



## Conservative group warns immigrants could cost US \$6.3tn

By: [Anna Fifield](#) – May 6, 2013

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The 11m unauthorised immigrants living in the US will cost taxpayers a net \$6.3tn if they are allowed to become American citizens, according to a new study from the conservative Heritage Foundation aimed at scuppering immigration reforms.

The study, which is out of sync with the vast majority of other economic analyses, was immediately criticised for being ideologically driven and selective with the facts.

But Heritage is hoping for a repeat of 2007, when it used a similar economic report to kill efforts at comprehensive immigration reform during the final year of George W. Bush's presidency.

“It's clear that any number of people in Washington who would benefit from amnesty, as well as some members of Congress, do not want to consider the costs,” said Jim DeMint, the former Tea Party-backed Republican senator from South Carolina who now heads the Heritage Foundation.

“No sensible thinking person could read this study and conclude that over 50 years they could have a positive economic impact,” Mr DeMint said at a press conference on Monday to unveil the report.

The US Senate will this week start marking up a bipartisan bill that would overhaul the immigration system by giving undocumented people a 13-year pathway to citizenship, at the same time as increasing border security.

A raft of economists from across the political spectrum has concluded that such reforms would have a net positive impact on the economy, bringing undocumented workers out of the shadows and forcing them to pay taxes.

The bill's passage through the Senate looks likely, but its prospects are not so good in the House of Representatives, where arguments like Heritage's will gain more traction.

Heritage has concluded that former unlawful immigrants, whose average age is 34, would receive \$9.4tn in government benefits and services over their lifetimes, while they would contribute only \$3.1tn in taxes.

“This should be considered a minimum estimate,” wrote Robert Rector and Jason Richwine, the report’s authors.

“It probably understates real future costs because it undercounts the number of unlawful immigrants and their dependants who will actually receive amnesty and underestimates significantly the future growth in welfare and medical benefits,” they wrote.

Under the Senate plan, unauthorised immigrants would not be eligible for any federal services, including healthcare and food stamps, during the decade-long legalisation process. When they applied for permanent residence “green” cards, these immigrants would become eligible for such benefits.

But Heritage added up the benefits they would be able to access as permanent residents – including social security and Medicare, as well as means-tested welfare benefits like food stamps and public housing, public education and “population-based services” like police and parks.

The aggregate annual deficit for all unlawful immigrant households would amount to \$43.4bn in the years between legalisation and citizenship, the report concluded. But it would “soar” to about \$106bn a year as these new citizens became fully eligible for means-tested welfare and healthcare benefits.

Heritage’s last report in 2007 – in which Mr Rector concluded that illegal immigrants would cost the economy a net \$2.6tn – was widely criticised for using a flawed methodology.

The latest report repeated those mistakes, said Alex Nowrasteh, an immigration analyst at the Cato Institute, a libertarian think-tank that agrees with Heritage on many other issues.

The report did not take into account any of the benefits of immigration reform, such as higher tax revenues and increased rates of growth and productivity.

“This assumes that people are just costs and don’t contribute anything,” Mr Nowrasteh said.

Doug Holtz-Eakin, a director of the Congressional Budget Office during the last Bush administration, added that the report used a 50-year time horizon to come up with a huge figure by assuming that all new citizens would use all the benefits available to them and “stay poor forever”.

“This report is saying they’re not Americans and they have no dream, and that troubles me,” said Mr Holtz-Eakin, who had previously issued a report concluding that reform could boost the average rate of real annual gross domestic product growth from 3 per cent to 3.9 per cent over the first decade.