

Press Release



Assessing the Department of Labor's Rule Raising the Prevailing Wages for H-1B Workers

ALLISON EDWARDS | NOVEMBER 3, 2020

Last month the Department of Labor (DOL) issued an interim final rule increasing the minimum wage for H-1B workers. The central argument for raising the required wage is to protect American workers, but these changes do little to help workers and threaten the economic recovery, contend AAF's Director of Labor Market Policy Isabel Soto and Data and Policy Analyst Tom Lee. Further, this rule will hurt cash-strapped firms as well as programs at American colleges and universities that provide high-skilled training to both native and foreign-born workers.

An excerpt:

Research demonstrates that the DOL's changes to the prevailing wage will do little, if anything, to help native U.S. workers. Unfortunately, the new rule is likely to harm U.S. businesses—particularly startups and nonprofits—and hinder the economic recovery. The new prevailing-wage levels require employers to pay entry-level H-1B visa holders close to the median wage of all workers in particular occupation categories, effectively forcing employers to choose between obtaining needed skills and paying H-1B workers higher than similarly situated native workers. Forgoing crucial skills could weaken both individual firms and the overall economy during an already uncertain time.

[Read the analysis.](#)