



**Testimony of Benjamin Johnson, Executive Director
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**Submitted to the Subcommittee on
Immigration and the National Interest
Committee on the Judiciary of the U.S. Senate**

Hearing entitled “Impact of High Levels of Immigration on U.S. Workers”

March 16, 2016

Mr. Chairman and Ranking member, and members of the committee, thank you for the opportunity to appear before you today and provide testimony on behalf of the American Immigration Lawyers Association (AILA). AILA is the national association of immigration lawyers established to promote justice and advocate for fair and reasonable immigration law and policy. AILA counts among its members over 14,000 attorneys and law professors across the nation who are involved in every aspect of our nation’s immigration laws.

Since the first newcomers arrived here in the early 1600s, immigration has shaped and transformed the economic, social, and political development of our nation. Immigrants have played a substantial role in every major social, economic, and technological transformation in our nation’s history. Immigrants are innovators and entrepreneurs who helped build and invent the industrial era, the atomic age, and now the computer age. They are family members who help build stable communities and raised generations of new Americans. And they are everyday workers who help drive the engine of our economy forward. The overwhelming weight of the research shows that immigration has had and continues to have a profoundly positive impact on our society, our economy, and on the wages and employment opportunities of the native-born workers who immigrants work shoulder to shoulder with every day. In short, immigration has been and remains vital to America’s growth and prosperity.

Despite the overwhelming evidence that immigration has greatly benefited our nation, our history has been repeatedly sullied by periods of fear and anger towards each successive wave of immigrants, and by political efforts to blame them for a host of social and economic challenges. The mistake we make over and over is to romanticize the immigrants of our parents’ or grandparents’ age, but to question whether the new arrivals are as valuable, patriotic, or law-abiding as those who came before. Time and again, the new immigrants have proven that they carry with them the same dedication to build a better life for themselves and their children, and the same desire to make America stronger than ever before.

Immigration is a powerful resource for revitalizing our economy, filling gaps in our labor market, and reenergizing the American dream. But immigration is a resource that must be managed, and immigration policy must be updated to reflect the changing realities of our economy and society. Almost no one disputes that the current immigration system is outdated and falls woefully short of meeting the needs of our 21st century economy. Yet, for more than a

quarter of a century, Congress (led by both parties) has failed or refused to modernize our immigration system in any meaningful way. Established in 1990, the current legal channels of immigration remain frozen in a time before most Americans had cell phones or computers and before the exodus of millions of baby-boomers out of our labor force and into retirement. By refusing to do its job and update our immigration system to reflect the needs of our current economy, Congress is ignoring this powerful resource and squandering the opportunity to fully harness its full potential.

Congressional gridlock has given the impression that there is nationwide disagreement about immigration, but in fact there is overwhelming agreement among Americans that immigrants are an important part of our communities and contribute to our economic growth and security. A substantial majority of Americans want the immigration system reformed, and as many as three out of four believe unauthorized immigrants should be allowed to stay permanently.¹

Meaningful, comprehensive immigration reform is an achievable objective. Legislative proposals have been introduced in Congress many times in the past decade, and the policy prescriptions for reform are well known and strongly supported. AILA urges Congress to reform the immigration system in a way that brings it into the 21st century by creating a flexible, smart system that responds to the demographic realities of the U.S. population, the demands of the U.S. economy, and the needs of American families. The system can and should play a supporting role in ensuring fair wage levels and humane working conditions for all workers, native- and foreign-born alike. These goals can be achieved while creating a system that operates effectively so that employers can hire needed workers quickly and efficiently. Finally, and perhaps most importantly, reforms to our nation's immigration system must recognize the power and potential of immigration to continue to benefit America.

Immigration Fuels U.S. Economic Growth

The nation's 25.7 million foreign-born workers comprised 16.5 percent of the labor force in 2014.² These immigrants—whether they have legal status or are unauthorized—make enormous contributions to the U.S. economy as workers, consumers, taxpayers, and entrepreneurs. In fact, immigrants—including unauthorized immigrants—create jobs through their purchasing power and their entrepreneurship, buying goods and services from U.S. businesses and creating their own businesses, both of which sustain U.S. jobs.³ In 2013, immigration added roughly 0.2 percent to the U.S. gross domestic product (GDP), which translates into \$31.4 billion (in 2012 dollars).⁴

The role that immigrants play in creating new businesses should not be underestimated. In 2013, 18 percent of business owners in the United States were foreign-born. Among “Main Street” business owners—those who bring businesses like grocery stores, restaurants, and clothing stores to neighborhoods—28 percent were foreign-born.⁵ From 2006 to 2010, there were 2.4 million new immigrant business owners in the U.S. who had a total net business income of \$121 billion (15 percent of all net business income in the country).⁶ Immigrants are nearly twice as likely as the native-born to become entrepreneurs, with the rate of new entrepreneurs being 0.52 percent for immigrants, compared to 0.27 percent for the native-born.⁷ And let us not forget that immigrants were founders of 18 percent of all Fortune 500 companies, many of which are high-tech giants. As of 2010, these companies generated \$1.7 trillion in annual revenue, employed 3.6

million workers worldwide, and included AT&T, Verizon, Procter & Gamble, Pfizer, Comcast, Intel, Merck, DuPont, Google, Cigna, Sun Microsystems, United States Steel, Qualcomm, eBay, Yahoo!, and Nordstrom.⁸

Immigrants contribute substantially to U.S. tax revenues, particularly when it comes to the support they offer for the Medicare and Social Security systems. The average immigrant contributes nearly \$120,000 more in taxes than he or she consumes in public benefits (measured in 2012 dollars).⁹ The net contribution of immigrants to Medicare's Hospital Insurance Trust Fund was \$183 billion between 1996 and 2011. On average, immigrants contributed \$62 more per person to the trust fund than the native-born, and immigrants claimed \$172 less in benefits.¹⁰ Unauthorized immigrants alone provided a net fiscal benefit of roughly \$12 billion to Social Security's financial status in 2010, according to the Social Security Administration's Chief Actuary. Unauthorized immigrants collectively pay as much as \$13 billion into the Social Security system each year, while only receiving \$1 billion in benefits. In total, unauthorized workers have contributed more than \$100 billion to Social Security over the last decade.¹¹

Immigration Has Bolstered the Economy of Many Locales in Demographic Decline

In addition to creating businesses and jobs and contributing to the tax base, immigrants have revitalized local economies struggling to adapt to the country's changing demographics. America's future prosperity depends in part upon the ability of local communities to attract and retain a diverse population with diverse sets of skills. In the native-born population, there are fewer births and more retirements. That demographic fact has been compounded by the decline of large manufacturing companies that metropolitan areas relied upon in the past to grow their populations and economies. Increasingly, cities and regions looking to stem population decline and stimulate economic growth are seeking to attract immigrants and encourage immigrant entrepreneurship. Immigrants play an outsized role in establishing "main street" businesses (retail, accommodation and food services, and neighborhood services), which are important for generating neighborhood-level economic growth and revitalization.

This propensity to start businesses that revitalize neighborhoods makes immigrants attractive to city leaders.¹² Cities and towns, such as those in the "Rustbelt" that are experiencing native-born population declines, are increasingly seeking ways to maintain a viable workforce by welcoming immigrants. The "Welcoming Michigan" campaign of building immigrant-friendly communities has sought to attract immigrants. A spokesperson for the Minnesota Chamber of Commerce said: "Immigrants aren't just an asset because they numerically increase the workforce. They are also playing a key role as entrepreneurs in Minnesota and have transformed neighborhoods in both Minneapolis and St. Paul while helping revitalize downtowns in several regional centers around our state."

The Importance of Family-Based Immigration

Immigration has benefited America's economy not only through the employment-based visa system but also through family-based immigration. Historically, family unification has been a pillar of the U.S. legal immigration system. Since the first European settlers landed on these shores, immigrants have come with their families to build better lives in America.

Family-based immigration is not only about keeping close family members together. When it works properly, family-based immigration furthers America's economic and social interests while advancing fundamental American values. Often times, immigrants who arrive through the family-based system have important skills or are business innovators themselves. Moreover, studies have shown that close family relationships facilitate entrepreneurship because family members can support one another in caring for children and working with a great deal of flexibility in family-owned businesses.¹³ Moreover, since 1996, the immigration system has required that every family-based immigrant able to show financial support from US relatives above the poverty level to ensure that immigrants who join their family members will not impose costs or draw public benefits.

The social and economic benefits that family-based immigration has provided America are numerous—and interrelated. Because of the immeasurable value added to our communities by immigrants with existing family ties, the benefits of family-based immigration cannot be neatly measured in comparison to the benefits of employment-based immigration. America benefits the most when the family- and employment-based systems are each working effectively together. A well-functioning family-based system strengthens the employment-based system by allowing workers to maintain their family unit in the United States. Less family-friendly policies may dissuade those high-skilled immigrants who also have families from choosing to invest their talents and resources in America's economy.

Unauthorized Immigration is Symptomatic of a Dysfunctional Immigration System

To ensure our nation's prosperity, our immigration system should be more flexible and capable of meeting the needs of both American businesses and families. For decades, our immigration system has been ruled by arbitrary numerical quotas and strict formulas that rob it of the flexibility and adaptability it needs to function well. For decades, Congress has failed to overhaul our immigration system despite the growing mountain of evidence that it is not serving the needs of either immigrants or the native-born population.

Within the employment-based system, each year there are 140,000 employment-based green cards available to qualified immigrants. The number was set years ago by Congress without regard to real labor-market needs, and it has not been updated to conform to current economic realities. The numbers of workers who are necessary to fill gaps in our labor supply changes depending on a wide range of economic factors. Some employers may need permanent workers to fill permanent jobs; others may require temporary workers to fill transitory gaps in certain industries or during particular seasons. In some cases, employers may only be able to obtain visas for temporary workers when they actually need permanent workers. Workers who arrive on temporary visas may find permanent jobs, but are unable to adjust to a permanent visa under the current system. In other words, the current system does not have the flexibility needed to respond to the country's evolving economic needs.

Furthermore, the current visa allocation system provides few visas for less-skilled workers. The types of jobs most associated with unauthorized immigrants are the types least likely to qualify for work visas. Each year, the number of green cards available for less-skilled workers—such as hotel workers, landscapers, and construction workers—is limited to just 5,000 for the entire country. The insufficient number of green cards available for these jobs is at the heart of the

unauthorized immigration problem. Employers in restaurants, hotels, and other service-sector jobs face visa quota backlogs approaching 10 years—an impossibly long wait period for a business recruiting from a local labor pool that does not meet current demand. As a result, the immigration system provides no effective legal avenue for people abroad who wish to come to the United States to work in industries that need them.

Under the current system, unreasonable and unnecessary visa backlogs have also kept families separated for years. For example, a U.S. citizen typically has to wait over 7 years to reunite with an adult child, but if that child is coming from Mexico the wait is over 21 years. Brothers and sisters of U.S. citizens typically wait almost 15 years, but the wait is nearly 24 years for those reuniting from the Philippines.¹⁴ Adjusting these visa numbers is essential to ensure that future generations of immigrant families continue their track record of integrating into U.S. society and building the U.S. economy. Proposals that sacrifice family immigration for the sake of employment-based immigration create an unfair and erroneous dichotomy. Family immigrants work and contribute to the U.S. in many ways. Both the family-based and employment-based immigration systems can be fixed without sacrificing one for the other.

The failure by Congress to fix the immigration system has also resulted in the growth of the unauthorized immigrant population in the United States to roughly 11 million.¹⁵ Until there are more legal avenues for employers to hire immigrant workers to meet economic demands, unauthorized immigration will continue to fill the gap. The problem of unauthorized immigration is not only economic. There are now millions of unauthorized workers in the United States who have U.S.-citizen family members (usually children).¹⁶ Naturally, these immigrants do not want to leave their children behind by returning alone to their home countries. Nor do they want to uproot their children and take them to countries the children most likely do not know. Yet these immigrants have no means of becoming lawful permanent residents or achieving any other legal status. Regularizing undocumented workers would increase their bargaining power and labor rights, and this, in turn, would positively impact the wages and working conditions of all workers in the regions and industries where unauthorized immigrants are typically employed. Our nation needs reforms that legalize the unauthorized immigrant population in addition to adjustments to the number of employment-based and family-based visas available each year.

Beware of Those Who Seek to Divide and Conquer

The struggles of native-born American workers to find jobs that pay a fair wage and have safe working conditions is a fundamental challenge facing our nation, one that must be met with real and comprehensive solutions. But this problem will not be solved by scapegoating immigrant workers or pitting them against native-born workers. While some have asserted that less-skilled immigrant workers are “stealing” the jobs of less-skilled African American workers, data shows that the fortunes of Latino immigrants and African Americans in U.S. cities tend to rise and fall together.¹⁷

Immigrants and native-born workers typically have different skill sets and hold different jobs. As a result, they complement rather than compete against each other for jobs. A study analyzing data from the U.S. Census Bureau shows that there is little correlation between recent immigration and unemployment rates at the regional, state, or county level. New immigrant

workers add to the labor supply, but they also consume goods and services, which creates more jobs. Economists estimate that immigration from 1994 to 2007 raised the wages of U.S.-born workers, relative to foreign-born workers, by 0.4% (or \$3.68 per week).

The competition argument also becomes more questionable when considering all of the non-immigration-related challenges faced by American workers in general and African Americans in particular. For example, over the last 30 years, labor union representation of workers has declined dramatically. The absence of any alternative voice at the bargaining table, or an alternative strategy to provide the kind of worker training programs developed by unions, has left all workers more vulnerable to exploitation or wage stagnation. Moreover, a recent Justice Department report on Ferguson, Missouri, revealed shocking evidence of systematic discrimination against poor residents in general and African Americans in particular that has had the effect of continuing a cycle of poverty and incarceration.¹⁸ These kinds of systemic challenges have a profound impact on the rights and opportunities of all people who live on the economic margins, and they cannot be adequately explained (let alone addressed) if we seek to pit different groups against each other.

Conclusion

We live at a time when the foreign-born share of the U.S. population is roughly the same as it was at the beginning of the 20th century.¹⁹ But one hundred years later, some observers give the impression that we are in the midst of an unprecedented migratory onslaught that threatens to deluge the nation, robbing native-born workers of their jobs and completely changing the nature of our society. That is not how immigration works. The Italian and Eastern European immigrants who were so feared by many native-born Americans at the turn of the 20th century did not destroy the nation. The Latin American and Asian immigrants who are coming here now are not destroying it either. Our nation needs forward-looking immigration policies that marshal the power of immigration as an economic tool and embrace the contributions of immigrants to our shared prosperity. AILA urges Congress to put forward and pass meaningful, comprehensive solutions that will bring our immigration system into the 21st century. The reward for its leadership will be an immigration system that is good for American workers, good for American families, and good for the American economy.

Endnotes

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