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Opening Statement

Rep. Elijah E. Cummings, Ranking Member

Committee on Oversight and Government Reform

Subcommittee on Regulatory Affairs, Stimulus Oversight, and Government Spending

Hearing on "Regulatory Impediments to Job Creation: The Cost of Doing Business in the Construction Industry"

March 16, 2011

Thank you, Chairman Jordan and Ranking Member Kucinich.

At last month's full Committee hearing on the impact of regulations on job creation, and at our hearing last week, I said in my opening remarks that effective regulatory review should include several elements: an examination of the costs and benefits, conclusions based on solid data, and input from a variety of sources.

I support a comprehensive review of the impact of regulations, but I stand firm in my belief that any assessment of cumulative impact must take into account the benefits of those regulations – and not just the costs. I am also mindful that there are costs associated with the lack of regulation as well – the 2008 financial collapse and subsequent loss of 8 million jobs taught us that much.

I have mentioned previously in front of this subcommittee, why I believe health and safety regulations are crucial. OSHA is here with us today. As a teenager, working during the summertime at Bethlehem Steel, I know firsthand what type of effect that environment can have on one's health.

When I worked at Bethlehem Steel, OSHA did not exist, and neither did the protections for workers it now provides. As a result, we were exposed to many of the harmful toxins in the plant. When we wiped our noses, the soot we breathed in would sit heavy in the tissue.

Fortunately, today OSHA regulates hazardous materials in the workplace and requires employers to supply personal protective equipment. I only wish the individuals I worked with back then were afforded these same protections.

Turning to our second topic, Project Labor Agreements (PLAs), I would like to note that the President's February 2009 Executive Order and subsequent regulation on PLAs was a part of a larger effort to increase the size of the middle class. While I would argue that the primary purpose of PLAs, and the reason they are used with frequency both in the public and private sectors is that they are cost-effective and efficient, we should not underestimate that paying workers a livable wage will allow them to provide for their families and contribute to the economy.

I continue to hope that we will conduct a responsible evaluation of regulations, consistent with the President's February 2011 Executive Order. However, any discussion on the cumulative effect on regulation must include the positive impact regulation has on our economy, and the benefits it holds for individuals and business alike.

I thank all of our panelists for being here today, and I look forward to hearing from you on how we can improve regulation to make Americans safer, healthier, and more competitive on the global stage.