

## BNA DAILY LABOR REPORT

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# FOREIGN STEM GRADUATES BOOST JOBS FOR NATIVE-BORN WORKERS, REPORT FINDS

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Jobs are created for as many as 262 native-born workers for every 100 foreign-born workers with advanced degrees from U.S. universities who work in science, technology, engineering, or math (STEM) fields, according to a report released Dec. 15 by the American Enterprise Institute and the Partnership for a New American Economy.

"Research shows skilled immigrants complement American workers and bolster the American workforce," said Nick Schulz, an AEI fellow. "The result is higher productivity and capital investment," because "skilled immigrants are a net plus for the U.S. economy."

The report, *Immigrants and American Jobs*, analyses the impact of foreign-born adults with advanced degrees and foreign workers on temporary employment visas. In addition to finding a positive relationship between immigrant workers and jobs for native-born workers, the report also found that immigrants on average pay more in taxes than they receive in benefits, AEI said.

During a Dec. 15 event to release the report, Rep. Tim Griffin (R-Ark.) outlined a bill he is co-sponsoring that would allow certain foreign-born STEM graduates to remain in the United States after graduation.

### **Report Should Inform Legislation, Zavodny Says.**

The report makes the case that "identifiable categories of immigrants unquestionably give a lift to native employment," said Madeleine Zavodny, economics professor at Agnes Scott College and author of the report. "I hope it's not just economists who take note," because "the study offers insight for legislators who need to know what's at stake in immigration policy," she added.

"At a time when job creation should be our highest priority, the study released today casts light on some of the greatest potential areas for growth, at no cost to taxpayers," New York City Mayor Michael R. Bloomberg (I), co-chair of the Partnership for a New American Economy, said in a Dec. 15 statement.

"It's time for Washington to restart the conversation on immigration reform, and to center it on our economic needs," he said.

### **Griffin Outlines STEM Proposal.**

"We have a shortage of STEM graduates with advanced degrees here in the United States, which hinders American job creators' ability to grow their businesses and hire additional employees," Griffin said.

"Many highly skilled immigrants study in the U.S. but are forced to return home after graduation, where they work to strengthen their home nation's economy to compete against ours," he said. "We are training the other team."

Griffin said he is working on legislation to "change the system so that we can keep the best and the brightest, which will strengthen our economy and create jobs here in America."

Griffin said he and House Judiciary Committee Chairman Lamar Smith (R-Texas) will soon introduce the Bringing and Retaining Accomplished Innovators for our Nation (BRAIN) Act. The bill would allow foreign students who obtain a masters degree or Ph.D. from an accredited U.S. university and have secured a job in a STEM field to be "put on track" for a green card, he said.

The bill will be introduced no later than the end of January, and "so far this has been seen as a bipartisan bill," because "no matter where you stand on illegal immigration, the need for educated legal workers is clear," he said.

### **Immigrants Said to Boost Native Employment.**

According to the report, immigrants with advanced degrees boost employment for native-born workers in the United States.

"This effect goes beyond just the 2.62 jobs for every STEM worker with an advanced degree from U.S. universities," Zavodny said.

The report found that an additional 100 immigrants with advanced degrees working in STEM fields, regardless of where they earned the degree, creates an additional 86 jobs for U.S. natives. An additional 100 immigrants with advanced degrees, regardless of field or where they obtained their degrees, creates an additional 44 jobs for U.S. natives.

The report also shows "clear job creation from foreign workers on temporary employment visas," AEI said. Adding 100 workers in the H-1B visa program for skilled workers results in an additional 183 jobs among U.S. natives.

Similarly, adding 100 immigrant workers in the H-2B program for low-skilled non-agricultural labor results in an additional 464 jobs for U.S. natives, the report found.

Looking at foreign-born workers in the aggregate, the report found "no evidence of any negative impact on U.S. employment."

The report analyses U.S. Census Bureau data from 2000 through 2007 and data

collected from applications for guestworker visas. According to AEI, the analysis "controls for key variables" including the possibility that immigrants might be disproportionately attracted to areas that have strong economies "and therefore higher native employment rates--a factor that might otherwise make the results misleadingly positive."

### **Immigrants Boost Tax Revenues, Report Finds.**

The study also addressed the impact of immigrants on the tax base.

According to the report, highly educated immigrants "pay far more in taxes than they receive in benefits." In 2009, the average foreign-born adult with an advanced degree paid over \$ 22,500 in federal, state, and Federal Insurance Contributions Act (FICA) taxes, while their families received about \$ 2,300 in benefits, the report found.

When looking at all immigrants, not just advanced degree holders, the average adult paid \$ 7,826 in federal, state, and FICA taxes, while their families received \$ 4,422 in cash and in-kind transfers from major government programs, the report found.

### **Report Calls for Legislative Solutions.**

The report suggests several legislative changes to increase the economic contributions of immigrants.

According to the report, immigration benefit priority should be given to foreign workers who earn advanced degrees from U.S. universities, especially those in STEM fields.

The number of green cards for highly educated workers should be increased, and more temporary visas should be available, the report suggests.