President Declares Ongoing Commitment to Immigration Reform

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Washington D.C. - In the State of the Union Address this evening President Obama made clear his ongoing commitment to immigration reform noting "we should continue the work of fixing our broken immigration system - to secure our borders, enforce our laws, and ensure that everyone who plays by the rules can contribute to our economy and enrich our nation." Some may continue to argue that immigration reform is too politically risky to move on this year and that we should focus instead on rebuilding our economy. However, comprehensive immigration reform is compatible with economic reform as it would generate needed economic growth, create jobs and increase tax contributions by ensuring that everyone working in the United States is doing so legally. In fact, immigration reform would allow us to take full advantage of the opportunities for economic growth that immigrants bring.

Immigration Yields Tremendous Economic Benefits to America

- A 2007 report [1] from the White House Council of Economic Advisers concluded that immigration as a whole increases the U.S. Gross Domestic Product (GDP) by roughly \$37 billion each year because immigrants increase the size of the total labor force, complement the native-born workforce in terms of skills and education, and stimulate capital investment by adding workers to the labor pool.
- Immigrants do not [2] compete with the majority of natives for the same jobs because they tend to have different levels of education and to work in different occupations. In fact, The roughly 90% of native-born workers with at least a high-school diploma experienced wage gains because of immigration between 1990 and 2004, ranging from 0.7% to 3.4% depending on their level of education, according to a 2006 study [3] by Giovanni Peri, Associate Professor of Economics at the University of California-Davis.
- Immigrant entrepreneurs are twice as likely as Americans to start business and immigrant inventors account for more than one quarter of all U.S. patents according the Kauffman Index of Entrepreneurial Activity [4], 2008.

If Comprehensive Immigration Reform is Enacted the Benefits Will Be Even Greater

- According to a <u>2010</u> <u>study</u> [5] by UCLA professor Raul Hinojosa, comprehensive immigration reform that includes a legalization plan for the unauthorized would contribute a cumulative \$1.5 trillion to the Gross Domestic Product over ten years, as more tax revenues are collected, wages increase for U.S.-born and legalized workers, and immigrant workers spend more in our economy. The report also finds that wages for immigrant and native-born workers would rise in part because workers will have more bargaining power in the workplace.
- The libertarian Cato Institute also <u>reported</u> [6] that "legalization of low-skilled immigrant workers would yield significant income gains for American workers and households."

"Tonight the President paid tribute to those who struggle to build the American dream, even in the midst of economic uncertainty. His call for a revitalized domestic and foreign policy agenda based on American values and innovation included immigration reform because the White House recognizes

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the economic and moral necessity of fixing our broken immigration system," said Mary Giovagnoli, Director of the Immigration Policy Center. "We have a golden opportunity to enhance the gross domestic product, create and sustain new jobs and businesses, and maintain our competitive edge in the world if we create a system that legalizes current undocumented workers, provides for improved legal channels for families and new workers when they are needed in the future and adopts sensible policies to secure our border. Such measures will help to provide the framework for an economic recovery that will allow us all to pursue our American dreams."

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[1] http://www.gpoaccess.gov/eop/2007/2007 erp.pdf

[2]

http://www.immigrationpolicy.org/../../../default/files/docs/Part%203%20-%20Unemployed%20Natives%2008-17-09.pdf

- [3] http://immigrationpolicy.org/sites/default/files/docs/IPC Rethinking Wages, 11-2006.pdf
- [4] http://www.kauffman.org/uploadedFiles/kiea 042709.pdf

[5]

http://www.immigrationpolicy.org/../../../default/files/docs/Hinojosa%20-%20Raising%20the% 20Floor%20for%20American%20Workers%20010710.pdf

- [6] http://www.cato.org/pub_display.php?pub_id=10438
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