

# Trak.in

## **Average H1B Employee Gets Rs 76 Lakh Salary: 20% More Than American Employee**

Shreya Ambre

May 27, 2020

### **Foreign Talent Preferred Over Local!**

The H-1B visa program benefits the tech and IT service companies. A large portion of H-1B workers in tech roles is Indian IT professionals followed by Chinese. Most of these tech companies are accused of replacing American workers by hiring lower-paid employees from foreign countries.

According to an analysis of data from the US labour department, H-1B visa holders in the US are paid 20% higher wages than average market salaries. 4 out of 5 employers that hire H-1B holders pay higher salaries. The average pay offered by 61,420 H-1B employers in FY2019 was \$100,461 per annum whereas the average prevailing salary determination for the same skill level is \$83,619 in the US.

The data sheds a light on the fact that American employers hire foreign skilled talent only for a specialty occupation, without compromising on the salary paid to these foreign skilled workers.

### **American Employees Paid Less Than H-1B Employees!**

78% of all H-1B employers paid salaries well above their average prevailing wage determination. This data contradicts the study by another US think-tank, Economic Policy Institute that claims as many as 60% of H-1B workers are paid below the local average pay for the job.

The labour department provides 4 wage levels based on skills, experience, and responsibilities. The companies employing H-1B visa workers are required to pay the prevailing median wage or higher for each role.

The analysis by the Cato Institute also asserts that nearly all H-1B employers pay higher than the average salary for each skill level. The market pay takes into account the average pay for workers in the same geographic area. The data also said that over 70% of employees at L1 and L2 wage levels received salaries higher than the prevailing US wage rate.

Will these findings make the life of H-1B visa holders in the US miserable?