

Unions Welcome Release of GAO Study into Offshore Outsourcing Trend

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SEATTLE--(BUSINESS WIRE)--Sept. 22, 2004--Offshore outsourcing of U.S. jobs is a growing trend that cannot be ignored, according to a final report released today by the General Accounting Office (GAO). The GAO plans at least four additional studies in the coming months to further investigate this issue.

The GAO got involved after two Seattle-based labor unions, SPEEA-IFPTE and WashTech/CWA requested congressional action and research into the explosive new trend of high-end manufacturing and service job moving overseas.

"This study is a good first step," said Charles Bofferding, executive director of SPEEA. "It recognizes that outsourcing is growing and a troubling trend for our workers and our country."

"The GAO has clearly stated in this report that outsourcing of U.S. jobs abroad can not be ignored, and the government needs to act in order to address the issue in terms of data collection and policy solutions," said Marcus Courtney, WashTech president.

Released in Washington, D.C., the study was made at the request of Washington state Reps. Adam Smith (D-9th District) and Jay Inslee (D-1st District). The congressmen were prompted to make the request by the Society of Professional Engineering Employees in Aerospace (SPEEA), IFPTE Local 2001 and the Washington Alliance of Technical Workers (WashTech), CWA Local 37083.

SPEEA represents technical workers and engineers primarily at The Boeing Company. WashTech represents high-tech workers in the software industry. Both unions have experienced union members losing jobs as companies send more work to lower cost workers overseas.

The study does not make recommendations regarding the outsourcing trend. Union officials said they will continue to work with lawmakers to find solutions that encourage corporations to keep jobs in the U.S.

"We thank our congressional leaders for pushing for this study and welcome their help as the study continues," said Bofferding.

The actual scope of the study was reduced by the GAO to look primarily at service jobs. The GAO plans four additional studies to examine corporate offshore outsourcing's effect on federal procurement, trade and international affairs, critical capital/infrastructure and income security for workers. No release dates have been set for the additional reports.

In addition to job loss, the unions are concerned about the transfer of technology that occurs when corporations send high-level work overseas.

"Not only is Boeing creating jobs overseas, we are teaching them how to make airplanes," said Dave Landress, a member of SPEEA's Executive Board. "We're creating another competitor for our own products."

SPEEA, IFPTE Local 2001, AFL-CIO, represents 20,000 technical and professional workers at Boeing in seven states.

WashTech is a local of the Communications Workers of America and is actively organizing high-tech workers in the U.S.

The GAO report, entitled: International Trade: Current Government Data Provide Limited Insight into Outsourcing of Services was scheduled for posting at: www.gao.gov.

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