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US immigration reform nears tipping point

By Anna Fifield in Washington



Opponents of US immigration reform are preparing a fresh assault to halt the progress of a comprehensive bill through Congress, saying that legalising 11m unauthorised immigrants would impose too much of a burden on the government's already-strained coffers.

The Heritage Foundation, led by former Tea Party patriarch Jim DeMint, is arguing that immigration

reform would place a huge burden on entitlement programmes such as Medicare and Social Security for decades to come, and would increase Obamacare health costs.

Separately, groups like Numbers USA, which calls for lower levels of immigration, are preparing to step up their campaign urging lawmakers to vote against reform.

But with a bipartisan group of senators readying to unveil their compromise bill as soon as Thursday, advocates of reform are saying it now looks inevitable that the US immigration system will be overhauled.

“Politicians know that if they stand in the way of citizenship we will steamroller them,” said Ana Avendano, director of immigration at the AFL-CIO, the largest labour union in the US and a key party to the negotiations. “That’s a fun evolution.”

The bill will create a pathway to citizenship for illegal immigrants, increase border security, and raise the number of visas available for both high-skilled and low-skilled workers.

To whip up support for the long-awaited bill, thousands of supporters of immigration reform descended on Capitol Hill on Wednesday, in an effort to ensure the bill did not suffer the same fate as the 2007 effort, when an immigration deal unravelled at the last minute.

Politicians know that if they stand in the way of citizenship we

Senators from the “gang of eight” have been working to craft a deal that can win enough Republican support to pass in the upper chamber and aiming to present their proposals before lawmakers

will steamroller them.

- Ana Avendano, director of immigration at the AFL-CIO labour union

return home for the weekend.

“We’re shooting for that kind of progress,” said John McCain, a Republican in the gang.

A disagreement about how to deal with immigrant agricultural workers has hampered negotiations this week, with the farming sector and labour unions divided over how many visas should be available each year and how much workers would be paid.

The draft bill will be scored by the Congressional Budget Office once it is released, and senators are reportedly eager to ensure that it is budget neutral.

Against this backdrop, Mr DeMint, the former senator for South Carolina, said the cost and benefits of reform must be considered.

“Reform shouldn’t reward unlawful behaviour at the expense of the more than 4m waiting to come here the right way,” Mr Demint told the Financial Times. “Because of the tremendous growth in our welfare state over the past few decades, adding millions into the fold of government assistance would make the costs of amnesty far larger than anyone imagines. And at a time of trillion-dollar deficits and \$17tn in debt, the cost of such a bill should be of tremendous concern.”

Heritage is planning to release a study on the costs of immigration reform within the next two weeks. People who have been briefed on the contents of the report say it will conclude the “amnestied illegals” will add \$4tn-\$5tn to the national debt over their lifetimes.

Meanwhile, Numbers USA plans to start a new radio campaign as soon as the debate over control has been concluded. This would increase the pressure it is already applying to lawmakers, having sent 2m faxes objecting to legalisation, said Roy Beck, chief executive.

“The difference between now and 2007 is that there weren’t 20m Americans looking for jobs who couldn’t find work then,” Mr Beck said.

In the Senate, Republican Jeff Sessions has estimated the long-term net cost for Obamacare alone would likely be about \$2tn, while increased Medicare and Social Security costs would add another \$2.5tn.

“The amount paid in to the US Treasury by the newly amnestied population is expected to be dramatically less than the amount paid out,” he said.

But there is a sharp divergence of opinion on the right, with a greater number of conservatives

supporting immigration reform and arguing it will be good for the economy.

A new report from Douglas Holtz-Eakin, an influential Republican economist and president of the American Action Forum, a conservative think-tank, found that legalisation would be a net gain to the economy and would help lower the deficit.

“A benchmark immigration reform would raise the pace of economic growth by nearly a percentage point over the near term, raise GDP per capita by over \$1,500 and reduce the cumulative federal deficit by over \$2.5tn,” wrote Mr Holtz-Eakin.

Immigration reform raised population and labour force growth, and immigrants started businesses at a greater rate than the native-born population, he found. “New entrepreneurial vigour embodied in new capital and consumer goods can raise the standard of living,” Mr Holtz-Eakin wrote.

Greg Brown, chief executive of Motorola and the head of the US Business Roundtable’s immigration committee, said that it made economic sense to overhaul the immigration system.

“With the US economy in a sluggish recovery and political consensus on both sides of the aisle, there is an opportunity for people to come here legally and work hard and contribute,” Mr Brown said. “We think it’s a stimulus.”

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