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Help Wanted? Maybe Not, With Visa Rules Under Review

Federal H-1B program has brought highly skilled foreign workers to the U.S.

Tens of thousands of highly skilled foreign workers, many in the field of information technology, enter the U.S. each year on H-1B visas.



By Jo Craven McGinty

For nearly three decades, U.S. employers have been able to hire highly skilled workers from other countries using the federal H-1B visa program.

More than 2.5 million new visas have been issued since the program was introduced in 1990, with the annual number ranging from 76,627 to 136,890 over the last decade, or roughly one-tenth of 1% of the U.S. civilian workforce.

But now—while U.S. unemployment is low and demand for the visas is high—the Trump administration wants to toughen rules for issuing new visas and for extending existing ones.

[The proposed changes](#), published last week in the Federal Register, include revising the definitions of “specialty occupation” and “employment,” introducing additional wage requirements and possibly modifying the selection process.

The changes are intended to protect U.S. workers and wages, according to the administration, but the [prospect of additional restrictions has rattled employers](#) who rely on the visas.

Currently, 85,000 new H-1B visas are issued to private employers annually, including 20,000 set aside for international students who have earned graduate degrees in the U.S. On top of that,

additional visas are issued to non-profit and government research institutions and colleges and universities, which are exempt from the cap.

In fiscal year 2016, the most recent data available, 114,503 new visas were approved. Almost 40% of the recipients held a bachelor's degree, and just over 60% had a master's degree or higher.

Another 230,735 existing visas were extended, or amended, with around 46% of those employees holding a bachelor's degree and around 53% a master's degree or higher.

“It's the only practical way a U.S. employer can hire a high-skilled foreign national to work long term in the U.S.,” said Stuart Anderson, executive director of the **National Foundation for American Policy**, a non-partisan think tank based in Arlington, Va.

The alternative, obtaining permanent residency through a green card, can take years.

H-1B visas are good for up to three years. They may be extended for up to three more years. And the employer may also apply for a green card on behalf of the employee, potentially extending their stay beyond six years while the application is pending.

Demand for H-1B visas has boomed in recent years. According to the Pew Research Center, the cap for private employers has been reached within one week of the application period in each of the last five years.

Among the companies with the most new petitions approved in 2016, according to Mr. Anderson, were Cognizant, an American information-technology corporation that received 3,949 visas; [Tata Consultancy Services](#) , an Indian information-technology company that received 2,040; and [IBM](#) , which received 1,608.

Workers from India received nearly 62% of the new visas in fiscal year 2016. And 61.2% of the new visas were approved for workers in computer-related occupations.

One complaint critics have against the program is that foreign employees allegedly work for less pay, pulling down American wages.

That may be true in some instances—the Economic Policy Institute, a Washington, D.C., think tank, says it has anecdotal evidence of this—but when they apply for the visas, employers agree to pay foreign employees the same wage as other workers with similar qualifications or the prevailing wage for the occupation, whichever is higher.

In the case of computer-related occupations, the mean salary of H1-B workers in 2016 was \$90,000, compared to a [mean of \\$87,870 for all U.S. workers in that field](#).

Meanwhile, supporters of the program complain that it doesn't make sense to rein it in when total unemployment is the lowest it has been since 2000.

In 1999 and 2000, when unemployment was 4% or so,—it's 4.1% now—the U.S. government raised the visa cap from 65,000 to 115,000. In 2001, when unemployment peaked at 5.7%, the cap was set at 107,500. And in 2002 and 2003, when unemployment crept as high as 6.2%, the cap was raised to 195,000.

As is typically the case, unemployment for workers with a bachelor's degree or higher was noticeably lower. In 1999, those workers averaged 1.8% unemployment. In 2003, they averaged 3.1% unemployment. Now, 2.3% are unemployed.

“We're back down to the same unemployment rate, but a lot of people feel this 4% is not quite as good as the last 4%,” said Harry Holzer, a senior fellow at the Brookings Institution and a professor of public policy at Georgetown University. “Wages and salaries were rising more rapidly then, and fewer people had dropped out of the labor force.”

So, are H-1B workers taking jobs away jobs from Americans?

“We just don't know the answer to that,” said Neil Ruiz, the associate director of research at the Pew Research Center. “It's an unanswered question.”

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