



India demands 195K H1-B US visas

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NEW DELHI: IN A move that has significance for Indian professionals seeking to work in the US, the government has made a formal proposal to the WTO demanding that the yearly quota of H1B visas be increased to 1,95,000 from the current ceiling of 65,000.

If conceded, the move could turn out to be a boon for IT and other skilled professionals heading for the US.

In the ongoing WTO talks, India has made enhancement of the H1B quota as a key bargaining chip for offering concessions on market access for industrial products and farm goods, highly-placed government officials said.

Even if the US partly concedes the Indian demand, it will be a big step forward in liberalisation of norms governing movement of natural persons — as work permits are called in WTO parlance.

A formal proposal to this effect has been submitted by India and response from the US is awaited, the sources said.

Under the ongoing talks on liberalisation of services, negotiations are taking place through the 'requests and offers' mode which requires every WTO member-nation to seek market access in specific areas from other countries.

Similarly, willingness to open up specific sectors is also conveyed to all other WTO members. A number of top US companies like Microsoft are also keen to see increase in H1B visas, as this would help them in getting highly-qualified manpower from India.

Most of the 65,000 H1B visas issued every year go to Indians and the quota gets exhausted quickly, sometimes within a day as American companies line up their plans for the whole year in advance. In view of heavy demand, the US allowed an additional quota of 20,000 visas for the current year.

Liberalisation of visas is a key demand of India in current negotiations, with the US and the EU being the key markets of interest. While the services market is divided into four categories, India has emphasised on Mode 4, which relates to liberalisation of visas and Mode 1, which is important for outsourcing as it deals with cross-border supply of services.

Apart from techies, the other beneficiaries of H1B visas include lawyers, accountants, teachers and healthcare professionals.

India would favourably consider demand from the US and the EU for greater market for industrial goods in the country if the request for liberalisation of H1B visas is accepted, sources said.

The government is also looking at granting better market in services as well as agriculture if the demand for more visas is met. The visa issue is important to India, along with other issues like elimination of export subsidies for farm products in the US and the EU.

Scrapping of tariff peaks, which restrict market access to key goods like agriculture, is also being pursued strongly.

Negotiations on services, agriculture and market access for industrial goods — technically called Nama (non-agriculture market access) — are picking up in the run up to the Hong Kong ministerial meeting of the WTO slated for December.

In the case of services, the initial offers of India would pertain to liberalisation of business services, construction and related engineering services, health-related services, tourism and travel-related services, maritime services and transport services.

In certain cases, India has opened up the market for foreign companies on its own and the offer at the WTO would be to commit itself against reversal of market access.

In other words, market access would be 'bound' in a manner that makes it virtually impossible to close the doors on foreign companies without facing serious consequences.

As the time-consuming process of negotiations through 'offers' and 'requests' moves ahead, India might work on better market access to its partners only if other countries are willing to liberalise Mode 4 and Mode 1 under the GATS (General Agreement on Trade in Services). Initial offers were submitted at the end of last month and negotiations with various partners are ongoing.