

March 23, 2011

Dr. Jared Bernstein  
Chief Economist and Economic Policy Adviser  
Office of the Vice President  
The White House  
Washington, DC 20500

Re: H-1B Visa Reform

Dear Dr. Bernstein:

On behalf of the 23 national and international unions in the Department for Professional Employees, AFL-CIO (DPE), I write to ask that the Administration oppose expansion of the H-1B visa. Recent statements by Administration officials prompted me to outline some of the arguments against expansion of the H-1B. The U.S. does not need more H-1B visas; it needs a better H-1B system.

There are several glaring problems with the H-1B visa. First, H-1B visas are issued without having to establish that there is a labor market shortage. The H-1B visa was intended to bring highly skilled foreign workers to the U.S. to fill positions that could not be filled by the domestic workforce. This is not how the program has been used. For example, in the second quarter of 2010, computer scientists, systems analysts, and computer programmers all had unemployment rates of around 6 percent, which is high for these occupations. Yet, in fiscal year 2009, nearly 90,000 H-1B visas were issued to employ foreign workers in computer-related occupations.

Second, the system should be evaluated to examine the number of H-1B visas issued to fill entry-level positions. Last year, over 200,000 H-1B visas were issued (new applications and renewals). Over 100,000 of these H-1B visas went to fill entry-level positions, with wages starting at \$10 per hour. There is no evidence that these workers were among the best and the brightest or that there were an insufficient number of U.S. workers to fill the positions. Simply increasing the number of available H-1Bs does not ensure that we are recruiting and retaining the workers who will grow our economy.

Third, the H-1B system dissuades employers from investing in domestic education and training programs. Current visa programs grant employers significant access to foreign workers. This creates a disincentive to invest in domestic education programs and leads to fewer U.S. students pursuing degrees in science, technology, engineering, and math (STEM). Last year, 690,000 foreign students came to study in U.S. universities. Foreign students now earn more than half of all PhDs in math, computer science, and engineering. Fewer of these students say they

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From Paul E. Almeida, President, DPE

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want to stay in the U.S. after graduation. They are more likely to leave the U.S. because the economies are improving in their home countries, namely China and India. We have created a system that makes us dependent on foreign students and discourages U.S. students from entering STEM fields. This is not sound education or economic policy.

Expansion of the H-1B program also provides no incentive for employers to invest in domestic training programs. Investment in domestic training is likely to decrease if companies have greater access to foreign labor. Despite the popular industry argument, there is little reason to believe that restrictions to the H-1B program will lead to outsourcing. In recent interviews with the Government Accountability Office, few H-1B employers indicated they would relocate work overseas if they could not get more H-1B visas.<sup>1</sup> Multinational firms even reported that they are able to navigate the immigration system to get work visas for workers denied an H-1B visa due to the cap. There is no compelling reason to give in to industry demands to increase the number of H-1B visas.

For more information about these issues, see the Department for Professional Employees, AFL-CIO website, [www.dpeaflcio.org](http://www.dpeaflcio.org).

Enclosed are a DPE Fact Sheet, *Guest Worker Visas: The H-1B and L-1*, and a DPE Special Report, *Gaming the System: Guest Worker Visa Programs and Professional and Technical Workers in the U.S.*

I would welcome an opportunity to meet with you to discuss this letter or the enclosed materials. My telephone number is 202-638-0320; my email, [palmeida@aflcio.org](mailto:palmeida@aflcio.org).

With thanks for your time and consideration –

Sincerely,

Paul E. Almeida  
President

Enclosures

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<sup>1</sup> *H-1B Program: Reforms Needed to Minimize the Risks and Costs of Current Program*, Government Accountability Office, GAO 11-26, January 2011. Pg. 20