

STATEMENT OF THE AMERICAN IMMIGRATION COUNCIL

SUBMITTED TO THE U.S. SENATE JUDICIARY SUBCOMMITTEE ON IMMIGRATION AND THE NATIONAL INTEREST

HEARING ON "THE IMPACT OF HIGH-SKILLED IMMIGRATION ON U.S. WORKERS"

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The American Immigration Council is a non-profit organization which for over 25 years has been dedicated to increasing public understanding of immigration law and policy and the role of immigration in American society. Last year, our Executive Director, Ben Johnson, <u>testified</u> before this Committee to share the Council's analysis and research regarding the impact of high-skilled immigration on the U.S. economy. We are pleased to share our updated analysis and research on the issue.

Today, foreign workers fill a critical need—particularly in the Science, Technology, Engineering, and Math fields (STEM). The U.S. job market is *not* a "zero-sum game" in which workers must fight each other for a fixed number of jobs. The United States has the most dynamic and powerful economy the world has ever known, and immigrants of all types and skills, from every corner of the globe, have worked shoulder to shoulder with native-born workers to build it. In STEM occupations, the foreign-born account for roughly one quarter of workers with PhDs and one in six of those with master's degrees. Highly skilled immigrant professionals not only fill a need in the job market, they also tend to create jobs through their innovative work.

The overwhelming weight of research shows that in our dynamic labor market, skilled immigrants *complement* their U.S.-born counterparts. As discussed in our report, Giving the Facts a Fighting Chance, skilled immigrants help create new jobs and new opportunities for economic expansion. According to a 2012 report from the Information Technology Industry Council, the Partnership for a New American Economy, and the U.S. Chamber of Commerce, "every foreign-born student who graduates from a U.S. university with an advanced degree and stays to work in STEM has been shown to create on average 2.62 jobs for American workers—often because they help lead in innovation, research, and development."

Innovation is the key to growing the U.S. economy and creating jobs. In turn, the key to innovation is attracting, growing, and retaining a skilled workforce. Foreign-born workers, especially STEM workers, have been and will continue to be a critical part of this equation. Immigrants were <u>founders</u> of 18 percent of all Fortune 500 companies, many of which are high-tech giants. As of 2010, these companies generated \$1.7 trillion in annual revenue, employed 3.6 million workers worldwide, and included AT&T, Verizon, Procter & Gamble, Pfizer, Comcast, Intel, Merck, DuPont, Google, Cigna, Sun Microsystems, United States Steel,

Qualcomm, eBay, Yahoo!, and Nordstrom. One-quarter of all engineering and technology-related companies founded in the United States from 1995 to 2005 "had at least one immigrant key founder." These companies "produced \$52 billion in sales and employed 450,000 workers in 2005," and have "contributed greatly to the country's economic growth over time."

Indeed, foreign workers *positively* impact the wages and employment opportunities of native-born workers across our economy. Many STEM occupations have very <u>low unemployment</u> rates, and those fields with large shares of foreign-born workers have low unemployment rates among native-born workers. For example, nearly one-quarter of Medical Scientists are foreign-born, but native-born Medical Scientists have an unemployment rate of just 3.4 percent.

According to a 2011 report from Georgetown University's Center on Education and the Workforce, "high and rising wage premiums are being paid to STEM workers in spite of the increasing global supply. This suggests that the demand for these workers is not being met." A greater variety of industries is contributing to this demand, with employers in the Professional and Business Services, Healthcare Services, Advanced Manufacturing, Mining, and Utilities and Transportation industries willing to pay top dollar for workers with STEM backgrounds. Native-born workers with science and engineering (S&E) degrees are not being driven out of their fields by immigrants; they are being lured into non-traditional occupations where their S&E skills are in high demand and compensated with higher salaries. In other words, they face a wide range of opportunities, not a shortage of options.

We thank you for the opportunity to submit this statement and for engaging in a thoughtful conversation about the role that immigration can and should play in building a prosperous, growing, 21st century America.