

Senators Cruz and Rubio Favor Giving More H1B Guest Worker Visas to Foreigners to Replace American Workers

Official press release: Washington, D.C. July 18, 2015 —U.S. Senator Jeff Sessions (R-AL), a senior member of the Senate Judiciary Committee, delivered the following remarks on the Senate floor yesterday on the announced Microsoft layoffs and the displacement of American workers by the H-1B guest worker visa. A text of Sessions' remarks follows:

“Madam President, three of our greatest ‘masters of the universe’—as I like to refer to them—have joined in an op-ed in the *New York Times* just last week to share their wisdom from on high and to tell us in Congress how to do our business and to conduct immigration reform they think should be pleasing to them. I am sure other super billionaires would be glad to join with these three super billionaires and could agree on legislation that would be acceptable to them.

Tech30

Microsoft cuts 18,000 jobs

Sheldon Adelson, Las Vegas casino magnate and Republican supporter; Warren Buffett, the master investor; and Bill Gates, the master founder of Microsoft computer systems, all super billionaires, apparently aren't happy. They don't have much respect for Congress and, by indirection, the people who elect people to Congress, it appears from the tone of their article—you know, American people, that great unwashed group; nativists, narrow-minded patriots, possessors of middle-class values. They just don't understand as we know, we great executives and entrepreneurs.

So they declare we need to import more foreign workers in computer science, technology, and engineering, because the country is ‘badly in need of their services.’ They say we are badly in need of importing large numbers of STEM graduates. That is something we have all heard and many of us have perhaps assumed is an accurate thing.

These three individuals, all generous men, have contributed to a lot of causes, and I am teasing them a little bit. They didn't mind sticking it to Congress, so I just tease them and push back a little bit.

They particularly praised the Senate for its elimination of any limits on the number of work visas that could be awarded to immigrants who have a degree in science, technology, engineering, and mathematics and have a job offer.



Senator Sessions

This is the op-ed in the *New York Times* last Thursday: 'Sheldon Adelson, Warren Buffett, and Bill Gates on Immigration Reform.'

What did we see in the newspaper today? News from Microsoft—was it that they are having to raise wages to try to get enough good, quality engineers to do the work? Are they expanding or are they hiring? No, that is not what the news was, unfortunately. Not at all.

This is the headline in *USA Today*: 'Microsoft to cut up to 18,000 jobs over next year.'

'Microsoft confirmed it will cut up to 18,000 jobs over the next year, part of the tech titan's efforts to streamline its business under a new CEO.'

That is a significant action. Indeed, Microsoft employs about 125,000 people, and they are laying off 18,000. The company laid off 5,000 in 2009. Yet their founder and former leader, Mr. Gates, says we have to have more and more people come into our country to take those kinds of jobs.

It is pretty interesting, really. We need to be thinking about what it all means and ask ourselves: What is the situation today for American graduates of STEM degrees and technology degrees? Do we have enough? And do we need to have people come to our country to take those jobs? Or, indeed, do we not have a shortage of workers, and do we have difficulty of people finding jobs?

These are some of the facts I think we should look at. President Obama, Senate Democrats, and House Democrats have endorsed a proposal, a bill that passed the

Senate, that would double the H-1B foreign workers that come into America for one reason—not to be a citizen, not to stay indefinitely, but to take a job, double the number, to come to take a job for several years. The great majority of these guest workers are not farm workers. They take jobs throughout the economy.

The Opinion Pages | OP-ED CONTRIBUTORS

Break the Immigration Impasse

Sheldon Adelson, Warren Buffett and Bill Gates on Immigration Reform

By SHELDON G. ADELSON, WARREN E. BUFFETT and BILL GATES JULY 10, 2014

So how should we think about this? The U.S. Census Bureau reports that three-fourths of Americans with STEM degrees—science, technology, engineering, mathematics—don't have jobs in STEM fields. According to a recent newspaper from the Economic Policy Institute:

'Guest workers may be filling as many as half of all new information technology jobs each year.'

It goes on. 'IT workers earn the same today as they did, generally, 14 years ago.' Wages aren't going up, and in many cases they are going down. That is an absolute refutation, I think—if you believe in the free market—of any contention that we have a shortage of engineering, science, and STEM graduates.

The paper further says: 'Currently, only one of every two STEM college graduates is hired in a STEM job each year.' So only half of them find a job in the profession they trained for.

Another finding of the paper: 'Policies that expand the supply of guest workers will discourage U.S. students from going into STEM fields, and into IT in particular.'

Get that. Is that not common sense? If anybody would dispute that, I would like to hear it. The policies that expand the supply of eligible workers in any field will tend to discourage people, particularly in science and engineering, if they feel like they are going to have a difficult time finding a job. That is common sense, and that is what the paper found.

Now, Mr. Hal Salzman—I am familiar with his work. He is a professor at Rutgers University and a labor specialist. He has done a good bit of work in this area. And what do his findings show? He determined: 'For the 180,000 or so openings annually, U.S. colleges and universities supply 500,000 graduates.'

RUBIO DOUBLES-DOWN ON H-1B INCREASE AMID MICROSOFT LAYOFFS

More than twice as many people graduate in STEM fields as jobs are available in America for them to take.

Bob Charette, at the Institute of Electrical and Electronics Engineers, writes: 'Wages for U.S. workers in computer and math fields have largely stagnated since 2000.'

That was 14 years ago.

'Even as the Great Recession slowly recedes, STEM workers at every stage of the career pipeline, from freshly minted grads to mid- and late-career Ph.D.s, still struggle to find employment.'

In total, Charette reports that there are more than 11 million Americans with STEM degrees who don't have STEM jobs.

Harvard Professor Michael Teitelbaum has recently written a book. He explained:

'Far from offering expanding attractive career opportunities, it seems that many, but not all, science and engineering careers are headed in the opposite direction: unstable careers, slow-growing wages, and high risk of jobs moving offshore or being filled by temporary workers from abroad.'

Michael Anft, with the Johns Hopkins Magazine, observed:

'You're a biologist, chemist, electrical engineer, manufacturing worker, mechanical engineer, or physicist, you've most likely seen your paycheck remain flat at best. If you're a recent grad in those fields looking for a job, good luck. A National Academies report suggests a glut of life scientists, lab workers, and physical scientists, owing in part to over-recruitment of science-Ph.D. candidates by universities. And postdocs, many of whom are waiting longer for academic spots, are opting out of science careers at higher rates, according to the National Science Foundation.'

This is serious. There is a policy question, and he questions whether Members of Congress who don't pass laws like he wants on immigration are honoring their duty to the 300 million Americans whom we collectively represent.

I feel a deep duty to the millions of Alabamians I represent and the whole country, and I do my best every day to ask what is in their interests. As far as I am concerned, so far as I can see, those three billionaires have three votes. An individual who works stocking the shelves at the grocery store, the barber, the doctor, the lawyer, the cleaners, the operator, and the person who picks up our garbage are every bit as valuable as they are.

I know who I represent. I represent the citizens of the United States of America, and I am trying to do what is in their best interest. And just as it is not always true what is

good for General Motors is good for America, likewise, what may be good for Mr. Adelson and Mr. Microsoft and Mr. Buffett is not always in accord with what is good for the American people. I know that. They are free to express their opinion, but I am going to push back.

How many people come into our country each year as guest workers? We have discussed that. The Senate bill which Senator Reid maneuvered through the Senate not too many weeks ago would double the number of guest workers.

How many is that? The *Associated Press* wrote:

‘Although no one tracks exactly how many H-1B guest workers come to take jobs these are visas for jobs in fields like computers and technology’—how many of these are in the United States? The AP says ‘experts estimate there are at least 600,000 at any one time.’

That is a lot. These are individuals not on a citizenship path. They are in addition to the 1 million who come to America each year lawfully to become citizens of America. They simply come in at the behest of some business to take a job for a limited period of time. That is important. There are other visas these businesses can get too, but H-1B is one of the largest. A paper for the Economic Policy Institute explained the annual inflow of guest workers for the computer industry in particular is massive.

‘We estimate that during fiscal 2011, 372,516 high-skill guest workers were issued visas to enter the U.S. labor market, and, of these workers, between 134,000 and 228,000 were available for IT employment.’

That is information technology.

‘The supply of IT guest workers appears to be growing dramatically despite stagnant or even declining wages.’

But Microsoft and its allies want more.

Here is an excerpt from a report issued by the Partnership for a New American Economy. This is the front group for the pro-immigration crowd. It is co-headed by Steve Ballmer, a recent Microsoft CEO. He left Microsoft in February, but he is the co-head of this group and is lobbying for more H-1B guest workers to come to take jobs. They say: ‘In many STEM occupations, unemployment is virtually non-existent.’

This is not so. They declare it to be so. They say:

‘There is no evidence that foreign-born STEM workers adversely affect the wages of American workers by providing a less expensive alternative source of labor.’

NEWS

Ted Cruz, the presidential candidate who wants to increase the H-1B cap by 500%

What planet are they on? Wages are declining. Median income in America today—well, according to the Wall Street Journal, it was approximately \$55,000 for a family in 2007. It is now closer to \$50,000. It dropped roughly \$5,000. Somebody needs to talk about that.

Is unemployment in these industries ‘virtually non-existent?’ That is what they are telling us. They are spending millions of dollars even running TV ads to promote bringing in more workers than the 600,000 we have today. They want to double that number. I am not talking about the 1 million who already come lawfully every year through immigration in America. We have one of the most generous immigration policies in the world. These guest workers are in addition to the 1 million we let in each year on a permanent basis.

Look at these recent headlines.

Today: ‘Microsoft To Cut Workforce By 18,000 This Year, ‘Moving Now’ To Cut First 13,000.’

How about this headline: ‘[Google-owned] Motorola To Cut 10% Of Workforce After Laying Off 20% Last Year.’

‘Panasonic To Cut 10K More Workers In The Next 5 Months.’

‘[Online media and advertising company] CityGrid Lays Off 15% Of Its Employees.’

‘Hewlett-Packard: 27,000 Job Cuts to Save Up To \$3.5B By 2014.’

I would say things aren't going as well as some would suggest, and the demand out there for workers ought to be met from our current supply.

Byron York, an excellent writer at the *Washington Examiner*, wrote about this late last year in the *Washington Examiner*. The headline is: ‘Companies lay off thousands, then demand immigration reform for new labor. On Tuesday, the chief human resource officers of more than 100 large corporations sent a letter to House Speaker John Boehner and Minority Leader Nancy Pelosi urging quick passage of a comprehensive immigration reform bill.’

Don't read it, don't worry about it, just pass it. It gives us more workers, and we need those workers, is essentially, what they have been saying. ‘The officials who signed the letter represent companies with a vast array of business interests: General Electric, Marriott International, Hilton Worldwide, Hyatt Hotels Corporation, McDonald's, Wendy's, The Cheesecake Factory, Johnson & Johnson, Hewlett-Packard, General Mills, and many more. All of them want to see increases in immigration levels for low-skill as well as high-skill workers in addition to a path to full citizenship for the millions of immigrants in the United States currently illegally.’ That is their agenda.

The article goes on to say: ‘a new immigration law, the corporate officers say, “would be a long overdue step toward aligning our nation's immigration policies with its workforce needs at all skill levels.”

I would say at a time of high unemployment we need to be careful. The article goes on to say, ‘at the time the corporate officers seek higher numbers of immigrants, both low-skill and high-skill, many of their companies are laying off thousands of workers.’

So he did a little research. All these companies in need of workers. What about Hewlett-Packard? They signed the letter demanding more workers. I will quote from the article.

'For example, Hewlett-Packard, whose Executive Vice President for Human Resources Tracy Keogh signed the letter, laid off 29,000 employees in 2012. In August of this year, Cisco Systems, whose Senior Vice President and Chief Human Resources Officer Kathleen Weslock signed the letter, announced plans to lay off 4,000—in addition to 8,000 cut in the last two years. United Technologies, whose Senior Vice President for Human Resources and Organization Elizabeth B. Amato signed the letter, announced layoffs of 3,000 this year.

'American Express, whose Chief Human Resources Officer L. Kevin Cox signed the letter, cut 5,400 jobs this year. Proctor & Gamble, whose Chief Human Resources Officer Mark F. Biegger signed the letter, announced plans to cut 5,700 jobs in 2012.

'Those are a just few of the layoffs at companies', the article said, 'whose officers signed the letter.'

'A few more: T-Mobile announced 2,250 layoffs in 2012. Archer-Daniels-Midland laid off 1,200. Texas Instruments, nearly 2,000. Cigna 1,300. Verizon sought to cut 1,700 jobs. Marriott announced 'hundreds' of layoffs this year. International Paper has closed plants and laid off dozens. Including an old, big plant with 1,000 workers or so in north Alabama.

'And General Mills, in what the *Minneapolis Star-Tribune* called a "rare mass layoff," laid off 850 people last year.'

'There are more still.' I am quoting here from Mr. Byron York's article:

'In all, it's fair to say a large number of corporate signers of the letter demanding more labor from abroad have actually laid off workers at home in recent years. Together their actions have a significant effect on the economy.

'According to a recent *Reuters* report, U.S. employers announced 50,462 layoffs in August, up 34 percent from the previous month and up 57 percent from August 2012.'

This is last August. I am quoting from the article:

'It is difficult to understand how these companies can feel justified in demanding the importation of cheap labor with a straight face at a time when tens of millions of Americans are unemployed,' writes the Center for Immigration Studies, which strongly opposes the Senate Gang of Eight bill... The companies claim the bill is an "opportunity to level the playing field for U.S. employers but it is more of an effort to level the wages of American citizens."

Mr. York goes on to say this in his next article. The next month, he writes another article on the subject.

'This week, the pharmaceutical giant Merck announced it would cut 8,500 jobs in an effort to remain competitive in a rapidly changing drug industry. Earlier this year Merck announced plans to cut 7,500 jobs, bringing the total of workers let go to 16,000. In all, Merck intends to lay off one out of every five of its employees.'

Well, what is Merck, this great corporation, doing politically about the situation?

I will quote from the article. This is what they are doing politically:

‘At the same time, top Merck officials are urging Congress to loosen the nation's immigration laws to allow more foreign workers into the United States. In a Sept. 10 letter—this is last September—to House Speaker John Boehner and Majority Leader Nancy Pelosi, Merck Executive Vice President for Human Resources Mirian Graddick-Weir urged that the U.S. admit more high- and low-skilled immigrants to “address the reality that there is a global war for talent and to align our nation's immigration policies with its workforce needs at all skill levels to ensure U.S. global competitiveness.”

Well, we have too many people unemployed. The number of people unemployed in our country is not accurately reflected by the simple unemployment data we get. When you look at the number of people in the actual workforce, you find we have the lowest workplace participation, the lowest number of workers as a percentage of the population at any time since the 1970s. It has been declining steadily. It is a fact. Everybody knows it. It is not disputed. If anybody wants to dispute that, come to the floor and tell me where I am wrong. And they won't because it is well accepted and Democrats and Republicans are talking openly about it, because it is a serious challenge for America.

We don't have enough people working. We have got too many people living off the government and relying on federal aid and assistance. We need to create jobs for Americans first before we bring in foreign workers to take those jobs. We are going to help our people sustain their life. We make sure they have food and housing and aid if they are unable to work and don't have enough to live on, and we provide health care for them and education for their children. But we need to help them find work first before we bring somebody else to the country.

I would say to my free market business friends, I don't think you can win the argument that we have a shortage of labor, because wages are down. I know you believe in free markets. I know you believe that things will balance out in a competitive world. If wages are down, that indicates we have a loose labor market, not a tight labor market. Wages go up when there are not enough employees, and businesses have to pay more to get good employees. Family income has gone down from 2007, as I said, from approximately \$55,000 median household income to \$50,000, adjusted for inflation. This is a very unusual decline. I am not sure we have seen anything like quite this before, at least since the Great Depression. This is a matter we need to talk about.

‘Watching firms fire American workers while appealing for more immigration is a disheartening spectacle,’ Mr. Byron York says. And I think that is true.

This is another *Associated Press* article: ‘Backlash Stirs in US Against Foreign Worker Visas.’

‘But amid calls for expanding the so-called H-1B visa program, there is a growing pushback from Americans who argue that the program has been hijacked by staffing companies that import cheaper, lower-level workers to replace more expensive U.S. workers—or keep them from being hired in the first place.’

“It's getting pretty frustrating when you can't compete on salary for a skilled job,” said Rich Hajinlian, a veteran computer programmer from the Boston area. “You hear references all the time that these big companies can't find skilled workers. I am a skilled worker.”

How about this? They say there is a STEM crisis—which is Science, Technology, Engineering, and Mathematics. They say there are not enough STEM graduates to fill vacant jobs.

This article says: ‘The STEM Crisis Is a Myth.’ This is a paper by Robert Charette, contributing editor for the Industrial Institute of Electrical and Electronic Engineers magazine. He says:

‘Companies would rather not pay STEM professionals high salaries with lavish benefits, offer them training on the job, or guarantee them decades of stable employment. So having an oversupply of workers, whether domestically educated or imported, is to their benefit.

‘That is in part because it helps keep wages in check.

‘Viewed another way, about 15 million U.S. residents hold at least a bachelor's degree in a STEM discipline, but three-fourths of them—11.4 million—work outside of STEM. If there is in fact a STEM worker shortage, wouldn't you expect more workers with STEM degrees to be filling those jobs?’

I think that is correct.

What about the people who immigrate to America? They can't get a job because somebody else was brought in to take that job from them. What are they going to do?

The economy can absorb a certain number, but in this low job-wage low-job creation economy we are in today, and have been in for a number of years, you simply cannot justify these huge increases in the number of workers we have brought into the country, especially when wages are falling.

Here is another article: ‘The Myth of the Science and Engineering Shortage.’ It is an op-ed by Michael Teitelbaum, a senior research associate at Harvard Law School.

‘A compelling body of research is now available, from many leading academic researchers and from respected research organizations such as the National Bureau of Economic Research, the RAND Corporation, and the Urban Institute.

‘No one has been able to find any evidence indicating current widespread labor market shortages or hiring difficulties in science and engineering occupations.’

He goes on to write, as I read before:

‘From offering expanding attractive career opportunities, it seems that many, but not all science and engineering careers are headed in the opposite direction: unstable careers, slow-growing wages, and high risk of jobs moving offshore or being filled by temporary workers from abroad.’

I am afraid that is the undisputed reality. I wish it were not so. I wish we had a growing economy that would create a lot of jobs and a lot more high-tech workers and that wages were going up. But it is just not so.

Here is an article from July 11, in *CNN Money*. The headline is: 'Businesses Want Immigration Reform. Why? Because they can't find enough workers.' That is what they say the answer is.

This article notes the complaints of various business lobbyists. For instance:

'The tech industry faces a backlog of working visas for high skilled workers. The long wait for green cards at top universities means the U.S. is losing [talent]. Microsoft founder Bill Gates and others CEOs like Yahoo's Marissa Mayer and Facebook's Mark Zuckerberg, have all pressed Washington leaders for an immigration [reform].'

CNN also includes this statement from another group demanding Congress provide more workers:

'Two-thirds of construction companies have reported labor shortages according to the Associated General Contractors of America, who is pushing for immigration reform.'

So two-thirds of construction companies reported labor shortages. Well, what do we know about that?

Here is a May 5 article from Economic Policy Institute by Ross Eisenbrey. They cite an in-depth study about the labor market.

The headline says: 'There are Seven Unemployed Construction Workers for Every Job Opening.'

There is a chart showing the drop in wages. This isn't some promoter, some lobbyist or some media consultant putting out a self-serving statement claiming we have a shortage of workers. This is an academic study. Again, what does it say? 'No Sign of Labor Shortages in Construction: There are Seven Unemployed Construction Workers for Every Job Opening.'

That is where we are. What we need, as a Nation, is to construct an immigration policy that serves the interests of the American people.

Professor Borjas at Harvard is perhaps the most astute and renowned expert on labor and immigration of anybody in the entire world and has written a number of books on this. He did a comprehensive study using census data and Department of Labor data and concluded that from 1980 to 2000, as a result of America's high immigration levels, the wages of lower-skilled US workers declined by 7.4 percent.

The impact of this large flow of immigration from 1980 to 2000 reduced wages. We already bring in a million people a year, plus hundreds thousands more guest workers. I am not against immigration. What I am opposed to, however, is an immigration policy that fails to serve the needs of the people living here today. The myth is we have this great shortage of labor. It is just not so. If we allowed the labor market to tighten, wages would increase, more Americans would take some of these jobs and be able to raise a family, buy an automobile, and maybe even buy a house and educate their children.

Today I am going to issue a challenge to Majority Leader Reid, and every single one of our 55 Senate Democrats, who voted unanimously for this Gang of 8 bill.

With Microsoft laying off 18,000 workers, come down to the Senate floor and tell me there is a shortage of qualified Americans to fill STEM jobs. Come down and tell us. Do you stand with Mr. Bill Gates or do you stand with our American constituents?

It is long past time we had an immigration policy that truly served the needs of the American people. That is the group to whom we owe our loyalty and duty and first responsibility. That is who elected us, and that is in our constitutional system, which ultimately judges us on our performance.

The United States let in 40 million new immigrants legal and illegal—since 1970. There are many wonderful people in that group. But Washington actually hurts both our immigrant workers and US-born workers alike when we continue to bring in record numbers of new workers to compete for jobs. The share of the population today that is foreign-born has quadrupled. It has gone up four-fold in forty years. After four decades of large-scale immigration, is it not time, colleagues, that we slow down a bit, allowed wages to rise, assimilation to occur, and the middle class to be restored?

I thank the chair and yield the floor.”

<http://www.sessions.senate.gov/public/index.cfm/2014/7/sessions-remarks-on-tech-layoffs-and-how-the-h-1b-visa-displaces-american-workers>