Contract Worker Issues in the CNMI

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**In your opinion, should the CNMI have a law to give contract workers long term residency? Please explain.**

I think establishing a law that gives contract workers long term residence is in order because of the immense benefits that it would come with. For a long time, the US military barred visitors into the Northern Mariana Islands, a factor that took a toll on the economy of the region. There is immense evidence that, since the military opened the gates and allowed access into the island, there has been meteoric economic rise which has, in turn, boosted the livelihoods of the people. These visitors came not only in the form of tourists but also those who looked to make a living off the opportunities on the island. The garment industry, which is now defunct, attracted large numbers of foreign workers. This industry was a natural choice for manufacturers because of favorable tariffs and a minimum wage lower than that of the US mainland. These favorable conditions saw the boom of the garment industry and a consequent rise in the number of workers streaming in from different parts of the world to make a living in the industry. In fact, it is recorded that the industry was so big that it did the local workers alone could not sustain it, thereby prompting the arrival of foreign workers.

The above brief history of the island and the work environment leads to the conclusion that workers from other parts of the world joined to make more money not only for themselves but also largely for the economy of the commonwealth, which is a good reason to let them enjoy permanent residence. The garment industry is just one of the opportunities that have existed in the commonwealth. Tourism is another industry that has proven to grow consistently over the years to the point that local workers are not enough to fill the commonwealth labor needs. Improved immigration laws and policies will, therefore, come a long way in saving the situation as the immigrant workers do not have to be scared of their residency status. I also appreciate the fear that these foreign workers may desert their employees for more lucrative opportunities in the US mainland once the law's effectuation their permanent residency status is established. While this may be a point to hinge on, I am of the opinion that the relevant authorities should put necessary measures in place to ensure that this does not happen.

It is authoritative to mention that the changes in federal law over the past few years including granting improved immigration status and the federalization of minimum wage have all had an impact in the living standards of the people of the commonwealth. Records have it that close to 80% of employment and 90% of export income came directly from tourism and garment manufacturing (Villazor, 2015). These statistics inform my conclusion that contract workers are the fundamental drivers of the economy of the commonwealth. My reasoning is that they could probably do more in terms of their input in the economy if the permanent residence laws are put to effect. Because they are instrumental in the building of Commonwealth economy, removing the transitional workers from the labor market would see the gross domestic product of the commonwealth drop by 26 to 62 percent, which can have devastating effects on the living standards of the locals (Villazor, 2015). On another note, the construction industry has also seen the importation of labor, especially from the construction workers in China. Hotels, restaurants, and even casinos are coming up every day to meet the demand of the rising number of visitors in the region. It could thus be said that the contract workers in the construction industry have come as saviors in the commonwealth, and should be given permanent residence to facilitate innovation in regards to the architectural developments in the Commonwealth.

Even as there are many other reasons to support laws that give contract workers long-term residence, the impact on the economy is the most significant. The CNMI government even admitted to the fact that ending the CW program in 2019 would have devastating effects on the economy (Short, 2014). Different studies have also revealed that employers in the CNMI project huge losses in the instance that the program is brought to an end. In some extreme cases, owners of businesses think they may not be able to remain in business once the contract workers go back home. Conclusively, having a law to give contract workers long-term residency can be one of the best decisions made by the Commonwealth in terms of the manner in which the economy will continue to grow. It is because of these workers that the garment, tourism, and construction industry have boomed in the recent past.

The necessity for a law to give contract workers long-term residency is also informed by the labor system in the region. Notably, the minimum wage and the working condition of the contract is relatively lower than that in the US. This means that it is not easy to find workers who would accept the job offers and working conditions. While one may argue that the Americans and natives could take up higher paying, it is important to note that it may not make a difference in the economic growth of the commonwealth because much of the economic development is achieved by the lower-tier workers, who are majorly the contract workers. If the CNMI does not come up with a solution to this conundrum, then the island is likely to face tough economic times when the authorities finally crack the whip. These contract workers can be found in every sector since they account for more than half the population of workers on the island. Each of these sectors works hand-in-hand with others for the sustainability of the economy. For instance, the agricultural sector must be on toss since the tourists must have something to eat whenever they visit. In the same vein, the finance sector has to keep tabs on the current situation of the economy since they ensure that it is balanced as necessary. An interference with workers in one sector of the economy, therefore, impacts on the entire financial and economic wellbeing of the region. It is therefore wise that the CNMI establishes these laws to facilitate the manner in which the contract workers stay and operate within the economy.

**What do you think is the best advice you would give to the CNMI and USCIS?**

I would advise the CNMI to appreciate the fact that the contract workers are not just numbers but an integral part of the economy. This is true because there is immense evidence showing that they bring a significant contribution to the gross domestic product of the commonwealth. In fact, those leaving would hurt the economyto the extent that has never been seen. These individuals are so important that they are the fundamental driving force in the development of the commonwealth, and their absence is likely to cause a shortfall of labor. Therefore, I would advise the relevant bodies, including U.S. Citizenship Immigration Services and Homeland Security, and other policymakers to look keenly into the matter and provide a lasting solution for the contract workers.

Another piece of advice I would also like to give borders on the number of slots available for the contract workers. As the years go by, the commonwealth is significantly reducing the number of slots for the workers. As earlier highlighted, the economy significantly depends on the contract workers for sustenance. It, therefore, goes without saying that limiting the number of contract workers means the economy can only grow to a certain extent. This is to say that the fewer the worker, the slower the economic growth and vice versa. So, I would advise CNMI and USCIS to make enough room for the entrance of more workers into the labor market to ensure that the economy grows steadily to the levels of some of the world’s largest economies. Of course, this may remain a mirage if the stringent laws limiting their movement and stay are still in place.

Before the passing of the Consolidated Natural Resources Act, the number of contract workers in the CNMI was a staggering 24,000 (Hill, 2011). This was before 2009. The goal was to remove all the contract workers from the island by 2019. Even with the relatively high number of contract workers at the time, there was still a demand for them. Many years later, in 2017, the number had grown considerably, but the demand had hardly declined. This is evidence that there may never be a decline in demand for the contract workers no matter the level of economic development of the island. This is enough reason to persuade the CNMI to rethink their stand regarding the stay of contract workers on the island.

Another reason I would advise the CNMI to come up with laws to let the contract workers have long-term residency is the fact that not many Americans workers can fit into their shoes. This is to say that the contract workers are more tolerant to the weather and also the conditions of the island since their home countries have worse conditions to some extent. A typical example is of two companies which set to the US mainland to recruit workers. One of the companies was BSI, which was successful in its recruitment efforts and even spent $1.2 million on the same (Hill, 2011). Moments later, when the workers had settled in and even started working, Typhoon Soudelor struck the island and dismantled the infrastructure bringing everything to a halt. While the contract workers could live under these conditions without electricity and even clean water, the workers from America could not manage for long and therefore returned to the US mainland. This is reason enough to have faith in the ability of the contract workers to deliver the best even in such tough times. As such, CNMI should have an alone moment to consider how important this demographic of workers is to the economy.

I would also advise the CNMI to make one informed decision once and for all and not to keep the workers in a situation that they are always troubled but what may happen to them in the long run. Since 2009, the CNMI has put out information that contract workers would leave the island at some particular time (Cuison, 2010). This has a psychological impact on these workers and may even prevent them from discarding their duties properly. In some cases, workers have deemed it fit to seek opportunities back home or in other regions of the world because of the uncertainty about their stay on the island. Thus, it is important that the debate is either halted to give a chance to more economic development or the CNMI to make the decision to flash out contract workers once and for all.

**What percentage of accountants in the CNMI do you believe are contract workers?**

I believe that the percentage of accountants with contract worker permits is slightly above 50%, which accounts for well over 500 accountants today. This rough estimation is informed by the 2017 statistics that revealed there are 625 workers in the field of finance, insurance, and accounting (Cuison, 2010). Of this number, 52% were workers with CW-1 permits while the rest consisted of workers who were not US citizens. Since then, the number of workers has grown steadily because of the immense demand as the economy grows. This growth in the economy has also led to the development of financial institutions that require personnel to operate. So, the workers may have grown two-fold since then to date.

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