

TESTIMONY BY MAYOR MICHAEL R. BLOOMBERG
THE ROLE OF IMMIGRATION IN STRENGTHENING AMERICA'S ECONOMY
U.S. HOUSE JUDICIARY COMMITTEE
SUBCOMMITTEE ON IMMIGRATION, CITIZENSHIP, REFUGEES, BORDER SECURITY, AND
INTERNATIONAL LAW

Thank you Chairman Conyers, Chairwoman Lofgren, Representative King, and members of the Subcommittee for this opportunity to discuss an issue vitally important to our country's future – and to every American who is out of work or looking for a better job.

Our broken system of immigration is undermining our economy, slowing our recovery, and hurting millions of Americans.

We have to fix it – and I believe this is an issue where Democrats, Republicans, and independents can find common ground. That's been our experience in forming the Partnership for a New American Economy, a coalition of business leaders and mayors from every political background, and from every economic sector.

We believe that immigration reform needs to become a top national priority. We're urging members of both parties to help us shift the debate away from emotions and towards economics – because the economics couldn't be any clearer.

Many studies have analyzed the economic impact of immigration; I'll touch briefly on seven key ideas that come out of the data.

First, since 1990, cities with the largest increase in immigrant workers have had the fastest economic growth. New York City is a perfect example. Immigrants have been essential to our economic growth, in every industry.

Immigrants are a big reason why New York City has weathered the national recession better than the country as a whole; this year, we account for one in every ten private sector jobs created throughout the entire nation.

Second, immigrants pay more in taxes than they use in benefits. Immigrants come to America to work, often leaving their families behind. By working, they're paying Social Security taxes that support our seniors. Immigrants also tend to be young and have less need for social services.

Third, immigrants create new companies that produce jobs. Studies show immigrants are almost twice as likely as native-born Americans to start companies. And from 1980 to 2005, nearly all net job creation in the United States occurred in companies less than five years old.

Many of the new companies that define the 21st century economy – such as Google, Yahoo, and eBay – were founded by immigrants. Immigrants create small businesses, too.

This is not a new story. History shows that every generation of new Americans has fueled the economic engine that makes the United States the strongest country in the world.

Fourth, more and more countries are competing to attract entrepreneurs and high-skilled workers.

Chile is offering American entrepreneurs \$40,000 and a one-year visa to stay in the country. China has recruited thousands of entrepreneurs, engineers, and scientists to return and join the surging economies of Shanghai and Beijing.

Yet in America, we are literally turning them away by the thousands – or making the visa process so torturous that no one wants to endure it.

Fifth, the more difficult we make it for foreign workers and students to come and stay here, the more likely companies will be to move jobs to other nations.

Just look at what's happened in Silicon Valley. Many companies that have not been able to get workers into the country have been forced to move jobs to Vancouver, Canada.

Just as troubling, more and more foreign students are reporting plans to return home because of visa problems. We educate them here – and then, in effect, tell them to take that knowledge to start jobs in other countries. That just makes no sense whatsoever.

Sixth, we know that our businesses need more high- and low-skill labor than we are letting into the country. Right now, there are one million high-skill jobs that companies cannot fill, because they can't find the workers.

Allowing companies to far more easily fill those jobs would be perhaps the best economic stimulus package Congress could create. At the same time, many other companies are seeking to fill low-wage jobs that Americans won't fill – from fruit pickers to groundskeepers to custodians.

Seventh, and finally, creating a path to citizenship for illegal immigrants will strengthen our economy. Both the Cato Institute and the Center for American Progress have found that a path to legal status will add billions to our GDP in the coming decade.

The economic case for immigration reform couldn't be stronger, and our Partnership for a New American Economy has adopted a set of core principles that we hope will guide the members of this committee in drawing up legislation.

There's no doubt we need to secure our borders. It's essential that America be able to decide who we want here and who we don't.

But it will be impossible to secure the borders without an overall package of reforms that reduces demand and holds companies accountable for verifying workers' legal status.

To keep America competitive in the global marketplace, we must recognize that our economy has changed; our immigration policy needs to change with it. Thank you.