

Corporations Pushing For Job-Creation Tax Breaks Shield U.S.-vs.-Abroad Hiring Data

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Some of the country's best-known multinational corporations closely guard a number they don't want anyone to know: the breakdown between their jobs here and abroad.

So secretive are these companies that they hand the figure over to government statisticians on the condition that officials will release only an aggregate number. The latest data show that multinationals cut 2.9 million jobs in the United States and added 2.4 million overseas between 2000 and 2009.

Some of the same companies that do not report their jobs breakdown, including [Apple](#) and [Pfizer](#), are pushing lawmakers to cut their tax bills in the name of job creation in the United States.

But experts say that without details on which companies are contributing to job growth and which are not, policymakers risk flying blind as they try to jump-start the hiring of American workers.

"It's an important piece of information that the American people should have," said Ron Hira, an associate professor of public policy at the Rochester Institute of Technology. "Should you listen to the kind of advice these companies have about how to grow the economy when their record and their model indicates they've cut jobs? . . . Or should we talk to people who actually do create jobs in the United States?"

As the country faces an unemployment crisis, President Obama, lawmakers and business lobbyists have all touted the country's biggest companies as critical to [creating jobs](#).

The head of [Obama's jobs council](#), [General Electric](#) chief executive Jeff Immelt, said during a tour of a company plant in Greensboro, S.C., that firms should be ready to answer questions from the public.

"If you want to be an admired company, you better know, you better have accountability, and you better think through where the jobs are," he said.

GE breaks out its employment numbers in company filings to the Securities and Exchange Commission. In 2010, about 46 percent of GE's 287,000 employees worked in the United States, compared with 54 percent in 2000.

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But many firms, including some whose executives have counseled Obama on the economy, do not put their number of U.S. workers in their annual reports.

[IBM](#) chief executive Sam Palmisano [has met a number of times with the president](#), most recently in July at a lunch with other executives to talk about jobs and the economy. IBM stopped giving its U.S. head count in 2009.

"We just made a policy that we would only break out global head count," said company spokesman Doug Shelton.

Data from before 2009 showed IBM rapidly shifting workers to [India](#). Dave Finegold, dean of the Rutgers School of Management and Labor Relations, estimates that 2009, when the company stopped sharing its U.S. employment figure, also marked the first time the company had more employees in India than the United States. Finegold based his number on reports from the media, third-party groups and former employees who have tried to track the number.

"IBM can do as it wishes, and the rest of us have to guess," said Lee Conrad, national coordinator for Alliance@IBM, a group trying to unionize IBM workers.

You won't find [Procter & Gamble's](#) U.S. head count in its filings, either. When initially asked for the number, company spokesman Paul Fox wrote in an e-mail: "We do not track nor report U.S.-specific jobs numbers vs. jobs overseas." After it was pointed out that P&G's chief executive, Bob McDonald, had cited such figures in a Cincinnati Enquirer op-ed piece, Fox acknowledged the company did track that data. The number of U.S. employees is 35,000 out of 127,000 total, or 28 percent.

Other companies that do not reveal their job breakdowns include [Hewlett-Packard](#), [AT&T](#), Apple and Pfizer, which stopped reporting the number in its SEC filings in 2000.

The latter two are part of a coalition of companies pushing for Congress to give them a tax break on money they have parked overseas, saying that any money brought back to this country would spur hiring.

There is no law requiring companies to reveal publicly where their employees are based. Companies can choose to include the breakdown of jobs here and abroad in their SEC filings for the benefit of shareholders. But they are required by law to report the numbers to the [Commerce Department](#), which compiles a yearly report on total employment by U.S. multinationals.

Ray Mataloni, a staff researcher at the [U.S. Bureau of Economic Analysis](#), said the government gets the numbers only with the agreement that it will not disclose firm-level data. "I don't think it's a question of companies feeling like they're hiding dirty laundry by not giving this information out," Mataloni said. "I don't think they really have anything to hide, but I don't really know the logic of why that's something they don't just put in their annual report."

A few companies expressed worry about their competitors knowing too much about their operations.

Scott N. Paul, executive director of the Alliance for American Manufacturing, said it's because of the politics. "Outsourcing has become a lightning rod, and the media coverage they're likely to get is unfavorable," Paul said.

For chief executives of multinational companies who are used to answering only to their shareholders, the country's jobs crisis has uncomfortably switched the political spotlight onto their decisions about who they employ and where. It has also thrown into relief the fact that when U.S. multinationals chase profits and hire workers anywhere in the world, they become less tied to any one country, including this one.

Immelt acknowledged last month that the health of a company such as GE is now less connected to the U.S. economy, but he added that companies including GE "got carried away" with outsourcing. "I'm a GE leader first and foremost," he said. "At the same time . . . I work for an American company."