Worker visas in heavy demand; Skilled labor: Applications by U.S. businesses for foreign help far exceed government limits.

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Body

Washington --- <u>Businesses</u> across the <u>United States</u> can expect some unwanted mail in the coming weeks --- thousands of rejected <u>visa applications</u> for high-tech <u>foreign</u> <u>workers</u>.

The <u>U.S.</u> Bureau of Citizenship and Immigration Services is planning to return thousands of petitions after receiving more than 133,000 <u>applications</u> in two days. That <u>far exceeds</u> the 65,000 yearly cap for the H-1B <u>visas</u>, which allow highly <u>skilled</u> foreigners to work in the <u>United States</u> for several years. An earlier estimate of 150,000 was revised Thursday.

High-tech companies say that the lack of <u>visas</u> will leave them without needed <u>workers</u> and hurt their ability to compete globally.

"Because of arbitrary <u>visa</u> caps, we are now in the position of graduating thousands of the world'<u>s</u> top innovators, engineers and scientists and telling them they cannot work in the <u>United States</u>," said Robert Hoffman, vice president for <u>government</u> and public affairs at Oracle and co-chairman of Compete America, a coalition of high-tech companies that includes Microsoft Corp.

Chris Rhatigan, a spokeswoman for USCIS, said that the agency hired extra staff to sort through the record 133,000 pieces of mail. She said it would take several weeks to figure out exactly how many <u>applications</u> have been received, because each mail piece may have several petitions.

All the <u>applications</u> received Monday and Tuesday will be entered into a database, and 65,000 will be randomly selected for approval. In addition, 20,000 additional <u>visas</u> will be allotted for foreigners with advanced degrees from American universities to stay and work in the <u>United States</u>.

"We have to be fair to everybody, and this is the best way to be fair," Rhatigan said.

<u>Applications</u> not selected will be returned to the sponsoring companies, along with the <u>application</u> fee, and will be "considered rejected," she added. Since the agency is required to accept <u>applications</u> for only two days, those received after Tuesday will also be returned to the petitioning <u>businesses</u>.

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The next opportunity to file will be April 1, 2008.

Ted Ruthizer, chairman of the <u>Business</u> Immigration Group at Kramer Levin Naftalis & Frankel, a law firm in New York, said that the record-breaking number of <u>applications</u> surprised industry experts and proved there is a "huge <u>demand</u> for <u>foreign</u> national professionals in a whole variety of fields."

"Everyone knew that there was going to be a crush of filings ... [but] nobody expected this," he said.

Ruthizer said that the impact of the <u>visa</u> cap on <u>U.S.</u> companies is going to be "worse than what most people think," and that the outcry will create significant pressure on Congress to increase the number of <u>visas</u>.

High-tech companies are already lobbying aggressively for a higher H-1B cap, or even an unlimited number that fluctuates with market needs.

A broad immigration bill introduced last month by Reps. Luis Gutierrez (D-III.) and Jeff Flake (R-Ariz.) would increase the cap on H-1B <u>visas</u> to 115,000 a year and add more exemptions to push the <u>limit</u> even higher. But the bill faces many hurdles because it includes controversial provisions to create a large guest <u>worker</u> program and allow a path to citizenship for illegal immigrants.

In addition, Sens. Richard Durbin (D-III.), and Charles Grassley (R-lowa) have introduced legislation aimed at protecting American <u>workers</u> from being displaced by H-1B employees. It would bar <u>businesses</u> from hiring H-1B <u>workers</u> outsourced from other companies and would give the <u>Labor</u> Department more authority to conduct employer investigations.

The Senate bill reflects criticism that the H-1B program depresses wages for American <u>workers</u> and has many flaws, including <u>limited</u> enforcement mechanisms.

Ron Hira, a professor of public policy at the Rochester Institute of Technology, said the program lets companies displace American *workers* and pay below-market wages.

The hunger of <u>U.S.</u> companies for cheaper <u>labor</u>, Hira said, is one reason that the flood of H-1B <u>applications</u> is not surprising.

Microsoft Chairman Bill Gates told Congress last month that the <u>U. S.</u> should welcome an "infinite" number of highskilled foreign workers to fill engineering, computer programming and other jobs that otherwise would be vacant.

The Software and Information Industry Association called on Congress this week to increase the cap on H-1Bs.

"The continued leadership of the <u>U.S.</u> technology industry is dependent on the ability of American companies to hire highly educated, highly **skilled workers**," said Ken Wach, the group's president.

"If Congress does not take action to reform the system, the global competitiveness of many American companies will be threatened."

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