

## AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS



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# LEGISLATIVE ALERT

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EXECUTIVE VICE PRESIDENT

September 20, 2013

Dear Representative:

On behalf of the AFL-CIO, I urge you to vote against the latest attempt by the Republican House leadership to hold the U.S. economy hostage—the FY 2014 Continuing Appropriations Resolution (H.J. Res. 59). With this legislation, the Republican leadership is threatening to harm the economy by shutting the government down unless their unacceptable and wildly unrealistic ransom demands—in this case, defunding the Affordable Care Act (ACA)—are met. We urge you to help put an end to this hostage-taking by rejecting this resolution.

H. J. Res. 59 would harm the economy not only by provoking a government shutdown, but also by continuing the job-killing sequestration cuts through December 15th. It would fund the government at the sequestration level of \$986.3 billion, rather than at the Budget Control Act (BCA) capped level of \$1.058 trillion. However, it would cut education and other non-defense discretionary programs far below even current sequestration levels.

We urge Congress to repeal sequestration by funding the government at the BCA cap level of \$1.058 trillion. According to the Congressional Budget Office (CBO), simply repealing sequestration would generate 900,000 jobs by the third quart of next year. With the release of this week's Census numbers, it is no longer possible to bury our heads in the sand and ignore the continuing crisis of joblessness and wage stagnation in America.

To be clear, we are urging Congress to repeal sequestration altogether—not to replace sequestration with other harmful cuts that would hamper economic growth or endanger the essential services working families depend on. Likewise, it goes without saying that we stand firm in our firm and longstanding opposition to any cuts to Medicare, Medicaid, or Social Security benefits, including any shifting of health care costs to individuals.

Sequestration cuts and budget austerity are slowing the economy, keeping unemployment high, and keeping wages low. A recent working paper by the International Monetary Fund (IMF) shows that budget austerity has exacerbated economic inequality by increasing unemployment. Shutting down the government or causing a U.S. government default would cause even greater harm to the economy, with even greater negative impacts on economic growth, employment, and wages.

The very least we can expect from Congress is to stop making our economic problems worse. Congress should stop punishing our economy by insisting on the failed model of budget austerity that raises unemployment and depresses wages, it should repeal sequestration now, and it should stop holding our economy hostage to an unrealistic ideological agenda.

For all the above reasons, we urge you to vote against H.J. Res. 59.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Samuel', written over a light blue horizontal line.

William Samuel, Director  
Government Affairs Department