US B-1 Visa Curbs

Why in news?

The U.S. State Department proposed to stop issuing temporary or B-1 business visas.

What happened?

- This B-1 visa is related to occupations normally classified as falling under the H-1B speciality or skilled visa category.
- The Trump administration has once again tightened the screws on the country's immigration system.
- It has been done in such a manner that it would directly impact Indian companies contracting with American firms for on-site work.

What is the argument?

- The argument is that in the name of the business-related entry of personnel, companies were sending their technology professionals for short-term stays to work on U.S. jobs.
- This, in turn, potentially undercuts the wages and employment prospects of U.S. workers.

What could be the impact?

- The proposed policy action is significant for following closely on the heels of other similar moves to tighten restrictions on the entry of foreign nationals.
- These moves include raising the minimum salaries payable to those applying for H-1B visas, and to stop the issuance of such visas entirely until December 31, 2020.
- Taken together, it would be reasonable to expect a painful economic fallout on legal skilled migration from India.
- Trump's ban on new H-1B visa issuance could impact up to 219,000 workers, who would be unable to take up potential jobs in the U.S.

Did India do anything?

- To date, there has been **no retaliatory policy** from India.
- At most perhaps diplomatic discussions happened.

- In these discussions, the South Block has emphasised that technology and innovation via the trade in services remain a key pillar of the bilateral strategic partnership.
- It said that the highly-skilled Indian professionals working in the U.S. help bridge the skill gap, imparting a technological and competitive edge.

What is the situation in the US?

- In the backdrop of the steady clampdown on visa issuance is Mr. Trump's rhetoric on protecting U.S. jobs from foreigners.
- The pressure on the White House to increase the tone of this form of protectionism has risen owing to the pandemic's job-killing effects.
- U.S. joblessness spiked to an unprecedented 14.7% in April 2020 and it has dropped off since then.
- The electoral campaigns have seen sharp attacks on Mr. Trump's alleged failure to mitigate the economic crisis.

What is next?

- Trump is steadily losing ground in federal and regional opinion polls.
- So, it is hardly surprising that areas of legal migration have become policy targets for the White House.
- Therefore, the Indian firms seeking to send their employees to the US for short-term work should assume that it will be a long time before they could return to business as usual.

Source: The Hindu

SHANKAR IAS PARLIAMENT
Information is Empowering