The Honorable David M. Walker Comptroller General U.S. General Accounting Office

Dear Mr. Walker:

Over the last three years, the United States has lost more than 3 million private sector jobs - and the pace of these job losses has yet to subside. While extensive research has shown the bulk of these job losses have come from the manufacturing sector, it is becoming increasingly popular for U.S. organizations and companies to outsource service industry-related jobs overseas. Contrary to the beliefs of some, we fear these are not "lower-end" jobs, but instead are jobs that often necessitate a high degree of knowledge and skill and would often pay American workers better than simply a living wage.

We are pleased to know that the General Accounting Office (GAO) is in the process of examining the economic trends of the offshore outsourcing of IT services. However, because the future economic prosperity of our country is so important, we respectfully ask that the GAO also study the effects of broader U.S. service industry jobs moving overseas so Congress and the American public can have a clear and complete picture of the economic trends that are affecting our nation's job market. Specifically, with respect to the offshore outsourcing and loss of service industry jobs, we would like the GAO to:

- (1.) research the trends in this area, to include the health care industry, banking and financial services, human resources, and customer assistance, among other industries;
- (2.) identify the major benefits and risks of service industry offshore outsourcing, including strategies for addressing the risks;
- (3.) explain the treatment of service industry outsourcing in U.S. policies with an emphasis in tax and trade policy; and
- (4.) provide policy recommendations for ensuring service-sector jobs remain in the U.S. and expand.

Because of the scope of this request, we would appreciate separate reporting, as appropriate, on these topics, as well as periodic updates on each. Thank you in advance for your cooperation in this matter. Please have your staff contact Zack Hill with Rep. Baldwin at 202.225.2906 to discuss this study.

Sincerely,

Tammy Baldwin Member of Congress

Janice D. Schakowsky Member of Congress John D. Dingell Member of Congress

Ralph M. Hall Member of Congress

Bart Gordon Member of Congress Rick Boucher Member of Congress

Thomas H. Allen Member of Congress Ted Strickland Member of Congress

Sherrod Brown Member of Congress Jim Marshall Member of Congress

Michael H. Michaud Member of Congress

Albert R. Wynn Member of Congress Frank W. Ballance Jr. Member of Congress

Diana DeGette Member of Congress