

Immigrant amnesty could increase their wages and boost US economy: Report

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Granting undocumented immigrants amnesty and legal status would improve the U.S. labor market, argues a new report from Rice University's Baker Institute for Public Policy.

Undocumented immigrants represent a quarter of the immigrants living in the United States—around 12 million people. These people participate heavily in the U.S. economy, but their lack of legal status affects their [wages](#), said author Hugh Cassidy, an associate professor of economics at Kansas State University.

[In the report](#), Cassidy examines [survey data](#) to understand the differences in wages between documented and [undocumented immigrants](#). The results show a large amnesty program for undocumented immigrants would see their wages rise and even more so for women.

"Legal and undocumented immigrants tend to work in different occupations, even taking into account differences in characteristics such as [education level](#) and English language ability," Cassidy said. "This is especially true for female undocumented immigrants, who are much less likely than similar-looking but legal female immigrants to work in jobs that utilize high levels of analytical and interactive tasks."

The hours worked between documented and undocumented men were similar, but undocumented women work longer hours than documented women, according to the data. Cassidy's report expects that amnesty would cause wages to rise 2% for men and 4% for women.

Cassidy argues that given the estimated size of the undocumented population, total labor income could increase by \$14 billion per year after amnesty. This would translate into more money being spent on goods and services for the American economy, he said.

"Improvements in undocumented [immigrant](#) earnings would mean more money spent on goods and services produced by both legal immigrant and nonimmigrant workers," Cassidy said. "Furthermore, amnesty would widen the scope of jobs available to undocumented immigrants—for

example, by allowing them to acquire driver's licenses and occupational licenses, helping employers in need of workers fill currently vacant positions."

A widespread amnesty program, similar to the Immigration Reform and Control Act (IRCA) of 1986, could improve wages and livelihoods of those already participating in and contributing to the American economy, Cassidy said. The IRCA granted amnesty to more than 2 million undocumented immigrants; those who had arrived before 1982, had a basic knowledge of U.S. civics, no [criminal history](#) and English proficiency were eligible.

The men and women who benefited from this amnesty experienced significant wage growth mostly due to the [legal status](#) itself, Cassidy said.

"Amnesty would likely lead to a modest—though not insignificant—improvement in the wages of currently undocumented immigrants," the report reads. "It is important that the improved economic performance of undocumented immigrants be considered by policymakers when debating the value of a large-scale immigrant amnesty."

More information: Report: [www.bakerinstitute.org/research ... oost-us-labor-market](http://www.bakerinstitute.org/research/immigrant-amnesty-wages-boost-economy)

Provided by Rice University

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