

India to seek people access in US trade talks

BLOOMBERG

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Indian officials will ask the US trade negotiators this week to ease access for thousands of skilled workers, a person familiar with the matter said, days after President Donald Trump's abrupt announcement to restrict H-1B visas.

Indian negotiators led by Commerce and Industry Minister Piyush Goyal will raise the issue of movement of skilled professionals, such as IT workers, in their current round of trade talks in Washington, the person said, asking not to be identified as the

discussions are private.

Till now, trade talks have centered around easing access for goods only, but Trump's latest crackdown on immigration have pushed New Delhi to widen the negotiations to include services industries, such as IT. India's economy is heavily skewed toward services, which make up more than 50 per cent of gross domestic product.

The Ministry of Commerce and Industry didn't immediately respond to an email seeking comments.

Trump's move to slap a \$100,000 fee on new H-1B applications for skilled workers will disproportionately hurt Indians, who

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make up two-thirds of the visas. The move threatens the country's \$280-billion tech services industry, putting thousands of jobs at risk.

The tighter immigration rules come on top of Trump's 50 per cent tariff on Indian exports, half of which were meant to penalise New Delhi for buying oil from Russia.

Indian officials have said the country will continue purchasing Russian energy as long as it's financially viable.

Goyal is in the US this week to seek an end to the impasse and reach a bilateral trade deal by the fall of this year, as the two sides had originally agreed. The initial plan was to have a trade deal negotiated in tranches, with the first phase comprising goods, while services would be left for later stages. India has made similar demands around mobility of its workers in other trade negotiations, which have sometimes been contentious. Talks on a UK free trade agreement

stalled in 2022 because New Delhi wanted more visas and easier rules for Indian nationals seeking to work in Britain. The two countries eventually agreed on a trade pact this year, which allows, among other things, 1,800 visas for some services up to a year of contractual services.

Prospects of a trade deal remain uncertain given the latest immigration rules and Trump's demand that New Delhi stop buying Russian oil. Talks resumed last week after Trump called Prime Minister Narendra Modi on his birthday. Trade negotiators last week described the one-day talks as "positive."