

PMPA MEETS WHITE HOUSE BUSINESS COUNCIL TO DISCUSS CRITICAL WORKFORCE DEVELOPMENT & TAX POLICY ISSUES



On Tuesday, March 6th, a team of PMPA members from the PMPA Government Affairs Committee, Board of Directors, PMPA staff, The Franklin Partnership as well as additional members with interest in lobbying, participated in a two-hour meeting with representatives of the White House Business Council at the Eisenhower Executive Office Building in Washington, D.C. *(Attached is a copy of the agenda and list of Administration officials who participated in this important meeting.)* This open dialogue centered around the industry's need for qualified workers, which are in high demand due to improved business conditions at our shops, as well as the large numbers of manufacturing technicians and engineers who are expected to retire within the next few years. By a show of hands virtually every PMPA member in the room had open positions that they needed to fill, but could not find suitable candidates with the necessary skills to hire.

PMPA members voiced their frustrations to the Council about the educational system in the United States which emphasizes the value of a four-year college degree rather than focusing on the tremendous job opportunities available in manufacturing. Members also expressed the desire to tap into the pool of veterans who are completing their military service that would have the skills necessary to thrive in a manufacturing environment.

The Administration officials who participated were enthusiastic about working with the association and its members to help address the gaps that currently exist in the educational system and how to overcome those obstacles. During a series of brief presentations from the White House Business Council, PMPA learned about the various resources available to assist companies in addressing their workforce needs, including Federal grants and other related programs.

The meeting then shifted to a focus on tax policy and the impact of the proposed changes to the tax code being proposed by the President. In the President's budget there is a call to lower the tax rate for C-Corps, while eliminating important deductions for bonus depreciation, domestic production tax credit, R & D and LIFO for Sub S-Corps. Members gave real-world examples of what the elimination of these critical deductions would mean to the tax burden for those manufacturers structured as Sub S-Corps. (Eighty percent of all manufacturers in the United States are structured as Sub-S corporations.)

The message sent to the White House Business Council from PMPA was that any meaningful tax reform must either include a much lower tax rate for Sub-S Corps or the continuation of current tax credits which are so important to companies structured as pass through entities.

PMPA and the White House Business Council members agreed to keep the dialogue open on these critical issues to our industry. Important follow-up steps have already been taken with Council Members to address the member concerns that were voiced; the work will continue in the weeks ahead with additional support being provided by PMPA staff and its retained lobbying firm, The Franklin Partnership.

Yesterday following a morning tour of the White House, this team of members met with their representatives on Capitol Hill to carry a similar message on workforce development, tax policy, EPA/OSHA regulations and the overreaching actions of the NLRB. PMPA will continue to educate leaders on Capitol Hill as to the needs of our industry at such a critical time for manufacturing.

We thank those members who were able to participate in this important association event. PMPA will continue its efforts to be the leading voice for small manufacturers in Washington, D.C.