

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON SCIENCE

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August 3, 2005

The Honorable Carlos Gutierrez
Secretary, Department of Commerce
Room 5421
Fourteenth Street and Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Gutierrez:

Almost two years ago, Congress directed that you carry out a study of the impact of workforce globalization in knowledge-based industries. This was an effort to get the Department, through the offices of the Technology Administration, to confront the implications of off-shoring high-paying professional jobs in the services and manufacturing industries.

Off-shoring of jobs has decimated communities and left displaced workers wondering what to do next. In the 1980s, we witnessed this phenomenon occurring with blue collar manufacturing jobs. The message to American workers at that time was that they simply needed to seek retraining and more education. With new skills they would be able to take on positions throughout the emerging, knowledge-based economy. But the off-shoring of the last half-dozen years has been precisely in the industries we encouraged our workers and our children to pursue careers.

The report that you were directed to produce is now overdue by more than a year. The history of direction to the department spans two Appropriations cycles. In the Fiscal Year 2004 Commerce, Justice, State Conference Report directed the Technology Administration to undertake an "assessment of the extent and implications of workforce globalization in knowledge-based industries such as life sciences, information technology, semiconductors and financial services. The conferees expect the assessment to focus on U.S. firms' business strategies and practices, as well as the education and training programs in countries such as Japan, China, and India." The conferees went on to "direct that a summary of findings be reported back to the Committees on Appropriations no later than six months from enactment of this Act." The conference agreement set aside \$335,000 to carry out this assessment.

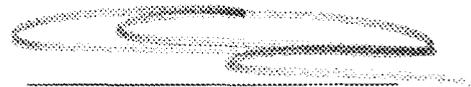
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The Fiscal Year 2005 Commerce, Justice, and State Appropriations bill also addressed this directive that the Technology Administration carry out an assessment. That report read, in relevant part, "The Committee understands the Office is conducting an assessment of the extent and implications of workforce globalization in certain sectors of our economy. The Committee continues its direction included in the Statement of Managers accompanying the Fiscal Year 2004 Appropriations Act... The Committee expects the final report to be provided to the Committee no later than June 30, 2004."

From numerous sources within your Department, we have heard that this report was completed by the Technology Administration some time ago. It languishes, according to our sources, somewhere in your office or the White House, waiting for "approval." By this letter we ask that you provide us with a copy of that report. We also ask that you explain why the Department has been unable to comply with Congressional direction, despite an appropriation of \$334,000 and are more than a year overdue in releasing this report. Should you determine that you cannot provide us with a copy of the report at this time, we ask that you set a date certain in the very near future when this report will be released to Congress and the public. Please respond to this request by August 11, 2005. If you have any questions, please contact Dan Pearson (202-225-6375) of our staff.

Sincerely,


BART GORDON
Ranking Member


DAVID WU
Ranking Member
Subcommittee on Environment,
Technology & Standards


JERRY COSTELLO
Member of Congress