

# BRIEFLY...

Highlights of Report Number: 06-03-007-03-321, a report to the Assistant Secretary, Employment and Training Administration. September 30, 2003.

## WHY READ THE REPORT

The Department of Labor (DOL) foreign labor certification programs provide employers access to foreign workers. Three programs (Permanent Alien Labor Certification (PLC), Temporary Agricultural (H-2A), and Temporary Nonagricultural (H-2B) are designed to ensure that the admission of alien workers does not adversely affect the job opportunities, wages, and working conditions of American workers or legal resident aliens. The H-1B Visa Specialty Workers program helps employers compete in the global market by giving them access to highly-qualified individuals in specialty occupations. Abuses of these programs may result in economic harm to American workers and businesses, exploitation of foreign workers, and security risks associated with aliens who are admitted to this country by fraudulent means.

## WHY OIG CONDUCTED THE REVIEW

The OIG reviewed DOL's foreign labor certification programs to assess the programs' potential for fraud and abuse. The Employment and Training Administration (ETA) is responsible for approving employers' applications that may ultimately allow aliens to work in the United States. The OIG last audited the PLC and H-1B programs in 1996, and the H-2A program in 1998.

## READ THE FULL REPORT

The full report, including the scope and methodology, are available on the Internet at: <http://www.oig.dol.gov/public/reports/oa/2003/06-03-007-03-321.pdf>

SEPTEMBER 2003

# DEPARTMENT OF LABOR'S ALIEN LABOR CERTIFICATION PROGRAMS CONTINUE TO BE VULNERABLE

## WHAT OIG FOUND

Our review found little change in DOL's administration of the programs since our prior audits. We determined that ETA's role in the labor certification process continues to be perfunctory because:

- While ETA's migration to the new automated "PERM System" will make processing PLC applications much faster, screening by state workforce agencies will be eliminated. The new system may lead to an increase in program fraud due to fewer controls in place to review the applications.
- ETA is required to approve the H-1B labor condition application (LCA) if the form is complete and free of obvious errors; therefore, the H-1B is essentially a "rubber stamp" program.
- The H-2A program is ineffective and the division of responsibilities between ETA and DOL's Employment Standards Administration results in inefficiencies and prevents cohesive enforcement.
- In the H-2B program, ETA's decision to certify or deny an employer's application is only advisory. The Bureau of Citizenship and Immigration Service (BCIS) can accept or reject DOL's decision.

There were no recommendations made in this report. ETA did not provide comments on the draft report.