

U.S. Job Losses Not Due to H-1B Visas, Report Says

New H-1B visa holders don't make much of a dent in the U.S. workforce, according to a report by the National Foundation for American Policy

By [Deepshikha Monga](#)

US lawmakers may be busy putting restrictions on the country's primary temporary work visa, H-1B, but new H-1B visaholders each year represent just seven in 10,000 civilian workers in the US, according to a report by an American public policy organisation.

As per the report by the **National Foundation for American Policy (NFAP)**, 107,686 new H-1B petitions were approved by the US Citizenship and Immigration Services in 2008, including those exempt from being included in the H1-B quota of 85,000 visas annually. In comparison, the American civilian labour force stood at 154.6 million in 2008.

The US Senate recently cleared a bill that restricts hiring of H1-B visa holders by financial services firm receiving government bailout funds. The NAFP report proves that the US backlash against H-1B visa usage, led by senators Chuck Grassley and Dick Durbin, is uncalled for, according to the Indian IT industry. "There are over 5 million unemployed people in the US. How can 65,000 H-1B visa holders be held responsible for job losses?" said an executive at a large Indian IT firm that figured among the top 10 H1-B users.

The report also noted that Indian IT firms utilised only 11.9% of new H-1B petitions issued in 2008, contrary to popular perception in the US that these firms use up most of the visas.

Indian firms' usage of the visas declined by 27% between 2006 and 2008. H-1B visas bagged by Indian IT companies, including US-headquartered Cognizant which has a large presence in India, came down from 17,550, or 15.1%, of total H1-Bs issued in 2006 to 12,810 in 2008. Pointing out that market realities determine the demand for H-1B visas, NFAP said that companies didn't hire more H-1Bs in 2002 and 2003 when the cap was increased to 1,95,000 from 85,000. "Firms did not hire more H-1Bs in those years just because the cap was higher," the study said.

Despite the economic slowdown and a likely reduction in the number of applications, it's expected that the H-1B visa quota for 2010 will be exhausted within days when the process starts on April 1, on the back of pent-up demand.

In its recent meeting with US government representatives, Indian IT-BPO association Nasscom said that any protectionist measure by the world's largest economy would only prolong its recovery from recession. It offered to work with American policymakers on visa laws to plug loopholes.

"While the xenophobes go on their witch-hunt and blame immigrants for the loss of jobs, the best and the brightest are leaving the US and taking the economic recovery with them," says Duke University professor and Harvard researcher Vivek Wadhwa.

A recent report by Prof Wadhwa and his team found that Indian and Chinese professionals leaving the US are finding greater opportunities in their native countries than ever before.