New Research: Eliminating NAFTA and Its Immigration Provisions Will Cost U.S. Consumers, Investment and Jobs

Arlington, Va. – If the North American Free Trade Agreement (NAFTA) were to end, then its immigration provisions would be eliminated as well, costing Americans jobs, investment and health care services provided by NAFTA visa holders, according to a new analysis by the National Foundation for American Policy (NFAP), an Arlington, Va.-based policy research group.

The report finds eliminating the North American Free Trade Agreement’s trade provisions would cost many U.S. jobs and damage the economies of the United States, Canada and Mexico. The Business Roundtable estimates that ending NAFTA would reduce “the level of U.S. real output” by 0.6 percent and cause an immediate loss of jobs for 1.8 million workers in the first year. NAFTA also contains important immigration provisions whose elimination would carry additional negative impacts to a variety of critical industries. Under NAFTA, Canadian and Mexican professionals can be admitted in TN status, while investors are admitted on E visas. Americans who wish to work or invest in Canada or Mexico enjoy reciprocal benefits.

As an example of the immigration impact of NAFTA, U.S. patients in Michigan, Texas and elsewhere benefit from the care provided by nurses using TN visas. The Henry Ford Health System in metro Detroit alone employs about 300 Canadian nurses. TN visas are also used for physical therapists, medical technologists, pharmacists, and other health care occupations. TN visas also enable scientists and veterinarians to help the dairy and cattle industries, while U.S. students are taught by instructors in TN status at universities and seminaries.

TN visas allow U.S., Canadian and Mexican technology, service and manufacturing companies to transfer employees across the border, improving productivity and leading to the hiring of additional workers in America. The E visa facilitates investment and helps create jobs in America. Canada and Mexico are major sources of foreign direct investment in the United States.

“NAFTA contributes to cross-border mobility, creates U.S. jobs and increases investment in the United States,” concludes the National Foundation for American Policy report. “The United States should retain the benefits received and given by Most Favored Nation trading partners as an essential part of its efforts to profit from and be integrated into the global economy. Losing the immigration benefits of NAFTA will harm U.S. workers, consumers and companies.”
“If NAFTA goes away, Americans will be harmed in ways well beyond its trade provisions, since the treaty’s immigration measures allow nurses and others to provide services many of us now take for granted,” said NFAP Executive Director Stuart Anderson, former head of policy at the Immigration and Naturalization Service under President George W. Bush.

About the National Foundation for American Policy

Established in the Fall 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia focusing on trade, immigration and related issues. The Advisory Board members include Columbia University economist Jagdish Bhagwati, Ohio University economist Richard Vedder, Cornell Law School professor Stephen W. Yale-Loehr and former INS Commissioner James W. Ziglar. Over the past 24 months, NFAP’s research has been written about in the Wall Street Journal, the New York Times, the Washington Post, and other major media outlets. The organization’s reports can be found at www.nfap.com. Twitter: @NFAPResearch

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