

Testimony of  
Tracie L. Washington, Esq.  
**The Louisiana Justice Institute**

Hearing Before the  
United States Congress  
House of Representatives  
Committee on Oversight and Government Reform

*Adequacy of Labor Law Enforcement in New Orleans*

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***Adequacy of Labor Law Enforcement in New Orleans***

Thank you for this opportunity to meet with you and discuss the impact of immigrant labor on the ability of African-Americans to participate in the labor market in New Orleans.

My name is Tracie L. Washington. I am a civil rights attorney in New Orleans, Louisiana. I am a New Orleans native, born and raised in the city. After attending college in Northfield, Minnesota, graduate school in Des Moines, Iowa, and law school in Austin, Texas, and then 10 years of law practice in central Texas, I returned home in 1998 to practice principally labor & employment law. In 2005 my private law practice was devastated as many of my clients – individuals and businesses – could not return to the city. But full-time civil rights work called. Until April 2007 I served as the Director of the NAACP Gulf Coast Advocacy Center. Just last month I formed the Louisiana Justice Institute. LJI is Louisiana's only non-profit civil rights organization dedicated to legal advocacy for poor communities and communities of color.<sup>1</sup>

I applaud the local and national nonprofit organizations that immediately recognized the scope of the worker justice issues in New Orleans after the hurricanes. Since returning to New Orleans in December 2005 I have represented and otherwise assisted many African-American workers in resolving wage claims and retaliation issues. LJI's advocacy work extends to all communities of color, and we are proud to work in partnership with the New Orleans Worker Justice Center on immigrant worker issues, including serving as local counsel with Southern Poverty Law Center in the representation of H-2B guestworkers in minimum wage claims against their New Orleans employer.<sup>2</sup>

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<sup>1</sup> Please see attached bio for Tracie L. Washington.

<sup>2</sup> Castellanos-Contreras et al. v. Decatur Hotels LLC et al., Civil Action No. 06-4340, U.S. Dist. Ct., E.D. La.

## I. Two Equally Compelling Stories

I am not here today to tell you my story. Instead, I want to relay to you representative examples of the problems African-Americans face in employment in New Orleans from two perspectives, i.e., the African-American construction employer, and that of a hospitality service worker still displaced and living in Houston, Texas.

First, the employer. Raymond Rock is a master carpenter and New Orleans native. Ray has always had gainful employment in New Orleans in the trade industry, and also as an educator. I spoke with Ray about work post-Katrina. Like many workers in the construction field, Ray returned to New Orleans believing that there would be plentiful work for him. Unfortunately, he could not compete due to the low wages being offered to and accepted by immigrant workers, even for demolition and gutting work. Initially, the money was good, but eventually employers – from the major construction crews to homeowners – refused to pay living wages, and it was impossible to compete and support his family in New Orleans, where the cost of living has skyrocketed. He has partnered with Denise Miller and Miller Construction, LLC doing mostly renovation work in the greater New Orleans area. His business must compete for jobs in a market now that has driven down the money paid to construction companies for renovation work, as many companies simply hire immigrant workers that they exploit on the back end with low wages. Ray and Denise are committed to hiring African-American workers from New Orleans, and not a day goes by that highly skilled workers don't come on site to ask for work. It's a horrible dilemma for them however, because if they hire folks at what should be a living/prevaling wage for skilled plumbers, electricians, etc., they will never turn a profit.

"Shelia Price"<sup>3</sup> has worked in the hospitality industry for over two decades. But Shelia has always been a part of the underpaid service worker corps in New Orleans, struggling to make ends meet, and living in public housing. Post-Katrina with public housing closed, Shelia returned to New Orleans only to find herself shut out of work after just 4 months. She was offered her former hotel job, but her wages did not increase, even though her employer was earning unprecedented profits housing Katrina evacuees. She was not offered housing in the hotel, as were the immigrant workers, and with no public housing open

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<sup>3</sup> Shelia Price is the name I am using for this current client, who has requested that her real name not be disclosed in the public testimony. Unfortunately, Shelia's story is far too typical and really exemplifies how lack of labor law enforcement and other social justice system failures – namely public housing – have converged as barriers to African-American workers returning to New Orleans.

and available, her former position was not an option for her. Shelia worked for several months at a fast-food employer, which offered signing bonus, and increased wage and other benefits immediately after Katrina. Unfortunately, those benefits collapsed within 4 months, her hourly wage fell, and Shelia is now working several part-time jobs and other work simply to survive.

## **II. What's The Problem?**

According to the Pew Center, the vast majority of African Americans believe Latin American immigrants are hard-working (79%) and have strong family values (77%). In New Orleans it is not uncommon to hear African-Americans recount how they or a family member have lost a job, or not gotten a job, because an employer hired an immigrant worker. Post-Katrina, there has been widespread discontent amongst Black service industry workers that immigrant workers have taken away their jobs, especially in the hotel and restaurant industries. For blacks, the growing presence of immigrant workers adds to the formidable obstacles they face in finding a job in New Orleans.

We cannot sugar coat this widespread perception among African Americans that immigrant workers are damaging local job prospects. But is the problem really the influx of immigrant labor? No, it is the disintegration of the Black working class and the professional/managerial class in New Orleans. This crisis began well before there was a significant influx of immigrants, and it is this crisis that has been haunting us. This crisis has been compounded by the assault post-Hurricane Katrina on public sector employment in New Orleans, in the public schools and in city/state government positions, which has had a disproportionate impact on African-American workers in our city.

While competition exists, particularly in very low wage work, the problem does not lie with the immigrants but with the desire on the part of employers to find workers who will accept the lowest possible wages. It has been the greed of employers who are always looking at the bottom line and who seek the cheapest possible workforce. We see this in the construction industry in New Orleans where immigrant workers are increasing dramatically as a significant proportion of the workforce. What is noteworthy is that this is happening largely in the lower-paid, non-union construction workforce. Black workers want construction jobs at home, but they are not looking for low-wage construction work with no benefits. These are the conditions into which Latino immigrant construction workers were placed when many were brought to New Orleans for the reconstruction of the city. Under non-union conditions, they were often housed in a prison-like environment, and frequently cheated out of pay.

But what we must understand is that this is a shared problem for native New Orleans African-American workers and for immigrant workers. How?:

- The nature of employment in the U.S. has changed and is changing. Good blue-collar jobs (with decent pay and benefits) in manufacturing, transportation, etc. are gone or on the decline. High technology, service, professional and managerial jobs are on the rise. Technological and international economic forces have driven these changes. Lowering labor costs, increasing profits and reducing worker power has been the motive.
- This shift has increased the demand for skilled workers and those with at least some college; also increased demand for low-wage workers to service "middle-class" – childcare workers, etc.
- And finally, instead of producing more skilled and educated workers, poor quality schools and immigration have converged with other complicated factors to create an overabundance of low-income, unskilled workers.

### **III. Let's Repair the Breach – Practical Solutions**

"Our new conversation needs a new vocabulary. That vocabulary does not include phrases often used by well-intentioned immigrant rights advocates like "we're a nation of immigrants" or "immigrants work hard and take jobs that native born workers won't do." The former phrase negates the sacrifice and contribution that African Americans (as well as Native Americans) made in building our country. The latter plays into pernicious stereotypes about African Americans (as well as other low-income laborers) as loafers who'd rather get a welfare check than do an honest day's work." Alan Jenkins, Executive Director, Opportunity Agenda.

Bridging the gap between black and Latino workers means providing the necessary skills to end divisive struggles over low-quality jobs. We can no longer have companies with open positions and no training system in place to fulfill their demands.

There are real issues in terms of jobs, but it takes education and conscience building to overcome these animosities. What lessons can we draw from this?

- As long as there is a vulnerable workforce, capitalists will seek them out to utilize against other workers.
- Low-wage workers will not be competitors if they cease being low-wage workers, i.e., if they are unionized and gain power in their workplaces or jobs.

In New Orleans, African-Americans are slowly beginning to understand that our interests and those of immigrants are not at odds. And as advocates and activists for worker rights and economic justice, we must continue to target businesses that exploit and underpay illegal immigrants to the detriment of African American workers. It is on this point that the U.S. Department of Labor has failed miserably. But this damage is not irreparable. We need creativity and resolve from U.S. DOL, coordinating with other federal agencies to solve the employment crisis for African-American workers in New Orleans.

- **Jobs:** We need 'jobs reform' – improving wages, benefits and working conditions in New Orleans. This is an area around which the U.S. DOL and advocacy groups such as the Louisiana Justice Institute can partner to build alliances between "black" and "brown" workers. In particular, U.S. DOL must actively engage advocacy groups in New Orleans to fully examine: a) minimum wage; b) overtime enforcement; c) pay and benefits for full-time and part-time workers and; d) income supplement programs (refundable tax credits, etc.); e) occupational safety and health and; d) unionization or labor-community partnerships.
- **Education and Training:** Over the next few years, we will see an increase in job opportunities in New Orleans as infrastructure construction takes off. Many of these jobs will require a college education. Many WILL NOT, including those that pay a good salary, particularly in the construction field and in jobs such as medical and dental assistants, physical therapy aides, licensed practical nurses, etc. Instead of competing for low-paying jobs in the secondary sector, African Americans and immigrant groups need the coordinated assistance from U.S. DOL and the U.S. Department of Education for training and education programs that give both groups the skills needed to climb the ladder into higher paying jobs in the primary sector. Ultimately, it is the U.S. DOL that must hold employers accountable for job training and placement, especially where employers are receiving federal and state incentive grants for just this purpose.
- **African American Worker Centers:** Through worker centers, the immigrant community has built organizing muscle around jobs issues. Worker centers engage in service, organizing and policy work, some focusing on particular job sectors. The worker center model has yet to penetrate the African American community with any real breadth. Ray Rock was adamant in his call to me and to the U.S. DOL for assistance in fully forming and assisting African American groups to build their own centers.