though, that you will get congressional support for doing a broader minimum wage hike? There's not a lot of appetite for this among Republicans.

SECRETARY PEREZ: Well, I'm very optimistic --

Q Why?

SECRETARY PEREZ: -- and I'm optimistic because I look at history. First of all, I look at where the American people are. The American people, regardless of your ideological stripes, strongly support an increase in the minimum wage and they support it because they support the proposition that nobody who works a full-time job should have to live in poverty.

And when members of Congress go home, they listen to their constituents. I was in New Jersey earlier this week -- or last week, in Jersey City, listening to baggage workers who are working at Newark Airport talking about how they're making choices between food and health care; how a guy's son just turned 16 and he had to look him in the eye and say, I can't afford to buy you a birthday present because I've got to buy food for us. These are stories that we hear all across the country.

And if you look at the history of the minimum wage, it has always enjoyed strong bipartisan support, whether it was the increase that George W. Bush signed or the increase that one of my predecessors, Elizabeth Dole, spoke proudly of in helping to

shepherd. And so this issue has enjoyed bipartisan support, and I'm confident that it will continue to. And we'll fight very hard because, again, people are working hard and falling further behind, and that's not right.

Q But it doesn't enjoy bipartisan support right now. What do you think needs to change to make that political calculus different?

SECRETARY PEREZ: I think when members listen even more to their constituents they will see that people are working 40, 50 hours a week and they're on food stamps. They'll see that we're subsidizing the banking industry to the tune of \$900 million a year, because you've got bank tellers who are working and collecting food stamps. The fast food industry subsidized to the tune, according to one report, of \$7 billion a year.

If we want to reduce reliance on public subsidies like food stamps, if we want to promote self-sufficiency, which I think there's bipartisan support for, if we want to make sure that we reward work and really acknowledge the dignity of work, raising the minimum wage makes a lot of sense.

And so I think the American people are ahead of some in Congress. And I'm confident that as people go back and listen to their constituents that this movement will continue to grow.

Q Just to follow up, this is not indexed for inflation, right?

SECRETARY PEREZ: No, that's incorrect. It is indexed for inflation.

Q It is. And then the second question is, in the job retraining -- or job training project that the Vice President spearheaded, is there a timeframe? Can you just remind us, is there a timeframe in which that work is going to be completed?

SECRETARY PEREZ: We're working feverishly now and we will be throughout the year, because we want to get back to the American people as soon as possible. And I meet with the Vice President with great regularity as we draw a blueprint for ensuring that people have career pathways and those tickets to the middle class that come when you have access to training and upward mobility.

MR. CARNEY: Ann.

Q Thank you. I apologize, maybe I should have looked this up. Are there people -- I understand this is for contractors. Are there federal government employees who earn less than \$10.10 an hour now, people at the Justice Department or Labor Department or in the White House complex who are earning less than that \$10.10 figure now?

SECRETARY PEREZ: I'm not sure the answer to your question, so I'd have to get back to you. And to that extent that there are, we're certainly looking into ways to address those issues as well.

Q At the end of last month, the President talked about helping out the long-term unemployed by encouraging companies to overlook their employment history and also their credit scores. Aside from doing a solid for the people that are affected by that, why is that good business practice?

SECRETARY PEREZ: Well, I've met with so many long-term unemployed in the course of the last few months. And what I saw was these are people with immense talent. They find themselves in a predicament that is no fault of their own. They're in the quintessential Catch-22 -- I can't pay my bills right now, and I need a job to pay my bills.

And so what we did and what the President did in meeting with the CEOs and getting the pledges of over 300 companies was, again, to use his convening authority to help address this issue. And it was a fascinating conversation, because what we realized is that there are so many companies who have practices that are benign, such as a credit check. I can understand why someone would want to do a credit check for somebody, but the reality is, if you've been unemployed for two years, you've probably missed a couple payments. And what we saw in that room was a willingness from companies to look at people's abilities and take a fresh look.

And we also compared and highlighted many best practices, including the fact that we have the authority and are actually involved in some very promising work where we subsidize wages. So if an employer hires someone who is long-term unemployed right now, we'll pay half the wage over six to eight months, and sometimes even more. And what we have found is that program really works well. So that convening really helped us to shine a light on this issue. And we have a \$150 million grant solicitation that is going out imminently to further promote those best practices.

Q If two employees who are otherwise equally qualified, one of whom currently has a job or has been unemployed for a day, another one who has been unemployed for 13 months, the company shouldn't look at that?

SECRETARY PEREZ: Well, again, this -- what we're trying to do in this program is have the company appreciate that that person who has been unemployed for 13 months has tremendous talent. And what we heard from companies was that, you know what, I used to look skeptically on that person who had been out for 13 months. We took a risk, and they're some of our most productive employees. And so that's what we were trying to communicate is that sometimes we put in place certain filters that prevent us from seeing potential in people, and that's what this initiative is about.

And I was really heartened at the spirit of the enterprise. It's very similar to our actions in hiring veterans where employers have really stepped up in a big way. And I'm confident that we're going to see the same thing happen here.

Q I just am wondering why if the administration feels so strongly about this it didn't do it before? So is this something --

SECRETARY PEREZ: What is the "this" in your sentence?

Q Oh, I'm sorry -- the executive order. Going back to the executive order. So is this something that you pushed for personally? Or is it something that would have had a negative impact on the economy when it was more fragile a couple of years ago? Or how do you explain --

SECRETARY PEREZ: Well, the President has been very, very strong in stating that we have to reward work with a fair wage. And he has continued to work with stakeholders across the aisle in an effort to raise the minimum wage. And over the course of the last year, that has been unsuccessful to date. I'm confident that the winds are changing in that context.

But the President felt that it was important for the federal government to model behavior. We can't go out and tell the private sector that they need to raise the minimum wage if we're not practicing what we preach. And so that's what this executive order is about: practicing what we preach; modeling best practices; and demonstrating that you can pay a fair wage, have an efficiently run government, and help put money in people's pockets, which stimulates consumption, which stimulates job growth.

MR. CARNEY: Chris.

Q Speaking of executive orders, there's been a lot of discussion recently about a potential executive order that would bar federal contractors from discriminating on the basis of sexual orientation and gender identity. If the President were to sign such an executive order, could the Labor Department implement it?

SECRETARY PEREZ: Well, I can't get into what-ifs. I'm certainly aware of the executive order that was proposed that you're talking about. And the President takes a backseat to no one in his commitment for equal access to opportunity for people regardless of race, religion, sexual orientation or gender identity. And it's an issue that we continue to contemplate and work on.

Q On a related note, there's also been talk about implementing existing order -- Executive Order 11246, which prohibits discrimination on the basis of gender, and apply that to transgender workers to prohibit discrimination against them in the wake of *Macy v. Holder*. Will the Labor Department take that step?

SECRETARY PEREZ: That issue is under review in the aftermath of the *Macy* decision. And I've asked my staff to expedite that review so that we can bring that issue to conclusion at the Department of Labor.

Q When will the review come to an end?

SECRETARY PEREZ: I'm hoping it will come to an end as soon as possible.

Q Just following, in terms of -- the President has been in office now for more than five years. Why is this coming now -- now, and not in 2009 or 2010? What has changed? Now is just the broader focus on the issue of income inequality? Or is there --

SECRETARY PEREZ: I think it's important to put us back in context. In 2009, we were dealing with the Great Recession, bleeding 800,000 jobs a month. The President was I think appropriately focused on the Recovery Act and all the issues that were involved in trying to stop the bleed and prevent this economy from going into a depression. And he succeeded in doing that. There are so many things -- and Jay is far more conversant in things happening around the world.

The President has taken multitasking to new levels in this administration. And so it certainly doesn't reflect a lack of interest in this, it reflects the fact that we were confronting in 2009 a crisis. As we move forward, as the economy continues to grow -- and we've seen 47 consecutive months of private sector job growth to the tune of 8.5 million private sector jobs -- the time is now, in the President's judgment, to really act on the minimum wage. It's a way to put more money in people's pockets, stimulate consumption, stimulate job growth, and really address this issue of fairness.

And so I think now is the right time, and the President is going to continue to do his level best to ensure not only the effect of implementation of this EO, but also to ensure passage of a federal minimum wage hike.

Q Can I just get two clarifications, just very quick, on the hundreds of thousands? Is this 200,000; 900,000? How many hundreds of thousands will this benefit?

SECRETARY PEREZ: Well, again, as we develop the regulations we will have a better sense of that. And as soon as we have that better sense we will let you know.

Q Let me make sure I got what you said -- I think it was to Chuck -- correct. So you're saying we're going to -- contractors will pay more money to their employees but this won't cost any more money? Is that what you're saying?

SECRETARY PEREZ: The federal agencies --

Q It won't be more expensive?

SECRETARY PEREZ: Federal agencies will be doing this within their existing budgets. And again, I think there's a pretty robust body of evidence that demonstrates that when you have a workforce that receives a fair wage, you lower attrition, you increase efficiency and you can do more. And that's why Costco pays a fair wage. That's why the Ace hardware store in Northwest D.C. that I just visited pays above the minimum wage. I think there's a very strong body of evidence that demonstrates that. And we will be efficient here and --

Q But we are going to close the loop on something. I guess what you're saying is it's not going to cost the budgets more, but the contracts themselves, could they cost more? You say they got to work within their own budget, but it could it mean, say, instead of 10 contracts it's going to be nine because of --

SECRETARY PEREZ: Again, agencies are going --

Q So the contracts could end up costing more?

SECRETARY PEREZ: No. Well, again, we don't know that, because we don't know what -- first of all, agencies, as I said before, are operating within their existing budgets. And businesses will bid on these contracts, and frankly, many of them already pay the minimum wage or a higher minimum wage in other contexts. And so this won't be an increased cost for them.

So I think it would be inaccurate to suggest without further evidence that that would happen, because we already see a lot of employers out there. Remember, we have prevailing wage laws that have been in effect for decades that require employers to pay prevailing wages, which are far above the minimum wage. We haven't seen contracting dry up or go away. When I was Labor Secretary in Maryland we implemented the nation's first living wage law. We saw an increase in the number of contractors.

So when you promote efficiencies like we're doing here, good things happen.

MR. CARNEY: Thank you, Mr. Secretary.

SECRETARY PEREZ: Thank you. Take care.

MR. CARNEY: I'd like to thank the Secretary for joining us today and I will take your questions after I make a couple of points at the top.

First of all, as you know, according to the National Weather Service, a very complex weather pattern will continue to affect the southern United States through Thursday. Yesterday, President Obama declared an emergency for 45 counties in Georgia at the request of Governor Nathan Deal, authorizing FEMA to support the state in its efforts to respond to the storm.

The President was briefed yesterday morning and updated during today's presidential daily briefing. He directed his team to stay in close touch with our federal partners as well as the state and local officials leading the response. FEMA has deployed an incident management assistance team to the Georgia emergency operations center, and additional teams are on alert for deployment as needed.

FEMA has liaisons in the emergency operations centers of South Carolina, Pennsylvania, Maryland, and Virginia, and has identified liaisons for other impacted states ready to deploy, should they be requested. FEMA has activated its national response coordination center in Washington, D.C. and its regional response coordination center in Atlanta. And later today, FEMA will activate in Philadelphia to help coordinate any requests for assistance from affected states.

In addition to providing around-the-clock staffing support to FEMA's distribution centers in Atlanta, FEMA has also activated an incident support base to pre-stage commodities, including generators, meals, water, blankets, and cots in Augusta, Georgia. We encourage

residents and visitors in the track of the storms to follow the instructions of state, local, and tribal officials; to monitor NOAA weather radio, and to monitor their local news for updates and directions provided by local officials.

Secondly, I wanted to let you know that due to the severe weather that I just mentioned and that is forecasted to hit this area, the D.C. area tonight and tomorrow, and acting out of an abundance of caution, we will reschedule the event at the White House tomorrow to launch the “My Brother’s Keeper” initiative. We are working to find a new date for this event and we’ll share more information about that as soon as we can.

And now to your questions.

Julie.

Q Thanks, Jay. Just to move the minimum wage debate into the legislative realm, what has the White House been asking of Senator Reid and Democrats on the Hill in terms of a timeline for bringing this up? Do you now see this, especially with immigration perhaps moving to the background a bit, as the most realistic legislative priority for the White House?

MR. CARNEY: It is a very high priority for the reasons that Secretary Perez just outlined. In America, you shouldn’t work full-time and live in poverty. It’s as simple as that. And I think a broad majority of Americans support that idea; certainly the President does.

So we’re going to work with both houses of Congress and leaders in both houses of Congress to press this issue. I would not agree with the premise that immigration is moving to the background.

Q Well, Speaker Boehner said he’s not planning to bring it up any time soon.

MR. CARNEY: Well, I think that the Speaker identified the fact that this has long been a difficult issue for the Republican Party, but the fact is there has been significant progress on comprehensive immigration reform, including the principles that the leadership of the House put out just a few weeks ago. That’s a giant step in the direction of comprehensive immigration reform becoming a reality -- well, maybe not a giant step, but a reasonably large step given where the House had been in the past.

So we are certainly not of the opinion that we can’t get this done in 2014. We’re still optimistic that comprehensive immigration reform can get done this year -- not because we want it, not because the President says it should happen, but because businesses across the country say it, Republicans and Democrats across the country say it; labor groups, faith-based groups and law enforcement groups say it should happen. So we’re going to continue to press on that.

On the minimum wage, we’re going to work with leadership to have the Congress take this matter up. And we want to see Congress raise the minimum wage.

Q But have you set any kind of timeframe for that? Because you wanted them to do this last year and obviously that didn't happen. So I'm wondering if you're putting a timeframe around it or something to try to ratchet up the pressure.

MR. CARNEY: I don't have a timeframe to describe to you today. But we are in active conversations with leaders on the Hill about how to move this issue forward. Because, again, this is broadly supported by the American people. The evidence that the Secretary was talking about with Jon about the fact that raising the minimum wage does not have a discernable effect on job creation and creates efficiencies across the board, and injects energy into the economy, because you're paying people a living wage. And especially, when you're at that minimum wage, you tend to be spending what you earn and that has positive economic impact. So there are a lot of reasons to get this done, and we think it will get done.

Q And then, a bit of a logistical question. King Abdullah of Jordan has been in Washington for most of the week, and he met with the Vice President today. Why couldn't the President have met with King Abdullah in Washington? Why does he have to go out to California to do that?

MR. CARNEY: Well, we've announced the schedule and the fact that he is meeting with the King out in California, and the President looks forward to that meeting. The King has a lot of partners that he has conversations with, including in the administration the Vice President, the Secretary of State and others, as well as I'm sure on Capitol Hill -- Jordan being an important partner in the region for the United States.

So the President will meet with the King out in California, and I don't have a readout yet of the Vice President's meeting with him this morning, but I know that was an important part of his time here in D.C.

Q I guess I just don't understand, though, if the King has been here where the President is for three, almost four days, why do they both have to go --

MR. CARNEY: Well, as you know, I think we put out a schedule for California that includes the President is going to Fresno, where he is going to discuss the effects of this historic drought in California. The King is also going to go out to California. The President and the King can meet there and will meet there as part of this trip.

Jeff.

Q Jay, two questions. One, I'd like to follow up on something that Secretary Perez said in response to Chris's question. Is the administration contemplating executive action on LGBT workplace non-discrimination? That was the word that he used.

MR. CARNEY: Well, I think what I can say to that is what I've said in the past, is that I don't have any updates for you on obviously the discussion in Washington and beyond about that kind of executive action. What our position is and has been is that we strongly

support the Employment Non-Discrimination Act. We note the progress made in the Senate, the fact that there's been movement in the Senate on this, and I think against some of the conventional wisdom we've seen movement on this.

On the broader range of issues around LGBT rights, we've seen dramatic progress, and we're going to keep pressing Congress to catch up with the country on these issues. Turning the Employment Non-Discrimination Act into law would be a huge step forward by Congress, and the President looks forward to that happening. But I just don't have any update on the discussion around other hypothetical EOs, and I think that's what Secretary Perez was indicating.

Q It wasn't a hypothetical, so I just wanted to clarify, should we read into that any sort of a shift in the position of maybe going away from just a congressional push back to the possibility of an executive order?

MR. CARNEY: I think broadly speaking, the administration looks at all opportunities to advance an agenda that expands opportunity, that levels the playing field, that sustains equal opportunity for all that is part of the President's vision. That's as a broad matter. On specific -- would the President do this executive action or that executive action, I mean, that list could be endless, and I don't have any update for you on that kind of proposition.

What I can tell you is that it is our policy position that the House ought to and the Congress ought to send the Employment Non-Discrimination Act to the President's desk so he can sign it into law.

Q Just one question on the debt ceiling. Is it the White House's view, or your view, that what happened yesterday is the end of debt ceiling fights with the Republicans? Or is this a temporary blip for 2014?

MR. CARNEY: It's our view that yesterday represented a victory for the American economy and the American middle class. An end to that kind of brinksmanship for now is a very welcome thing. As a sort of starting principle, Washington should not be causing harm to the American economy. And that's what Washington and Congress, Republicans in Congress had been doing through the kinds of brinksmanship that we've seen in the past over shutting down the government or threatening default.

So obviously, yesterday was a very positive development. It says something about the expectations that the American people have of Congress that people notice when Congress actually doesn't do direct harm to the economy. And by Congress I mean Republicans in Congress. This has been an effect brought about entirely by the ideological passions of House Republicans in particular. And it's a good thing that we're not seeing it happen again.

I can't predict the future. What I can say is this will be the third time now, hopefully, that the debt ceiling has been raised without drama or delay. And it would be hard to argue in the future that somehow having done it three times doesn't matter; now we're going to

threaten to shut the government down again. Let's threaten to default on the full faith and credit of the United States again. I think that argument becomes harder to sustain in the future, but it's hard to know what the future will bring.

Brianna.

Q Thanks, Jay. On the debt ceiling, does the President think that this came about because of taking this position of we will not negotiate on the debt ceiling? Does he think it has to do with election-year politics? What does he attribute this development to? Maybe speaking to a certain --

MR. CARNEY: I think what happened yesterday reflects the fundamental soundness of the position the President has taken, which is that the President of the United States -- whether he or she is a Democrat or a Republican -- should not pay on behalf of the American people a ransom to Congress so that Congress authorizes the bills that Congress racked up to be paid. You engage in that practice and you undermine the faith that the world has in the American economy, and you do enormous harm to the American economy and the American middle class -- all out of ideological pique.

So the President held firm to the position that he's had, feeling very confident that it was the right position. Again, it's not a reward to any President, as Democrat or Republican, for Congress to do its fundamental responsibility. It is the least that Congress can and should do -- and in this case, Republicans can and should do -- on behalf of their constituents, which is not to throw the American or global economy into chaos. So it's an important milestone in our view.

Q Do you worry at all, having sort of gone out in this move to go around Congress where he can -- I mean, if this is a sign of maybe slightly -- you had the budget deal, you have this -- I mean, did maybe he jump the gun on sort of talking about going around Congress when maybe there is a sign that right now it's a little easier to --

MR. CARNEY: You left out the farm bill. I think that what that reflects -- no, but I think it's an important question. It reflects that the President's proposition was never that he was, from now into the future, only going to act using his administrative authority or executive authority. He was making clear that where Congress would not work with him on behalf of expanding the economy and rewarding hard work and responsibility, he would take actions that he could to advance that agenda.

But he's always eager, as demonstrated by the bipartisan farm bill that he signed into law, by the budget deal and the funding that went along with the budget deal, and by the prospects for immigration reform and the prospects for raising the minimum wage, that he's absolutely eager to work very hard with lawmakers of both parties to advance an agenda that helps the middle class.

And it's never been an either/or proposition. We have seen a lot of obstructionism in Congress and that's been to the detriment of the American economy and the American people. So where that continues to be a problem, the President is going to act using the authority that he can. He is certainly not going to allow Congress to prevent him from

doing the very best he can do on behalf of the American people and the economy. But he can't, he fully recognizes, do everything that needs to be done by himself. Some of the actions that we need to take here to solidify our recovery, to further secure the middle class, to advance innovation has to be done with Congress. And he looks forward to working with Congress.

Q Last one. Can you just comment on Senator Paul and FreedomWorks have filed a class-action lawsuit against President Obama and the FBI Director, NSA Director, DNI when it comes to the phone metadata program that was revealed by Edward Snowden. Do you have a reaction to that?

MR. CARNEY: Sure. Obviously, about a specific matter of litigation I'd refer you to the Department of Justice. And while I'm not in a position to speak to a pending lawsuit, what I can say is that in January the President emphasized that, "in an extraordinarily difficult job, one in which actions are second-guessed, success is unreported, and failure can be catastrophic, the men and women of the intelligence community, including the NSA, follow protocols designed to protect the privacy of ordinary people. They are not abusing authorities in order to listen to your phone calls or read your e-mails."

And to the extent that the question you ask refers specifically to the Section 215 bulk metadata collection program, as we've said previously, we believe that the program, as it exists, is lawful. We're not alone. It has been found to be lawful by multiple courts and it receives oversight from all three branches of government, including the Congress.

So, again, I can't speak to the specific litigation, but I can speak to what the President's views are and what the administration's views are about the program in question.

Let me move around a little bit. Dan.

Q Thanks. Clearly, Syria was on the agenda. Biden talked with King Abdullah, and will be as well in California. I know you don't make a habit of commenting on everything that Senator McCain says, but he had a fairly broad attack this morning in the Senate floor on the President. He cited the Directive on Mass Atrocities, of Holocaust Museum comments, U.N. speech. He said, how can a leader of a free world who says it's the moral obligation to do what we can to prevent worst atrocities -- how can it be that he's not doing more to prevent atrocities occurring every single day in Syria. Is the President still feeling pretty fulfilled -- everything he said about atrocities in all of these venues in terms of --

MR. CARNEY: The United States is doing more than any other country in an effort to provide humanitarian relief to the Syrian people, in an effort to help bring parties together and help bring the two sides together to resolve this conflict in the only way it can ultimately be resolved, which is through a negotiated political settlement and the creation of a transitional governing authority. That's the only way out for Syria.

The President has made clear, as he did just yesterday in his press conference with President Hollande, that he understands how terrible the situation has been and continues to be in Syria. And that is why it is so important to continue to press for

progress in the talks and to continue to keep the pressure on the Assad regime so that it is held responsible for the brutality that it has inflicted on the Syrian people. That's why we support the opposition. That's why we provide aid to the opposition.

I didn't see Senator McCain's remarks, and I'm not sure what exactly he's advocating. If he's advocating a U.S. invasion of Syria, I don't know. Is he advocating a bombing campaign?

The President has spoken clearly about his views on these issues. He, as he made clear yesterday, doesn't take options off the table as a general principle as President. But it has certainly been his view that the course of action that we've taken when it comes to Syria has been the right one. And we're going to continue to press for a resolution through the only means that one can be achieved.

Q Just a follow-up briefly on NSA. Why hasn't the President actually visited NSA? We had all those reports about morale -- damage to morale there because of the controversy over the surveillance. Is he planning a visit?

MR. CARNEY: I think the President has spoken clearly in a very high-profile speech about his high regard for the professionals, largely anonymous professionals, Americans who, in our intelligence community and specifically at the NSA, work under enormous amounts of pressure to keep us safe and do so following protocols that ensure the privacy of ordinary Americans, and do so knowing that their successes -- because of the nature of their work -- will go unnoticed and unreported upon by and large, and that any failures, any mistakes, any misses can result in calamity. That's a lot of pressure to put on any American, and we should remember -- and the fact that so many of our fellow citizens are doing that work on our behalf.

Major, yes.

Q Would you agree that the import of today's executive order, at least for the short term, is political symbolism, not economic vitality?

MR. CARNEY: Not if you're one of the families that's affected.

Q But they're not going to be affected until next year, at the very earliest.

MR. CARNEY: Well, I think as Secretary Perez said, yes, the executive order takes effect on January 1st. And then as contracts become --

Q Contracts have to come in, be approved. So it's a considerable amount of time after.

MR. CARNEY: Well, you can diminish or dismiss --

Q I'm just asking.

MR. CARNEY: -- the effect for that family where the father or the mother is now going to be making \$10.10 an hour instead of a lower wage and the effect that will have on that family. There's no question that it doesn't resolve the problem or the need to raise the minimum wage across the country. That's why we're calling on Congress, in the same breath, to take action.

Q But that's one of the reasons for it -- to create this political symbol of you taking this action to jumpstart that debate.

MR. CARNEY: I think symbols by definition are not substantive -- that this has a substantive effect on federal contractors and those who make below \$10.10 an hour. And there's no question -- and I think we stated clearly -- that our projections fall into a range of hundreds of thousands, not millions. We're not suggesting otherwise. But those are real people for whom this will mean a very positive change.

And it demonstrates the President's commitment to do everything he can using his authority to advance an agenda that expands opportunity, that rewards hard work, that follows the basic principle that if you work full-time, you shouldn't live in poverty.

So we have more work to do. And in order to have every American benefit from placing that principle into law, we need Congress to act. Meanwhile, we're going to continue to encourage states to take action, as many have, to raise state minimum wages. And we're going to implement this executive order.

Q Let me ask you about Afghanistan. There was a lengthy principals meeting here last week on that topic. There's been some reporting in the aftermath that the administration has sort of come to the grudging conclusion that this BSA is not going to be signed by Karzai before the elections, and that it is important within the Pentagon and the larger NATO communications to reassess and begin planning for a post-2014 troop presence, because that is not going to be signed before April and you just have to accept that reality and move ahead. Is that true?

MR. CARNEY: I think two things --

Q -- shift in the conversation?

MR. CARNEY: -- two things are true. And these are good questions. Two things are true. We continue to seek to conclude the bilateral security agreement. We continue to press the Afghan government to sign the agreement. We continue to make clear that absent a BSA signed, we cannot plan for U.S. or NATO troops in Afghanistan beyond 2014. And planning has to take place around the contingencies that exist with either a signed BSA or a BSA that is not signed. And as time progresses into this year, it becomes more difficult to plan for a post-2014 troop presence that would be there to focus on two missions absent a signed BSA.

So on the broader question, what is the Pentagon planning? I think you can take to the bank that the Pentagon is planning for more than one outcome, as they always do.

Q Right. But I guess the central question is, do the discussions now sort of fall into a category of assuming after the election this is going to be resolved and so the U.S. and its NATO partners can begin planning with that assumption? That Karzai is the single impediment here and he's not going to be on the stage and not going to be an impediment past --

MR. CARNEY: I don't think that's the case. We don't look at it as personality-based. We can't -- this was an agreement negotiated with the Afghan government. It was an agreement, and negotiated in good faith over a long period of time with the Afghan government. It was an agreement that was endorsed by the loya jirga in Afghanistan, a significant milestone and hurdle cleared. And it ought to be signed. We're not renegotiating it, and we can't -- I think the answer to your question is I don't think that planners would start doing things based on the hope or prediction that a future government would take action. I don't think that's how this works.

It is the Afghan government that negotiated this agreement. There is the reality that this is -- we're now in February of 2014 and we're having to look at, with our NATO allies, what the world looks like in terms of our troops beyond 2014. And that's why it needs to be signed promptly if we're going to be able to fulfill our preferred approach here, which is to have a limited troop presence in order to continue to conduct CT operations and to train and support the Afghan security forces.

Q One last one. The Michael Sam story continues to generate a lot of comments on social media and elsewhere, and people are describing it as a significant moment not only for the NFL but sports in general. When we asked this to you on Monday you hadn't had a chance to talk to the President. One, I wonder if you've had a chance to talk to the President about this, or if he's made any effort to reach out to Michael Sam.

MR. CARNEY: Well, I don't have any details on the President's conversations or phone calls. I can tell you that I have spoken about this with him, and he, like the First Lady and like so many others, admires Michael Sam's courage and believes that the action he's taken is an important step, and looks forward to seeing him playing in the NFL.

Q Jay, on health care, we're getting indications Secretary Sebelius may be announcing new enrollment numbers today. Can you give us a sense of where the administration is?

MR. CARNEY: My understanding is enrollment numbers will become available. I'm not sure about the timing. As has been the case in the past, what I am confident of is that after a very rocky start to healthcare.gov, we have seen a significant increase in enrollments, in signups, and we passed the 3 million mark, so I can predict that it will be above 3 million when the next figures are announced, and that we were seeing in December and January an increase in the demographic diversity of those who were enrolling, including a surge greater than the overall surge among younger enrollees.

So when it comes to predictions about how many people will have signed up come March 31st, I don't have an exact number. CBO has made predictions. What we are confident about is that that will be a large number, and it will be a population that is diverse enough

to allow the marketplaces to function effectively.

Q Since you're saying there seems to be a surge in young people and the demographics are better, when will we see numbers beyond "enrollment," see how many people are actually paying into the system?

MR. CARNEY: Well, as you know, payments -- this is private insurance -- not often characterized in some quarters as that, but it is private insurance. It is a contract between an individual or -- well, an individual even representing his or her family -- and a private insurance provider. So insurance companies obviously have data about when those payments are made. But this would be no different from any other insurance contract that you would purchase.

But as far as what data or what information we have about those who have paid their premiums, I would refer you to CMS. But it is important -- this is not -- again, when people like to talk about it as government health care, it is profoundly not that. When people write that the law was crafted by Democrats alone, they forget that it was based on a Republican law entirely; enacted and signed into law by a Republican governor; modeled in part off of a proposal in the mid '90s from a Republican senator. And that's because it -- and as such, when you know that that's what it is, you're not surprised to learn that it's based on the private insurance market.

Q Two other quick things. Republicans are holding up a McKinsey & Company study that suggests only about 11 percent of the enrollees are actually new people getting insurance, that it's a lot of people who have moved plans or are renewing, and that a lot of the Medicaid recipients are not new Medicaid recipients. Do you have any sense of the breakdown? Is that study anywhere close in terms of --

MR. CARNEY: I haven't seen that study. I think there are several areas that fall into that question. There are those who have enrolled through the marketplace, either the state-run marketplaces or the federally run marketplaces on behalf of the states. And that figure is over 3 million. It will continue to grow, and we've seen steady growth in enrollments.

Separately, the 6.3 million individuals were determined eligible to enroll in Medicaid or CHIP between October and December. That's a figure cited often. We have said all along that those numbers include both Medicaid and CHIP new eligibility determinations in states that expanded coverage. In other words, individuals who are eligible because of that expansion, as well as determinations made based on prior law, and some states Medicaid renewals in groups not affected by the health care law.

So there's a mix there, and I don't know what the breakdown of that mix is, but what is absolutely true is that there is a significant number of new Medicaid and CHIP and enrollees because of the expansion in those states where Medicaid has been expanded under the Affordable Care Act. That number would be significantly larger if those hold-out Republican governors were to follow the lead of other Republican governors and expand Medicaid on behalf of their constituents.

Q Last one. The Washington Post has a pretty tough editorial on the President's latest executive action on health care. To be clear, they criticize Republicans at the beginning in saying that they shouldn't be trying to gut the individual mandate. They say that's a bad idea. But "none of that excuses President Obama's increasingly cavalier approach to picking and choosing how to enforce the law." That's The Washington Post editorial. How do you respond to the notion that this has been cavalier?

MR. CARNEY: Well, because this is a common-sense approach to phasing in an aspect of the law and its implementation for some employers. Often not noted in reporting on this is that we're talking about 2 percent of employers when we talk about those employers with between 50 and 99 employees. That's 2 percent. Ninety-six percent of employers in America are unaffected by the so-called employer mandate because they have 50 or fewer employees. Those with more than 100, larger companies, are not affected by the moving of or the phasing in of the deadline over 2015 and 2016.

And this phase-in is reflected by the phase-in you have for individuals, where the penalty - if you can afford insurance, you don't qualify for the hardship exemption, but choose not to buy it -- that penalty is phased in over several years. And that's what you're seeing, again, with 2 percent -- 2 percent of the employers in the country.

Q Jay, I want to just follow up quickly on Syria. You said something in response to the question that you got earlier on McCain's comments. You said the President believes he's got sort of the right policy right now. And yet, yesterday, the President sounded as if he knows the policy is not working. He said the situation on the ground is horrendous, acknowledging that Geneva is just -- the only good of Geneva is they showed up. Other than that, nothing else. Can you really classify this as the right policy if it's not working?

MR. CARNEY: The right isn't -- I was trying to contrast that with those who I think honestly come by and support a different position, which involves in some cases the use of U.S. troops or other U.S. military assets. I'm not assigning that position to any specific individual. There are obviously a broad range of opinions about the approach that should be taken in Syria.

The President readily acknowledges and did yesterday how difficult the situation continues to be in Syria, but he continues to believe that the only path out of that conflict is through a negotiated political settlement. And as we press for progress on that front with our partners, we continue to be the leader in providing humanitarian aid. We continue to press for a United Nations Security Council resolution to open up corridors for the provision of humanitarian aid. We continue to call on Russia to stop blocking the passage of a United Nations Security Council Resolution that would achieve that -- because it is unfathomable to argue that you care about the welfare of the Syrian people and block a resolution that would ensure that humanitarian aid prevented Syrians from starving to death. So we're pressing forward on all fronts.

I think that the point I was making -- and I appreciate the opportunity to clarify -- was not that the situation in Syria is not serious, but that when contrasted with an approach that might involve a U.S. military presence, for example, in Syria, or directly engaging in a civil

war in Syria, the President believes this is the right approach.

Q But you can't sit here and say that this approach is working right now, since it's not, right? I mean, this policy is not working.

MR. CARNEY: Can I say that the Syrian civil war has ended? No. Can I say that the two sides have met for the first time? Yes. That's modest progress to be sure, with an emphasis on "modest." But it is an improvement over where we were a few weeks and months ago. And, meanwhile, we continue to press for the ability to provide more direct humanitarian aid to Syrians, and we continue to --

Q The President himself didn't sound confident yesterday that this policy is the right one, but he said at the same time he doesn't believe there's a military solution now. And he said that there isn't a military solution either.

MR. CARNEY: Well, I think that the President --

Q It sounds like he is still searching for a better policy.

MR. CARNEY: The President reflected that this is an extremely difficult problem; that the path forward here is complicated and will be long, but that the only resolution here is through a negotiated political settlement. That's the only way this civil war is going to end and that's why we're working with our partners. We're pressing everybody involved in this to help bring that about. But it's not going to come easy, there's no question.

Jon.

Q To follow up on that, acknowledging that there may not be a better policy out there right now, certainly that there could be policies that would be worse, isn't it time to acknowledge that when it comes to easing the humanitarian crisis in Syria, that the President's policy has been an absolute failure? I mean, you had the Director of National Intelligence tell Congress that the situation on the ground was an "apocalyptic disaster." How can we look at the policy towards Syria as anything other than a failure?

MR. CARNEY: Jon, we provide more humanitarian aid to the Syrian people than any other nation on Earth. And we are --

Q That's greatly admirable, but what I'm talking about is in terms of ending the crisis within Syria. The crisis has gotten worse. Assad's grip on power has not weakened at all over the past year. And we have our own top intelligence officer saying it's an "apocalyptic disaster." How is that anything but a failure?

MR. CARNEY: The crisis in Syria is a crisis. The circumstances on the ground are horrific. That is why we have to bring the parties together to try to compel them towards a negotiated political settlement, because there isn't a military solution here. The Assad regime is not going to win militarily. And the Assad -- the opposition, the Syrian people

are not going to abide by a future in which Assad continue to govern them. That creates a stalemate, and that's why it has to be negotiated. There has to be -- based on the Geneva principles, there has to be a negotiated political settlement.

There is no question that the circumstances on the ground are terrible and they are exacerbated by a failure of those countries who could help improve the humanitarian situation on the ground from taking action to do that through the United Nations Security Council. So we're going to continue to press for that kind of action. We're going to continue to provide assistance to the opposition. And we're going to continue to be the leader in providing humanitarian assistance to the Syrian people.

Q Can I ask, while the French flags are flying, why is it that the President still hasn't nominated a U.S. ambassador to France? I mean, that post has been vacant since November. I assume he knew long before that, that the post was going to become vacant. Why have we not nominated -- or why has he not nominated a U.S. ambassador to France?

MR. CARNEY: I'm still being vetted.

Scott.

Q No, a serious question. I mean, it's an important post.

MR. CARNEY: When the President has a nomination for that post we'll make an announcement.

Q And will it be somebody who has donated or bundled or helped raise \$500,000 or more for the Obama campaign?

MR. CARNEY: Jon, as you know, being a donor to the President's campaign does not guarantee you a job in the administration but it does not prevent you from getting one. And the fact of the matter is the President has made nominations to ambassadorial posts and other posts from the ranks of the private sector, from government service, and has put in place qualified nominees across the board. So I don't have an answer for you on that particular nomination. When I do, we'll make it.

Q But more than half of the political appointees he has made to ambassadorial posts gave more than -- or bundled, helped raise more than \$500,000 for his reelection campaign. Is that a coincidence?

MR. CARNEY: Look, the President takes an approach where he finds qualified nominees for these posts from a variety of walks of life. And in that, he's not different from his predecessors.

Q Didn't he promise it would be different than his predecessors on that point?

MR. CARNEY: And what I can tell you that being a donor does not get you a job in this administration nor does it preclude you from getting one. And I would note that some of our non-career Foreign Service ambassadors, like Ambassador Rivkin in France and

Ambassador Roos in Japan, have been widely noted as enormously effective and successful in those jobs.

Cheryl.

Q Thanks. A budget question. Does the White House support the military COLA bill that just passed, even though it's paid for by extending the sequester?

MR. CARNEY: Cheryl, the Defense Department spoke to this a few weeks ago. And while we need to make some important reforms in this area, we are supportive of efforts to grandfather current recipients so they are not affected. In addition to dealing with this issue, the President continues to urge congressional Republicans to stop blocking efforts to extend unemployment insurance to 1.6 million hardworking Americans. So on this bill, it's consistent with the position that the DOD took a few weeks ago.

Scott.

Q You mentioned the President's trip to Fresno. Can you talk about what he hopes to achieve there and what the administration is doing?

MR. CARNEY: I'm sure we'll have more details on it. I think as we've talked about a little bit in the past, the situation with the drought in California is quite serious and the President is concerned about it.

Alexis.

Q One quick question. As you know, OFA is raffling off the President for the purpose of ginning up public, I guess, enthusiasm for enrollment in ACA. Can you describe what the policy goal is that the President hopes to achieve by being the prize in OFA since he's no longer a candidate and we tended to think of them as a political organization but now they're trying to advocate for policy? What's the purpose of it?

MR. CARNEY: To get people to enroll.

Q But how does he being the prize, how does that help?

MR. CARNEY: Look, I mean, I think you've seen a broad array of efforts aimed at reaching people who are important to get enrolled, especially young people. And there have been a range of efforts, some of them I think quite novel, that have been designed around that principle -- that calling on moms to tell their kids that they should do the right thing and get insured, that it's the right thing to do. They may not be sick today but they could get sick tomorrow.

And so I think that -- I'm not specifically familiar with this particular effort, but this is reflective of I think the kind of approach that's being taken to ensure that we get that information out there so that folks know this opportunity is available to them -- that quality, affordable health insurance is available in a way that it never has been before.

Because it's absolutely important that we get not just a large number of people enrolled in the exchanges but that that mix of people is diverse and that there's a sizeable portion of young Americans as part of that group. So that's what the effort is about.

Thanks very much.

END

1:59 P.M. EST