



# Germany Is Planning to Reform Its Immigration Policies. The U.S. Should, Too

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With a low birth rate and a high number of job vacancies, Germany is preparing to reform its immigration and citizenship laws. Three statutes under consideration—a skilled labor law, a legal status law, and new citizenship law—would cause a "paradigm shift" in Germany's immigration policy, says Victoria Rietig, head of the migration program at the German Council on Foreign Relations.

The skilled labor law would implement a point-based immigration system, similar to the Canadian model, which would "expand the opportunities for skilled workers to come to Germany...by reducing bureaucracy [and] red tape," says Rietig. A point-based system allows for immigration based on criteria such as age, work experience, language skills, and qualifications, with each standard getting a point value. Once a threshold is reached, a visa is issued.

The legal status law would create pathways for asylum seekers to gain permanent residency, allowing them to work and stay in Germany. The proposed new citizenship law, meanwhile, would reduce the waiting time for naturalization from eight years of residency to five, and also allow for dual citizenship, something that Rietig says "would make the system faster and thus more attractive for prospective migrants."

The reforms have already been approved by the German cabinet and are expected to pass in the country's parliament (Bundestag) in early 2023. However, the Christian Democratic Union/Christian Social Union and the Free Democratic Party raised concerns over making it too easy to become a German citizen, as well as a subsequent uptick in migration. But Rietig says "opening legal pathways to Germany might actually reduce illegal migration."

In 2022, through November, Germany reported over 850,000 job vacancies, with an extreme shortage of high-skill labor. With birth rates in a steady decline since 2019 and the population

share of people aged 65 and older rising by nearly two percentage points compared to the level 10 years ago, these holes will not be filled by the native-born German population alone. The new reforms address this in several ways. Currently, in Germany, immigrants without citizenship or permanent residency status have limited job opportunities and movement within the country due to the threat of deportation. Providing permanent residency for those demonstrating work qualifications would give the 136,600 people living on a so-called tolerated status (referring to those who do not have asylum but cannot return to their home countries) the chance to find stability as well as welcome international workers into the country with the incentive of citizenship.

The United States is facing a similar problem when it comes to talent shortages and worker retention. Adopting a point-based immigration system is a fast and unbureaucratic way to bring skilled labor into the country. "A points system can consider more aspects of an applicant's attachment to the country or qualifications than other systems that focus solely on family or employer ties in isolation," says David, associate director of immigration studies at the Cato Institute. "A points system stops long queues and waiting periods for employers from developing by issuing green cards to whoever had the most points in that application period, quickly connecting workers and employers," Bier noted in a paper for Cato.

The Canadian system works for Canada and could work for both Germany and the United States. One thing that is clear is that the status quo is not working for American industries or immigrants.