DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 1998—COMPARISON OF CURRENT LEVEL WITH SUBALLOCATIONS PURSUANT TO BUDGET ACT SECTION 302(b)

[In millions of dollars]

	Revised 302(b) suballocations (March 3, 1998)				Current level reflecting action completed as of April 21, 1998				Difference			
	Discretionary		Mandatory		Discretionary		Mandatory		Discretionary		Mandatory	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Agriculture, Rural Development	13,757	14,000	35,048	35,205	13,751	13,997	35,048	35,205	−6	−3	0	0
Commerce, Justice, State	31,280	25,555	522	532	31,280	28,955	522	532	0	3,400	0	0
District of Columbia	855	554	0	0	855	554	0	0	0	0	0	0
Energy and Water Development	20,732	20,879	0	0	20,732	20,880	0	0	0	1	0	0
Foreign Operations	31,008	13,079	44	44	13,147	13,079	44	44	−17,861	0	0	0
Interior	13,797	13,707	55	50	13,799	13,707	55	50	2	0	0	0
Labor, HHS & Education	80,328	76,123	206,611	209,167	80,547	76,202	206,611	209,167	219	79	0	0
Legislative Branch	2,279	2,251	92	92	2,251	2,251	92	92	−28	0	0	0
Military Construction	9,183	9,862	0	0	9,183	9,862	0	0	0	0	0	0
National Defense	247,512	244,199	197	197	247,512	244,198	197	197	0	−1	0	0
Transportation	11,772	37,179	698	665	12,711	37,204	698	665	939	25	0	0
Treasury-Postal Service	12,735	12,502	12,713	12,712	12,866	12,613	12,713	12,712	131	111	0	0
VA-HUD-Independent Agencies	66,395	79,977	21,332	20,061	68,703	80,089	21,332	20,061	2,308	112	0	0
Reserve/Offsets	2,953	470	0	0	0	0	0	0	−2,953	−470	0	0
Grand total	544,586	550,337	277,312	278,725	527,337	553,591	277,312	278,725	−17,249	3,254	0	0

BEA—COMPARISON OF CURRENT LEVEL TO DISCRETIONARY SPENDING LEVELS SET FORTH IN SEC. 251(c) OF THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

[In millions of dollars]

	Defense		Nondefense		Violent crime trust fund	
	BA	A	BA	A	BA	A
Statuory Casps[1]	269,000	267,124	253,506	285,686	5,500	4,833
Current Level	268,934	266,694	252,903	283,614	5,500	3,583
Difference	−66	−430	−603	−2,072	0	−1,250

[1] As adjusted pursuant to sec 251(b) of the BBEDCA.

H–1B VISAS: THE STEALTH WAY OF TAKING U.S. JOBS FROM WORKERS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. KLINK) is recognized for 5 minutes.

Mr. KLINK. Mr. Speaker, I rise tonight, I understand the hour is late, but I think this is a very important issue.

We have a program which many Members of Congress are not familiar with. It is called the H–1B visa program. This program allows industries from this Nation to bring over mostly high-tech workers from other countries, 65,000 workers a year right now, for temporary jobs. They can stay here for 6 years.

This was a program that was established back in 1990 because we were being told that we had an anticipated shortage of scientists and of engineers. By the time this program was in place, the Berlin Wall had fallen and we did not have as much of a need in the defense industry for this kind of technical expertise.

But what ended up happening was many countries found out that they could go overseas, they could bring over computer programmers or reprogrammers rather than train American workers, and we have seen throughout this country a propensity of what I would refer to as job shops, that is companies that are providing computer programmers to our industries. And our industries are laying off unbelievable numbers of American workers, and they are being replaced by these temporary foreign workers.

I think we are really headed down a tragic highway in this country. I would just want to point out to the Members of the House that, as the technical and high-tech industry is beating the drum saying we have need to import workers, that we have really thousands upon thousands of students that are graduating from college every year, and we are just debating here on the floor of the House how we deal with the student loan program.

These students are graduating from college. They have large amounts of student loans to pay back and, in many instances, they find themselves waiting on tables because they cannot get jobs. They could be trained to take these jobs. They could be trained to do computer programming.

And, at the same time, we are hearing from the computer industry and many others that they have this high-tech labor shortage. The headlines across the Nation in our papers are telling a different story.

Let me just read something from the Wall Street Journal that just said, a steady drumbeat of layoff announcements in industry sectors that until recently have complained about personnel shortages. In the Silicon Valley, layoffs have occurred at Seagate Technology Incorporated, Silicon Graphics, Netscape Communications Corporation, Apple Computer Incorporated, Sybase Incorporated and others. Some firms have cut hiring plans; help wanted advertising has slumped since the start of the year. Elsewhere, high-tech giants are shedding staff.

Last week, again, according to the Wall Street Journal, Xerox Corporation announced the layoff of 9,000 people. Yet we want to import up to 95,000 workers a year from other countries and give them these jobs.

Something is wrong in America today. We have not had a debate as to the need for this.

The other difficulty is that here is a high-tech industry which prides itself on identifying and quantifying problems, yet they have not proven, according to the GAO, that, in fact, there is a shortage. The gentleman from Michigan (Mr. DINGELL) and myself asked the GAO to look into these claims, and we found out that the material that they are using to justify this claim is faulty.

Also, last week in the San Francisco Examiner, they ran an unprecedented series of letters from readers that are concerned about the alleged shortage of information technology workers. Their conclusion is that we are seeing age discrimination that is pushing into this high-tech sector, pushing many qualified American workers out of the marketplace. The employers want cheaper, more exploitable foreign workers.

And I would like to quote at length from some of these letters, because I think we here in Congress are too busy as we rush through our legislative schedule and we have not heard from these workers.

An older computer consultant has said, ''At job fairs, many older people, including myself, are rudely treated by young recruiters from human resources. In one blatant case, I saw a recruiter from a major local computer manufacturer and software firm refuse to talk to anyone who looked like they were over 35. Résumés from older people were tossed in one pile, résumés from younger people were put on another pile with attached notes from a mini interview.''

I would also like to talk about one worker who said he was being brought back to his former employer to do what

he called really retroactive—he actually called it mentoring a foreign engineer who now does his job. So they laid him off, brought over foreign workers, and he had to train them to do his job.

There is a problem in America, Mr. Speaker, and we in Congress have to address it.

Mr. Speaker, I am also providing for the RECORD more detailed information regarding the H–1B program, which follows herewith:

H–1B PROGRAM

Origin of H–1B Program: It was established in 1990 to alleviate an anticipated shortage of scientists and engineers, particularly at the Ph.D level. By the time it was in place, however, the Berlin Wall had fallen, there was an economic downturn, and downsizing was rampant in defense and other industries using these people. The main proponents of the program were the universities, the National Science Foundation and some industry groups.

Supposed to be a Temporary Program: The program is a high-tech guestworker program. It allows 65,000 persons in ''specialty'' occupations to enter the U.S. for three years with one renewal for a total of six years to respond to ''temporary'' shortages. Then they are supposed to return home. Many, many H–1Bs are used by foreign students trying to stay in the country. Their employers use H–1Bs as a way to see if they want to sponsor the person permanently. So a large, large number of these people never go back home.

Approval is Quick and Easy: The employer certifies to the Labor Department that it needs a worker in a certain occupation (names are not required) and will pay the prevailing wage. There is no requirement to show that there is an actual shortage in that occupation. After the certification is received, a person's name is attached and INS and the State Department process the visa. Three years ago, this entire process could be done in about a month so employers loved it.

Misuse of H–1B: While in the H–1B status, however, they are indentured servants to their employers. The job they hold is for an occupation, not a certain person. They can be underpaid, forced to work seven days a week, etc., until they can obtain their green card or have to go back home.

Layoffs: In the meantime, another sub-industry of temporary workers developed in the information technology industry. Numerous temporary employment companies appeared which hired almost exclusively H–1Bs from India, Taiwan and the Philippines, paid them less than American workers and used them to replace American workers, particularly computer programmers. Three years ago, the Senate Judiciary Committee held hearings at which laid-off U.S. programmers appeared. Most had lost their jobs to foreign H–1Bs.

65,000 Limit: Until last year, the 65,000 limit was never reached. Then, suddenly, last year, it was reached at the end of August, and the cries of pain from the high-tech industry for raising the cap. There has been no analysis of why this happened.

''SHORTAGE'' OF INFORMATION TECHNOLOGY WORKERS

There is no universally accepted definition of information technology (IT) workers or what training is required for the jobs. So industry defined IT worker broadly when trying to demonstrate a demand for IT workers and defined the training required very narrowly.

Demand for IT Workers: The Information Technology Association of America (ITAA) and Commerce reports found that between 1996–2006 the US will require 1.3 million job openings because of growth and net replacements (1.1 million of which is for growth alone). That is a 14.5% increase.

''Shortage:'' ITAA and Commerce defined the pool of qualified IT workers as those who have obtained a Bachelor's degree in computer and information science. They did not consider degrees and certifications in computer and information science other than a B.A., degrees in other areas, or workers who could be retrained. In 1993, only 25% of those employed in IT actually had a B.A. in computer and information science. Other workers had degrees in business, social sciences, math, engineering, psychology, economics, and education.

Basis for ITAA's and Commerce's Conclusions and Response: (1) Wages for IT workers are going up, but no more than in any other professional field (the labor supply always tightens in a good economy), (2) there are unfilled jobs, but a response of only 14% of those surveyed is not sufficient to conclude that this is a nationwide problem (need at least 75% response to be credible), and (3) there is offshore recruiting occurring, but no information as to the extent or magnitude.

Response to survey: ITAA sent out a random sample of 2,000 large-sized, mid-sized, and non-IT companies, but only heard from 271 (14%). A 75% response is required to make credible extrapolations, or nationwide generalizations. Also, there is no information on these reported vacancies such as how long the jobs were open, wage being offered, and how the company is attempting to fill them.

Decrease in computer Science B.A. Candidates: There has been a decline since 1986 but that was the peak year. There had been a steady increase from 1970s and it has remained stable in the 1990s.

H–1–B VISAS: THE STEALTH WAY OF TAKING U.S. JOBS FROM U.S. WORKERS

Do you remember when we were promised that by passing NAFTA and GATT, Americans might lose low-wage jobs, but would definitely gain high-wage jobs? Well, they are changing their story . . . again.

The high technology industry is telling us that there is a shortage of information technology workers in the U.S. and an inability to ever meet the demand. The High Tech Industry wants to open the doors to temporary foreign professional workers by issuing something called H–1–B visas. Currently we issue up to 65,000 H–1–B visas per year. Increasing the number of these visas issued could quickly result in surplus labor and rapidly dropping wages.

A little over two years ago this same industry was laying off U.S. computer programmers by the hundreds and replacing them with cheaper foreign workers. Their story was Americans got paid too much and temporary foreign workers should be used to keep down wages or else the work would go abroad. Some jobs did go abroad, but the high technology industry is still unsatisfied. Our country's most highly skilled, sought-after, domestic technology workers have realized how valuable their knowledge is and have started shopping around for the best available wage packages. The industry, unwilling to pay the going wage for U.S. workers, has declared a labor shortage and is demanding more H–1–B visas to keep wages down.

High-Tech Corporate America would be the winner: it could make more money and continue to treat its workers with disdain, dumping them in every temporary downturn in the economy and refusing to invest in job training. The losers will be our young people who are looking for jobs in technology, older workers who may need retraining, and taxpayers who will pay to train U.S. workers only to have them become surplus labor.

There may be a lot of posturing and panic, but there is no evidence of a shortage. Though industry and the Commerce Department have produced studies claiming there is a shortage, the General Accounting Office found that ''serious analytical and methodological weaknesses'' undermine the Commerce report's credibility. Every year, this country produces approximately 650,000 bachelor's degrees in science and engineering; 120,000 master's degrees; and 40,000 doctorates for a total of 810,000. Any one of these degrees could be used to develop a career in information technology. However, a degree is not absolutely necessary to succeed in this field. After all, Bill Gates dropped out of college and then created Microsoft.

Furthermore, an employer does not have to look for a U.S. worker before applying for an H–1–B worker. So even if there are hundreds of talented U.S. workers available, an employer can apply to hire a temporary foreign worker without any negative consequences.

It is too risky to raise temporary foreign worker quotas before anyone has clearly defined and quantified a problem. Once H–1–B visas are increased, it will be very hard to bring the number back down again. These temporary programs quickly become permanent ones that send negative signals to our own workers. They say—you can train, but we will still import our workers.

The technology industry appears to be booming and has been posting record earnings for several years. Let's allow America's most skilled workers to ''boom'' with it.

INFO TECH WORKER SHORTAGE? WHERE'S THE EVIDENCE?

DEAR COLLEAGUE: For months we have been bombarded with stories from the information technology industry about a terrible shortage of skilled professionals. They argue that Congress must expand the temporary foreign worker program to meet their needs. Three studies have been cited to prove the case—one by the Commerce Department and two by the Information Technology Association of America. Based on these reports, legislation to increase the number of foreign technical workers has already been introduced in the Senate and is expected soon in the House.

The problem is the reports are wrong.

Claim #1: The Commerce Department found a shortage of information technology workers based on the (flawed) ITAA studies and its own back-of-the-envelope calculation that there will be 95,000 new jobs created annually in industry with only 25,000 new computer science college graduates each year.

Response: The General Accounting Office noted that ''serious analytical and methodological weaknesses'' undermine the Commerce report's credibility. Only 29% of IT workers have come from computer science with graduates in math, science, social science, education and business filling the remaining positions.

Claim #2: In 1997, ITAA claimed 190,000 unfilled IT jobs. In January, ITAA claimed 346,000 unfilled jobs based on another survey—a claim that also got widespread press attention.

Response: GAO states that ''to make sound generalizations, the effective response rate should usually be at least 75 percent.'' Because the first ITAA survey had only a 14 percent response rate, GAO found it ''is inadequate to form a basis for a nationwide estimate of unfilled IT jobs.'' This second survey was done by a self-described marketing researcher with no experience in labor studies. Further, ITAA has never released the study so we can't evaluate the methodology. However, we know that the newest ITAA study

had a response rate of 36%—far too low for accurate projections.

Claim #3: The demand for IT workers will double in the next 10 years and there will not be enough of a supply of U.S. workers to meet it.

Response: Who says we can't meet it? The demand for IT workers doubled over the last 10 years and it was satisfied right here in the U.S. by people from a wide variety of educational backgrounds. At least half of the jobs require a two-year college degree or less. Let the demand double again. With well-planned policies of training and education and the natural market response of Americans looking for good jobs that pay well, we will meet that demand again.

What is the ITAA's excuse for these bad numbers? Their only response is to stop ''arguing over methodology'' so we can fix a problem that they can't even document. Could it be that foreign workers are cheaper, and they are trying to pull one over on Congress so they can cut their costs?

Before we invite thousands of foreign workers in to take American jobs, the industry owes us some straight answers.

RON KLINK.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. SESSIONS) is recognized for 5 minutes.

(Mr. SESSIONS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HORN) is recognized for 5 minutes.

(Mr. HORN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. SAXTON) is recognized for 5 minutes.

(Mr. SAXTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE PAYCHECK PROTECTION ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Colorado (Mr. BOB SCHAFFER) is recognized for half the time between now and midnight, approximately 12½ minutes, as the designee of the majority leader.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise tonight on the occasion of this special order to speak about one of the most basic components of campaign finance reform that we have to deal with here in the present Congress and certainly throughout the country as well.

There has been a lot of talk, Mr. Speaker, about various ways and strategies to reinstitute a sense of fairness and confidence in our election laws among the American people. But while the discussions about limited campaign funds, about reporting requirements, about various strategies to disclose the campaign contributions and expenditures of candidates seems to be occupying the center of political debate on campaign finance reform, I believe there is a much more fundamental issue that we need to deal with, and that is known as the Paycheck Protection Act.

What happens today in a strategy to raise funds for various campaigns is that we have a number of organizations that have found creative ways to withdraw the wages of hard-working Americans and siphon those dollars off for political causes of various sorts. Now, this often occurs without the consent or even the knowledge of the wage earner, who is working hard to earn the cash to make all this possible.

It occurs in many different settings, but most generally the biggest culprit seems to be labor unions. Labor unions persuade prospective employees to join their organizations for a variety of very attractive causes. One would be agency representation and collective bargaining, for example. And while those are legitimate functions of labor unions, functions that I think most people would support and agree with, few people would agree that it is also a good idea to siphon a portion of a worker's wages associated with union dues or agency fees and divert those dollars toward political campaigns of various sorts, often campaigns that the union worker themselves, the wage earner themselves, do not support.

I want to offer a couple of examples that I think Members ought to consider. If we read today's headlines, for example, ''Ex-Teamsters Official Indicted''. This deals with just one labor union. There are several. And there are several that are very honorable and worthwhile organizations.

I am focusing on the one in yesterday's headline, being the Teamsters Union. This is in the Washington Times. ''A Federal Grand Jury indicted the Teamsters former political director yesterday on charges of giving $1.1 million in union funds to the Democratic Party, the AFL–CIO and liberal advocacy groups so they would launder portions into the reelection campaign of Teamsters President Ron Carey.

Now, the Committee on Education and the Workforce is investigating this particular scandal, particularly the Oversight and Investigations Subcommittee therein under the leadership of the gentleman from Michigan (Mr. HOEKSTRA). And what we are uncovering in that committee is just disclosure after disclosure after disclosure and additional revelations about money laundering schemes through the Teamsters Union.

Now, here we have an example of union dues that are being used and misused and laundered to benefit certain political campaigns.

There are some people, no doubt within these organizations, that support these particular political activities and political causes. And for them this money laundering scheme is certainly to their advantage and to their benefit. But the vast majority of union members and certainly Teamsters Union members do not approve of money laundering. They do not approve of having pension funds and other funds diverted toward political causes of various sorts without their knowledge and without their consent.

Now, these are matters of a very different nature than the general campaigns that myself or other Members of this Congress engage in, or at the State legislative level or county commissioners level, at a local level back home, or on an issue advocacy basis.

But those second kinds of campaigns that I mentioned are also the kinds of campaigns that receive political funds from union dues and from the wages of hard-working Americans without the consent or knowledge of the wage earner.

It does not seem to be too difficult a question to ask nor to answer in America as follows: Should anyone be forced or compelled to contribute their hard-earned wages to a political campaign they do not support? I think the answer is clearly no. It is hard to believe that there is anyone in America who would answer in the affirmative when given such a question.

The most recent national polls on the subject, and I am referring to this chart here on my right which shows where public opinion registers on this particular topic. A recent poll by John McLaughlin and Associates asked Americans across the country whether they approved or disapprove of a new Federal law that would protect workers paychecks. In other words, a law that would prevent any organization, corporations or labor organizations from siphoning off a portion of a wage earner's paycheck and directing it towards politics without the consent of the wage earner. Would Americans support a Federal law that would protect paychecks and protect them from such a travesty?

Among all voters, 80 percent of the American people have told us that they support a law to that effect. Looking way over here on the chart, only 16 percent of the American voters believe that labor unions and other political groups ought to be able to siphon cash out of wage earners' paychecks without their consent.

Interestingly enough, those numbers are identical to what we find in union households. In fact, this poll oversampled union households throughout