

DRAFT POSITION STATEMENT

The Proposed Graduate Student Exemption to the H-1B Visa Cap

October 5, 2004

IEEE-USA opposes proposals currently before Congress to effectively raise the H-1B (Specialty Occupation) visa cap by creating an unlimited visa exemption for foreign nationals who earn Masters and PhD degrees from U.S. colleges and universities. Such a proposal is unwarranted, unnecessary and likely to have unintended consequences at a time when unemployment among many high tech professionals, including electrical, electronics and computer hardware engineers, remains at historically high levels.

This statement was developed by the IEEE-USA Career & Workforce Policy Committee, and represents the considered judgment of a group of U.S. IEEE members with expertise in the subject field. IEEE-USA is an organizational unit of IEEE, created in 1973 to advance the public good, while promoting the careers and public-policy interests of the more than 225,000 technology professionals who are U.S. members of the IEEE. For more information, go to <http://www.ieeeusa.org>.

BACKGROUND

Based on a recent survey of hiring managers, the Information Technology Association of America has concluded that “demand for IT workers continues to drop” and that IT and non-IT companies will fill 270,000 fewer jobs in 2004 than they did in 2003. Most of the jobs currently being created are in low-skilled service occupations, not in highly skilled positions like the ones that the H-1B program is intended to fill. Until such time as there is a marked drop in the unemployment rate among high tech professionals – it reached an unprecedented 7.0% for computer hardware engineers and 6.2% for electrical and electronics engineers last year – there is no need to raise the H-1B visa cap, either directly or indirectly, by creating a special exemption for foreign graduate students.

Based on statistics from the Department of Education, an estimated 76,400 foreign recipients of Masters and Ph. D. degrees from U.S. colleges and universities would be eligible for the proposed H-1B exemption under consideration in Congress. Of these, close to 53% would have graduate degrees in science and engineering disciplines.

IEEE-USA agrees that it is contrary to the long-term competitiveness of the United States to train the world’s best and brightest in cutting edge science and engineering disciplines and then send them home with taxpayer subsidized knowledge and skill to compete against U.S. companies. But giving foreign graduates of U.S. educational programs a temporary work visa doesn’t solve this problem - it just postpones it while they acquire even more valuable knowledge, practical experience and business contacts. A better approach would be to reform the nation’s legal permanent immigration system and put

qualified students on a fast track to U.S. citizenship, rather than consigning them to second-class status on a temporary work visa.

Current law already provides a better transitional alternative than an H-1B visa for foreign graduates of U.S. colleges and universities. Regulations governing employment authorizations for temporary visitors allow foreign nationals on F (Foreign Student) and J (Exchange Visitor) visas to obtain practical work experience in their chosen fields upon completion of their degree requirements. It's easier and less time consuming for foreign students to obtain the necessary authorization for optional practical training than it is to secure an H-1B visa. Optional practical training also offers greater flexibility in the choice of employers than an H-1B visa. Once the required application has been approved, foreign graduates of U.S. schools can work wherever and for whomever they want, as long as the employment is related to their field of study. H-1B visa holders, on the other hand, can only work for sponsoring employers.

IEEE-USA is also concerned that the proposed visa cap exemption for foreign graduate students may have the unintended consequence of increasing our dependence on non-citizens for the technical talent needed to maintain our leadership in an increasingly competitive global economy. By making U.S. educational institutions more attractive to foreign science and engineering students, the visa exemption may actually result in few opportunities for graduate placements and declining enrollments for U.S. students.

###

q:cp/2004positions/Student Exemption. Draft1