



Skilled migrants welcome — April Fools'!

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Today, the U.S. government will begin to accept applications for the skilled H-1B guest-worker visa. H-1Bs are employer-sponsored visas that run for three years and can be renewed once. In recent years, applications for the H-1B have been filled in a few days as there are only 85,000 available for employment in private companies. H-1B workers help enrich the U.S., but there are problems with the visa.

Migrants with H-1Bs are typically young, highly educated and earn high wages. In [2014](#), 94 percent of new H-1Bs were under the age of 40, while 99.8 percent had at least a bachelor's degree and 54 percent at least a master's degree. Almost 80 percent of these workers come from India or China. By all indications, they are almost uniformly fluent in English upon arrival.

Sixty-five percent of new H-1Bs work in computer occupations, while an additional 9 percent are engineers. The rest work in advanced fields as varied as entertainment and medicine. In 2014, the average starting wage for a new H-1B is \$75,000 — ranging up to \$144,000 for those who work in sales.

The skill and education of immigrants with H-1Bs do not insulate them from criticism. Ross Eisenbrey, a lawyer at the left-wing Economic Policy Institute, complained that such skilled immigrants supposedly hurt Americans. He [claimed](#) that skilled migrants cause a "genius glut" that pushes down the job opportunities for Americans. Eisenbrey does get one thing right in his polemic against skilled immigrants: There is no shortage of skilled workers. But that doesn't mean America can't use them.

Worker shortages are not a necessary precondition to liberalize skilled immigration. The government doesn't demand that there be shortages of interior decorators or nurses as a precondition to licensing new ones. We don't wait for a shortage of oil to appear to allow importations of crude. Skilled workers are no different — the economic benefits they bring when the economy demands them are positive even when there isn't a shortage.

Skilled immigrants are not responsible for a slowdown in wage growth over the last few decades. In fact, H-1Bs work in occupations with greater wage growth than most other jobs. Since 2000, median wages in engineering, computer, and science occupations grew faster than for other occupations. The slowdown in wage growth in some sectors has occurred even in countries that don't have many immigrants, like Japan.

Furthermore, computer occupations and engineers compete in a global talent market where wages are set internationally. Workers in the United States still earn more because they are more productive than those in, say, India, but limiting the supply of new highly skilled immigrants won't much budge the wages for Americans because their products are sold and produced internationally. More immigration barriers will just guarantee that innovation and growth happens elsewhere, less efficiently and more expensively than in the United States.

The focus on how H-1Bs and other skilled immigrants affect wages ignores their impact on American innovation and productivity. Economists Jennifer Hunt and Marjolaine Gauthier-Loiselle [found](#) that a 1 percentage point increase in college graduate immigrants as a share of the population bumps patents per capita by 9 to 18 percent. Those discoveries are especially [concentrated](#) in the semiconductor, information technology and drug research sectors of the economy.

From 1950 to 1993, the productivity and, hence, wages of Americans shot up. Influential work by economist Charles Jones [found](#) that about half of that growth can be attributed to an increasing share of scientists and engineers working in the United States — occupations that will continue to grow thanks to skilled immigration. Another [paper](#) has found that H-1B workers have increased American productivity by 10 to 25 percent from 1990 to 2010. However you slice it, skilled immigrants help grow the American economy.

As big as those benefits are, the H-1B has several flaws that need to be addressed. The first is that H-1B workers cannot easily switch jobs. Because the visas are company-sponsored, workers must jump through numerous hoops to change employers. This can lead to bad employers abusing their relatively captive workers. The H-1B should not be company-sponsored; it should be held by the worker and he or she should be able to switch jobs without government permission.

The second problem is the relatively low cap on H-1Bs. There are only 85,000 slots a year allowed at American companies and the government receives so many applications that they have to apportion the visas by lottery. Skilled migrant workers and the firms that seek to employ them should not have to prove their worth to the U.S. government. Economic demand for their services in a free market should be good enough.

Third, H-1Bs should be able to quickly switch to permanent residence (known as a "green card"). Unlike most temporary visas, H-1B workers can apply for a green card through their employers soon after arriving. Backlogs and per-country quotas in the green card system force many skilled Indian and Chinese workers to wait years for a green card. The green-card system should not discriminate based on country of origin.

A bipartisan group of senators led by Orrin Hatch (R-Utah) introduced the Immigration Innovation Act in January to address some of those problems. H-1Bs and other skilled

immigrants add tremendously to our economy. By removing many of the hurdles they face, they can make an even more positive impact.

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