

Testimony of
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Hearing on the
“Keeping Families Together: The President’s Executive Action on Immigration
and the Need to Pass Comprehensive Reform”

Before the
Senate Judiciary Committee
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Chairwoman Hirono, Ranking Member Grassley and members of the committee.

Thank you for the opportunity to testify before the Senate Judiciary Committee.

My name is Liz Shuler and I am the Secretary-Treasurer of the AFL-CIO, a federation of 56 unions that represents 12.5 million working men and women across the country. We strive to ensure that every person who works in this country receives decent pay, good benefits, safe working conditions, and fair treatment on the job.

Our unions have seen first-hand how our broken immigration system permits unscrupulous employers to drive down wages, undercut employers that play by the rules, and chip away at gains made at the bargaining table. Although this fix is limited and temporary, the AFL-CIO supports the President's decision to provide deferred action and work authorization to an estimated 5 million people. His executive actions will keep families together and allow millions of people to live and work without fear.

We have been calling on the administration to take action on immigration for more than a year and a half because we know that the status quo is an invitation for employer manipulation and abuse for which our entire workforce pays the price. While falling short of the scope of relief we had recommended, we believe that the President's announcement is an important step toward rational and humane enforcement of our immigration laws. We see no reason for the executive action to create a barrier to legislative reform. Rather, these measures clarify priorities for the use of limited administrative resources and mitigate the harm done while we wait for legislative action.

I want to state clearly for the record that the deferred action President Obama announced on November 20th is not amnesty or a path to permanence, let alone citizenship. His announcement simply allows parents and immigrant youth who have been in the country for 5 years to come forward and apply for temporary relief from deportation and work authorization.

It is important to understand that an estimated 8 million of the 11 million undocumented immigrants in the U.S. are currently working. Allowing five percent of our national workforce to struggle to support their families without full rights and protections is wrong, and it creates a dangerous environment where wage theft, sexual harassment, and death and injury on the job are all too common. When we turn a blind-eye to exploitation, ALL working families pay the price.

The President's executive action will help ALL working families.

The AFL-CIO sees the fight for immigration reform as part of our larger struggle to ensure that all work has dignity, and that hard work leads to opportunities for better and more secure lives for our members, their families and their communities. The Administration is operating within its authority to advance the moral and economic interests of our country. This announcement will increase tax revenues, which will boost the economy, and reduce exploitation, which will help to improve wages and conditions for all working people in our country.

The best way I know to demonstrate the economic benefits of the announcement is to illustrate what currently happens all too often in workplaces around the country. The sad reality is that unethical employers understand that immigrants without legal protections can't complain about working conditions. And when employers can hire undocumented workers with a wink and a nod and then fire them when they seek to organize a union or complain about unpaid wages or unsafe working conditions, it is not just undocumented workers that suffer, but their U.S. citizen coworkers as well.

Just imagine that in our country today there is a meatpacking worker who is reluctant to complain about consumer safety concerns in a plant, a hotel worker who suffers through an injury an injury on the job rather than risk seeking worker's compensation, and a construction worker still trying to muster the courage to report to authorities that his paycheck doesn't include the overtime he worked that week.

The cumulative effect of these abuses has significant implications for our economy. Let's take the example of wage theft. The National Employment Law Project (NELP) estimates that 68% of low wage workers, many of them undocumented, experience pay violations. And we're not talking small violations -- they accumulate annually to a loss of 15% of their income.¹ That means employers steal \$2600 per year from workers who only earn about \$17000 a year.²

This gross exploitation certainly doesn't work for workers – but it also doesn't work for the economy as a whole. NELP estimates wage theft steals \$56.4 million per week from workers' pockets in New York City, Chicago and Los Angeles alone.³ Workers need status to fight back against injustice on this scale, and we will all benefit when they finally have it.

How much will we all benefit? Experts estimate that this expansion of work authorization will increase payroll tax revenues by \$3 billion in the first year and by \$22.6 billion over 5 years.⁴ According to President's Council on Economic Advisers (CEA), executive action will also boost economic input by 0.4 to 0.9 percent over ten years, which would increase GDP by \$90-\$210 billion in 2024.⁵

And the spillover effect of reduced wage theft will benefit everyone. CEA estimates the President's announcement will increase annual wages for U.S. born workers by 0.3 percent or roughly \$170 by 2024.⁶

The AFL-CIO supports the idea of keeping working families together. The individuals who will benefit from the President's announcement are mothers and fathers of U.S. citizens and

¹ Kern, Jen. Testimony before DC Workers Rights Board Hearing. National Employment Law Project (Feb. 18, 2010).

² *Id.*

³ Bernhardt, Annette et.al. *Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities*. New York: Center for Urban Economic Development at UIC, National Employment Law Project and UCLA Institute for Research on Labor and Employment (2009).

⁴ Oakford, Patrick and Phillip E. Wolgin. *The Economic and Fiscal Benefits of Deferred Action*. Center for American Progress (Nov. 21, 2014).

⁵ Council on Economic Advisors. *The Economic Effects of Administrative Action on Immigration*. White House (Nov. 2014).

⁶ *Id.*

lawful permanent residents and children who were brought to the U.S. at a young age. They are longstanding members of our communities and our unions, and -- like all workers in this country -- they deserve the opportunity to work without being exploited.

The labor movement continues to support comprehensive immigration reform

While we support the President's executive action, we continue to urge Congress to pass comprehensive, common sense immigration reform. In 2009, we worked with former Secretary of Labor Ray Marshall and a broad coalition of faith-based and immigrants' rights groups to create a framework that embodies our unified belief that immigration reform must prioritize workers' rights and ensure all workers -- immigrant and native-born -- have full access to labor, health and safety protections.

Our framework is based on five fundamental and interconnected principles:

- An independent commission to assess and manage future flows of new workers into our country based on actual labor market needs;
- A secure and effective worker authorization mechanism for employers;
- Rational operational control of the border;
- Improvement, not expansion, of temporary worker programs; and
- A broad and inclusive pathway to citizenship.

Last year, the AFL-CIO reached a historic agreement with the U.S. Chamber of Commerce to create a smarter and fairer way to bring new workers into our country. The new W visa would avoid the failures of current temporary worker programs by allowing workers increased job portability and the right to self-petition for a path to citizenship. The size of the program would also adjust according to labor market needs as determined by an independent team of experts.

The AFL-CIO continues to oppose the expansion of existing temporary worker programs, which suppress wages and conditions by creating a captive workforce without full rights and protections. We must also express concern with work programs disguised as educational programs, like the J-1 work study and Optional Practical Training, which disregard labor standards and lack basic wage protections. Guest worker programs must not be used as a way for employers to bypass or replace U.S. workers with vulnerable temporary workers. We will actively engage in the rulemaking process to ensure that new workers will be hired based on real labor market need and afforded full rights and protections.

Conclusion

In conclusion, I urge the committee to allow the administration's deferred action programs to move forward and enable millions of our community members to live and work without fear. For our part, the AFL-CIO will open our union halls across the country and organize events to help eligible workers apply for these programs, just as we will encourage permanent residents to naturalize and become empowered citizens. And, recognizing that millions of workers will still not be eligible for relief, we will continue to stand with all workers, regardless of status, to ensure that their voices are heard and their rights are protected.

Looking forward, I urge the Committee to focus on passing legislation that promotes shared prosperity and respects the hardships and contributions of both the people living here and the people moving here. To do so, our policies must unite communities, keep families together and create a roadmap to citizenship for those who aspire to be Americans.

The bipartisan immigration reform bill passed by this Chamber on June 27, 2013 demonstrated that a comprehensive approach is possible when lawmakers take seriously their obligation to solve problems. While not perfect, the bill pioneered a new model program reimagining how immigrants could join our workforce and contained other important provisions to uplift and protect workers' rights.

The labor movement was proud to play a role in shaping that compromise, which included a set of core worker protections that we believe must be maintained or further strengthened in any future immigration reform policies we adopt as a nation.

We call on you to reject failed models that undermine wages and working conditions and instead enact the type of meaningful immigration reform that will help build a stronger economic future for our nation and support the basic civil and human rights and dignity of all workers.

Thank you again for the opportunity to testify. I look forward to answering any questions.