



Is the U.S. restriction on immigrants a gain or loss?

2nd Edition

02 July – 16 August 2020

The H-1B visa restrictions have invited a lot of criticism for the Trump administration from various spheres such as American Universities, research labs and tech giants. Major companies including Apple, Microsoft and Facebook denounced such restrictions saying the action is fundamentally against the U.S. Interests. With growing criticism and because of the world's best talents moving out of the U.S. to Canada and other parts of the world, the Trump administration relaxed some rules of the restrictions. Meanwhile, democratic presidential candidate Joe Biden announced that he will revoke H-1B visa restrictions if elected. The second edition of this ONW highlights these events among others that will have an impact on India and the rest of the world apart from the direct impact on the U.S. economy and politics.

News/Op-ed	Key Takeaway
<p>US dream shattered, Indians find greener pastures in Canada The Times of India August 16, 2020</p>	<p>After waiting in vain for decades to obtain permanent residency (green card) and realise their 'Great American Dream', many Indian families are relocating to Canada. Reasons: Ease of entry, better career opportunities and convenience of settling down. Rough estimates suggest at least 20,000 Indians make this migration — from the US to Canada — every year.</p>
<p>Hope professionals from India are continued to be welcomed in US: Indian envoy Taranjit Singh Sandhu The New Indian Express August 15, 2020</p>	<p>India's Ambassador to the US Taranjit Singh Sandhu has voiced hope that Indian professionals will continue to be welcomed in America as their talent has contributed significantly to the country's economy. During a virtual meeting with Governor of Ohio state Mike DeWine, Sandhu on Friday discussed various important issues, including the potential collaborations in the sector of higher education and technology where the talent from India can contribute in a significant way.</p>
<p>Biden promises to reform H-1B visa system eliminate country-quota for green cards Financial Express August 15, 2020</p>	<p>If voted to power in the November general elections, a Biden administration will reform the H-1B visa system and work towards eliminating the country-quota for Green Cards, his campaign said on Saturday, 15th August, in a move to woo the influential Indian-American community. In a major policy document for Indian-Americans released on the occasion of India's 74th Independence Day, the Biden Campaign also emphasised its support to family-based immigration system and streamlining processing for religious worker visas.</p>

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<p>Nigeria says reversing U.S. visa ban will take 'enormous resources'</p> <p>Reuters August 14, 2020</p>	<p>Nigeria was among six countries in an expanded version of U.S. President Donald Trump’s travel ban, announced in January, which blocked their citizens from obtaining U.S. visas that can lead to permanent residency. In a statement on Thursday, 13th August, President Muhammadu Buhari said that after suggestions from a report by the committee, they had “fully resolved” two out of six U.S. concerns, “substantially satisfied” two others and had made “some progress” on the last two.</p>
<p>Trump administration relaxes some rules for H-1B visas</p> <p>The Economic Times August 14, 2020</p>	<p>The Trump administration has relaxed some rules for H-1B visas that allow applicants currently outside the US being considered for a visa if they meet a certain set of criteria, said the US department of State. Applicants seeking to resume ongoing employment in the US in the same position with the same employers and visa classification will now be allowed as forcing employers to replace them may cause financial hardship, said the US department of State.</p>
<p>Nasscom welcomes latest H-1B visa exemptions, says cautiously optimistic</p> <p>The Economic Times August 14, 2020</p>	<p>“We remain “cautiously optimistic” – as caveats in the DoS guidance about seniority, unique and significant contributions and/or other factors that go along with the exceptions still allow a lot of leeway in interpretation of the new guidance. The impact can only be gauged in course of time,” Nasscom said in a statement. “That said, we believe this is a step in the right direction and encourage the implementing agencies to ensure US businesses’ access to critical talent is not hampered,” it added.</p>
<p>In Brown Type: President’s immigration proclamations will have long-lasting negative effects on the economy</p> <p><i>By Jaya Padmanabhan</i> San Francisco Examiner August 13, 2020</p>	<p>Giovanni Peri, director of the Global Migration Center, and a professor of economics at the University of California, Davis, published an analysis claiming that these immigration restrictions “will reduce long-term economic growth while also failing to increase the employment of Americans. In short, the suspension of H1-B visas will ultimately have a negative impact on the American economy.”</p>
<p>Apple, Facebook, Microsoft and other major companies denounce Trump visa restrictions</p> <p>CNN August 12, 2020</p>	<p>Apple, Facebook and Microsoft are among the 52 companies and organizations in a court filing denouncing Trump administration restrictions on employment-based visas, saying that the action “fundamentally disservices the interests of the United States by stifling the ability of U.S. businesses to attract the world's best talent, drive innovation, and further American economic prosperity.” Amazon, Netflix and Twitter also signed on to the court brief.</p>
<p>Trump Immigration Policy Now Blocks World’s Most Highly Skilled</p> <p>Forbes August 12, 2020</p>	<p>Today, even the most highly skilled individuals in the world cannot enter America under the Trump administration’s immigration policy. Reports from attorneys and a statement from the State Department confirm that U.S. consular officers in Europe are denying O-1 visas for individuals with “extraordinary ability” based on a health pretext.</p>

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<p>More tech immigrants choosing Canada over U.S. CIC News August 06, 2020</p>	<p>In light of U.S. restrictions on immigration more and more immigrant tech workers are considering pivoting north to Canada. The suspension also includes H1-B visas. These visas were issued to highly skilled foreign professionals, including the likes of Elon Musk, CEO of both Tesla and Space X. A staggering 40 per cent of workers in the tech sector are immigrants, according to Canada's Information and Communications Technology Council report. To put that into perspective, immigrants make up 25 per cent of Canada's overall workforce.</p>
<p>Per-country Green Card cap punishes immigrants from India: US Senator Business Standard August 06, 2020</p>	<p>Republican Senator Mike Lee, on the Senate floor, said on Wednesday, 5th August, that he has always been struck by the fact that the government has conditioned Green Card. There may have been some legitimate reason many decades ago for this, but has led to a system that largely discriminates against Green Card applicants from one country, Lee told his Senate colleagues. Currently, there is a backlog of almost one million foreign nationals and accompanying family members lawfully residing in the United States who have been approved for, and are waiting to receive, employment-based Green Cards.</p>
<p>Will end green card freeze, oppose H-1B visa suspension: US Democratic Party The Indian Express August 05, 2020</p>	<p>The Democratic Party in the US will end the freeze on green cards and take steps to end its backlog, if voted to power in the November presidential elections, the party's proposed 2020 platform said. The Platform, which is similar to an election manifesto in India, would be adopted by the party's delegates during its national convention in Wisconsin. The four-day convention from August 17 to 20 would formally nominate former Vice President Joe Biden as its candidate for the November 3 presidential elections.</p>
<p>H1-B visa restrictions: Democratic lawmakers urge Trump admin to exempt healthcare workers Financial Express August 05, 2020</p>	<p>In a letter to Secretary of State Mike Pompeo, Acting Secretary of Homeland Security Chad Wolf and Labour Secretary Eugene Scalia, the lawmakers on Tuesday, 4th August, said that the restrictions hit the healthcare at large and particularly for the rural and underserved communities that rely on immigrant physicians. Even though the proclamation provides relaxations to the individuals working on the COVID-19 related care and research, they said it is overly restrictive, and limiting the supply of healthcare workers during this crisis puts all Americans at risk.</p>
<p>USCIS took steps to prevent abuse, fraud in employment-based visa programs, lawmakers told The Times of India July 31, 2020</p>	<p>The US Citizenship and Immigration Services (USCIS) has implemented rules, policy memoranda, and operational changes that protect the economic interests of US workers and businesses and prevent abuse and fraud in employment-based visa programs, Joseph Edlow, Deputy Director of Policy, USCIS told lawmakers during a Congressional hearing. Prominent among these include ensuring the fees that certain H-1B petitioners must now pay ultimately help to train US workers, clarifying calculation guidelines for the one-year foreign employment requirement for L-1 petitions in order to ensure consistent adjudication.</p>

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<p>US restrictions on skilled immigration likely to result in offshoring more jobs The Economic Times July 22, 2020</p>	<p>Restrictions by the United States on skilled immigration are likely to result in more offshoring, particularly to countries such as Canada, India and China, according to a research paper. The National Bureau of Economic Research paper looked at data on visas issued by the US government and its effect on activities of multinational companies. How Do Restrictions on High-Skilled Immigration Affect Offshoring? Evidence from the H-1B visa program – by Wharton School’s Britta Glennon found that, rather than increase employment of natives, restrictive migration policies led to offshoring of jobs. Several IT firms and industry associations such as Nasscom have criticised US President Donald Trump’s move to temporarily suspend non-immigrant visas like the H-1B and L-1 till year end in order to protect American jobs.</p>
<p>Why the Trump administration’s anti-immigration policies are the United States’ loss and the rest of the world’s gain <i>By Britta Glennon</i> Brookings July 20, 2020</p>	<p>Prominent American companies like Duolingo and Boston Consulting Group (BCG) have already announced that, rather than rescinding offers to those affected by the new visa rules, they will simply move those jobs to Canada or elsewhere. I find that U.S. multinational companies particularly increased employment in three locations i.e. China, India, and Canada, in response to the growing constraints of the H-1B visa cap, even as U.S.-based employment at the same firms remained flat.</p>
<p>The US is turning away the world’s best minds—and this time, they may not come back <i>By Zachary Arnold and Tina Huang</i> MIT Technology Review July 14, 2020</p>	<p>America’s universities, research labs, and tech companies have watched these developments in disbelief. Research has shown that immigrants are critical to science and technology in the US, fueling technological innovation, job creation, and growth that benefit US citizens and noncitizens alike. That’s why tech and business leaders reacted with outrage last month when the White House suspended key visas for skilled workers. Many who spoke out, such as Elon Musk, AI pioneers Andrew Ng and Yann LeCun, and Sundar Pichai, are themselves immigrants who first came to the US on temporary visas.</p>
<p>H1-B visa suspension to have Rs 1,200-cr impact on Indian IT firms: Crisil The Economic Times July 06, 2020</p>	<p>Suspension of the H1-B visas by the US will cost domestic IT firms Rs 1,200 crore and have a marginal 0.25-0.30 per cent impact on their profitability, a domestic rating agency Crisil Ratings said on Monday, 6th July. An increase in local hiring over the last few years since the US – the largest market for Indian IT firms - started curbing the visa issuances will help limit the impact on the Indian IT companies now.</p>
<p>After H-1B ban, Silicon Valley startups look to Canada for engineering talent ET Tech July 03, 2020</p>	<p>Several Silicon Valley startups may shift part of their engineering teams to Canada following the suspension of H-1B and other non-immigrant work permits in the United States till December 31. The shift, which has gradually been happening over the last few years, will speed up after the visa suspension, said Avi Bharadwaj, Principal, Innovation Endeavors, a venture capital firm co-founded by Google’s Eric Schmidt.</p>

News/Op-ed	Key Takeaway
If elected, will revoke H1-B visa suspension: Joe Biden The Hindu July 02, 2020	Democratic presidential candidate and former U.S. vice president Joe Biden has said that he will lift the temporary suspension on H-1B visas, the most sought-after by Indian IT professionals, if he wins the November presidential elections. Earlier Mr. Biden said that if he wins the November elections, strengthening relationship with India which is the U.S.' " <u>natural partner</u> ", will be a high priority for his administration.

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