

The Business Perspective on Comprehensive Immigration Reform



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Why is the Business Community Interested in Comprehensive Immigration Reform?

- Three Major Reasons
 - Fixing a Broken System
 - Stabilization of Current Workforce
 - Job Creation and Growth

Our Current Workforce

- 1990s: extremely low unemployment; tremendous growth in economy; AND largest influx of new immigrants
- The U.S. has an unemployment rate of 4.8% less than what economists consider “full employment”
- Currently, there are approximately 12 million undocumented immigrants in the United States

Our Current Workforce: The Undocumented

- 94% of undocumented adult (age 18 to 64) men, which make up most of this population, are actively participating in the workforce
- About 75% of these employees work in service, construction, installation, repair, transportation, and material moving occupations
- In some of the more specific occupations, within these broad groupings, undocumented immigrants make up about one in every four workers, e.g., drywall/tile installers, roofers, ground maintenance, hand packers, butchers, poultry workers, maids, dishwashers, and others

Demographics and the Future Need for Essential Workers

- Job growth is expected to continue
- Meanwhile, demographics support expanded immigration:
 - Slow growth rate of workforce: the number of people in the labor force ages 25 to 54 is projected to increase by only 0.3% between 2004 and 2014
 - Aging of the workforce: those age 55 years and older will increase by 11 million between 2004 and 2014—going from 15.6% to 21.2% of the workforce
 - More retirees: by 2010, 77 million baby boomers will start to retire and, by 2030, one in every five Americans is projected to be a senior citizen
- Without immigration, our ability to fill future jobs is in serious jeopardy

The Incredible Shrinking Workforce

- Most jobs in our economy do not require a college degree
- Of the top 10 largest job growth occupations between 2004 and 2014, all but two require less than a bachelor's degree, what we call “essential workers”
 - five of the top ten growth occupations require only on-the-job training—e.g., retail salespersons, nursing and home health aides, janitors and cleaners, waiters and waitresses, and combined food preparation and serving workers.

Broken Immigration System

- Estimated 12 million undocumented in this country, most of whom are working “on the books”
- Employers are between a rock and a hard place with checking documents
- No legal immigration avenues for many workers
- Due to economically unjustifiable low quota numbers, if an employer needs an essential worker permanently to fill a gap in the U.S. workforce, he or she is simply out of luck. No real legal avenues to recruit essential workers from abroad.

Why is Comprehensive Immigration Reform Necessary?

- Need to match our immigration system to reality
- Need to match our immigration system to the economic needs of this country
- Need to ensure national security

Business Agenda for Immigration Reform

- Realistically address status of undocumented workforce, which currently accounts for about 5% of the total workforce already contributing to our economy, by providing an earned pathway to legal status
- Create an essential guest worker program that meets projected workforce needs and allows for circularity in movement, but is cognizant that demographic trends will require for some of these workers to remain permanently
- Ensure a timely, transparent and secure process for employers and workers to obtain necessary visas
- Ensure that any new employer verification system is workable.

The Compromise:

The Comprehensive Immigration Reform Act (S. 2611)

- S. 2611 is the Specter-Hagel-Martinez compromise passed in May 2006. It:
 - Increases border security
 - Implements a way to deal with the undocumented
 - Creates a new temporary worker program. This new system would match a willing willing employers with a willing foreign employee when the employer is unable to fill a job with U.S. workers
 - Implements a new employer verification system modeled after the current “basic pilot program” (which the business community remains concerned with).

Business will continue to engage

“We pledge that the Chamber will continue to work with like-minded organizations to keep the American Dream alive for every single person who believes in it and who is willing to work for it.”

– Tom Donohue
President and CEO
U.S. Chamber of Commerce