

# Many employers say they need visas to bring in high-tech workers from abroad. But critics contend the process has been abused.

Published in the Asbury Park Press 08/15/05

BY LORRAINE ASH  
GANNETT NEWS SERVICE

The way Manoj Prasad sees it, he came to the United States from his native India to fill a void.

When he came to the United States in 1995, he was one of 65,000 specialized workers who got an H-1B visa that year to work at a specific job.

Like all H-1Bs, he was not considered an immigrant. His stay had a time limit — three years, with the likely promise of a three-year extension.

Filling voids, supplementing the American work force. That was the intent of H-1B legislation in the United States where, some industry leaders contend, there is a dearth of workers capable of filling cutting-edge positions in technology, science and engineering.

But not every economist is so sure that is how H-1Bs are playing out.

For Prasad, moving across the world from his Indian hometown of Hyderabad worked out well. He had family in Parsippany, where many Indians have settled, and gravitated to nearby Edison, another Indian enclave.

"The quality of life is much better here, so a person who comes on a visa to work can at last have a single focus on the job," he said. "He can work much better in the U.S. than in India because here, everything is nice and he does not have to worry about whether his family can drink the water. He does not worry about pollution or health issues, as people must do in developing countries."

He smiled and sat back in the Edison office of his company, NexGen Infosys, which devises and delivers information-technology solutions for other businesses. "That's why people call America the Land of Opportunity," he said.

Prasad has settled in domestically, having gone through the green-card process and become an American citizen. He lives in Holmdel, where he raises his family, and a corner of his pristine office in a typical suburban office park in Edison features a low red and gold table, a daily reminder of the Hindu goddess Tulja.

"My father told me to have the power of discrimination to know right from wrong and to become a good human being," Prasad said. "Tulja is the one from whom we get strength to do the right thing."

A coconut sits at the center of the table. It symbolizes auspicious times and circumstances, he explained.

Unlike Prasad, most H1-B visa workers do not stay in America. "About 60 percent of the people will have plans to go back to their countries after working here for some time," he said. "These people want to be close to their family. They are very, very emotional sort of people."

NexGen has 75 employees — 45 in New Jersey and California and 30 in his hometown of Hyderabad. Half of his U.S.-based workers are H-1B visa workers.

Hyderabad. Half of his U.S.-based workers are H-1B visa workers.

### **Making a choice**

It's a tough, competitive business. If given the choice between a seasoned IT veteran laid off from a position in which he worked for 10 years and who has not updated his skills, and a recent H-1B tech graduate from Bangalore, New Delhi, Bombay or Calcutta, Prasad said, he would go for the latter.

Many people agree with Prasad. Congress sets the caps for the number of H-1B visas that can be issued each year in the United States. A high was reached from 2001 through 2003, when 195,000 H-1Bs were approved. Starting last year, the cap went back down to 65,000 again, although it was just raised by another 20,000.

The additional 20,000 must have earned at least a master's degree at a U.S. institution of higher learning — an attempt, industry spokespeople have said, to encourage U.S.-cultivated talent to stay in the United States at a time when Europe, India and China are enhancing their schools.

With better schools in more countries, and more opportunity for highly educated workers abroad, it is increasingly difficult for the United States to attract and keep talent in its borders, said Sandra Boyd, chair of Compete America, a coalition of 200 companies, colleges and associations.

Fifty percent of those studying at the master's level in the United States are foreign nationals, said Boyd, also vice president of the National Association of Manufacturers.

"At the Ph.D. level, it's two-thirds," she added. "We want them to work here."

H-1B visa applications are processed by the U.S. Citizenship and Immigration Services (USCIS), part of the Department of Homeland Security. Those that are approved go to the U.S. State Department, which issues visas to those who qualify.

That's a whole lot of processing for a whole lot of visa workers. There were between 746,000 and 1.14 million H-1B visa holders working in the U.S. in fiscal year 2003, according to compiled statistical estimates from the U.S. Department of Homeland Security.

Clearly, it's time-consuming to find, sponsor and fund the arrival of an H-1B visa worker. Expensive, too, which is why Prasad said he would much rather hire local talent if such were available, which would spare him the expense of paying \$4,500 per H-1B worker.

"Even regular processing is simply too expensive," Prasad said. "It once was \$135, but now it varies, depending on the size of the company, between \$750 and \$1,500. Including attorneys' fees, the average cost is about \$2,000. Premium processing, which is what I use, costs \$1,000 more. We also pay even more to fly the person here and get him set up."

And H-1Bs cannot be hired to do any work that requires security clearance, Prasad said.

### **Looking for a mix**

The ideal staff, then, for Prasad and for others in the tech industry, is a mix of workers — local and H-1B. As a business owner and an American, he prefers bringing in an H-1B worker to fill a domestic job than offshoring that job.

**But Eileen Appelbaum, an economist and member of a National Research Council committee that studied the impact of H-1Bs on the U.S. economy, does not accept the way the H-1B option is typically framed: One can have an H-1B worker in an American job, or lose that job to exportation.**

**"Industry said in 2001, "Let us have the H-1B visas and we'll do the work here, or you can say no and we'll just move the work offshore," she said. "Well, they got all the H-1Bs they wanted, and they still moved work offshore. In 2005, that's an argument industry can't make with a straight face."**

One thing is clear: The rules for forming the best possible workforce are complex and evolving in an economic world in which the playing field changes all the time.

Copyright © 2005 Asbury Park Press. All rights reserved.

