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SOME BUSINESS GROUPS SAY OBAMA'S MOVE THREATENS BROADER IMMIGRATION OVERHAUL

By Eric Morath
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Some business groups fear President Barack Obama's executive action on immigration will spoil any chance for the broader overhaul they say is desperately needed.

Mr. Obama intends to layout changes Thursday evening to immigration policy that could protect millions of undocumented immigrants from deportation and reshape enforcement priorities. But the action is only expected to make minor changes to a visa system that many businesses say prevents them from hiring needed workers.

Mr. Obama has long said he prefers a legislative fix, but is now expected to act without congressional approval after waiting nearly a year and a half for the House to take up an overhaul bill that passed the Senate in June 2013 on a bipartisan vote. Republicans in Congress say that by acting alone, the White House is effectively erasing what slim chance remained to broker a broader overhaul to the system.

"This piecemeal approach to immigration reform is no long-term answer," said Kevin Kelly, chairman of the National Association of Home Builders. "It could be overturned by a future administration, and it puts employers in a precarious position with regard to uncertain employment verification requirements."

But some see Republicans taking control of the Senate in January for the first time in eight years as a chance to reset negotiations.

"We hope there is ultimately calm after the firestorm," said U.S. Chamber of Commerce spokeswoman Blair Holmes. "Republicans will have an opportunity in the next Congress to put forward bills to address our dysfunctional immigration system."

Those changes could come in the form of a series of smaller bills that address border protection and employment verification as well as streamline the legal immigration process, she said.

Many businesses are hoping for a more sympathetic ear from Republicans on issues ranging from immigration to tax reform. Their hope is that a single action from the president doesn't change that opportunity.

"A broken system won't be fixed tonight," said Matt Sonnesyn, a senior director at the Business Roundtable, an organization representing chief executives of large companies. "We look forward to working with leaders on both sides and the president to advance reform in the coming years."

Many businesses have called for a national program to verify if a prospective employee is legally allowed to work in the country. They say the Department of Homeland Security's Internet-based E-Verify program is flawed because some states require its use and others prohibit or restrict its use. Instead, they want a single, national system that applies to all employers. While some 500,000 employers have registered to use E-Verify, that is a small share of the nation's more than five million employers.

Creating a nationwide system would most likely require Congress to act and isn't expected to be part of the president's orders.

"The priority for small businesses, in terms of immigration, is having an E-Verify system in place," said National Federation of Independent Business spokesman Eric Reller. Such a system would provide businesses a level of legal protection against workers who present forged or false documents, businesses say.

Buffalo Wings & Rings LLC, a Cincinnati-based restaurant chain, is hoping the president's executive action allows more workers to legally seek employment in the food-service industry.

"There is a constant need for entry-level wage earners to serve guests and prepare food," said Executive Vice President Philip Schram. "Immigration is a continuous way to get those entry-level workers."

An improving labor market means some employees have an opportunity to leave for better paying jobs. But the flow of immigrants to replace those workers has slowed in the past decade. "The nation needs a large and consistent supply of workers to fulfill our lifestyles," he said.

While the nation's unemployment rate, 5.8 percent in October, remains elevated by historical standards, companies in some sectors say they facing shortages of workers with the needed skills. Those jobs could be filled by immigrants or graduating foreign college students, companies said. Other businesses regularly rely on foreigners to fill jobs, but are frustrated with annual caps on visas for these workers.

The president's actions will likely do little to elevate that crunch.

"We will continue to push for a permanent legislative solution, notwithstanding the fact that the president's unilateral action will likely make that objective exceedingly difficult," said Brian Turmail, senior executive director of public affairs at the Associated General Contractors of America.

One of the nation's largest labor organizations, the Service Employees International Union, is cheering the president for moving ahead on his own.

"Obstructionists in Congress are treating millions of families' future as a bargaining chip in their political game," SEIU President Mary Kay Henry said on Friday. She applauded President Obama, saying that providing relief "to as many as five million aspiring Americans is good news and the right thing to do for our nation."