

Looking For Jobs In All The Wrong Places

Dan Rather: Posted: 06/17/11 04:58 PM ET

Here's one for the White House suggestion box: President Obama -- Be careful about where you seek job creation advice.

This week marked the second meeting of the President's Council on Jobs and Competitiveness, a 26-person panel of business and labor leaders appointed by President Obama to generate a national strategy for job creation.

Whether or not the Jobs Council can truly help fix America's job crisis, it's too soon to know, but there's ample reason to be skeptical.

"[Good for Obama's jobs council, good for America?](#)" was the question posed by *The Washington Post*, which went on to note that five of the companies with executives on the Council -- General Electric, Citigroup, Intel, Procter & Gamble and DuPont -- generate the bulk of their revenues overseas.

And the GOP [blasted](#) the President for his choice of venue -- a manufacturer of energy-efficient lighting in Durham, NC, called Cree, Inc. President Obama praised Cree for "putting people back to work in a field that has the potential to create an untold number of new jobs and new businesses right here in America."

But the Republican National Committee issued a release saying that Cree -- which received a \$39 million tax credit in stimulus funds -- has more than half of its 5,000-person workforce in China. The GOP also points to [industry press reports](#) that during the grand opening celebration of the company's first Chinese plant in December, the CEO promised more expansion in China and said, "Cree management never runs this company as a U.S. company."

These are not the only signs that the interests of the President's Council are not necessarily shared by America's workforce. Consider, for instance, the high-tech job training plan [announced](#) by President Obama with great fanfare on Monday. "Today, with the leadership of the Jobs Council, we're announcing an all-hands-on-deck strategy to train 10,000 new American engineers every year." The reason, he explained:

Right now, there are more than four job-seekers for every job opening in America. But when it comes to science and high-tech fields, the opposite is true. The businesses represented here tell me they're having a hard time finding high-skilled workers to fill their job openings. And that's because today only 14 percent of all undergraduate students enroll in what we call the STEM subjects -- science, technology, engineering, and math.

That may be true, but recent research shows the number of STEM students graduating each year from U.S. universities far exceeds the number of new jobs.

And while U.S. corporations decry the shortage of tech talent -- industry data indicates there are upwards of 200,000 tech workers unemployed across the country today. Even with this glut of job-seekers, companies say the talent shortage is SO acute that they are forced to import foreign labor from overseas.

Over the past year, *Dan Rather Reports* has done a series of programs about the foreign labor force brought here by a vast array of U.S companies ostensibly to do jobs they can't find Americans to fill. Using an alphabet soup of special temporary work visas, employers have imported millions of foreign workers -- from hotel housekeepers to farm laborers to software engineers. It's part of the federal guest worker system and it's perfectly legal.

Most people --- including guest workers -- might assume that if a U.S. company decides to sponsor a person to come here on work visa, they must have tried to hire an American first. But that's not the necessarily the case. According to U.S. Department of Labor, a guest worker visa known as H-1B for "specialty occupations" especially tech workers -- may be issued "even when a qualified U.S. worker wants the job." In fact, the bulletin notes, "A U.S. worker can be displaced from the job in favor of the foreign worker."

Guest workers have little leverage to complain about wages or working conditions because unlike citizens or legal permanent residents, they are dependent on their employers not just for their paycheck, but also for their immigration status. If they lose their job, they may lose their right to be in the country. Despite laws requiring H-1B employers to pay guest workers what's known as a "prevailing wage," the cost savings offered by visa-holders are an open secret in the tech world. (See, for example, this [report](#) in last week's *Washington Post*.)

The federal government doesn't have any official counts of the guest worker population. Estimates put the current number of H-1B visa holders alone somewhere between 600,000 and 1,000,000. In recent years, U.S. corporations have been using an ever-proliferating array of temporary visas to import foreign labor --including visitor visas, which as we reported in a recent *Dan Rather Reports*, are not supposed to be used for any purpose involving gainful employment.

In Washington, business leaders and lawmakers have been pushing to ease visa rules and caps. And across the country, high-tech workers -- both foreign and domestic -- are seeing the notion of job security give way to a brutal contest of survival. Getting displaced, undercut and swapped out by fresher, better, cheaper talent has simply become the reality of today's job market.

***Dan Rather Reports* took a close look at the trickle-down effects in this week's program, "No Thanks for Everything." It was four personal stories from four tech workers, in their own words. (click [here](#) for more from the show). Even after years watching U.S. companies moving more and more "jobs of the future" overseas, these workers never imagined that they might be displaced by foreign workers in their own hometowns.**

Now in the name of American competitiveness, the President's Jobs Council is not only calling for high-tech job training, but also for [visa reforms](#) -- reforms that would not close loophole or staunch misuse, but increase the flow of foreign arrivals.

It's no wonder that so many people once living the American dream are feeling shell-shocked -- sucker-punched by a job market that their own government has rigged against them. And consider this. Cree, the North Carolina company that the President chose as the backdrop for his job initiative, has filed dozens of H-1B applications for foreign workers in recent years, according to U.S. Dept. of Labor records.



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