International Students and Economic Development of Global Metropolitan Areas
A skilled workforce provides the foundation for metropolitan areas to transition to the Next Economy.
Outline

1. International Students Supply of Skilled Workforce
2. Demand for Skilled Workers
3. Challenges and Prospects for Immigration Reform
1. International Students Supply Skilled Workforce
Metros are home to foreign students
The U.S. is the global hub for higher education, receiving 21 percent of all students studying abroad
5+ million approvals for F-1 visas in 2001-2012

Forthcoming Brookings Report on Foreign Students
Three Types of Foreign Student Visas

1. **F-1 Visa**: For full-time academic study; most common visa

2. **J-1 Visa**: For cultural exchange purposes, also known as the Fulbright Program

3. **M-1 Visa**: For non-academic vocational purposes only; least common visa
Foreign Students from Asia are driving growth
Smaller metros have the highest concentration of foreign students
Students from Asia comprise an overwhelming share of all foreign students studying STEM.
2. Demand for Foreign Skilled Workers
The H-1B Program connects US employers to high-skilled workers
H-1B Visa Program

Immigration Act of 1990

November 29, 1990

American Competitiveness and Workforce Improvement Act of 1998

October 21, 1998
H-1B Temporary Work Visas

Private Firms
Capped

Research, Non-Profit, Government Organizations
Uncapped
H-1B Temporary Work Visas

Private Firms

Capped

H-1B Cap

For Private Employers

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115,000 195,000 65,000 85,000
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High-Demand Industries and Firms

Information Technology
- Microsoft
- Intel

Management Consulting
- IBM
- Deloitte
- Accenture

Manufacturing
- Caterpillar
- Cummins
- Qualcomm

Finance
- Ernst & Young
- Goldman Sachs
- JPMorgan Chase & Co.
H-1B Temporary Work Visas

Research, Non-Profit, Government Organizations

Uncapped
Occupations of H-1B Visa Requests

- 64% STEM Occupations
  - 46.8% Computer Occupations
  - 8.2% Engineers

- 36% Non-STEM Occupations
  - 5.7% Financial Specialists
  - 6.4% Healthcare Practitioners

Source: Brookings Analysis of Department of Labor Data (2010-2011)
H-1B Cap Not Responsive to Economic Needs

H-1B Cap Fills Rapidly

This year, the demand for H-1B visas has outstripped supply in five days. Last year it took a little over two months to reach the cap.

Annual cap on H-1B visas

- 65,000
- 95,000
- 115,000
- 120,000

H-1B availability windows

- Annual cap not yet filled; new applications accepted
- Cap met; no applications accepted

BROOKINGS
Metros drive demand for H-1B workers
Metros Concentrate H-1B Requests

High-Demand H-1B Metros
106 Metropolitan Areas

- Workers: 67%
- H-1B Requests: 91%
Metros With Greatest Number of H-1B Applications

- Seattle
- San Francisco
- San Jose
- Los Angeles
- Chicago
- New York
- Washington
- Boston
- Dallas
- Houston
Metro Profile
St. Louis, MO

75%
STEM

2,263
H-1B visa requests

1.71
H-1B intensity requests per 1,000 workers

Top Employers Requesting H-1Bs

17%
Uncapped

Applications

17%
Uncapped

Occupations

75%
STEM

Computer Occupations
Life Scientists
Health Diagnosing Practitioners
Metro Profile
Detroit, MI

- 66% STEM
- 4,653 H-1B visa requests
- 2.66 H-1B intensity requests per 1,000 workers

Applications

Top Employers Requesting H-1Bs
- Wayne State
- Henry Ford Health System

Occupations
- 66% Computer Occupations
- 4,653 Engineers
- 2.66 H-1B intensity requests per 1,000 workers
Metro Profile
Pittsburgh, PA

Applications

- 2,370 H-1B visa requests
- 2.08 H-1B intensity requests per 1,000 workers

Top Employers Requesting H-1Bs
- 25% Uncapped

Occupations
- 25% STEM
- Computer Occupations
- Health Practitioners
- Engineers
Metro Profile
Cleveland, OH

Applications

1,790
H-1B visa requests

1.78
H-1B intensity requests per 1,000 workers

Top Employers Requesting H-1Bs

27%
Uncapped

Cleveland Clinic

Progressive

Occupations

60%
STEM

Health Practitioners

Engineers

Computer Occupations
3. Challenges and Prospects for Reform
Current US Visa System

F1 Visa → Optional Practical Training → H1B Visa → Permanent Resident Card
F-1 visas approved in 2010: 668,513

H-1b visas approved in 2010: 76,627

F-1s enrolled in advanced degree programs: 188,281

H-1bs transferring from F-1 status: 26,502

F-1s enrolled in advanced degree programs AND studying a STEM field: 96,162

H-1bs transferring from F-1 status who had a graduate degree: 19,922

Of the 668,513 F-1 visas in 2010, 188,281 (28.2%) were enrolled in advanced degree programs, of whom 96,162 (14.4%) were studying a STEM field.

Of the 76,627 new H-1B visas approved in 2010, 26,502 (34.6%) were transferring from F-1 visa status, of whom 19,922 (26.0%) had a graduate degree.

Under proposals to give green cards to foreign STEM advanced degree holders these individuals would have faster access to a green card upon graduating with a job offer.

They can then apply for permanent status, if sponsored by their employer.
Congress Agrees on High-Skilled Immigration Reform
Regional Visas?
International Students and Economic Development of Global Metropolitan Areas

Neil G. Ruiz, Global Great Lakes Conference, June 12, 2014