



**Opening Statement of Chairman Richard Hanna
Subcommittee on Contracting and Workforce
Hearing: “Help Wanted: Meeting Small Business Skilled Workforce Needs through
Immigration Reform”
April 25, 2013**

The hearing is called to order.

Thank you to the witnesses for appearing today to discuss two topics of critical importance to small businesses and our economy: the shortage of workers with educations and skills in Science, Technology, Engineering and Mathematics, also known as STEM, and immigration reform.

Small businesses are the backbone of the United States’ economy and the historic source of new jobs and innovation. Among American small businesses, high-tech firms that engage in STEM fields hold great promise in creating the kinds of jobs critical to helping rebuild our middle class.

The potential of STEM-based firms to achieve this goal is evident in economic reports that show that even during the deepest troughs of the recession, many technology-dependent firms continued to grow and add jobs. In addition, wages paid in these industries outpaced those paid in most non-STEM occupations.

Unfortunately, despite the great promise of technology to grow our economy and create solid middle class jobs, the share of degrees in STEM fields awarded by American universities has been in decline. In addition, a larger percentage of these degrees are earned by foreign students present in the United States on a temporary visa.

As a consequence, 34 percent of small businesses surveyed reported difficulties finding qualified applicants for available positions. What we know is that we face both a short- and long-term gap between STEM job openings and qualified applicants.

This Committee partially examined this issue at a September 2011 hearing. During that hearing, small businesses and their representative associations testified that small businesses face shortages of workers with even elementary skills in STEM-based disciplines.

At the same time, many small businesses report an even more acute shortage of workers with post-secondary and advanced degrees in STEM disciplines. According to one estimate, by 2018 there will be more than 200,000 jobs requiring graduate-level STEM training that businesses will not be able to fill with native-born workers.

While the preference of many small businesses and policymakers is to fill available jobs with American workers, it will take a great deal of resources and time to build up the pipeline of American students with advanced STEM skills. It can be done. I personally think we should pursue this task urgently, and I've introduced legislation to do just that.

In the meantime, however, in order to grow and remain competitive, small businesses need a reliable supply of skilled workers to meet their pressing workforce needs. Many have suggested that expanding programs for highly skilled immigrant and guest workers could be a viable strategy to meet these needs while the United States improves its STEM education system.

Today's hearing will examine a number of issues pertaining to immigration reform and the skilled workforce needs of small businesses, including: the extent of the workforce shortage; its economic effects on small firms; and whether immigrant and guest worker visas reduce or improve wages and opportunities for American workers.

America has always been welcoming to those who seek freedoms and opportunities, and if you talk for any length of time with a member of Congress or their constituents, you'll find an American immigrant story.

In today's global economy, small businesses aren't just competing against larger rivals for market share, they are also competing for talent. Allowing small businesses to fill STEM job openings with foreign workers in the short-term will help those businesses grow, aid our economic recovery and make America more competitive globally.

Once again, thank you to today's witnesses, and I now yield to Ranking Member Meng for her opening statement.