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the New North American
Reality**

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Immigration: mapping the new North American Reality

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In just one decade under NAFTA, trade among the United States, Canada and Mexico has nearly tripled — growing more than twice as fast as the three countries' trade with the rest of the world. The economic integration of North America is taken as a given by Mexicans, Canadians and Americans. People as well as goods move within the North American space. There were over 350 million crossings at US land borders last year — 100 million along the US–Canadian border and over 200 million at the US-Mexican border. Most visits are brief. But hundreds of thousands cross North American borders more permanently, demonstrating various levels of immigration-related integration in North America.

Relatively speaking, few residents of North America are involved in migration. Only about 2 percent of the continent's residents were born in one of the three countries and now live in another. Nevertheless, immigration is a North American reality. Immigration contributes to growing continental integration, whether by design or by happenstance. The US Census Bureau projects that Hispanics will comprise 24.4 percent of the US population by 2050 (though not all Hispanics are foreign-born). Mexican nationals account for 29.8 percent of the total foreign-born population in the United States (see figure 1) though overall they comprise only 3.3 percent of the total US population. Mexican nationals send \$14 billion in remittances home each year, creating growing clout in both countries. Canadians comprise 2.2 percent of the total foreign-born population in the United States (see figure 2). In fiscal year (FY) 2002, 19,519 Canadians received legal US permanent resident status in the United States. At the same time, 219,380 Mexicans became legal permanent residents, accounting for 20 percent of that year's 1.1 million total. As a comparison, about 1.6 percent of the 15 pre-accession European Union states' population were EU citizens residing outside of their country of citizenship.

The US and Mexico are tightly linked at the low end of the labour market; the US and Canada are well-integrated at the high end of the skill spectrum. These linkages are driven primarily by each country's relative labour supply and demands, and the administrative procedures that accommodate them — to some extent. Indeed, much of the immigration between the three countries (and the growing integration despite a lack of central government action in this arena) is being driven from the bottom-up by business needs. The

countries also are linked by deep family and cultural ties, which drive additional components of the migration.

Tourism or business visits are the most common type of movement between the countries. In FY 2002, there were 226,132 non-immigrant admissions by Canadians and 4.1 million by Mexicans (15 percent of nearly 28 million temporary visitors). This does not include millions of Canadians who are allowed to enter the US visa free for short stays as tourists or other designated purposes. Mexicans are included, however, as they are required to have a visa to enter the US. Mexicans residing in border communities are eligible for a special “laser” visa valid for multiple visits up to 72 hours within 25 miles of the border.

Trilateral strategy for managing North American migration begins and ends with NAFTA, which slightly expanded on migration arrangements made under the 1988 Canada-US Free Trade Agreement and extended some of them to Mexico. It secured the right of well-educated and skilled professionals in 63 occupations to work temporarily within NAFTA space and guaranteed the existing privilege of intra-company transferees and business travelers to travel between the three countries. In 2002, employment-based NAFTA visas were issued to nearly 72,000 Canadians and almost 2,000 Mexicans.

The movement of individuals between the United States, Canada and Mexico for employment purposes goes far beyond the formal NAFTA visa. 113,586 Mexicans and 61,437 Canadians were granted non-NAFTA visas as a result of temporary work authorizations in 2001 (see tables 1, 2 and 3). Particular nationalities tend to dominate categories, as Mexicans comprise nearly all H-2A agricultural workers and Canadians receive significant numbers of H-1B high-skill worker visas (albeit far fewer than India and China).

The substantial legal movement of people in North America is overshadowed in the public mind by the fact that neither the demand for low-skill workers in the US nor Mexicans’ desire to work there and to reunify with family members has been adequately accommodated or controlled by public policy. As a result, the undocumented flow of immigrants during the late 1990s may well have been over half a million, and perhaps as high as 800,000, close to the level of legal immigration during that period. Some 5.3 million Mexicans (60 percent of the total illegal population) are estimated to be illegally resident in the United States as of 2002. Canada, too, sends unauthorized immigrants — in 2000 an estimated 47,000 Canadians

were in the US without authorization. North Americans have been integrating the continent for some time — even without the permission of their governments. This has left policy-makers responding after the fact and limits the influence of their actions.

Much recent cooperation on immigration issues has been security-driven. Vulnerabilities exposed by the September 11 attacks created a greater awareness that the North American space is in many respects a single migratory zone, and that it is not possible to achieve complete control over North American borders unilaterally.

The US and Canada currently have common visa policies for 144 countries and have agreed to consult on changes to visa policies. Similar consultations are taking place with Mexico. Moreover, as part of the December 2001 Smart Border Agreement, they signed a safe-third-country agreement to limit the access of asylum seekers to the system of the country in which they first arrive (nearly one-third of Canada's annual asylum caseload was arriving from the US). The US and Mexico also signed a Smart Border Agreement in March 2002 leading to more information sharing, advance planning and policy coordination on third-country nationals, smuggling, and operations at ports of entry.

It seems unlikely now that North America will adopt an integration approach that includes free movement of people on a level like that of the European Union. EU-style political integration is anathema in all three countries, as all want to maintain separate and sovereign identities. The United States is reluctant to consider foreign aid to Mexico at a level comparable to the investment made by the European Community in Spain, Portugal and Greece. It also is concerned about larger northbound migration flows if borders were opened and now views its Canadian border in terms of security risk as well. Canada and Mexico ultimately want to create enough good jobs to keep their best and brightest at home, but they also support maintaining the free flow of goods and people so crucial to their economies.

At the same time, there may be areas in which additional cooperation and integration make sense. Deepening economic and social ties increase demand for faster and easier border crossing. The three countries have common interests on the movement of specific groups of people, such as students, health care workers and agricultural workers, creating possible starting points for discussion of expanding migration for work and study.

The progress of integration in North America from this point forward will be driven and shaped to a great degree by two pressing questions:

- What strategies will be used to allow the smooth movement of people between the three countries while satisfying the now-pressing need for security?
- In what ways will unauthorized migration be managed, and desired labour migration be facilitated?
- In a world of easy international travel and communication, immigration poses a security vulnerability. However, no one wants to lose the economic benefits of free traffic across borders. The leading strategy for ensuring both security and the efficient movement of people across North American borders involves a type of integration not usually considered in the integration discourse: the creation of a single North American information space. This involves moving the effective border of a nation beyond that of its physical border by pre-inspecting and pre-clearing people and goods while they are still in their neighbour's territory. By collecting information about a person or shipment before it actually crosses a border, controls can be based on intelligence information and resources can be deployed most efficiently. The Advance Passenger Information Systems and Joint Passenger Analysis Units used for the airline industry are excellent models for collecting information prior to departure and using a risk-management approach to concentrate limited inspection resources on high-risk and unknown passengers.

This approach can deliver greater security and decreased processing times. It is being applied to the movement of people at land and air ports of entry through programs such as NEXUS and SENTRI for low-risk crossers. Meanwhile, the three countries are sharing, or working toward sharing, flight manifests, and Mexico has joined Canada in participating in the US TIPOFF counter-terrorism database. They also are pushing each other to adopt more secure machine-readable identification and immigration documents. This may lead each to issue biometric identification to its own nationals despite public apprehension. These more intrusive strategies appear to be acceptable so long as mobility is preserved and adequate measures are taken to preserve privacy.

Developing a North American information space will require investment in infrastructure, agreement on common (preferably global) standards and technology, a willingness among intelligence agencies to share data, and the creation of strong privacy regulations that satisfy all three countries – all of which have proven difficult to achieve even in one country. Further, it will require a significant investment of resources and

political will. The NAFTA partners will need to draw to the fullest on their decades of experience in cooperating on such matters. Moreover, the US may need to support the security efforts of Mexico and Canada through the provision of funding or technical support, since goodwill leads only so far if resources or technology is lacking.

Controlling illegal immigration and achieving security often are unfairly conflated, but both must be addressed for North American integration to expand beyond trade of goods. Unfortunately, the path ahead is less clear than on security. In the US and Canada, whose populations roughly are equally skilled, the patchwork of temporary and permanent high-skill work visas affords a reasonable degree of mobility. Opening up lesser-skilled occupations to easy movement under provisions similar to those created by NAFTA could be a logical next step. An EU-style system in which nationals of the two countries can move freely and stay in the other country provided they find employment within a certain period of time would not be unrealistic to expect in the long term in the US-Canada context.

The US-Mexico situation is more challenging. Mexico, at the beginning of the Fox administration, envisioned an expansive agreement including joint border control, legalization of unauthorized immigrants in the US, and a greatly expanded US temporary worker program. The Bush administration's initial receptiveness to this "whole enchilada" closed permanently after September 11. Recently, however, President Bush reopened the immigration reform debate by proposing a unilateral program to employed unauthorized immigrants to obtain temporary legal status. It also would create an apparently large guest-worker program, open to nationals of any country, to fill vacant US jobs. The proposal was well-received by business and many moderate Republicans in Congress but came under fire from right-wing conservatives and left-wing liberals, ensuring that no legislative progress will be made in this election year.

To successfully manage unauthorized immigration, a reform package would need to regularize the unauthorized population in a way that prevents them from later dropping out of status, meets the heavy demand for both labour and family reunification, and creates better enforcement mechanisms on the border and internally. Each of these elements would be made easier, cheaper and more effective with bilateral cooperation, given that nearly 60 percent of the undocumented are Mexican. Mexico's public records and intelligence service could be a valuable resource in establishing the backgrounds of migrants who are to be regularized, and it could help administer and enforce the terms of a guest-worker program. Enforcement,

too, could benefit immensely from Mexican cooperation. For example, the US has implemented the entry component of the “entry/exit” system mandated by Congress, but plans for confirming exits remain under development. At land crossings, the most efficient way to effectively confirm that a person has indeed left the US may be for Mexican or Canadian officials to record the exit as they inspect for entry.

At the strategic level — the decisions about who will be able to cross borders, how many, and under what conditions — policies on migration in the North American space have been established incrementally and unilaterally, often guided more by political circumstance than by a well-articulated vision. The lack of parity between the US-Canada relationship and Mexico’s relationship with its northern neighbours has helped frustrate attempts to develop such a vision, as have the reality of geographic proximity and historical ties. For example, the migration provisions of NAFTA were defined more by a need to accommodate Mexico in an established US-Canada relationship than by a clear agenda for setting Mexico on an equal footing with the other two nations.

On a tactical level — the decisions of how to administer various migration programs and control the borders — there has been more extensive cooperation, but much has been ad hoc and informal. This has been changing: The 30-point US-Canada and 22-point US-Mexico border strategies provide the beginnings of a practical vision for progress on border control, and both include a serious bilateral component. The parallels in the structure of the US Department of Homeland Security and the Canadian Ministry of Public Safety and Emergency Preparedness, both newly formed, also show promise for broadening administrative cooperation on border and migration management. Moreover, the willingness of US and Mexican officials to work cooperatively and publicly on highly sensitive issues bodes well.

The combination of high volumes of traffic, security risks and unauthorized immigration has grown to the point, however, where piecemeal approaches to border and migration management no longer suffice. The US, the centre of the trio and the one most preoccupied with security and unauthorized immigration, must take the lead if trilateral strategies are to be effective. It will need to grapple with two very difficult issues, though. First it must realize that creating a North American information space will require even deeper cooperation with its neighbours and may require investment in the security and migration control capacities of its neighbours. Second, achieving the goal of knowing who is in the country and who is entering it will require a strategy for managing illegal migration flows and the existing unauthorized immigrant population.

Sweeping US immigration reform fundamentally would shift the trajectory of North American integration and expand the potential benefits of cooperation on migration matters within the continent.

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TABLE 1. FLOW OF TEMPORARY WORKERS¹ AND NAFTA PROFESSIONALS TO THE US FROM CANADA AND MEXICO, FYs 1994 AND 2001

Type of entry (visa category)	FY1994		FY2001	
	Canada	Mexico	Canada	Mexico
Non-NAFTA workers ²	23,992	24,885	61,437	113,586
Treaty traders and investors (E1/E2)	3,123	278	3,704	3,354
Workers with specialty occupations (H1B)	3,527	3,256	16,454	14,423
Intracompany transferees (L1)	6,482	2,632	22,838	15,723
NAFTA professionals (TN)	24,826	11	92,915	2,571

Source: *The Yearbook of Immigration Statistics*, Bureau of Citizenship and Immigration Services, various years.
¹ Numbers include trainees, visitors for whom employment is incidental to the purpose of their visit, spouses and children. They reflect admissions, not individuals. In some cases, an individual may enter the country several times.

² Includes the following temporary worker visa categories: E1, E2, H1A, H1B, H2A, H2B, H3, J1, L1, O1, O2, P1, P2, P3, Q1, and R1.

TABLE 2. FLOW OF TEMPORARY WORKERS AND NAFTA PROFESSIONALS TO CANADA FROM THE US AND MEXICO, FYs 1994 AND 2001

Type of entry	FY1994		FY2001	
	US	Mexico	US	Mexico
Non-NAFTA workers	16,791	5,207	15,613	11,011
Management	1,053	4	592	11
Professional	8,058	104	7,895	162
Skilled and technical	4,896	28	4,879	83
Intermediate and clerical	856	4,848	658	10,465
Elementary and labourers	396	13	332	35
Not stated	1,532	210	1,257	255
NAFTA professionals	6,385	34	8,236	101

Source: Unpublished data provided by Citizenship and Immigration Canada.

Note: Numbers reflect individuals granted work authorization.

TABLE 3. FLOW OF TEMPORARY WORKERS AND NAFTA PROFESSIONALS TO MEXICO FROM THE US AND CANADA, FYs 1994 AND 2001

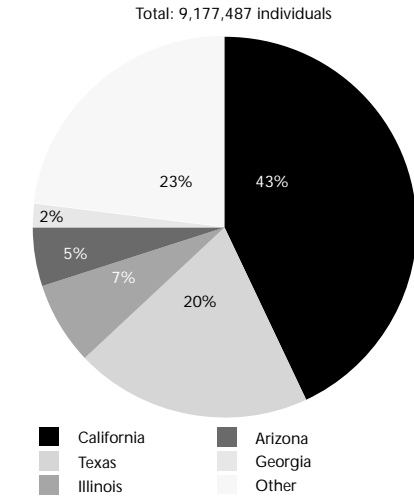
Type of entry	FY1994 ¹		FY2001	
	US	Canada	US	Canada
Non-NAFTA workers	1,173	49	8,743	3,029
Investors	341	22	7,342	2,333
Intracompany transferees	832	27	1,401	696
NAFTA professionals	2,628	240	46,335	3,890

Source: Instituto Nacional de Migración (Mexican national institute of migration).

Note: Numbers reflect work authorizations.

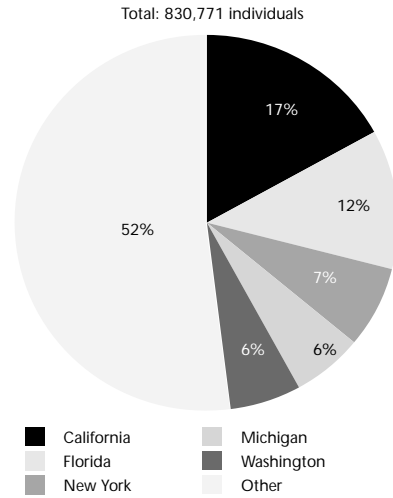
¹ 1994 data collection began in April.

FIGURE 1. MEXICAN FOREIGN-BORN POPULATION IN THE US, 2000



Source: Migration Information Source
www.migrationinformation.org

FIGURE 2. CANADIAN FOREIGN-BORN POPULATION IN THE US, 2000



Source: Migration Information Source
www.migrationinformation.org