

Is The H-1B Visa Cap Capping U.S. Innovation?

Restrictions on visas for foreign IT pros to work in the U.S. will drive more tech jobs and creativity offshore, says a new study released today. While that argument isn't new, the report has a collection of government and other stats to help back it up.



Posted by [Marianne Kolbasuk McGee](#), Dec 6, 2007 02:57 PM

Opposition to—and limitations in the H-1B and L-1 visa programs, especially the annual cap on H-1B visas—are largely based on "myths," says study by the [National Foundation for American Policy](#), a non-partisan, non-profit public policy research organization that focuses on immigration and trade issues.

According to the key findings in the report, ["Driving Jobs and Innovation Offshore: The Impact of High Skill Immigration Restrictions on America"](#), most legit American companies do not hire H-1B visa workers as a means to get cheap labor. In fact, the report says "in examining all Department of Labor agency actions between 1992 and 2004" related to allegations of underpayment of wages, "the average amount of back wages owed to an H-1B employee was only \$5,919." Not exactly the tens of thousands of dollars H-1B critics often allege.

The report also finds that while opponents to raising the H-1B visa cap often warn of serious American tech job losses by opening the "floodgates" to more foreigners, "new H-1B professionals accounted for only 0.07% of the U.S. labor force in 2006." The 37-page study also highlights a number of other point/counter-point arguments in the debate about H-1B and L-1 visas and green cards. But the report's conclusion is clearly stated.

"Further restricting the conditions under which companies can obtain H-1B and L-1 visas for skilled foreign nationals, even if done in exchange for a higher annual limit on H-1Bs, is likely to result in less innovation and job creation in the U.S. as companies are encouraged to hire more individuals outside the country."

