U.S. CHAMBER OF COMMERCE

Visas for Essential but Less Skilled Immigrants

Why a New Essential and Lesser-skilled Legal Immigration System Best Serves the National Interest

Our current immigration system¹ provides few opportunities for employers to sponsor lesser-skilled immigrants in occupations other than production agriculture.² By 'less-skilled,' the reference is to workers who fill jobs where typical vocational preparation is less than a four-year university degree. This includes jobs that can be filled by workers who need only a short demonstration or less than one month of training. And, this also includes jobs requiring certification, some post secondary education, or up to two years of training or experience. In some cases, Americans are not available in sufficient numbers to fill open jobs in the lesser-skilled occupations because of lack of interest or a skills gap.

Under current law, when U.S. employers complete normal, real-world recruitment to locate qualified and willing American lesser-skilled workers, they are unable to make immediate hires of lawful foreign workers in those situations where Americans are unavailable, except where the job offered is a seasonal or temporary need position (and then only up to a capped 66,000 annually³). Moreover, there are virtually no visa numbers available for employers to identify and sponsor foreign lesser-skilled workers for permanent resident status (green card status). This category is capped at no more than 10,000 annually of the approximately 1 million lawful permanent residents we welcome to the United States each year.⁴

Businesses need human capital to provide goods and services. If there are insufficient numbers of both qualified and willing U.S. workers to fill essential and lesser-skilled positions, employers either are unable to respond to consumer demand or move the jobs where there is an adequate supply of workers. For example, home health care, nursing home care, landscaping, and hospitality services, among others, cannot be provided without staff in the geography where the employer provides services to patients, clients, and customers.

The Center for Global Development, among others, has summarized BLS data to conclude that the highest number and percentage of job growth in the U.S. through 2020 is expected in low and moderate skill jobs that cannot be mechanized or outsourced (see attached). There is no reason to deprive our economy of the lesser-skilled workers in the mostly, although not exclusively, service economic sectors, if a prerequisite to a lesser-skilled worker visa program is that any participating U.S. employer must first recruit and then determine whether there are U.S. workers qualified and willing to fill open jobs. As described by George Borjas and other economists, low-skilled immigration greases the wheels of the U.S. labor market.⁵

¹ The Immigration and Nationality Act, Title 8, United States Code.

² The current visa program (H-2A) for production agriculture is unworkable. While there is uncapped access to H-2A visas for temporary seasonal agriculture workers, less than 60,000 such workers are sponsored annually through this legal visa program.

³ H-2B visas for non-agricultural temporary workers are capped annually at 66,000.

⁴ For FY11, DHS reported that 1,377 lesser-skilled workers (in jobs requiring less than two years of prior training or experience) were admitted as new lawful permanent residents; the remaining approximately 3,700 visas went to the spouses and minor children of these workers. See, DHS Yearbook of Immigration Statistics for FY11 published September 2012, Table 7 http://www.dhs.gov/sites/default/files/publications/immigration-statistics/yearbook/2011/ois-yb-2011.pdf. Under current law, 5,000 of the 10,000 for lesser skilled are allocated to cover green cards awarded to Central Americans fleeing civil strife in the 1990s.

⁵ George Borjas, "Does Immigration Grease the Wheels of the U.S. Labor Market?" Brookings Papers on Economic Activity 1: 69–133 (2001). Some have referred to many of these essential and lesser-skilled positions that "grease the economy" as "3D" jobs – positions that are either dirty, dangerous or difficult.

Further, we need to look at immigration as a tool to allow the United States to address our rapidly aging population by attracting the skills and energies of newcomers, including the lesser-skilled. Lesser-skilled immigration is a key solution to the aging of America and the demographic reality that we now have a dramatically declining number of workers supporting retirees.

The 1986 Act⁶ did not provide for the admission of lesser skilled workers. The 1986 Act was essentially outlined through an earlier Select Commission on Immigration and Refugee Policy. This commission was first established in October 1978, ending its work in May 1981 – the Commission's efforts lead to the 1980 Act reforming refugee law as well as the 1986 Act. Conceived at a time of high unemployment and high interest rates, the principles underlying the 1986 Act did not anticipate an economy on the rebound or labor mismatches (based on both geography⁷ and skills). This mistake should not be repeated.

Moreover, a lesser-skilled worker visa program is perhaps the only real-world alternative to unauthorized migration and, therefore, is a key component of border control and protecting our national security. It seems obvious to us that that securing our borders is closely connected to legal immigration levels especially for the lesser-skilled, and that larger numerical caps for legal lesser-skilled workers reduce the need for enforcement while smaller quotas increase it.8

Further, border enforcement does not exist in a vacuum. While unauthorized immigration to the United States initially declined following the passage of the 1986 Act, that legislation failed to create flexible legal limits on immigration that were capable of responding to ups and downs in future U.S. labor demand. Immigration reform must include meaningful changes to the lesser-skilled employment-based visa system to help prevent future illegal immigration. Prior to the 1986 Act, a circular pattern of migration existed between the U.S. and Latin America. About half of immigrants from Latin America came to the U.S. for short periods of time to work and then return home. Following implementation of the 1986 Act and other immigration reforms thereafter, immigrants feared their ability to reenter the U.S. and they in turn did not depart.9

Our national interests, both economic and security, necessitate creation of a new essential and lesser-skilled worker legal immigration system. We hope as Congress works to reform our immigration system, this key component is the subject of solutions that work for the business community and the country.

⁹ Id., paragraph paraphrases views of Cato, MPI, IPC and Hinckley Institute of Politics in cited articles in fn 8.



⁶ Immigration Reform and Control Act of 1986 (IRCA).

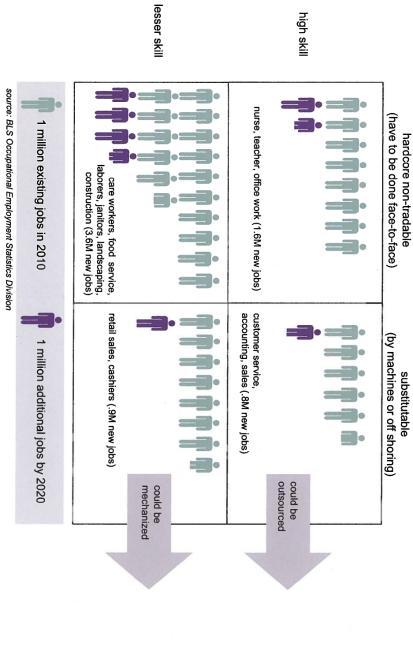
⁷ Lesser-skilled U.S.-born workers tend to be immobile across regions. See, e.g., Gordon Hanson, "Immigration and Economic Growth," Cato (February 2012) citing to Notowidigdo, M. (2010) "The Incidence of Local Labor Demand Shocks." MIT Working Paper, analyzing how native-born workers in other regions were slow to move to North Carolina when demand for low-skilled labor picked up there.

⁸ See also, Cato Institute, Migration Policy Institute, Immigration Policy Center, Hinckley Journal of Politics for similar views. See, e.g., "Immigration and Border Control" (Cato February 2012)

http://www.cato.org/sites/cato.org/files/serials/files/cato-journal/2012/1/cj32n1-8.pdf, "The Case for a New System of Provisional Visas" (MPI July 2009) http://www.migrationpolicy.org/pubs/Provisional visas.pdf, "Raising the Floor for American Workers" (IPC January 2010, at p. 7, 9)

http://www.immigrationpolicy.org/sites/default/files/docs/Hinojosa%20-%20Raising%20the%20Floor%20for%20American%20Workers%20010710.pdf, "The Ephemeral IRCA: Its Formation, Failure and Future Implications" (Matt Homer, Hinckley Journal of Politics, 2007 Vol. 8) http://content.lib.utah.edu/cdm/singleitem/collection/Hinckley/id/2376/rec/8.

As Americans' skill up for good jobs there are jobs that people have to do here



Center & Global Development

Michael A. Clemens, PhD | Center for Global Development Lant Pritchett, PhD | Center for Global Development & Harvard Kennedy School