



## Opening Statement of Rep. Virginia Foxx (R-NC), Republican Leader Committee on Education and Labor "Examining the Policies and Priorities of the U.S. Department of Labor" June 14, 2022

(As prepared for delivery)

"This Labor Department is up a creek without a paddle. The Biden administration's policies have created a worker shortage, record-high inflation, an environment of uncertainty for employers, and fewer choices for job seekers. The Department of Labor's (DOL) response to these crises drags our country further from solutions that will help the American people.

One of the biggest problems with this DOL is its obvious union favoritism. In fact, this department has bowed low enough before union bosses to taste dirt. How many times has the Biden administration's DOL kowtowed before union bosses instead of standing up for workers? Let me count the ways:

First, the DOL keeps attacking the nearly 19 million Americans who choose to act as independent contractors. Why? Because it's harder to put independent contractors under the thumb of union bosses or DOL's army of regulators.

The American people are capable of choosing how they want to work without Washington bureaucrats butting in.

Second, the White House Task Force on Worker Organization and Empowerment, vice-chaired by Secretary Walsh, is attempting to bypass Congress to implement PRO Act policies through executive fiat. The so-called Protecting the Right to Organize Act is an attack on workers' rights and privacy, not to mention a massive Washington power grab. By negating right-to-work laws in 27 states, the PRO Act would force more workers to give their paychecks to Big Labor, which spends more on Left-wing special interests than on worker representation.

Third, the DOL proposed an egregious Davis-Bacon regulatory change that uses an outdated prevailing wage definition from decades past to favor union wage rates. This rule change will disadvantage nonunion construction workers bidding for federal contracts and lead to skyrocketing costs of federal construction projects.

On the note of federal contractors—your proposal to rescind the Trump administration's rule protecting religious organizations seeking federal contracts is appalling. Faith-based organizations should be able to

bid for federal contracts without fear of having to compromise their religious identity or mission.

In all these ways, DOL favors unions with proposals and policies that will leave workers with less freedom, less flexibility, and fewer opportunities. By undermining the right of the American people to enter into contracts and to choose when, where, and how to work, the Biden DOL undermines the functioning of a free society and a robust workforce.

And these are just some of the ways the DOL has favored unions above American job creators and workers.

DOL is also actively implementing plans that favor so-called environmental justice over retirees and workers saving for retirement. As inflation is eroding the spending power of retirees' fixed incomes and harming current workers' abilities to save, DOL is proposing to direct retirement plan fiduciaries to consider environmental and social factors when selecting and monitoring investments. This focus on left-wing social policy hinders retirement plan fiduciaries from maximizing the financial return on workers' and retirees' investments.

Mr. Secretary, you said in your statement that you are proud of what your department has accomplished this year. I notice you didn't mention the illegal COVID-19 vaccine-and-testing emergency temporary standard OSHA issued, the mandate that would have cost many hard-working Americans their jobs and would have worsened the worker shortage. Are you proud of this tyrannical mandate? Since you have requested a budgetary increase of nearly 50 percent to OSHA's office in charge of devising and writing regulations, it seems that you are proud of its work. How out of touch!

I'd also like to know if you are proud of OSHA's predatory actions against job creators? OSHA continuously chooses to punish job creators rather than empower them to comply with federal guidance. And we know that this trend will continue as your budget requests an 18 percent increase for enforcement measures and a mere 1 percent increase for a program assisting small businesses in complying with OSHA regulations.

Further, DOL has proposed a rule to end flexibility for Employment Service staffing models funded through the Wagner-Peyser Act. This will have serious consequences for numerous states that use private sector employees, local public sector merit staff, or other staffing models to administer services for job seekers and employers, such as job placement and recruitment. This rule will only do harm, increasing costs at a time of already record-high inflation and removing a crucial tool states use to hire staff who deliver these critical services to job seekers.

Lastly, the skills gap is fueling the current worker shortage, but instead of making the workforce system more responsive to employer needs, the Biden administration has doubled down on burdensome registered apprenticeships while shuttering the Industry-Recognized Apprenticeship Program. This is not something to be proud of.

With this kind of record, I am astonished that you have the gall to come here and ask Congress to increase your budget. Mr. Secretary, we are not that dense. We know that you would use a \$1.6 billion

budgetary increase to write more onerous regulations, to grow DOL's full-time staff by nearly 10 percent, and to enhance DOL's capacity to litigate against employers. We will not endorse more of the same policies that have been failing our country.

We have already seen that your policies will not work. They will not create more jobs. They will not fill the skills gap. They will not help our economy recover. And they will not bring inflation down.

Republicans, on the other hand, have an agenda that will foster a strong economy, remove unnecessary regulations, give Americans the chance to upskill, and empower businesses to create more jobs."

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