

**Testimony of Terence M. O'Sullivan,
General President,
Laborers' International Union of North America,
Transportation and Infrastructure Committee, U.S. House of Representatives
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Thank you Chairman Oberstar, Ranking Member Mica, and distinguished members of the Committee.

On behalf of the Laborers' International Union of North America and the men and women who dedicate their lives to building America, I want to express our gratitude for the opportunity to be heard here today.

As I speak to you the construction industry is in the midst of the worst, most sustained downturn in 40 years. Unemployment among construction workers has nearly doubled since last year to 9.9 percent, with just shy of 1 million construction workers out of work – the highest level in recent memory.

This industry – a key driver of our economy – is in crisis.

This year our nation has put in place two economic stimulus plans to get the economy moving again. Each of those plans focused on hundreds of billions of dollars as a shot in the arm for consumers or for Wall Street in the hopes of a needed kick-start.

But these efforts were like using a can of Red Bull and a candy bar to fix the problem. They provided no lasting impact, left no sustainable jobs behind and did not provide tangible assets to taxpayers. From the bailout of Wall Street to tax rebate checks, each emphasized consumer spending or credit availability, not stimulus based on a jobs recovery or sparking sustainable economic growth.

Building our economy by building America – the basics we all depend on every day -- offers an historic opportunity to address urgent economic issues, to take care of America for a change and invest in lasting stimulus.

I congratulate this Committee on its continual bipartisan focus on this issue and in particular for moving forward at this point in time.

Mr. Chairman, it's time to put some meat on the bones of economic stimulus by increasing income security, not just credit availability, and leaving behind real, lasting capital assets for our nation and the future generations who will pay for fixing our economy.

More than ever, workers need paychecks, not stimulus checks.

Just this year, nearly half of our 684,000 net job loss has been in the construction industry. In fact, since the beginning of 2007, there are 601,000 fewer construction jobs – jobs that are a powerhouse of our economy, filled by workers whose incomes quickly circulate throughout communities across the country.

In September 2007, the unemployment rate among construction workers was 5.8 percent. In September of this year, it was 9.9 percent. Joblessness among construction workers is now higher than in any other industry sector. This decline in the construction industry -- unless something is done – is forecast to escalate further by another 7 percent, or \$35 billion less construction investment, in 2009.

Construction jobs are too good to keep losing. They provide family-supporting pay averaging more than \$40,000 year, a third more than average earnings. They benefit the working class population among the hardest hit by the current crisis – those struggling with job loss, with foreclosures, with devastated retirement savings and with the very ability to simply make ends meet. They benefit a cross section of America – African-American, Latino, whites, men and women.

And the work these men and women could be doing is critical to our country, making our transportation systems, energy systems and education systems more productive and more competitive in the global economy.

There are numerous build America projects which are ready to go today and can create good jobs right now.

For example, in the public sector alone, we can start tomorrow with a green initiative retrofitting public buildings to increase energy efficiency, providing a shield against future oil costs and supply instabilities – and put 800,000 construction workers back to work, according to testimony from the Political Economy Research Institute just last week before the House Education and Labor Committee.

In states coast-to-coast, ready-to-go transportation projects, ranging from routine maintenance – which left undone threatens safety – to badly needed capacity upgrades which left undone leave America uncompetitive – have been put on hold due to a lack of resources.

Just by way of example, in nearby Virginia where 11,400 construction jobs have disappeared since 2007, we can put thousands of people back to work on crucial projects right now ranging from needed improvements to the Fairfax County and Prince William County Parkways to bringing Metrorail Stations up to par to allow for a critical increase in mass transit capacity.

Building America will build our economy now and for future generations in places such as Michigan, where 24,500 good construction jobs have been lost since 2007 ... in Illinois, where 19,300 construction jobs disappeared ... in Minnesota, where 11,300 construction jobs have been lost...in Oregon, with 10,100 construction jobs lost ...or in Nevada, where 19,700 construction jobs have disappeared.

In fact, there are ready-to-go transportation projects in every state in America, which we estimate based on available data, would support as many as 855,000 jobs within 90 days.

Getting these projects going will do more than address immediate pain. It will help to build America so America works again in every sense of the words.

Today, 26 percent of our nation's bridges are in need of repair or replacement. Roadways in poor condition or over capacity cost the typical motorist \$1,000 a year in wasted gas and contribute in some fashion to a third of traffic fatalities – not to mention our enslavement to foreign oil.

And across America, our children are crowded into more than 220,000 temporary classrooms while modernization and upgrades of permanent structures could quickly begin, putting men and women back to work in virtually every community.

There are ready-to-go water resources projects under the jurisdiction of the U.S. Army Corps of Engineers – ranging from flood control to water supply projects – which would create an estimated 332,500 jobs, and begin to address the 3,650 dams and levees that, three years after Hurricane Katrina, remain unsafe.

Today the Environmental Protection Agency estimates sewage overflows at 850 billion gallons a year and that blocked or broken pipes result in the release of as much as 10 billion gallons of raw sewage a year. Needed upgrades for public water treatment plants could begin within weeks, creating approximately 300,000 jobs and finally addressing this problem.

America has an urgent need for new energy sources and better use of those we have – yet our deteriorating power grid is costing us \$80 billion a year in blackouts and inefficiencies.

The 10 million American workers who are proud to say they build for living have a self-interest stake in what Congress does in the coming weeks on economic stimulus. But their stake does not end with self-interest. It is what we do – we build, we make things better, we proudly tell our children, “I built that,” leaving behind assets for future generations, real symbols of our nation's greatness just as are the Hoover Dam, the Interstate Highway System, the Blue Ridge Parkway and numerous other accomplishments still in use today.

America's workers want to build America. Mr. Chairman, members of the Committee, now more than ever, we must help them to do it.

Earlier this year LIUNA began a public information effort to help making building America a national priority. Through ads, media outreach and member mobilization, we intend to continue that effort.

I would like the Committee to see and hear part of our message in this effort, called build America, so America works.

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We intend to continue to bring the voices, faces, hopes, and dreams of the people who build America to light.

Members of the Committee, I urge you to listen to people like Mike Agaman, a construction laborer in Reno, Nevada, and a member of LIUNA.

All around him, Mike sees neighbors in crisis, facing foreclosure on their homes and losing their jobs. He sees dreams being destroyed. Mike used to build northern Nevada's water and sewer lines, helping to prevent flooding.

That work dried up. The credit squeeze and downward economic spiral has left him scrounging part-time work week-to-week.

The bailout of Wall Street has not reached Mike or millions like him.

The tax rebate check from earlier this year is long gone.

He has no capital gains. And a tax cut for the rich will do nothing for him.

LIUNA members and millions of working Americans like them are asking: If we can spend trillions to bail out Wall Street and give tax breaks to the wealthy, can we seize this moment, finally tackle these enormous issues and take care of America and its Main Streets for a change?

There is urgent work to be done and Americans urgently need work.

This is about jobs and economic recovery, but it is also an historic opportunity to ensure the quality of daily life, to save lives, to fight for our country and the American Dream.

Emerging nations such as India and China are investing four-times the share of their GDPs as we are in the backbones of their nations. It is no overstatement to say that the greatness of America is being tested here today and in the weeks ahead.

This is a no-brainer. We can help rescue our economy, rescue working America, and leave behind real assets that will benefit our entire nation for years to come.

As a first step, we urge Congress to enact stimulus with significant investment in building America in the area of \$100 billion, or a third of a \$300 billion total effort. It is a first step because the actual needs of the basics of our country, according to the American Society of Civil Engineers, are now 16 times that, or \$1.6 trillion, due to years of misplaced priorities and neglect.

With the leadership this committee is demonstrating, we can turn lemons into lemonade and from this wrenching economic crisis create jobs and a lasting legacy that benefits every American every day.

Mr. Chairman and members of this committee, thank you for the opportunity to offer this testimony. We are eager to continue to work with you in the future to build America, so America works again.

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