

Business Divided As Debate Opens On Immigration

Bill Pleases Employers Of Unskilled Laborers, But High-Tech Objects

As the Senate begins debate on a landmark immigration bill meant to address the future need for workers in the U.S., a divide over the measure among

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the nation's employers could undermine its chances of becoming law.

From the moment the White House and key lawmakers struck a tentative deal on immigration last week, it was clear that not all employers were on board. The deal, the most significant potential change in immigration law since an amnesty program for illegal immigrants in 1986, was designed to provide for the labor needs of industries ranging from high technology to agriculture, as well as to resolve the status of the estimated 12 million people now living in the U.S. illegally. (See related article on page A6.)

Employers like farmers, restaurateurs and construction contractors who rely heavily on unskilled workers generally support the deal, but high-tech industries that need skilled workers complain that it doesn't give them the flexibility to recruit workers with

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the specific mix of skills they need.

For employers of the unskilled, the tentative deal offers a welcome path to legitimacy for their work forces, which typically include a high proportion of illegal immigrants. Under the deal, illegal residents who can prove they entered the U.S. before Jan. 1 would get a temporary-resident permit. The plan would essentially erase their illegal status and let them work while awaiting a so-called Z visa that would entitle them to live legally in the U.S. The bill also eventually would allow 400,000 temporary workers to come to the U.S. on a "Y visa" each

year to fill mainly low-skilled jobs.

"Overall, we feel very positive about" the bill, said Tom Nassif, president of Western Growers, which represents 3,000 farmers who grow more than half of the country's produce. "There's a program for legalizing our existing work force."

Division of Labor

❖ **The Issue:** Industries are split over whether a proposed immigration bill meets their needs for foreign workers.

❖ **What's at Stake:** Lack of business support could hurt the chances of the landmark bill. Some industries fear concessions in Congress will water down the measure.

❖ **The Bottom Line:** Unskilled workers—and companies that hire them—stand to benefit the most.

For agriculture, it is a deal worth protecting. Mr. Nassif voiced concern that some of his industry's victories could be eroded as the bill moves through the legislative process.

High-tech companies, however, say the deal doesn't provide enough visas for software engineers, computer programmers and other workers whose skills are in short supply in the U.S. In addition, they say a new merit system envisioned in the deal, which is designed to ease the way to legal entry for educated immigrants, wouldn't necessarily ensure the specific skills high-tech employers need.

"As the bill stands, the bill is a disaster for high-tech employers," said Stuart Anderson, executive director of the [National Foundation for American Policy](#), a nonpartisan research organization, and a former staff director of the Senate Immigration Subcommittee.

What follows is an industry-by-industry snapshot of employer reaction to the deal:

■ **Food Processors:** The meat-packing industry has grown increasingly reliant on immigrant labor, and in recent months has been the target of raids by the Department of Homeland Security that rounded up hundreds of undocumented workers. As a result, the industry is largely relieved by the deal, which could make much of its work force legal.

"We are pleased that the White House and key members of the Senate have found common ground on the issue of comprehensive immigration reform," said Sean McHugh, vice president of investor relations, public relations and communications at Swift &



Co., the nation's third-largest processor of both fresh beef and pork.

The company, which has annual sales of more than \$9 billion, employs about 15,000 people in the U.S., and has seen hundreds of its workers arrested in raids. "We hope these reform provisions remain intact through the balance of the legislative process and ultimately become law," said Mr. McHugh.

At Tyson Foods Inc., one of the nation's largest poultry processors, immigrants account for as much as 60% of the workers at some plants. Archie Schaffer, a company spokesman, said Tyson supports the basic concept of the draft bill. However, he expressed concern that a requirement for workers to return home in order to apply for permanent legal residency—known as a "touch back" provision—could be disruptive.

"We don't want to lose any continuity," said Mr. Schaffer, noting that the company invests as much as one year and thousands of dollars in training for each employee to become proficient at his or her job.

■ **Restaurants:** The National Restaurant Association, the industry's main lobbying group, lauded the measure for allowing undocumented immigrants already in the country to stay. "I think that finally we're going to get something done," said Craig Miller, who was the association's chairman until last year and remains a board member.

Mr. Miller, who is also chief executive of Ruth's Chris Steak House Inc., a national chain of 106 restaurants, praised the bill for decriminalizing immigrant workers "because they're here and working hard."

■ **Technology:** High-tech companies, which often need to import skilled workers from overseas, have quickly voiced a variety of concerns about the proposed immigration overhaul.

Jenifer Verdery, director of workforce development at Intel Corp., said the Santa Clara, Calif., chip giant, which employs about 90,000 workers world-wide, is less than thrilled with the proposed plan. That's because, she said, the proposed number of visas for skilled workers remains too low. She cited, in particular, the so-called H-1B visas employers use to bring workers with specific skills into the country. "There aren't enough new visas—period," she said.

The new bill proposes raising the cap on H-1B visas from 65,000 to 115,000, or up to 180,000 if demand is high. But Ms.

Verdery said that this year employers filed more than 115,000 petitions for H-1B visas on the first day of application alone. "The proposed new numbers wouldn't even be enough to meet the first day's demand," she said.

There are also big concerns about the "merit system" for obtaining work permits, or green cards, which is skewed toward allowing educated foreigners into the U.S., but not necessarily the people high-tech employers want. Currently, high-tech companies submit requests to the government for specific job candidates; the proposed compromise for green cards would create a job pool of educated workers, rather than give companies the flexibility to recruit the specific individuals they want.

Betsy Mullins, vice president of government and political affairs at TechNet, a bipartisan group representing technology CEOs, said her group "has a lot of concerns regarding highly skilled workers" in the bill. In particular, TechNet says the new merit-based system is deficient because it isn't employer-driven.

Under the proposed system, the government would award points based on education, work experience and English proficiency. That could bring more professionals and people with advanced degrees into the U.S., but it wouldn't give high-tech companies the license they would like to recruit the specific foreign workers best-suited to their needs.

Since tech companies undergo change quickly and often, that means the system could quickly be out of date with a tech employer's needs, Ms. Mullins said. "We need a market-driven system in an innovation economy," she said. "To throw the current system out for something that hasn't even been tested yet will give people pause."

■ **Agriculture:** Few industries have come as close to admitting they can't survive without the labor of illegal immigrants as agriculture. At least half of the 1.8 million crop workers in the U.S. are undocumented, according to the Department of Labor. They sustain an industry valued at \$30 billion annually, and the industry has been quick to applaud the prospect of legitimacy for its workers. If anything, the industry is worried about concessions in the weeks ahead as the bill moves through Congress.

Farmers have some concern about the details in the agreement, however. Mr. Nassif, a former U.S. ambassador who has openly acknowledged that U.S.

agriculture couldn't exist without foreign workers, said that the industry wondered whether field workers could afford to pay a \$5,000 fine, as mandated by the tentative deal, in order to get on the path to U.S. citizenship. "I'm not sure that it matters to them," whether they become U.S. citizens, he said.

■ **Service workers:** About 500,000 immigrants are believed to sneak into the U.S. illegally each year. Eliseo Medina, executive vice president of the Service Employees International Union, which represents janitors, nursing-home workers and other blue-collar workers, deemed the new bill "on the whole as very positive."

However, he expressed concern that a requirement for those now in the U.S. illegally to return home in order to apply for legal permanent U.S. residency could be problematic for both employees and employers. "If you're a Mexican, you can make a run to Tijuana," he said. "If you're Chinese or Irish, it's a really long haul."

—Janet Adamy and Julie Jargon contributed to this article.

Points of Contention

Some industry concerns with the immigration-overhaul plan

Industry	Issue	Concerns
High tech	H-1B visas; immigration point system	Plan limits work permits for high-skilled foreign workers to 115,000 a year, but could go up to 180,000 if market demands it; awarding credit for special skills, not employer demand, could skew labor market
Agriculture	Farm-labor pool	Plan makes no distinction for special labor needs of U.S. agriculture, where worker shortages have hurt growers of many crops
Construction	'Touch back' provision	Requires foreign workers to return home every two years while working toward green card; may cause disruption of work force by enforcement efforts
Services	Immigration point system; employee verification requirements	Skills-based admission system would benefit high-tech companies, disadvantage low-skill industries; verification rules would put greater burden on small companies to attest to their workers' legal status