

Economy

US to issue thousands of H1-B visas

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Washington, May 5: The US has announced an additional 20,000 visas to foreign workers in the H1-B category, mainly availed by Indian information technology professionals, thus fulfilling a long-standing demand by American firms and academic groups.

US businesses can submit applications for additional H1-B visas beginning May 12, the Department of Home Security's Immigration Agency said. An additional 20,000 such visas would be made available for foreign workers with advanced degrees from US institutions.

The announcement ending months of speculation on who qualified for the visas. The extra 20,000 visas were approved last fall by US Congress. The largest number of such foreign workers have been Indian. The US Citizenship and Immigration Services (USCIS) said that the visas would be granted only to foreign workers with at least a Master's-level degree from a US academic institution. Congress approved the additional 20,000 visas last year after American technology firms and academic groups complained that the reduced 65,000-worker cap was too low to meet demand. Opponents of the controversial visa cap, which had previously been set at 195,000, argue that the influx of skilled foreign workers is costing US citizens and permanent residents jobs.

The 65,000 H1-B visas approved by Congress for the fiscal year that began last Oct. 1 were completely taken in a day.

The release of the 20,000 additional visas comes after a delay and some controversy. Last month, USCIS roiled backers of the cap increase when it said that the 20,000 additional visas would be available to all qualified applicants -- not just those holding an advanced degree from US Universities. Sandra Boyd, who heads Compete America, a Washington-based group representing over 200 corporations and universities, said that change would be contrary to the intent of the H-1B Visa Reform Act of 2004.

Evidently, USCIS agreed, IT weekly *Computer World* notes. In an interview to *Computer World*, Boyd said the agency had made "right interpretation" of the law with regulations that will be published in federal register on May 12.

She also said the agency's apparent indecision over how to handle the visa allocation created much uncertainty for US employers, as well as for prospective visa-holding employees. "There was a lot of confusion about whether people would be offered jobs," said Boyd. It made it impossible to

plan, and it all seemed pretty unnecessary."

Tech industry groups had asked Congress last fall to approve more than 20,000 additional visas. If the visas being released next week are quickly claimed -- as some immigration attorneys have been predicting -- tech groups are likely to cite that as a reason to raise the visa cap further. Last week, H1B visa supporters got some help from Microsoft corp Chairman Bill Gates, who said preventing "smart people" from entering the country by placing a cap on H1B visas "doesn't make sense."

Gates said because of immigration restrictions, Microsoft was finding it difficult to get qualified people to work for it in the US.

"I'd hire a lot more American engineers if I could find them -- they're not available, and that's why we're going to China and India." **but Gerald Cohen, Chairman of New York Software Industry Association, dismissed Gates' remarks saying there was no dearth of engineers in the US, and alleging that Indian companies were trying to get rid of the visa caps. In an interview to *Computer World*, Cohen claimed gates is going to India and China "because it's just cheaper. He can find all the engineers he wants in this country." He alleged Indian companies "have to have a certain number of people here, and a lot more people back there -- so they're the ones who want to get all these people in. And they don't even pay them American wages -- they just pay them as cheaply as they can."**

"The Indians will bring people into the US cheaply to work here," claimed Cohen, the CEO of New York-based Business Intelligence Software Vendor Information Builders Inc. "When you bring people into the US, you have to pay American wages. That would be a minimum standard," he said. But Cohen also seemed to favour outsourcing done by his own company, saying, "we want the company to be prosperous, and if I can lower my costs by doing work overseas, the company's more prosperous. But I'm not so sure that's better for the country."

He said that down the road, there is going to be a huge drain of IT jobs as lot of these jobs that go overseas are the spawning grounds for future jobs.

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