

RESEARCH SUMMARY

Reforming the US Immigration System to Promote Growth

While illegal immigration dominates the discussion of immigration reform in Washington, it is only part of the larger challenge of reforming America's system of legal entry and immigration. The US immigration system is poorly designed to meet the needs of a 21st century economy. In particular, the current system fails to provide adequate opportunities for well-educated and highly skilled immigrants to join the US workforce to spur innovation, output, and job creation.

In “[Reforming the US Immigration System to Promote Growth](#),” Daniel Griswold provides a detailed comparison of US immigration policy to the employment-based immigration policies of Australia and Canada, two nations often held up as models for US policy. Following their example, the United States should welcome a significantly larger number of foreign-born workers in order to harness global talent flows.

US EMPLOYMENT-BASED IMMIGRATION LAGS CANADA AND AUSTRALIA

In order to reach 3 percent growth in GDP, the American workforce needs more, not fewer, immigrants. In general, high- and low-skilled immigrants are an added complement to the native-born population. The United States is far behind Canada and Australia in its relative openness to permanent employment-based immigration.

- In Canada, from 2013 to 2015, 4.54 employment-based immigrants were admitted per year per 1,000 population, and in Australia, 5.48 were admitted.
- By comparison, the annual inflow rate in the United States of employment-based immigrants was only 0.48 per 1,000 population.
- The rate of employment-based immigration relative to population is more than 9 times greater in Canada, and 10 times greater in Australia, than in the United States.

RECOMMENDATIONS

Congress should implement several important reforms:

- Increase the available number of permanent immigrant visas for high-skilled (including STEM) workers who are employed or receive an offer of employment from a US-based company;
- Reduce certain family immigration categories for extended family members, including adult children and siblings of US citizens;
- Expand temporary visa programs for both high- and low-skilled workers to meet the evolving demands of the US labor market and economy;

- Allocate visas based on employer demand in order to meet economic needs; and
- Establish a fee-based temporary visa system to regulate demand while generating additional revenue.

CONCLUSION

Immigration reform would boost US economic growth, raise the average productivity of US workers, create more job opportunities for native-born Americans, expand America's high-technology sectors, generate net revenue, and extend the solvency of federal retirement programs. The current system fails to maximize the potential benefits of immigration to the nation as a whole.