



Joint Economic Committee

Representative Kevin Brady • Chairman

CHAIRMAN KEVIN BRADY

JOINT ECONOMIC COMMITTEE

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Immigration and its Contribution to our Economic Strength

I want to thank Vice Chair Klobuchar for choosing this important hearing topic that will be explored in a Joint Economic Committee hearing today and tomorrow.

Given the growth gap which America is experiencing – in which the current historically weak economic recovery translates into 100,000 fewer new jobs per month and workers realizing only a mere fraction of the increase in real disposable income during an average recovery – it is important that the Joint Economic Committee carefully and objectively examine the economic and fiscal effects of our current immigration system and proposed reforms.

If we wish to remain the world's largest economy through the 21st century, the economic objective of any immigration reform must be to maximize potential economic benefits for the nation while minimizing costs to hardworking American taxpayers.

My belief is that we must close the back door of illegal immigration so that we can keep open the front door of legal immigration. My frustration through the years of this politically charged debate is that Congress and the White House have failed to agree on a most basic question: What kind of workforce does America need to remain the strongest economy in the world, and what steps do we need to take to ensure we have that 21st century workforce?

There's little doubt the front door of legal immigration is – by all measurable standards – broken. Talented individuals with advanced education, unique skills, and wealth that could be invested here to create new, high-paying jobs for American workers have been excluded or have waited years – even decades – to immigrate legally. And the current visa program for low-skilled workers is essentially unworkable.

Recognizing that other committees have jurisdiction over immigration reform issues such as border security, employer verification, and paths to legal status, the Joint Economic Committee will concentrate on its principal function, which is to provide Congress with analysis and advice on economic issues.

To that end, from our witnesses, I am seeking answers to these questions:

- What kind of workforce does America need to remain the strongest economy in the world, and what steps do we need to take to ensure we have a 21st century workforce?
- In addition to developing more trained American workers, who should we encourage to immigrate to the United States and what should be our priorities? What criteria should we use to evaluate potential immigrants?
- Are immigrants entering the United States under our current immigrant system a net economic benefit or a net cost to the U.S. economy in the long term? What are the benefits and the costs?
- What changes would you make to our current immigration system to maximize the net economic benefits to the U.S. economy, the federal treasury, and the treasuries of state and local governments? How does the bill currently before the Senate Judiciary Committee affect economic growth in the short and long term, including its effects on wages, real GDP per capita, job prospects for Americans, and our long-term global competitiveness?
- As America continues to struggle with historically high budget deficits, are the immigrants entering the United States under our current immigration system a net fiscal benefit or a net fiscal cost to the federal taxpayers and to state and local taxpayers in the long term? How do the taxes that immigrants pay compare with the taxpayer-funded benefits that they receive? And what is the impact of the immigration reform proposal currently before the Senate?
- Finally, what can we learn from the immigration systems in our global competitors such as Australia, Canada, and New Zealand that admit large numbers of immigrants relative to the size of their native-born population?

Just as we need pro-growth tax reform, a rebalancing of burdensome regulations, a sound dollar and a federal government credibly addressing its long term entitlement challenges, America needs a trained, mobile and flexible workforce that meets the needs of a 21st century economy.

I welcome our witnesses and look forward to their insight as we explore the economic effects of immigration reform.