

Opening Statement

JEC Hearing on “Help Wanted: A Stronger Labor Market for Robust Growth”

Wednesday, October 27 at 3:00pm ET

Throughout the history of this great country, Americans have worked to build businesses, employ workers, and support families. Through work, we have developed new ideas that bettered our own lives and the lives of our neighbors, our communities, and our country.

When work is no longer part of our lives, we lose something fundamental to our ability to contribute and to thrive. Work is more than just a source of income, work connects us with each other and connects us with a purpose greater than ourselves.

But today, work is in crisis in America. Millions of Americans have fallen out of the workforce since the onset of the COVID pandemic, workers are quitting their jobs at unprecedented rates, and labor unions are striking as demand for labor continues to grow.

September’s job report shows the smallest gain in payrolls this year, and nearly five million Americans are still on the sidelines. Across the country, there are more jobs than there are willing workers.

The current employment situation should concern us all. But declines in labor force attachment actually precede the pandemic.

In a new report this week, Joint Economic Committee Republicans evaluate the years-long question of why so many prime-age, able-bodied Americans have fallen out of the workforce. For men, connections to work have been declining for decades and hit a record low last year with the onset of the pandemic recession. For women, connections to work started receding in the last two decades.

Our report finds that government programs and policies are making work less attractive, and that many Americans are voluntarily disconnected from work.

That is a problem for our economy and our social fabric. Fortunately, there is a lot we can do to reconnect people to work. To begin with, we must address existing policy.

Over the past eighteen months, Congress increased safety net benefits and left those new and expanded programs in place for too long. Congress authorized unemployment checks that were sometimes twice as large as Americans' paychecks, and provided rent subsidies, stimulus checks, loan forbearance, new health care coverage, and expanded food stamps. Importantly, most of these benefits did not require recipients to look for work, even after vaccines were widely available to protect

workers and businesses began reopening and hiring workers again.

Current legislative proposals would make many of those anti-work incentives permanent, which is the wrong choice. Instead, Congress urgently needs to implement policies that draw disconnected Americans off the sidelines and into the workforce.

Congress must remove disincentives to work by strengthening work requirements in safety net programs for able-bodied workers. We should also eliminate existing barriers to opportunity, like occupational licensing and labor regulations that prevent many Americans from entering new professions or working flexibly on their own terms.

Finally, the federal vaccine mandate is an obstacle to connecting people to work, and there is no legal or constitutional authority for it. The threatened employer mandate has not even been issued yet, and Utahns tell me that it is already jeopardizing their livelihoods and that unvaccinated workers are preemptively being put on unpaid leave—which leaves them without a source of income yet ineligible for unemployment benefits.

Under the mandate, some Americans would be forced to make a personal health decision against their will or face losing their job. This ultimatum to workers is unacceptable and immoral.

Note that opposing the mandate is not the same as opposing the vaccine, and I do believe that the vaccine helps increase safety and security as we return to our places of work.

But today, we need workers' contributions more than ever, and we cannot pretend to know what is good for every worker or business. We must put trust back in individuals, business owners, and local decision makers. We must stop making policy decisions that discourage a return to work.

Reconnecting Americans to work is one of the most important policy goals of our time. I look forward to today's conversation on this essential topic.

Thank you.