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National Business Survey: Suspension of Summer Work Travel Program Will Thwart American Economic Recovery

Because of Lack of International Exchange Program Participants, One in Five Businesses Could Not Open this Summer, Average Company Lost an Average of \$470,000

The Alliance for International Exchange released today the findings of a national survey of predominantly seasonal hospitality employers, showing the lack of Summer Work Travel participants cost them each hundreds of thousands of dollars in lost revenues and forced them to lay off thousands of American workers. The survey, conducted between August 4 and 18, 2020, surveyed 659 seasonal businesses and summer camps nationwide.

The J-1 Exchange Visitor Program allows international students to live, work, and travel in the U.S. during their summer break from university. Students gain first hand, in-depth exposure to American culture and society and defray program and travel costs through temporary, seasonal employment in unskilled positions. Entry into the United States through the program, initially curtailed due to the pandemic, was suspended until at least the end of 2020 by the President's [June 22 proclamation](#).

"American businesses that participate in international exchange programs have been hard hit by the June 22 Presidential proclamation," said Ilir Zherka, Executive Director of the Alliance.

Due to a 95 percent drop in Summer Work and Travel this year, 93 percent of participating seasonal businesses reported they cannot meet peak staffing needs, while 87 percent reported lower quality of customer service or longer wait times. Half of all businesses surveyed were forced to shorten their season or hours as a result of the suspension. One in five businesses could not open at all this summer.

Not only did the reduction affect business practices, it also affected American jobs and revenue. One out of seven host employers laid off, furloughed, or reduced the wages of full time American employees. Two-thirds of businesses reported a loss of revenue, with 287 businesses reporting an average \$471,359 in losses. Further, host employers note an overwhelmed and exhausted local workforce, without the supplemental seasonal help of the international students who participate in the J-1 program.

A restaurant owner in Cherokee, North Carolina explains, "Without exchange students next summer, I'll go out of business." A retail store owner in Gatlinburg, TN that hosts students notes that their store lost 40% of income this season because they did not have enough workers.

The Alliance for International Exchange, joined by more than 870 businesses, individuals, and community organizations, [called on the Trump Administration](#) to restore the Summer Work Travel program, as authorized under the periodic review process of the June 22 Proclamation.

Added Zherka, “Given the clear negative economic impact suspending this program has on American businesses already struggling to recover from the pandemic, now is the time for the Trump Administration to exempt the Summer Work Travel program from the June 22 proclamation and provide American businesses the tools they need to recover from the COVID shutdown, and keep Americans working.”

The Alliance for International Exchange is an association dedicated to promoting the growth and impact of exchange programs and the effectiveness of its members. Since 1993, it serves as the collective public policy voice for now over 90 organizations comprising the international educational and cultural exchange community in the United States.

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