

Hiring More Foreign Workers Gets a Push; Technology Firms Cite Labor Shortage, Want Ceiling of 65,000 Raised

The Washington Post

February 26, 1998, Thursday, Final Edition

Copyright 1998 The Washington Post

Section: A SECTION; Pg. A08

Length: 709 words

Byline: William Branigin, Washington Post Staff Writer

Body

The U.S. high-tech industry and congressional backers opened a campaign yesterday to increase admissions of foreign workers under a controversial visa program to help fill what they said is an acute labor shortage in computer-related occupations.

At a hearing of the Senate Judiciary Committee, Sen. Spencer Abraham (R-Mich.) said he plans to propose legislation to raise the annual cap, currently set at 65,000, on admissions of skilled workers under the H-1B visa program. The program, which allows employment in the United States for up to six years, has been used to hire foreigners ranging from computer programmers and university researchers to physical therapists and fashion models.

"Companies across America are faced with severe high-skill labor shortages that threaten their competitiveness in this new Information Age economy," Abraham said. He said employers reached the 65,000 cap last year for the first time since the category was created in 1990 and are expected to bump up against it again by May if it is not raised.

Abraham indicated he did not have a specific figure in mind for a higher cap, but the White House reportedly is considering an increase of 50 percent or more. Representatives of high-tech companies, including Microsoft and Texas Instruments, said they favored eliminating the cap, allowing them to hire unlimited numbers of skilled foreign workers.

Sen. Dianne Feinstein (D-Calif.) said she would "support an increase in the cap" but wants it tied to commitments from industry to help improve public education in the United States "so that one day, these companies won't have to rely on foreign nationals."

The issue has provoked intense debate within the administration, Congress, the academic community and the high-tech sector itself. Critics of the H-1B program, including the Labor Department, say it often has been abused by employers who use foreign workers to help hold down wages.

Although high-tech firms insist that the program is vital to bring in the world's "best and brightest" and keep U.S. industry competitive in a global economy, the critics charge that H-1B visas are used mostly to employ the "quickest and cheapest." The program, they say, allows employers to hire foreign graduates of U.S. universities on a "probationary" basis and dangle the prospect of sponsoring them for permanent immigrant status as part of their compensation.

Harris N. Miller, president of the Information Technology Association of America, which lobbies on behalf of high-tech employers, said the cap "should be eliminated or increased substantially." He cited a study issued by the

Hiring More Foreign Workers Gets a Push; Technology Firms Cite Labor Shortage, Want Ceiling of 65,000 Raised

association last month that shows 346,000 unfilled information-**technology** jobs nationwide, amounting to about 10 percent of total jobs in the industry. "Unfilled openings become a major constraint on a company's growth," he said.

On the other hand, Raymond Uhalde, an acting assistant secretary of **labor**, said bringing in **foreign** temporary **workers** could prove counterproductive in the long run by discouraging U.S. **workers** from acquiring needed new skills. "Increased immigration should be the last -- not the first -- public policy response to skills **shortages**," he said.

Uhalde said the H-1B program "is broken in several respects" because it does not require employers to test for the availability of qualified American **workers** before **hiring** foreigners and even allows employers to lay off Americans in order to replace them with H-1B **workers**. He said the administration has proposed addressing these issues and limiting the period of stay to three years.

Robert Lerman of the Urban Institute disputed the industry's claims on job vacancies, adding that such openings in any case do not necessarily mean a **shortage** of **workers**. He said there is no evidence of sharp rises in wages in the industry as a whole, which could be expected if there were a real **shortage**.

Increasing admissions of H-1B **workers** could actually create "an oversupply of information **technology** **workers**," said Rep. Ron Klink (D-Pa.), a member of the Commerce Committee. "This may be good for employers looking for cheap **workers**, but it will be disastrous for young people looking forward with anticipation to good jobs and wages."

Classification

Language: ENGLISH

Subject: **FOREIGN LABOR** (91%); PASSPORTS & VISAS (89%); TECHNICIANS & TECHNOLOGICAL **WORKERS** (89%); **LABOR SHORTAGES** (89%); EMPLOYMENT VISAS (89%); ASSOCIATIONS & ORGANIZATIONS (89%); US REPUBLICAN PARTY (78%); LOBBYING (78%); IMMIGRATION (78%); **FOREIGN** STUDENTS (78%); WAGES & SALARIES (78%); NEW ECONOMY (78%); LEGISLATIVE BODIES (78%); FACTORY **WORKERS** (78%); US DEMOCRATIC PARTY (78%); RECRUITMENT & **HIRING** (78%); EDUCATION SYSTEMS & INSTITUTIONS (75%); ECONOMIC CONDITIONS (75%); COLLEGES & UNIVERSITIES (74%); **LABOR** DEPARTMENTS (73%); GLOBALIZATION (73%); RESEARCH REPORTS (70%); PUBLIC SCHOOLS (69%); PHYSICAL THERAPY (54%)

Company: TEXAS INSTRUMENTS INC (55%); MICROSOFT CORP (55%); TEXAS INSTRUMENTS INC (55%); MICROSOFT CORP (55%)

Ticker: TXN (NASDAQ) (55%); MSFT (NASDAQ) (55%)

Industry: COMPUTING & INFORMATION **TECHNOLOGY** (89%); FACTORY **WORKERS** (78%); EDUCATION SYSTEMS & INSTITUTIONS (75%); COLLEGES & UNIVERSITIES (74%); PUBLIC SCHOOLS (69%)

Person: DIANNE FEINSTEIN (58%)

Geographic: UNITED STATES (94%)

Hiring More Foreign Workers Gets a Push; Technology Firms Cite Labor Shortage, Want Ceiling of 65,000
Raised

Load-Date: February 26, 1998

End of Document