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## High Unemployment, Openings, Ignite Seasonal Worker Visa Debate

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The Biden administration and Congress are facing pressure to increase the flow of legal immigration to the U.S. as a means of remedying perceived labor shortages.

Critics, citing high unemployment rates, say these shortages don't exist, and warn that the specialty visa programs at the heart of the debate need to be made less unfair and exploitative before the federal government increases their capacities.

The debate is likely to continue as the bite the pandemic took out of legal immigration persists, regardless of what's in Friday's jobs report.

"We expect that the collapse in visa issuance during the pandemic will reduce the labor force for the next few years," Goldman Sachs economics researchers wrote in a June 21 report. That collapse reduced the labor force by 750,000 people, with 450,000 of those stemming from a drop in temporary worker visas and 300,000 from immigrant visas, they wrote.

"Since the loss in immigration in 2020 won't be offset by higher immigration going forward, most of this drag will persist," they continued.

Job openings hit a record high of 9.3 million in April, with growth led by the leisure and hospitality sector, which also saw some of the biggest losses at the start of the pandemic, according to a [June 8 data release](#) from the Bureau of Labor Statistics.

That's fueled calls for lawmakers and the administration to allow for additional H-2B visas, those allocated to seasonal, temporary workers in resort and hospitality, landscaping, food service and processing, and other nonagricultural jobs. If Americans don't want these jobs and businesses are so desperate to hire, let foreign workers take them, proponents argue.

**Labor Market Mismatches**

While U.S. Citizenship and Immigration Services lifted the 66,000 annual cap on H-2B visas by 22,000 this year, it's not nearly enough, said David Bier, a research fellow at the Cato Institute who focuses on immigration and is among those advocating for lifting the cap on the visas.

The similar H-2A workers visa has no cap and helps around 200,000 foreign workers get temporary agricultural jobs each year.

The H-2A program is narrowed to one industry, agriculture, and “there are various provisions in both of these programs that make it more difficult for employers to use them to hire people legally,” Bier said.

He added that “the reality of the situation is that employers are not filling their positions,” and seasonal jobs have downstream effects on the permanent ones Americans want. A landscaping company, for instance, will be better able to afford a new truck if it can hire a new crew, increasing an auto dealership's employment needs.

The U.S. Chamber of Commerce is advocating for a doubling of the annual quota for H-2B visas, and for a permanent exemption for returning workers, among many other measures to expand access to worker visas and legal immigration, as part of its proposals for “closing the jobs gap.”

Others question whether there's really a labor shortage to begin with, given how far the U.S. economy is from recouping the millions of jobs lost due to Covid-19.

The unemployment rate for workers in the leisure and hospitality sector—while shrinking—was still the highest of all industries in the BLS's May jobs report, at 10.1%. Because unemployment is based on the number of people actively seeking jobs in the past four weeks or temporarily laid off, that means by definition that there's an ample supply of labor to meet employer demand.

Regardless, while many agree that more worker visas are generally beneficial to the economy, it may not be a straightforward solution.

“The labor supply everywhere is disrupted,” said Abigail Wozniak, a labor economist at the Federal Reserve Bank of Minneapolis. It might make sense on paper to open the doors to more foreign workers, but these disruptions are happening in the individuals' home countries as well, matching the right employers with the right employees takes time, and employers who aren't accustomed to the rules of various worker visa programs are unlikely to suddenly adopt them, she said.

## **Power Imbalance**

There are also human rights concerns associated with H-2B visas, which tie workers to their employers, making them vulnerable to well-documented abuses, including recruiters imposing illegal fees or lying about wages and working conditions.

“Those workers are not free agents that can go work wherever the economy needs them most. They don't just switch jobs and move on to higher wages if they find a better job,” said Daniel Costa, director of immigration law and policy research at the Economic Policy Institute. Reform is needed for nonimmigrant visas that restrict worker rights, he added—not just H-2B visas, but H-2A visas and L-1 visas, which are for transfers of executives or managers within a company.

Through no fault of their own, foreign guest workers facing a power imbalance can depress wages and conditions in the sectors that employ them, said Kent Wong, director of the University of California, Los Angeles Labor Center and former staff attorney for the Service Employees International Union.

“Historically, employers have pushed for relaxing visas and relaxing immigration policies in order to maintain a low-wage workforce,” he said.

### **‘Drop in the Bucket’**

“The jobs those workers are taking are not attractive to a lot of native workers,” said Madeline Zavodny, a professor of economics at the University of North Florida and research fellow at the Institute of Labor Economics. The pandemic and the prior administration both “hit the breaks” on legal immigration in general, she noted.

Still, it’s a little late for H-2B visas to help employers fill spots this summer, though they could help employers next year, she said, adding that the 66,000 cap on these visas “is incredibly low.”

“That’s a drop in the bucket in terms of the number of job openings in the United States,” said Bill Stock, a founding partner at Klasko Immigration Law Partners LLP and former president of the American Immigration Lawyers Association. He noted that 10,000 people in the U.S. turn 65 each day and many formerly working women are still saddled with child care responsibilities they took on at the outset of the pandemic.

Family immigration, on the other hand, “has basically been shut down now for two years,” Stock continued.

Voluminous immigrant visa backlogs have been exacerbated by shutdowns of overseas consulates.

That’s something the Biden administration is trying to fix, but many of the Chamber’s asks require legislation—an uphill battle in a political environment in which lawmakers butt heads over basic immigration system fixes. The group features a button below its list of objectives that reads, “TELL CONGRESS: PASS IMMIGRATION REFORMS.”