



ENTRY LEVEL WORKERS WILL NOT HELP US WIN THE FUTURE

President Obama's call to "win the future," won't be done with guest worker visas. Despite high unemployment, corporate interests continue to urge the U.S. to increase the number of visas available to highly skilled foreign workers. An increase in the number of visas is not how the U.S. will win the future.

Every year H-1B visas are granted to over 100,000 foreign workers to fill entry level jobs in the U.S. (The H-1B is a non-immigrant visa issued to a temporary foreign worker who will be employed in a specialty occupation or field.) We are not going to "win the future" with entry level foreign workers.

According to a 2011 Government Accountability Office (GAO) report, "*H-1B Visa Program: Reforms are Needed to Minimize the Risks and Costs of Current Program*," there were 241,682 H-1B visas approved between June 1, 2009 and July 30, 2010. Fifty-four percent, 130,528, of those visas went to non-immigrants for "entry level" positions. Entry level positions require a "basic understanding of duties and perform routine tasks requiring limited judgment;" hardly the best and the brightest.

While foreign workers with advanced degrees and the proven experience to create innovative products are important to our future, simply increasing the number of available H-1Bs is not the answer.

Only six percent of the H-1B visa holders in 2009 received compensation in the top pay grade (level IV), a reflection of highly specialized skills. Less than 20 percent of firms sponsor H-1B holders for permanent status, which belies employer claims that H-1B holders are the best and the brightest and critical to the future.

While some companies hire the best and the brightest foreign workers to work on cutting edge technology, there are other employers who exploit the H-1B system, hiring largely entry level workers.

The GAO reported that over a ten-year period, "68 percent of employers were approved for 1 H-1B worker," while less than one percent of employers employed almost 30 percent of the H-1B workers. These are largely staffing companies that hire contract employees to perform work for third parties.

There is no indication that these large staffing firms are hiring the best and the brightest. The evidence shows that they hire non-immigrants who work for lower wages than their U.S. counterparts.

The GAO reported that during an interview with one of these staffing firms, the firm admitted that H-1B workers will work for less money than U.S. workers. Many H-1Bs are clearly used to acquire cheap labor.

According to the GAO, in 2009, the U.S. Department of Labor (Labor) required companies to pay \$11 million “in unpaid wages to 1,202 workers and \$739,929 in civil penalties.” The GAO also reported that Labor officials reported that “H-1B workers are likely to be reluctant to file complaints against employers....”

America is not going to win the future with hundreds of thousands of entry-level H-1B workers who are being paid less than U.S. workers for comparable work. This is clear evidence that our temporary worker visa programs, specifically the H-1B, need to be improved, not expanded.

Another popular misconception is that only 85,000 H-1B visas are issued each year. This is far from reality. According to a Department for Professional Employees, AFL-CIO (DPE) report, “*Gaming the System: Guest Worker Visa Programs and Professional and Technical Workers in the U.S.*,” in fiscal year 2008 there were 276,252 H-1B visas approved. In 2009 that number was 241,282. Exact numbers are not available, but it is estimated that there are between 650,000 and one million H-1B holders working in the U.S.

There is a cap of 65,000 H-1Bs per year. However, there are several exceptions. First, 20,000 additional H-1Bs are available for aliens holding a master’s degree or higher from an American institution of higher learning. Second, nonprofits and institutions of higher education have access to an unlimited number of H-1Bs. Finally, each H-1B is issued for three years and can be renewed for another three years.

To win the future we need to focus on the supply of domestic labor and the needs of the labor market. This is why DPE, the AFL-CIO, and former Secretary of Labor Ray Marshall endorse the creation of an independent commission to assess and manage future labor needs.

A visa system that grants work visas to workers who are truly highly skilled will help to grow the U.S. economy. Along with a strong commitment to domestic education programs, our H-1B system can help create jobs for U.S. workers through entrepreneurship, innovation, and productivity. Arbitrarily increasing the H-1B cap without regard to whether the worker is highly skilled will not win the future.

The Department for Professional Employees, AFL-CIO (DPE) comprises 23 AFL-CIO unions representing over four million people working in professional and technical occupations. DPE-affiliated unions represent: teachers, college professors and school administrators; library workers; nurses, doctors and other health care professionals; engineers, scientists and IT workers; journalists and writers, broadcast technicians and communications specialists; performing and visual artists; professional athletes; professional firefighters; psychologists, social workers and many others. DPE was chartered by the AFL-CIO in 1977 in recognition of the rapidly-growing professional and technical occupations.

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