

H-1B Visa Debate 2025: US Criticism, Indian Impact & Trump's Proposed Reforms

August 28, 2025 • vajiramandravi.com



H-1B Visa Debate 2025 Latest News

- Recently, US Commerce Secretary Howard Lutnick labelled the H-1B visa program a “scam,” arguing it allows foreign workers to take jobs that should go to Americans.
- His remarks align with the Trump administration’s stance who oppose the program for allegedly undercutting domestic workers.
- However, the H-1B continues to have strong supporters, including Elon Musk and Vivek Ramaswamy, who highlight its role in bringing global talent to the US.
- The program remains particularly significant for Indians, who accounted for over 72% of approved H-1B petitions in 2023.

Overview of the H-1B Visa Program

- The H-1B is a **temporary, non-immigrant visa** that enables US employers to hire foreign workers in specialized fields like technology, engineering, and finance.
- Launched in 1990, it allows US employers to **hire skilled foreign professionals** in jobs requiring at least a bachelor's degree.
- It was designed to help businesses access skills unavailable in the domestic workforce by permitting **temporary employment** of qualified immigrants.
- The visa can be granted for up to six years, after which holders must either leave the US for at least 12 months or obtain permanent residency (Green Card).

H-1B Visa Caps and Exemptions

- Currently, there is an annual cap of 65,000 visas, with an additional 20,000 for individuals holding advanced degrees from US universities.
- However, not all petitions fall under this cap — exemptions apply for continuing employment, higher education institutions, and nonprofit or government research organisations. As a result, approvals far exceed the cap.
- In FY 2023, the US Citizenship and Immigration Services approved 118,948 initial employment petitions and 267,370 for continuing employment, totalling 3,86,318.

Immigration Politics and Criticism of H-1B Visas in the US

- Immigration remains one of the most divisive issues in US politics, with concern over it rising sharply in recent years.
- Trump's campaign rhetoric has often targeted immigration, blaming it for job losses, wage stagnation, inflation, and economic distress faced by the working class.
- While earlier criticism centred on low-skilled migrants, the H-1B visa program has now come under fire for allegedly displacing American workers from high-paying jobs.
- This narrative, often intertwined with racial undertones, frames **immigration as a threat to American livelihoods** and fuels political attacks on skilled migration programs like H-1B.

Indians as the Largest Beneficiaries of H-1B

- Since 2015, Indians have consistently accounted for over 70% of all H-1B visa approvals, far outnumbering Chinese applicants, who remain around 12–13%.
- This dominance has made Indian professionals a focal point of criticism from nativist Republicans, who argue that the program allows Indians to take American jobs at lower wages.

Criticism of Wage Disparities

- Opponents claim that US tech companies misuse the H-1B program to fill low-to-mid-level positions at salaries below what Americans would demand.
- Supporting this narrative, data show that nearly 70% of Indian H-1B approvals in FY 2023 were for salaries under \$100,000, compared to the US median IT salary of \$104,420.

- Only 5% were for salaries above \$150,000.

Defence of the Program

- Despite criticism, industry leaders emphasize that H-1B visas remain essential for addressing the US skills gap.
- They argue that wages are market-driven, and global competition for STEM talent is fierce.
- With China (3.57 million) and India (2.55 million) producing far more STEM graduates than the US (820,000), Indian and Chinese professionals continue to dominate the high-skilled workforce.

Trump's Proposed Overhaul of H-1B

- Although details remain unclear, Trump and his allies have hinted at a major restructuring of the H-1B visa system.
- A 2021 rule proposed under his administration offers insights into the possible direction of reforms.

Salary-Based Selection Rule

- The 2021 proposal sought to prioritize H-1B petitions based on salary levels under the Occupational Employment Statistics (OES).
- Higher-paid applicants (Level 3 and 4) would be favored over lower-paid ones (Level 1 and 2).
- If implemented, such a change would heavily disadvantage early-career professionals, particularly international students who typically begin at Level 1 or 2 wage bands.
- This aligns with Trump's narrative of prioritizing "higher-value" workers while curbing low-wage immigration.

The "Golden Card" Project

- In parallel, Trump has floated the idea of a "Golden Card," offering residency and citizenship to wealthy investors contributing \$1 million to businesses or \$800,000 to rural or distressed areas.
- The initiative has reportedly attracted 250,000 applicants, potentially generating up to \$1.25 trillion in investments.

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