

Immigration reform critical to state economy

By David C. Olson

Look around nearly any Minnesota community, and you'll see the "human capital" of our immigrant populations.

In downtown Worthington, storefronts on 10th Street bustle with activity at immigrant-owned businesses. They used to stand vacant.

In St. Cloud, savvy business owners know that Asian and Latino residents bring more than \$45 million a year in buying power. Even in Faribault and Austin, Asian and Latino buying power is more than \$30 million a year.

In Rochester, a 2011 survey by the African Development Center of 30 African-owned businesses found they had created 100 full-time jobs and 74 part-time jobs. African-owned businesses are popping up in Willmar, too – at least 10 within the past six years.

Yet, as important as immigrants are to our state's economic success, the breadth of their contributions could be much greater with changes in federal policy, says a new report issued by the Minnesota Chamber of Commerce as leader of the Minnesota Business Immigration Council.

"The Economic Contributions of Immigrants in Minnesota" identifies the role of Minnesota immigrants in every segment of our economy:

- Workers: Immigrants comprise 37.2 percent of lower-skilled workers and 8.5 percent of college-educated workers in Minnesota. Immigrants are only 7 percent of Minnesota's population, but make up 9 percent of the total workforce.
- Entrepreneurs: Immigrants are more likely to start businesses than American-born individuals. An estimated 44,500 Minnesota businesses are immigrant-owned.
- Consumers: Immigrant households in Minnesota have an estimated buying power of more than \$5 billion a year – a boon to businesses and communities across the state.
- International bridge: Immigrants increase Minnesota's ability to do business with the world. Immigrant-owned businesses are more likely to export; immigrant professionals help Minnesota companies navigate foreign business environments.

The report wisely encourages policy-makers to take a long-term perspective. In the short run, immigrants may impose a cost: For example, the education of immigrant children is a cost on the state's school system. However, those children are future workers, taxpayers and consumers, and our companies need them to be part of the next generation's workforce. When you look over two or more generations, the evidence shows that immigrants bring a significant net benefit.

The report adds ammunition to the current debate over federal immigration reform. The U.S. Senate passed a bill with bipartisan support; next stop is the House. Please urge your representatives to pass a bill this year.

Businesses that regularly deal with immigration laws say the system is broken. Two changes in federal law would be particularly helpful to keep us competitive in the global economy: First, create a system of work visas that responds to domestic economic conditions. Second, provide a path for individuals currently in the United States to gain permanent residency.

It's short-sighted public policy to shortchange the contributions of immigrants. They fill jobs. They shop. They start companies. They pay taxes. In short, immigrants strengthen and stabilize our communities. Make sure your representatives know it.

For a copy of the report, go to <http://mnbiz.cc/1jmlCMQ>.

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