

STATEMENT OF HONORABLE TIMOTHY P.VILLAGOMEZ, LT. GOVERNOR OF
THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, BEFORE
THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES

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Hafa Adai, Mr. Chairman and Members of the Committee. I am Timothy P. Villagomez. I have served as Lieutenant Governor of the Commonwealth since January 9, 2006. I am pleased to have this opportunity to discuss the control of immigration within the Commonwealth.

Summary of Position

Under the terms of the Covenant between the Northern Mariana Islands and the United States, immigration is currently the responsibility of the Commonwealth Government. The question of “federalizing” the control of immigration within the Commonwealth has been discussed on occasion by this Committee and different Administrations over the past dozen years. We believe that the Commonwealth has an effective immigration program and that legislation transferring this responsibility to federal officials may have a negative impact not fully understood. We recommend instead that the Committee request the Government Accountability Office to conduct a thorough study of the Commonwealth’s economic circumstances and the important issues raised by any such legislation. The Commonwealth’s position can be summarized as follows.

Serious Economic Downturn

The Commonwealth is currently facing its most serious economic challenge since its beginning in January 1978. External factors beyond our control have severely curtailed our two most important revenue-producing industries. During our first year in

office this Administration has concentrated on two objectives: the reduction in government costs necessary in light of declining revenues and the attraction of new investors to help reinvigorate the private sector. We respectfully suggest that any proposed change in the immigration laws be evaluated in light of its impact – positive or negative – on the Commonwealth’s ability to survive economically in the near term and provide meaningful services and an appropriate standard of living to its citizens in the long run.

Essential Economic Tools

The special economic tools provided by the Covenant, including Commonwealth control over minimum wage and immigration, have been indispensable to the Commonwealth’s economic development over the past 25 years. Independent studies, including those by the Government Accountability Office, have emphasized the difficulties facing fragile, small island economies with limited human and natural resources. They have stressed the importance of these tools in giving the Commonwealth a much -needed economic advantage in attracting new investors to its islands. The Congress is now considering a substantial change in the federal laws affecting minimum wage levels in the Commonwealth. If enacted into law, some increases in the Commonwealth’s minimum wage are likely in the near term – with potentially significant impacts on the local economy and workforce. Depriving the Commonwealth of its control of immigration now, before these impacts can be fairly assessed, would be premature and entail unnecessary risk to CNMI citizens.

Effective Immigration Enforcement

The Commonwealth has demonstrated that it has the institutional capability to administer an effective system of immigration control and has demonstrated a genuine commitment to enforce such a system. The computerized arrival and departure tracking system has been fully in effect since 2003 and electronic passport readers are now in use with respect to all non-military travelers, regardless of citizenship, entering and departing the Commonwealth. A rigorous enforcement effort directed at “overstays” identified by our computer systems has been implemented by this Administration. Vacancies in the

Division of Immigration are being addressed: there are now 64 personnel on duty with 31 new hires under consideration. Since 2001 there has been more effective immigration control – as represented by the decline in the number of unqualified applicants for admission into the CNMI. In collaboration with federal agencies, numerous investigations and criminal prosecutions have been pursued successfully by the Commonwealth over the past several years, dealing with such matters as alien smuggling, international firearms trafficking, and human trafficking. The Commonwealth's immigration laws, including its visa waiver system, are enforced in a manner fully consistent with the federal immigration laws. In some important respects, the local immigration requirements are stricter than their federal counterparts. The CNMI supports its immigration enforcement efforts with prompt hearings and appeals, including those cases involving refugee and asylum claims.

Effective Disposition of Labor Abuses

The Commonwealth's control over immigration under the Covenant, in particular its reliance on guest workers in its tourism and manufacturing industries, has been criticized for contributing to widespread labor law violations. In collaboration with the federal government under the Federal-CNMI Initiative on Labor, Immigration, and Law Enforcement, the CNMI Department of Labor has successfully addressed these criticisms. The Department's enforcement efforts have resulted in a significant decline in the number of complaints alleging unpaid wages. A high priority has been assigned to the identification and prosecution of human and sex trafficking cases. Department hearing officers have doubled the number of annual hearings from 2005 to 2006. Mediation is employed in all cases promptly and has resulted in the prompt resolution of over 50 percent of all complaints during 2006. Where necessary, hearings are now scheduled within 60 days after filing of the complaint. The backlog of pending cases has been substantially reduced. Some 979 old cases were closed in 2006. We will complete all cases filed in 2002 by the end of February and are on schedule to complete all cases filed in 2003 and 2004 by the end of May 2007. The Department is currently evaluating the enforcement of laws preserving certain jobs in the Commonwealth for local workers and

other means of facilitating the employment in the private sector of local workers – including those previously employed by the CNMI Government.

Recommendation

The Commonwealth urges that implementation of federalization of immigration in the Commonwealth be deferred in light of the changed circumstances in the CNMI and our strong enforcement record. We have appointed Melvin Grey, a man with more than 29 years of experience in the federal immigration service, as Director of Immigration. He is enforcing the Commonwealth's laws fairly and vigorously and cooperating fully with the responsible federal officials.

An isolated island community of 70,000 residents faces entirely different challenges, with respect to its access to the labor market, than comparable communities on the Mainland. Federal control of critical immigration decisions affecting the Commonwealth's economy and citizens -- no matter how sensitive or well-intentioned -- can never be fully responsive to local aspirations and concerns. We have looked carefully at Senate Bill No. 1052, passed by the U.S. Senate in 2000, and believe that it raises several important questions that deserve further consideration

Under these circumstances the Commonwealth recommends that this Committee request a new study by the Government Accountability Office regarding the CNMI. Such a study would focus on several issues of importance to the Commonwealth and this Committee. It would examine the most recent statistics regarding the CNMI's population, its workforce, and its economy. It might examine the current trends in the garment industry, the visitor industry, and new investment in the Commonwealth. It could look at the expected impacts on the economy of increases in the minimum wage level or restrictions on the use of alien workers over the next several years. A GAO report on these and related issues would provide a much needed basis for further deliberation and consultation between the Commonwealth and the Congress on this immigration issue.

I am confident that the Members of this Committee will consider this matter carefully before taking action.

Discussion

I. The Challenge Facing the Commonwealth

The challenge facing the Commonwealth today is best understood by acknowledging its phenomenal growth after becoming part of the United States. The new Commonwealth prospered far beyond the expectations of the Covenant negotiators. From a population of 15,000 and annual government revenues of \$5,000,000 in 1978, the Commonwealth's population expanded to about 17,000 in 1980, 43,000 in 1990, 59,000 in 1995, and 70,000 in 2000.¹ Government revenues grew similarly -- from \$10,000,000 in 1980, to \$102,000,000 in 1990, \$190,000,000 in 1995, and peaked at \$248,000,000 in 1997. According to the Bank of Hawaii, the 8.7 percent growth rate during 1980-1995 was "by far the highest population growth rate on record for any economy in the Pacific." The economic development producing these results was concentrated in two industries: tourism and apparel manufacturing.

The premier industry in the CNMI, tourism, has had visitor arrivals drop 40% since 1996, affected by such factors as the Asian financial crisis in 1997, the terrorist attack on the United States in September 2001, SARS, and the recent increases in fuel costs. Arrivals are down 16% from 2005 to 2006. The island's largest air carrier, Japan Airlines, discontinued service to the CNMI due to problems with its profitability in serving all leisure markets. Similarly, Continental Airlines discontinued all direct flights from Japan – historically the largest and most important source of tourists for the Commonwealth. Northwest Airlines picked up some of the lost service, but this airline also has been in bankruptcy and has struggled. The occupancy rates, and room rates, in our local hotels have declined substantially, with some hotels closing down or converting to other uses

At its peak in 1999, the apparel industry comprised 34 factories, which generated sales of \$1.06 billion and created 25,000 jobs – half of all island jobs – in direct and indirect employment. With just 15 garment factories remaining now, sales fell to \$489 million in 2006, and industry employment has dwindled to about 8,700. One factory

¹ Population statistics regarding the CNMI are set forth in Exhibits 1 and 2 to this Statement.

recently closed which employed about 1,400 workers, most of whom are nonresident workers who will be repatriated unless they find a transfer employer approved by the Department of Labor within the 45-day transfer period recently granted by a Department of Labor Hearing Officer. The apparel industry still accounts for nearly 30 percent of government revenues. The Commonwealth is hopeful that the Congress will reconsider the bill rejected last year that would have provided some relief to our garment and other manufacturers. In the absence of such relief and with the changes in world trade rules expected by the end of 2008, it seems likely that very few apparel factories will continue to operate in the CNMI by 2009. A significant increase in the minimum wage rate would prompt a more rapid departure of these factories from the CNMI.

The combined impact of declines in these two industries has had a pervasive influence on the Commonwealth's economy and citizens. With fewer tourists, those businesses specializing in the visitor trade -- such as hotels, restaurants, gift shops, and optional tours -- have fewer customers, lower gross revenues, and declining profits. With less money in the hands of consumers generally, the entire range of retail businesses in the Commonwealth -- grocery stores, shoe stores, clothing stores, and hair salons -- have a similar downturn. Then, of course, the wholesalers or suppliers to these establishments experience decline and even closure. Empty stores and abandoned buildings in the Commonwealth provide silent, but dramatic, testimony to this effect.

The impact on Commonwealth tax revenues has been substantial -- down about 22% (from \$248 million to \$198 million) from the peak in 1997 to 2006. The CNMI payroll has dropped from \$193 million (2003) to a projected \$137 million in 2007 -- a drop of 29 percent. The failure of the federal government to reimburse fully the CNMI for the compact impact costs resulting from the free flow of Micronesians into the Commonwealth has added to our burdens.² The number of government employees has declined from 5,463 in 2005 to 4,890 at the present time -- a reduction of about 10.5 percent.³ All non-essential CNMI government employees are now required to take every other Friday off without pay until fiscal year 2008. It is now projected that government revenues will drop by at least another 15 percent since the 2007 fiscal year budget went

² Exhibit 3 sets forth compact impact costs during 1986 to 2006 of \$222,687,480 and total reimbursement of only \$22,145,102.

³ Exhibit 4.

into effect on October 1, 2006 and this will undoubtedly result in other personnel reductions and decline of public services. As an example, the Commonwealth Utilities Corporation enforced regularly scheduled power outages from July 2006 through mid-October 2006 as it was unable to fund scheduled diesel fuel payments for island generators. All CUC customers had their power rates raised about 100 percent in July 2006.

These developments over the past few years are impacting the Commonwealth residents in several important respects. The unemployment rate was estimated at 5.5 percent in 2003 and is probably much higher at the present time.⁴ Only about six percent of the 1,265 residents registered recently with the CNMI Labor Office found employment. About 800 residents recently signed up for the Medicaid program for which they were previously not qualified. Given the decline in the employees within the apparel industry in particular, it seems very likely that the overall population and the number of nonresident workers in the CNMI have declined significantly in the last few years.⁵ This is supported as well by considerable anecdotal evidence, such as the recent departure figures collected by the Division of Immigration and the declining enrollment at the Northern Marianas College. If the trends in the apparel industry continue and the local economy can not produce jobs for those U.S. citizens and nonresident workers currently unemployed, it is very possible that by the year 2010 the number of nonresident workers will fall toward 15,000 and the total population will be in the 60,000 to 65,000 range

Faced with these recent developments, the Commonwealth has mounted a diversified campaign to stimulate the economy. Some of these efforts have produced promising results:

- **Communications:** NTT DoCoMo Inc., a leading communications company with over 52 million customers in Japan, has made a substantial investment in the Commonwealth and will soon be closing a major merger in the CNMI and Guam. Another Japanese company, Sumitomo, has in

⁴ Exhibit 5 contains labor force statistics generated by the 2000 census and a CNMI household survey in 2003. The census figures showed an unemployment rate of 3.8 percent and the household survey limited to Saipan showed a rate of 5.5 percent.

⁵ Exhibits 6 and 7 set forth statistics regarding the CNMI labor force participation by citizenship and the number of work permits issued by industry.

2006 invested over \$25 million in partnership with PTI Communications in our local telephone system.

- **Resorts:** Two new casino resorts are being developed on Tinian. Saipan hotels have expended \$60 million in renovations and improvements.
- **Financial Services:** A major financial services company has moved its headquarters from the Virgin Islands to Saipan
- **Private Educational Institutions:** The education industry is showing encouraging signs of development. Facilitated by a new student visa program and observing the success of one recently established school, four new private educational institutions have expressed interest in the CNMI as an English-language location for the training of foreign students. Other educational institutions, including one with a nurse training program, are also under consideration.
- **Outsourcing Centers:** One call center operation is ready to begin training local residents for possible operation and a second, larger back office processing concern from the Philippines is investigating the establishment of facilities in the CNMI.
- **Tourism:** Tourist arrivals in 2006, although significantly lower than in 2005, nonetheless exceeded expectations. Most significant were the increases in two of the Commonwealth's newest tourist markets: China and Russia. In December 2004, former Governor Juan N. Babauta signed an agreement with the People's Republic of China awarding the CNMI its coveted "Approved Destination Status" and, by the end of 2006, the Commonwealth was receiving two weekly flights each from Beijing, Shanghai, and Guangzhou. These flights brought a total of 36,978 Chinese tourists to the CNMI in 2006. Under the current Administration's five-year plan, it is anticipated that by 2010 visitors from China will number 250,000, or 25 percent of the total visitor arrivals. Although many fewer in number, the tourists from Russia are a promising market and on January 3, 2007, the CNMI welcomed the first-ever charter flight from Russia. It is hoped that the number of Russian tourists will more than triple by 2010.

Continued efforts to secure more direct flights between Japan and the Commonwealth have shown some success in 2007, with Japan Airlines committed to several weekly charter flights directly to Saipan during the months of March and April. In June of 2006, JTB, the largest tour agent of Japan, opened its new facility on Saipan. The company cited confidence in the future of the CNMI as a long-term destination for Japanese tourists. JTB has also participated in efforts to increase tourism to the CNMI from China.

- **Retirement Market:** Recently enacted legislation in the CNMI authorizes the creation of condominium facilities consistent with the land alienation provisions of the CNMI Constitution. We are hopeful that this legislation and flexible visa arrangements will attract more interest in the Commonwealth as a retirement community for Japanese and other Asian citizens.

As is apparent, some of these encouraging developments are not likely to increase the Commonwealth's revenues significantly in the next few years, but they reflect continued dependence on the visitor industry and a change in emphasis from large manufacturing operations to smaller, more service-oriented businesses.

II. The Covenant's Unique Economic Tools Have Been Indispensable to the Commonwealth's Economic Development

The Covenant provisions relating to the economic development of the future Commonwealth were as important to the Northern Marianas negotiators as those provisions relating to political status. These included the following: a) CNMI control over immigration; b) CNMI control over minimum wage levels; c) exemption from the US coastwise laws to reduce shipping costs; d) control over customs to provide flexibility; and (e) the authority to rebate taxes on local source income. Negotiators from both the United States and the Northern Marianas recognized the limitations presented by the Commonwealth's small population and sparse natural resources. In addition, they recognized that this future addition to the American political family, 8,500 miles from

Washington D.C., would naturally be influenced economically by factors different from those affecting the States on the Mainland. They agreed that the future Commonwealth should have maximum self-government over its internal affairs, and recognized that decisions regarding economic development would best serve Commonwealth citizens if made by their own elected officials. More broadly, the United States in Section 701 of the Covenant promised to “assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government.”

The negotiating history of the Covenant provisions relating to immigration is somewhat more complicated than often portrayed. It is true that the Covenant negotiators were concerned about application of the federal immigration laws to the future Commonwealth because of the possible mass migration to the Northern Mariana Islands by those seeking an entry point from which to pursue U.S. citizenship. But the Marianas Political Status Commission members also recognized that their opportunity to develop an economy producing the standard of living promised by the Covenant would need to rely heavily on the use of alien labor. The Commission’s economist in 1973 provided the Commission members and the U.S. Delegation with detailed analyses of the Northern Marianas population at that time and with projections for 1975 and 1981. Anticipating an increase in the number of hotel rooms from 500 in 1975 to 1500 in 1981, he projected that the population (including aliens) would grow from 14,980 in 1973 to 24,193 in 1981, and that the number of aliens would increase from 1,500 in 1973 to 7,500 in 1981. These figures were an important component of the debate between the negotiating parties as to the pace and extent of economic growth in the future Commonwealth that would produce the per capita income and standard of living appropriate for members of the American political family. The Commission ultimately persuaded the U.S. Delegation that the question of post-termination application of the federal immigration laws should be determined “by consultation between the local government and the U.S. Government” in order to “ensure that the decision whether the U.S. immigration laws ought to apply in full force or with certain modifications will be made when all the facts are available and

when the post-termination economic and social structure of the Marianas can more clearly be seen.”⁶

When assessed after twenty years, a 1999 Economic Study, prepared under the auspices of the Northern Marianas College and funded by the Department of the Interior, confirmed the importance and success of these Covenant provisions. The study observed that the “spectacular economic growth” of the Commonwealth was due to the rapidly growing tourist industry and the emergence and growth of the garment industry. (Executive Summary, 2). It concluded that total garment and visitor industry related employment accounted for about 80 percent of all employment in the CNMI in 1995. It pointed out that the jobs in these two industries held by CNMI permanent residents accounted for 71 percent of all permanent resident jobs in the CNMI, including government jobs, in that year. The report emphasized the importance of the garment industry, especially at a time when the tourist industry was suffering a serious decline. But the authors cautioned that the anticipated decline in the garment industry in 2005 “could have disastrous effects on the CNMI economy.” (p.3)

The 1999 Study advanced many recommendations for consideration by CNMI and Department of the Interior officials. It urged that these officials and other readers of the Study,

recognize the CNMI’s relative economic position. It is very unlike that of typical US communities in several respects (distance to markets and sources of supply, the absence of economies of scale, the lack of a large and highly trained labor force, etc.). Its Gross Domestic Product per capita is only a fraction of the US average. Wages and productivity are significantly lower than in the US, eliminating the US as a realistic source of labor. The CNMI may have to rely to a large extent on foreign workers for the foreseeable future to develop the visitor industry and for any economic diversification of significance. In addition, because of its size, insularity and location, the CNMI may have to rely indefinitely on a higher proportion of foreign workers than the US. Severe restrictions on the CNMI’s access to foreign labor could seriously curtail its economic recovery and development for the foreseeable future. (pp. 4-5)

⁶ Paper of the Marianas Political Status Commission (May 28, 1974), p.5. The issue of economic development, including the use of alien labor, is discussed (with citations to the original documents) in Willens & Siemer, An Honorable Accord: The Covenant between the Northern Mariana Islands and the United States (University of Hawaii Press, 2001), pp. 107-08, 123-25, 180-81.

Specifically, the 1999 Study recommended that “No change should be made in immigration policy or law without a clear determination of how such change would affect the supply of labor in the CNMI.” (p. 3) It went on to state:

The CNMI’s economic recovery and future development could be seriously retarded by an excessively restrictive immigration system. Such a system could deprive the garment industry, the visitor industry, and all future industries of an adequate supply of skilled labor. It is not known exactly what the effects would be of a federal immigration takeover; however, its explicit purpose is to reduce the number of alien workers in the CNMI. What is known for certain is that the CNMI resident labor force is neither large enough nor skilled enough by itself to support the garment industry, the visitor industry, or future development in new industries. (p.3)

These comments – and the need for a careful study of effects of such a change -- are as true today as they were in 1999.

The General Accounting Office (now the Government Accountability Office) relied on many of the earlier study’s factual findings in its report to Congressional committees in 2000. It included some more recent data on the contributions to the Commonwealth’s total revenues of the two leading industries: in 1997 the tourist industry contributed about 14 percent of the government’s total budget and in 1998 the garment industry contributed about 22 percent. It too emphasized the vulnerability of the CNMI’s economy “to outside events because of its heavy reliance on only two industries, which may be affected by changes in Asian economic conditions, legislation in the United States, or international trade agreements.” (p. 9) The GAO report concluded that the CNMI “is more self-sufficient fiscally than other outlying areas, such as Guam, Puerto Rico, the U.S. Virgin Islands, and the Freely Associated States. Between 1994 and 1997, about 87 percent of the CNMI government’s general revenue came from local sources rather than from payments from the U.S. Treasury.” (p. 9) The GAO report went on to observe that “The ratio of locally derived government revenue to gross domestic product (GDP) in the CNMI is also higher than that of most other outlying areas and is larger than the comparable ratio for all levels of government in the United States.” (pp. 9-10) Because of the severe declines in the CNMI revenues over the past few years, it is uncertain that these conclusions remain valid, but they demonstrate the past utility and

continued importance to the Commonwealth of the economic tools provided by the Covenant.

The GAO rejected most of the Interior Department's criticisms of its report. Contrary to the Department's view regarding the impact of the tourist and garment industries, the GAO concluded "that the local resident population -- most of whom are U.S. citizens -- have benefited from the economic growth and development in the past 20 years because incomes and employment opportunities have increased with economic growth." (p. 14) The GAO defended its inclusion of the Freely Associated States for purposes of comparing the CNMI's revenue-raising efforts on the grounds that these areas receive federal funds, they have a shared history with the CNMI, and their citizens have the right of residency in the CNMI. The GAO did confirm that it shared the Interior Department's concern "that the CNMI's reliance on the garment and tourist industries and on foreign workers makes it vulnerable to outside events that impact either industry or the economy's access to foreign workers." (p. 15) Commonwealth officials, of course, have been even more concerned about this dependence, increasingly in the last several years, but their efforts supported by the Interior Department over the past 20 years to diversify the CNMI economy have produced very modest results.

A more recent GAO report in December 2006 focused on the long-standing economic, fiscal, and financial accountability challenges facing the CNMI, Guam, American Samoa, and the U.S. Virgin Islands. The GAO found that the abilities of all four insular areas "to strengthen their economies have been constrained by their lack of diversification in industries, scarce natural resources, small domestic markets, limited infrastructure, and shortages of skilled labor." (p. 2) Echoing the earlier reports, it commented that the few key industries in these areas were vulnerable to changes in favorable U.S. federal government trade and tax policies as well as various external factors, such as fluctuations in the economies of nearby countries and the effect of the terrorist attack on the United States in September 2001. (p. 2) GAO acknowledged the conferences sponsored by the Department of the Interior over the past three years to attract American businesses to these areas, but concluded that "the effectiveness of these conferences and business opportunities missions is uncertain due to the lack of formal evaluation of these efforts." (p. 2)

The recent GAO report provided ample detail regarding the decline in CNMI government revenues over the past several years, the changes in international trade arrangements leading to the closure of ten garment factories as of July 2006, and the reasons underlying the decline in visitor arrivals from its peak in 1997. (pp. 16-18) It reported that “CNMI’s total government funds balance declined from a positive \$3.5 million at the beginning of 2001 to a deficit of \$49.2 million by the end of 2004 as total government spending rose more rapidly than revenues.” (p. 25) (The GAO report does not include data from 2006 reflecting the current CNMI Administration’s effort to reduce government expenditures and address the substantially greater deficit at the end of 2005 that it inherited.) The GAO report also compared the levels of federal government expenditure in each of the four insular areas as a percent of revenues and per capita. It concluded that the CNMI, like the U.S. Virgin Islands, “receives a significantly lower proportion of its revenues from the federal government than do American Samoa or Guam.” (p. 25)

We do not dispute that over the past decade Commonwealth officials have made mistakes in dealing with the pace and direction of economic development and creating (and maintaining) the necessary infrastructure. With the benefit of hindsight, it is always clear that public officials could have acted quicker and more decisively. But the economic forces battering the Commonwealth over the past decade would have almost certainly caused economic hardship of a magnitude even the most effective local officials could not have anticipated.

These independent reports strongly support three conclusions of great importance to any Congressional consideration of “federalizing” control over immigration. First, small island economies are unique and fragile; principles and policies commonly applied to large, diversified economies may have little, or no, relevance to the CNMI. Second, the special tools provided in the Covenant did enable the CNMI in recent years to develop an economy that met the needs of its citizens and lessened the need for federal government support. Third, maintenance of these tools provides the best hope for enabling the CNMI to overcome its current economic crisis in the near term, although significant new financial assistance from the United States may be necessary. Especially with the anticipated change in the minimum wage levels in the CNMI, any substantial change in

prevailing immigration rules would add an unwelcome measure of uncertainty and instability facing any prospective new investor in the Commonwealth.

III. The Commonwealth's Control of Immigration Has Been Effective

Commonwealth immigration laws and regulations control the entry of aliens into the CNMI in a manner consistent with the intent and policies of the federal immigration system. We are protecting our mutual interest in national and border security while protecting the health and safety of U.S. citizens and all others residing in the Commonwealth. These laws and regulations are enforced by the CNMI Division of Immigration managed by a Director of Immigration. This Administration in 2006 appointed Melvin Grey, a man with 29 years of experience with the U.S. immigration service, to serve as Director of Immigration. The Division mirrors the federal structure and programs, including sections dealing with Inspections, Investigations, Processing, and Legal. Detention of aliens, when required is accomplished through the use of CNMI Department of Corrections as a practical and effective cost saving measure. Deportation hearings are conducted in the Commonwealth Superior Court.

The Commonwealth's commitment and institutional ability to maintain an effective system of immigration control is evidenced by its implementation of a computerized arrival and departure tracking system. Financed by the federal government, the Border Management System ("BMS") has been fully operational since 2003, with the entry and departure of each traveler recorded. Reports are prepared regarding those non U.S. citizens who appear to have "overstayed" their visit to the CNMI under their particular visa status. A recent test of the system confirmed its utility. The system was tasked to identify Tourist "overstays" from March 2006 through October 2006, recognizing that any cutoff date produces some loose ends – for example, a person who entered on October 5 for a 30-day stay with the option of requesting another 60 days. The system initially produced 99 "overstays" of a total of 334,195 entries during the period. However, after cross-checking other data bases within our system, including the Labor and Immigration Identification System ("LIIDS"), we concluded that there were only **six**

“overstays” – people for whom we show no departure, no extensions, no adjustment of status, no pending claims, and no detention status. These six are now under investigation.

The Commonwealth administers a visa waiver system that is fully consistent with the federal system and, in some respects, more stringent. Visitors from seven countries are eligible for CNMI visa/entry permit waivers: Australia, Canada, Hong Kong, Japan, Ireland, South Korea, and Great Britain. Visitors from 28 countries, plus the Fujian Province of China, are excluded from entry. The Commonwealth excludes some countries, such as Indonesia and Malaysia, because of security risks, document availability risks, and document fraud risks, even though their citizens are permitted entry into Guam. In contrast with federal immigration officials, CNMI officials have relatively few travel and identity documents to process for compliance – principally foreign passports, CNMI Electronic Visas, and other CNMI-issued entry permits. The CNMI also recognizes U.S.-issued B1/B2 visitor visas, the U.S. Lawful Permanent Resident card, and U.S. military travel orders with military ID for U.S. military personnel. With these exceptions, all other travelers, regardless of citizenship, are required to present a passport for entering and departing the CNMI. Electronic passport readers capture the significant data from the passports in a secure electronic database.

The CNMI Visitor Program requires a sponsor for most aliens seeking admission to the Commonwealth. The sponsor must supply documentation identifying the visitor, the intent of the visit, contact information for the alien and the sponsor while the visitor is in the CNMI, and an affidavit of support. In this affidavit, the sponsor must promise to support the visitor if necessary, that the visitor will not become a charge to the community, and that the sponsor will reimburse the CNMI for all expenses incurred as a result of the visitor becoming a deportable alien, including detection, detainment, prosecution, and repatriation. Some exceptions or waivers of these sponsorship requirements are available on a very restricted basis, such as for nurses and student nurses coming to the CNMI to take the National Collegiate Licensure Examination (NCLEX). Virtually all of these nurses are primarily interested in going to the United States to apply their special education and severely-needed occupational skills under the federal immigration and labor laws.

The CNMI Division of Immigration alone has the authority to grant entry permits to the Commonwealth. To facilitate the processing of these permits, three travel agencies have been granted authority to gather information regarding prospective visitors, fill out applications, and submit the completed applications to the Division for review and decision whether to approve or deny. Each of the approved travel agencies, one of which is affiliated with the Tinian Dynasty Hotel and Casino, has posted a \$500,000 bond which is subject to forfeiture in the event of a breach of the operating agreement between the CNMI and the travel agency or tour operator. A similar procedure was followed recently with a single charter flight from Russia sponsored by local tour agencies, each of which has substantial bonds with the CNMI to ensure appropriate pre-screening of applicants for entry into the Commonwealth. Visitor Entry Permits were issued by CNMI Immigration after review of the applications and the visitors were inspected at the Saipan airport before being allowed to enter.

More effective screening procedures have produced a significant decline in the number of exclusions in recent years. From a total of 74 exclusions in calendar year 2001, the figure has fallen to only seven in 2006. Where violations are found, the Division of Immigration promptly conducts hearings and appeals as required. It takes approximately 30 days to conduct the hearing after arrest and about 60 days to process appeals. Federal policies with respect to the granting of refugee and asylum have attracted some illegal immigration into Guam and the remainder of the United States resulting in multi-year adjudications of removal proceedings involving refugee and asylum applications before an Immigration Judge. In contrast, the CNMI under its federally-approved process, which is fully consistent with the international law obligations of the United States, can complete its refugee and asylum processing and hearing in less than eight months.

The Commonwealth's law enforcement efforts over the past several years show many significant successful prosecutions and a strong record of cooperation with federal law enforcement agencies. These prosecutions have involved alien smuggling, international firearms trafficking, employment of illegal aliens, prostitution, and various forms of document fraud. The CNMI assisted federal immigration officials in processing shiploads of smuggled aliens into Guam that the federal officials there were unable to

address. At no point during the period since 2000 have either federal or local officials developed, or received, credible evidence suggesting any organized criminal activity in the Commonwealth.⁷

To further fortify our legal attack on human smugglers, in late 2005 we enacted legislation specifically directed at human smugglers that imposes severe penalties for a wide range of criminal conduct. A significant case has already been charged under the new statute. Cooperation between CNMI law enforcement officials and the U.S. Immigration and Customs Enforcement and the U.S. Coast Guard Investigative Services offices located on Guam resulted in an important conviction in 2006 of two terrorists associated with the Tamil Tigers in Sri Lanka. Unaware of the fact that the CNMI was part of the United States, the terrorist/traffickers were willing to enter the CNMI with the belief that they would be smuggled into Guam to consummate the arms deal. The federal officials involved were very appreciative of the assistance provided by the CNMI, indicating that the case would have been extremely difficult, if not impossible, to conclude successfully under Mainland federal jurisdiction. We expect that enforcement directed at alien smuggling will continue to be a high priority during 2007.

IV. The CNMI Department of Labor Effectively Controls the Commonwealth's Use of Guest Workers

The use of guest workers in the Northern Marianas is extensively regulated by CNMI law and regulations. The law prohibits the private sector from hiring nonresident workers to fill certain positions. Where private sector companies are able to hire such workers, they must provide benefits not required to be provided to resident employees. These include (a) all medical costs incurred by nonresident workers for the period of their employment contract and 96 days after the contract expires if the worker is still in the CNMI; and (b) the costs of repatriating the company's nonresident workers. Employers of these guest workers are also required to cover all costs associated with processing the nonresident worker permits applications, typically costing about \$300 per employee

⁷ Whatever merit they had at the time, the vague allegations to the contrary in a 1997 report of the Immigration and Naturalization Service are refuted by the consistent experience and performance of federal and local law enforcement officials in the Commonwealth over the past decade.

annually. Finally, employers of guest workers must post a bond or other financial assurance to cover repatriation costs, three months wages, and medical expenses for each nonresident worker employed.⁸

Once employed by a private sector employer, the nonresident workers are protected by a broad regulatory umbrella. Unlike resident workers, most of whom are subject to employment at will, nonresident workers must be employed pursuant to a contract that has been approved by the Department of Labor. Any change in the contract terms must be approved by the Department. Early termination of a nonresident worker's employment must also be approved. These workers are entitled to have any work-related grievance heard by a neutral Department hearing officer, and may seek administrative or judicial review of such final administrative orders. Adverse decisions against employers may result in fines, imposition of liquidated damages, and debarment from further employment of guest workers, among other remedies. Finally, employers of nonresidents are subject to workplace inspections and other oversight not imposed upon employers of resident workers. The Department's Health and Safety Unit since 2001 has conducted annually more than 1000 safety inspections of CNMI businesses and barracks. It is in this context that the Department's handling of labor complaints should be assessed.

Abuses – both actual and alleged – in the apparel industry in the 1990s led to extensive monitoring of practices in the industry to supplement the enforcement efforts of CNMI agencies. The Wage and Hour Division and the OSHA Division of the U.S. Department of Labor became more active after the Congressional hearings in 1998 and 1999. The Environmental Protection Agency became involved. A class action in the U.S. District Court in the Northern Marianas was resolved by a consent decree under which a Garment Oversight Board, composed of three judges, was created to scrutinize industry practices with the assistance of two internationally recognized monitoring firms. The buyers of garments from the CNMI factories conduct their own monitoring of industry worksites and dormitories, conducting employee interviews with the use of Chinese translators. In addition, the garment industry and the brands and labels group have their own standards, against which the practices of CNMI factories have been regularly

⁸ Exhibits 8 and 9 set forth statistics regarding immigration entry permits by immigration class.

assessed. Finally, and inevitably, the international and local media have been consistently alert to any suggestion of labor abuses in the CNMI. There can be no serious question but that these efforts have contributed to a substantial reduction in labor abuses in the Commonwealth.

The recent efforts of the Department of Labor's Enforcement Unit confirm a significant decline in the number of labor complaints alleging unpaid wages. This reflects the current Administration's insistence on addressing the most serious labor violations, unpaid wages, sponsorship schemes, and human and sex trafficking. As Exhibit 10 reflects, the total number of labor complaints filed during the years 2000-2006 have remained fairly constant, but the number of complaints alleging unpaid wages or overtime have declined by almost 50 percent.

In early 2006, an investigation by the Enforcement Unit of a labor claim by a night club dancer uncovered numerous violations of CNMI labor and criminal laws, and led the Attorney General's Office to indict four employees at the nightclub on sex and human trafficking charges. The criminal case is scheduled for trial in 2007. In April 2006 the Department filed a Determination and Notice of Violation, finding that the employers owed the employees more than \$350,000 in wages for the hours the employees were confined in the company barracks and for the illegal deductions. The Labor case is stayed pending decision on various motions. Whenever similar allegations are presented to the CNMI's Office of the Attorney General, they are investigated promptly and prosecuted to the fullest extent of the law. Information regarding pending investigations cannot be made public in order to preserve the integrity of the law enforcement effort and the privacy and civil rights of any suspect under investigation.

In April 2006 the Secretary of Labor entered into a Memorandum of Understanding with several other CNMI agencies, Karidat (a local social services agency), and the U.S. Attorney's Office establishing the CNMI Human Trafficking Intervention Coalition. Late in 2006 the U.S. Department of Justice supported this Coalition with a grant of several hundred thousand dollars.

Beginning on October 1, 2006, the Department of Labor has mounted a serious effort to reduce significantly the backlog of about 3,000 pending labor cases involving about 5,500 employees from 1997 through 2004. In the first stage of the project the

Department closed nearly 1,000 cases by the end of December 2006 – in each instance granting the relief sought by the employee. These involved cases with a) settlements evidenced by a written agreement that was approved by a hearing officer, or b) a request by the employee for repatriation followed by an exit from the Commonwealth, or c) an administrative order issued by a hearing officer after an evidentiary hearing. The Department expects to close all cases filed through 2002 before the end of February 2007, concentrating on cases in which the employee asked only for transfer relief (the right to move to a new employer) and the present employer did not oppose the request. The last category of cases involves those in which the employee asked for transfer relief or repatriation and money damages. These cases may require a hearing on the record. Department officials are on schedule to complete the processing of all cases filed in 2003 and 2004, including hearings where necessary and the filing of opinions by the hearing officers, by the end of May 2007.

Procedures are now in place to make sure that current cases are resolved in a timely manner to prevent any further growth in the backlog. These accomplishments are largely due to changes implemented at the Department by its investigators and the hearing officers. The Department's Hearing Office has dramatically increased the number of hearings conducted and the dollar amounts awarded and collected.⁹ Significant increases in the number of hearings began in 2003, but this trend accelerated in 2006 when the hearing officers conducted twice the number of hearings held in 2005. The number of hearings naturally varies from year to year depending on several variables, including the number of complaints filed, the complexity of the cases, the length of particular hearings, and the number of hearing officers working in a given period.

New procedures at the Department have contributed significantly to the expedited processing of complaints. Within a week or ten days after a complaint is filed, there is now an effort to engage the parties in mediation supervised by a hearing officer. In 2006 more than 50% of the complaints filed were resolved through mediation, thereby eliminating any need for a hearing. The Department's regulations were amended in 2004, dealing with procedural matters such as motions, appearances, service of process, discovery, protective orders, and disqualification of hearing officers. The amendments

⁹ Exhibit 11.

codified existing practices, or implemented new procedures, and provided needed clarity for the complainants and the lawyers who participated in the hearing process. The Secretary of Labor in 2006 initiated a change in the scheduling of hearings that permits the Hearing Office to set cases for hearing at the time the case is referred for investigation. The hearing officers now set cases for hearing between 30 and 90 days from the date of referral to investigation. Under the prior system, cases would be referred to investigation for an indefinite amount of time until the investigators advised the Hearing Office that the case was ready to be placed back on the calendar for hearing. The prompt scheduling of a hearing provides an additional incentive for the participants to settle the matter before the hearing date.

In 2003 and 2004 the Department experienced the filing of hundreds of duplicative or so-called “copycat complaints” filed by garment workers. The Department suspected that these nearly identical complaints might be frivolous – i.e., claims filed for the sole purpose of obtaining a temporary work authorization (“TWA”) to enable the worker to work for another factory that might be offering more overtime to its employees. The Department’s Enforcement Unit estimates that 169 duplicative cases were filed in 2003 and 399 were filed in 2004. A case was generally placed in this category if: (a) the complaint is against a garment factory; (b) the complaint is a form letter that is identical to others that have been filed; (c) the complainant is represented by one of a few translators who are associated with the copycat cases; and (d) the complaint principally alleges poor work conditions (such as bad food or dirty restrooms) rather than significant wage claims. Many of the complainants in these cases refused to engage in good faith mediation and sought instead to receive TWAs.

The Department recognized that its effort to reduce the backlog required a serious response to these “copycat” cases. First, relying on its amended regulations, the Department mediators began to deny worker requests for TWAs unless the worker engaged in good faith effort to settle the complaint. Faced with a denial of their request for a TWA, many workers opted to stay with their current employers. Second, in 2005 the Hearing Office held, after an evidentiary hearing, that many of these claims were frivolous and ordered the complaining workers to depart from the CNMI as a sanction for filing a frivolous complaint. This sent a strong message that discouraged other employees

from filing claims without merit. Third, the Department cautioned local translators that it would carefully scrutinize the activities of those who filed multiple boilerplate complaints against the same employer. In this regard, the Department of Labor and the Office of the Attorney General established by regulation a Code of Professional Responsibility for Translators, which is modeled after the standards adopted by the National Center for State Courts. Sanctions include rejecting the services of a translator for violation of these rules. Lastly, the Department has enlisted the volunteer assistance of an experienced attorney to serve as hearing officer of the still unresolved duplicative cases that have not yet been resolved and it is expected that these will be resolved within the next several months.

To address another longstanding problem, the Department of Labor, with assistance from the Office of the Attorney General, created a “Collection Unit” to concentrate on enforcing the orders requiring employers to pay wages or meet other financial obligations. Several tools are being utilized to achieve this objective. When the Unit finds that an employer has missed a payment deadline, it can (and does) suspend processing of all pending or forthcoming nonresident worker applications by that employer. Or it may seek an order to show cause at the Hearing Office, in which proceeding Department officials may request that the delinquent employer be permanently barred from employing nonresident workers. If these efforts fail, the Department may tap the employer’s bonds or bring a collection action in court. Aggressive action by the Collection Unit in recent months along these lines has produced some excellent, and expeditious, results.

The issues of high recruitment fees, and the possibility that some CNMI employers may receive kickbacks from recruiters of nonresident workers in another country, have long been of concern to the Department of Labor and the CNMI Government generally. The limitations on the Commonwealth’s jurisdiction (and the federal government’s as well) to investigate transactions and relationships in foreign countries make it extremely difficult to pursue such allegations effectively. One very significant, and different, approach was taken recently when the CNMI Attorney General and the Chinese Economic Development Association (“CEDA”) entered into a Memorandum of Understanding in November 2004. Under this agreement, CEDA agreed

to review most permit applications submitted by Chinese nationals to work in the CNMI. CEDA agreed to certify only those applications submitted by employees who utilized a recruiter licensed by the Chinese Government, and who had agreed to charge a fee of no more than 12.5 percent of base wages set forth in the employment contract. By regulation adopted in January 2005, compliance with this agreement (and all others with foreign governments pertaining to employment of their nationals), was made a precondition to issuing a nonresident work permit to a Chinese national. New CNMI regulations issued early in 2007 further address the problem of recruiting abuses in the Commonwealth by defining lawful (and unlawful) recruiting practices, expressly prohibiting “kickbacks” and other unlawful arrangements, requiring recruiters to be licensed and registered in the CNMI, and authorizing Department of Labor officials to seek injunctive and other relief against recruiters doing business in the CNMI.

The many closures of garment factories in the last two years, and the prospect of more departures in the next few years, present administrative and enforcement problems for both the Department of Labor and the Division of Immigration. Most recently, the Concorde factory, employing some 1,400 employees, announced its closure within 60 days and then, in light of the response of its employees, decided to implement its decision even more promptly. Utilizing the experience garnered with respect to earlier closings, the Department of Labor immediately initiated an expedited investigation of the closure and convened public hearings for the employees to advise them of their rights. The Department also helped negotiate an agreement with Concorde under which the company agreed to reimburse the recruitment fees paid by its recent hires. An administrative hearing was then held on January 3, 2007, at which all affected workers were granted 45 days to search for a transfer employer. A second hearing will be held to address various labor claims asserted by some of the workers, including claims by some of the more recent hires that they were fraudulently induced to enter into their employment contracts at a time when the employer knew it could not fulfill the terms of the contracts. Several hundreds of the employees immediately sought and secured from Concorde arrangements for their repatriation. If, as is expected in light of the Commonwealth’s current economic circumstances, most of the discharged Concorde workers remaining in the CNMI are unable to find another job, they will be required to leave the Commonwealth at the end of

the 45-day transfer period, or after the labor claims have been resolved, whichever is later. If they do not do so voluntarily, the Division of Immigration will initiate deportation proceedings.

As the backlog cleanup effort got underway in October 2006, the Department of Labor began to look more comprehensively at the problem of nonresident workers who may have overstayed their lawful period for working in the Commonwealth. The objective was to identify and publicize those aliens who seemed to be in the Commonwealth without proper authorization. The computer staff began work on the project in December 2006, trying to integrate carefully the input from a number of different computer systems that record employment status with the LIIDS computer system and the Border Management System (“BMS”). This was the first time that the system was asked to produce such a list and it was not an easy task.

The Department of Labor on January 31, 2007, issued its first “NO HIRE” list of aliens who appear not to have an immigration status allowing employment in the Commonwealth. The Department is advising both CNMI employers generally and the listed aliens that the Department’s records indicate that the aliens cannot be lawfully employed without an appropriate adjustment of the alien’s status. Employers and the listed aliens are given ten days to advise the Department with respect to the accuracy of the list and what steps will be taken, if necessary, to permit the alien to be employed lawfully in the CNMI. If the system has erroneously identified a person who is in fact fully entitled to work in the Commonwealth, that person’s name will be on a published corrections list. After the ten-day period and corrections in the list have been made, CNMI employers will be subject to legal sanctions if they hire aliens whose status has not been certified as legal and the aliens will be subject to repatriation – voluntarily or through deportation proceedings. Based on the initial results, this program will yield substantial improvements in the CNMI’s computerized programs and the reliable identification of aliens no longer entitled to remain in the Commonwealth.

Conclusion

As a result of the hearings conducted by this Committee in 1998-99, legislation was enacted by the Senate to bring the CNMI under the federal immigration laws. There

was general agreement at the time that both federal and local officials had failed to enforce effectively the laws in place to control labor abuses. Reforms instituted over the next several years showed progress towards dealing with these problems and federal officials, from time to time, commented favorably on these developments. The general media, of course, continued to focus on the earlier, and more sensational, events and the Commonwealth's improved performance was rarely acknowledged. Our testimony today has been designed to provide the Members of this Committee and the public with a current report of the Commonwealth's economic circumstances and its enforcement of the CNMI immigration and labor laws. We are prepared to supply any additional information that will assist the Members in considering the issues before the Committee.

Population by Citizenship, CNMI: 1980, 1990, 1995, 2000 and 2003

Citizenship	Number of Persons				
	1980	1990	1995	2000	2003
All persons	16,780	43,345	58,846	69,220	63,419
US citizen	13,071	20,082	27,489	30,135	29,326
Born in CNMI	11,993	16,752	22,220	24,820	25,703
Born US or other territory	1,078	2,405	4,061	3,870	1,923
Born abroad of US parents	...	237	189	410	718
Naturalized citizen	...	688	1,019	1,035	982
Not a US citizen	3,709	23,263	31,357	39,090	34,093
Permanent resident	...	2,188	3,405	4,350	3,756
Temporary resident	...	21,075	27,952	34,740	30,337

Source: Central Statistics Division; CNMI Census Reports, 2003 Com.Survey

note: 2003 Com. Survey was a 10% sample conducted on Saipan Only.

CNMI Total Population by Place of Birth: 1973 to 2000

Place of Birth	Number of Persons					Percent distribution				
	1973	1980	1990	1995	2000	1973	1980	1990	1995	2000
All Persons	14,496	16,780	43,345	58,846	69,220	100.0	100.0	100.0	100.0	100.0
Northern Mariana Islands	10,853	11,993	16,752	22,220	24,820	74.9	71.5	38.6	37.8	35.9
Saipan	9,109	10,359	15,020	18,889	21,515	62.8	61.7	34.7	32.1	31.1
Tinian	273	291	357	1,258	1,585	1.9	1.7	0.8	2.1	2.3
Rota	1,335	1,142	1,148	1,861	1,720	9.2	6.8	2.6	3.2	2.5
Northern Islands	136	201	227	212		0.9	1.2	0.5	0.4	-
Palau	774	659	1,407	1,409	1,310	5.3	3.9	3.2	2.4	1.9
Guam	175	522	1,122	1,604	1,590	1.2	3.1	2.6	2.7	2.3
Federated States of Micronesia	962	769	1,817	1,961	2,195	6.6	4.6	4.2	3.3	3.2
Chuuk	283	246	969	1,042		2.0	1.5	2.2	1.8	-
Kosrae	72	28	29	48		0.5	0.2	0.1	0.1	-
Pohnpei	199	275	542	562		1.4	1.6	1.3	1.0	-
Yap	408	220	273	294		2.8	1.3	0.6	0.5	-
Marshall Islands	85	115	103	122	130	0.6	0.7	0.2	0.2	0.2
Other Pacific Islands	13	10	93	88	75	0.1	0.1	0.2	0.1	0.1
Asia	968	1,915	20,610	28,781	36,500	6.7	11.4	47.5	48.9	52.7
Bangladesh	-	3	25	459	900	-	0.0	0.1	0.8	1.3
China	-	18	2,707	6,743	15,590	-	0.1	6.2	11.5	22.5
Japan	170	197	755	952	910	1.2	1.2	1.7	1.6	1.3
Korea	10	109	2,559	1,909	1,740	0.1	0.6	5.9	3.2	2.5
Philippines	774	1,564	13,563	17,866	15,820	5.3	9.3	31.3	30.4	22.9
Other Asia	14	24	1,001	852	1,470	0.1	0.1	2.3	1.4	2.1
United States	592	553	1,271	2,442	2,245	4.1	3.3	2.9	4.1	3.2
Other US Insular Area	-	9		15	35	-	0.1	-	0.0	0.1
Elsewhere	74	235	170	204	320	0.5	1.4	0.4	0.3	0.5
All Females	8,918	7,963	20,543	29,570	37,235	100.0	100.0	100.0	100.0	100.0
Northern Mariana Islands	6,959	5,896	8,211	10,870	12,075	78.0	74.0	40.0	36.8	32.4
Saipan	5,791	5,080	7,369	9,271	10,465	64.9	63.8	35.9	31.4	28.1
Tinian	138	142	167	605	780	1.5	1.8	0.8	2.0	2.1
Rota	928	573	558	885	830	10.4	7.2	2.7	3.0	2.2

Northern Islands	102	101	117	109		1.1	1.3	0.6	0.4	-
Palau	520	370	741	746	645	5.8	4.6	3.6	2.5	1.7
Guam	104	276	576	797	765	1.2	3.5	2.8	2.7	2.1
Federated States of Micronesia	651	406	942	1,032	1,140	7.3	5.1	4.6	3.5	3.1
Chuuk	178	132	525	569		2.0	1.7	2.6	1.9	-
Kosrae	45	13	14	23		0.5	0.2	0.1	0.1	-
Pohnpei	123	148	285	291		1.4	1.9	1.4	1.0	-
Yap	305	113	115	141		3.4	1.4	0.6	0.5	-
Marshall Islands	47	69	59	66	80	0.5	0.9	0.3	0.2	0.2
Other Pacific Islands	7	5	45	43	40	0.1	0.1	0.2	0.1	0.1
Asia	286	608	9,388	14,941	21,400	3.2	7.6	45.7	50.5	57.5
Bangladesh	-	-	1	7	25	-	-	0.0	0.0	0.1
China	-	8	2,021	5,338	12,190	-	0.1	9.8	18.1	32.7
Japan	73	68	262	347	400	0.8	0.9	1.3	1.2	1.1
Korea	2	47	1,582	911	870	0.0	0.6	7.7	3.1	2.3
Philippines	197	472	4,842	7,754	7,110	2.2	5.9	23.6	26.2	19.1
Other Asia	14	13	680	584	800	0.2	0.2	3.3	2.0	2.1
United States	315	230	488	984	930	3.5	2.9	2.4	3.3	2.5
Other US Insular Area	-	6		5	15	-	0.1	-	0.0	0.0
Elsewhere	29	97	93	86	150	0.3	1.2	0.5	0.3	0.4

Source: CNMI Census Reports, "Recent Trends in Population, Labor Force, Employment, Unemployment and Wages, CNMI: 1980 to 2000"

Mother's Place of Birth, CNMI: 1980, 1990, 1995, 2000, 2003

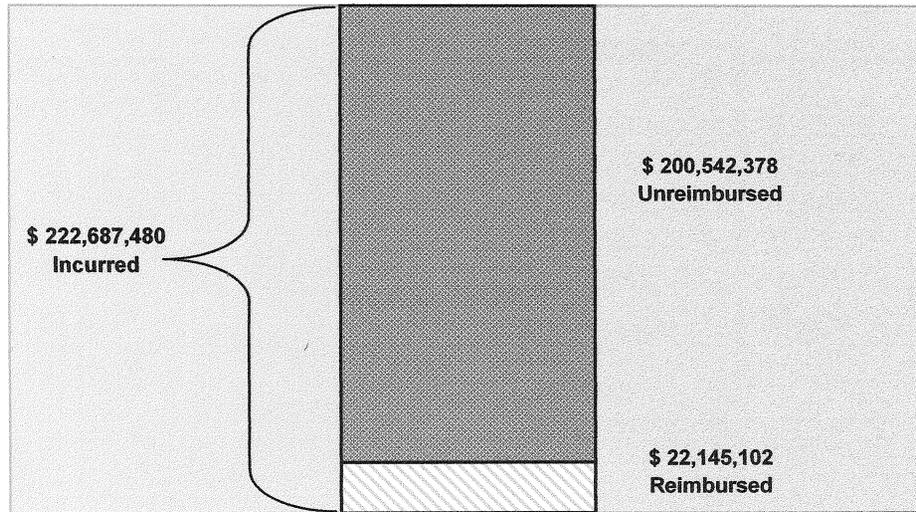
Mother's Place of Birth	Year				
	2003	2000	1995	1990	1980
Born in CNMI	16777	18093	13674	14236	8876
Born in the United States	1116	1716	1383	1062	451
Born in Puerto Rico or other US Island Area	588	1245	977	753	738
Born Elsewhere	27312	48167	25365	27294	4251

Source: CNMI Census Reports: 1980, 1990, 1995, 2000 and 2003 Community Survey

Note:

2003 figures are from a 10% Sample Survey done on Saipan Only and Excludes Group Quarters
 Figures for Years 2000, 1995, 1990 and 1980 includes Group Quarters

**Compact Impact Costs Incurred vs. Reimbursements
(1986 to 2006)**



Ten Year Period	
1986 to 1995	\$ 94,000,000
1996 to 2005	\$ 128,687,480
Total Costs Incurred from 1986 to 2005	\$ 222,687,480

Fiscal Year	
1992	\$ 394,960
1993	\$ 396,600
1994	\$ 400,000
1995	\$ 1,600,000
2001	\$ 997,800
2002	\$ 2,000,000
2003	\$ 840,000
2004	\$ 5,171,914
2005	\$ 5,171,914
2006	\$ 5,171,914
Total Reimbursement as of FY 2006	\$ 22,145,102
	\$ 222,687,480
	\$ 22,145,102
Total Costs Unreimbursed as of FY 2006	\$ 200,542,378
Total Costs Incurred from 1986 to 2005	\$ 222,687,480
Total Reimbursement as of FY 2006	\$ 22,145,102
Total Costs Unreimbursed as of FY 2006	\$ 200,542,378

* Based on data from the Department of Finance

Exhibit 4: Number of Public Service Employees: FY's 2003-2006

AGENCY	2003	2004	2005	2006	Present
CPA	221	206	214	210	205
CUC	367	356	350	316	293
*MVA	43	44	41	38	38
NMC	210	197	171	164	156
*PSS	1145	1144	1180	1104	1104
**OPM	3509	3513	3507	3098	3094
Totals:	5495	5460	5463	4930	4890

 Estimates

* Based on Calendar Year (ending 12/31)

** Totals include all employees within the Executive, Legislative and Judicial Branches as well as those employed with the Commonwealth Development Authority (CDA) and the Department of Public Lands (DPL).

Northern Mariana Islands: 2000

EXHIBIT 5 Labor Force Characteristics and Sex by Ethnic Origin or Race

[For definitions of terms and meanings of symbols, see text]

Area	Single Ethnic Origin										Multiple	
	Total	Chamorro	Carolinian	Palauan	Other Micro.	Filipino	Other Asian	White	Other	Total	Chamorro	
LABOR FORCE STATUS												
Population 16 years and over	52,900	50,245	8,920	1,720	1,190	1,700	15,395	19,690	1,035	600	2,650	1,420
In labor force.	44,470	42,690	5,550	970	830	1,105	14,295	18,595	885	455	1,785	835
Percent of persons 16 years and over	84.1	85.0	62.2	56.4	69.7	65.0	92.9	94.4	85.5	75.8	67.4	58.8
Armed Forces.	4	4	4	-	-	-	4	-	-	-	4	4
Civilian labor force.	44,465	42,685	5,550	970	830	1,105	14,290	18,595	885	455	1,780	835
Employed.	42,755	41,155	4,925	775	740	950	14,040	18,425	870	430	1,600	710
At work 35 or more hours.	1,080	1,005	380	35	35	25	340	140	35	20	75	40
Unemployed.	1,710	1,530	625	195	95	155	250	170	15	25	180	125
Percent of civilian labor force.	3.8	3.6	11.3	20.1	11.4	14.0	1.7	.9	1.7	5.5	10.1	15.0
Not in labor force.	8,425	7,560	3,370	750	355	595	1,100	1,095	150	145	870	585
Institutionalized persons	500	455	250	25	25	20	55	80	4	4	45	25
Females 16 years and over.												
Population 16 years and over	29,355	28,080	4,360	870	595	905	6,925	13,825	375	230	1,275	660
In labor force.	24,095	23,300	2,390	385	380	505	6,175	13,040	285	145	790	345
Percent of persons 16 years and over	82.1	83.0	54.8	44.3	63.9	55.8	89.2	94.3	76.0	63.0	62.0	52.3
Armed Forces.	4	4	-	-	-	-	4	-	-	-	-	-
Civilian labor force.	24,090	23,300	2,390	385	380	505	6,170	13,040	285	145	790	345
Employed.	23,270	22,575	2,105	295	335	425	6,030	12,970	280	135	695	280
At work 35 or more hours.	335	315	110	10	10	4	125	45	4	4	20	10
Unemployed.	825	725	285	90	45	80	145	65	4	10	95	65
Percent of civilian labor force.	3.4	3.1	11.9	23.4	11.8	15.8	2.4	.5	1.4	6.9	12.0	18.8
Not in labor force.	5,265	4,780	1,965	485	215	400	750	785	95	85	485	315
Institutionalized persons	200	190	80	10	10	10	30	45	4	-	10	4
With own children under 6 years	5,740	4,160	1,710	285	160	270	1,235	320	90	100	1,580	1,035
In labor force.	3,695	2,750	1,055	140	100	140	1,090	130	40	50	945	615
With own children 6 to 17 years only.	9,640	7,205	3,800	570	300	485	1,230	510	125	180	2,435	1,835
In labor force.	5,935	4,440	2,325	250	180	275	1,015	220	75	105	1,495	1,110
WORK STATUS IN 1999												
Population 16 years and over	52,900	50,245	8,920	1,720	1,190	1,700	15,395	19,690	1,035	600	2,650	1,420
Worked in 1999.	40,000	38,450	5,630	885	795	1,040	13,315	15,465	875	445	1,545	790
50 to 52 weeks.	30,470	29,405	4,085	615	620	790	10,995	11,290	680	325	1,065	525
40 to 49 weeks.	2,770	2,660	475	60	70	70	1,220	640	85	35	110	55
27 to 39 weeks.	1,845	1,745	225	30	30	45	365	985	40	20	95	45
14 to 26 weeks.	2,605	2,475	395	95	50	65	435	1,345	50	40	125	75
1 to 13 weeks	2,310	2,165	450	80	30	65	300	1,200	20	20	150	95
Usually worked 35 or more hours per week.	38,675	37,265	5,235	835	735	950	12,975	15,310	815	405	1,410	705
50 to 52 weeks.	29,855	28,840	3,935	595	590	745	10,795	11,210	660	315	1,015	490
40 to 49 weeks.	2,625	2,525	440	60	60	65	1,185	620	70	30	100	50
27 to 39 weeks.	1,735	1,650	190	30	25	40	340	975	35	20	85	35
14 to 26 weeks.	2,375	2,275	305	85	35	60	395	1,325	40	25	100	55
1 to 13 weeks	2,080	1,975	365	70	25	50	260	1,185	10	15	110	75
Usually worked 15 to 34 hours per week.	1,060	950	310	40	55	80	290	105	45	25	110	70
40 or more weeks.	620	565	140	20	35	50	205	70	30	15	55	35
50 to 52 weeks.	510	465	115	20	30	45	180	55	15	10	45	30
Did not work in 1999.	12,900	11,795	3,295	830	390	660	2,080	4,230	160	155	1,105	630
Females 16 years and over.												
Population 16 years and over	29,355	28,080	4,360	870	595	905	6,925	13,825	375	230	1,275	660
Worked in 1999.	21,320	20,635	2,450	365	360	470	5,880	10,675	290	145	685	315
50 to 52 weeks.	15,525	15,080	1,705	240	280	340	4,735	7,490	205	95	445	195
40 to 49 weeks.	1,330	1,280	210	20	30	40	545	380	35	15	50	25
27 to 39 weeks.	1,200	1,145	110	15	15	25	180	775	15	4	55	15
14 to 26 weeks.	1,670	1,610	200	45	20	35	245	1,025	25	20	60	30
1 to 13 weeks	1,595	1,520	220	45	15	35	175	1,005	10	15	75	50
Usually worked 35 or more hours per week.	20,610	20,000	2,235	340	330	430	5,690	10,585	260	130	610	275
50 to 52 weeks.	15,215	14,795	1,615	225	265	325	4,635	7,445	195	90	420	180
40 to 49 weeks.	1,250	1,205	195	20	25	35	525	365	25	10	45	25
27 to 39 weeks.	1,135	1,090	90	15	15	20	165	765	15	4	50	15
14 to 26 weeks.	1,540	1,500	155	40	15	25	215	1,010	20	15	45	20
1 to 13 weeks	1,470	1,415	180	40	15	25	150	990	4	10	55	40
Usually worked 15 to 34 hours per week.	560	500	165	20	25	35	155	60	25	10	60	35
40 or more weeks.	315	290	85	10	20	20	105	35	10	4	25	15
50 to 52 weeks.	255	230	70	10	15	15	85	25	4	4	25	15
Did not work in 1999.	8,035	7,445	1,910	505	235	435	1,045	3,150	85	85	590	345

Source: 2000 Census of Population and Housing
Table 113. Ethnic Origin by Labor Force Status, CNMI: Saipan Only, July 2003

EXHIBIT 5: Ethnic Origin by Labor Force Status, CNMI: Saipan Only, July 2003

[For definitions of terms and meanings of symbols, see text]

Ethnicity	Total	In labor force								Not Labor Force	
		Total		Employed				Unemployed			
				At work		35 or more hrs					34 hrs or less
		Number	Percent	Total	Total	Number	Percent	Number	Percent		
Persons 16 years and over.	47,883	39,179	81.8	37,389	36,272	34,620	95.4	1,652	1,791	4.9	8,703
Chamorro.	8,290	4,876	58.8	4,330	3,937	3,650	92.7	286	546	13.9	3,414
Carolinian.	1,790	998	55.8	877	776	744	95.9	32	121	15.6	792
Palauan.	1,248	786	63.0	672	629	534	84.9	95	115	18.3	462
Chuukese.	966	547	56.6	487	370	355	95.9	16	60	16.2	420
Kosraean.	39	29	74.4	29	29	20	69.0	9	-	-	10
Pohnpeian.	687	400	58.2	334	288	286	99.3	2	66	22.9	287
Yapese.	156	124	79.5	115	103	82	79.6	22	9	8.7	32
Marshallese.	40	29	72.5	29	29	11	37.9	18	-	-	11
Other Pacific Islands.	108	64	59.3	37	28	28	100.0	-	27	96.4	44
Asian.	31,135	29,201	93.8	28,516	28,256	27,251	96.4	1,005	684	2.4	1,935
Filipino.	12,126	11,011	90.8	10,565	10,454	9,654	92.3	800	446	4.3	1,114
Chinese/Taiwanese.	15,552	15,217	97.8	15,118	15,010	14,942	99.5	68	99	.7	335
Japanese.	670	571	85.2	542	542	529	97.6	13	29	5.4	99
Korean.	1,390	1,036	74.5	970	950	855	90.0	95	66	6.9	355
Other Asian.	1,398	1,366	97.7	1,321	1,300	1,270	97.7	30	45	3.5	32
White.	953	845	88.7	802	791	728	92.0	63	44	5.6	108
Black.	11	11	100.0	11	11	11	100.0	-	-	-	-
Other single ethnicity.	107	75	70.1	75	65	45	69.2	20	-	-	32
Multiple ethnicity.	2,351	1,194	50.8	1,074	959	875	91.2	85	120	12.5	1,158
Chamorro and other.	1,620	722	44.6	658	566	491	86.7	74	64	11.3	898
Carolinian and other.	821	455	55.4	428	369	359	97.3	10	27	7.3	366
Males 16 years and over.	19,423	16,034	82.6	15,237	14,605	13,709	93.9	896	797	5.5	3,389
Chamorro.	4,314	2,688	62.3	2,457	2,260	2,054	90.9	206	231	10.2	1,626
Carolinian.	717	525	73.2	449	393	393	100.0	-	77	19.6	192
Palauan.	594	443	74.6	380	357	326	91.3	31	63	17.6	151
Chuukese.	501	345	68.9	306	256	240	93.8	16	40	15.6	156
Kosraean.	10	10	100.0	10	10	10	100.0	-	-	-	-
Pohnpeian.	309	276	89.3	256	209	208	99.5	2	20	9.6	33
Yapese.	104	94	90.4	94	82	82	100.0	-	-	-	10
Marshallese.	40	29	72.5	29	29	11	37.9	18	-	-	11
Other Pacific Islands.	27	27	100.0	18	9	9	100.0	-	9	100.0	-
Asian.	10,882	10,294	94.6	10,007	9,860	9,358	94.9	502	287	2.9	588
Filipino.	6,361	6,001	94.3	5,825	5,761	5,376	93.3	386	176	3.1	361
Chinese/Taiwanese.	2,739	2,618	95.6	2,583	2,529	2,504	99.0	25	35	1.4	121
Japanese.	419	409	97.6	388	388	375	96.6	13	21	5.4	11
Korean.	721	626	86.8	615	595	537	90.3	57	11	1.8	96
Other Asian.	641	641	100.0	596	587	565	96.3	22	45	7.7	-
White.	600	536	89.3	536	525	487	92.8	38	-	-	64
Black.	-	-	-	-	-	-	-	-	-	-	-
Other single ethnicity.	63	63	100.0	63	63	45	71.4	18	-	-	-
Multiple ethnicity.	1,263	705	55.8	633	551	487	88.4	64	71	12.9	558
Chamorro and other.	924	487	52.7	457	386	332	86.0	54	31	8.0	437
Carolinian and other.	389	235	60.4	235	186	186	100.0	-	-	-	155
Females 16 years and over.	28,460	23,145	81.3	22,152	21,667	20,911	96.5	756	993	4.6	5,315
Chamorro.	3,976	2,188	55.0	1,873	1,677	1,597	95.2	81	315	18.8	1,788
Carolinian.	1,073	473	44.1	428	383	352	91.9	32	44	11.5	600
Palauan.	654	344	52.6	292	271	207	76.4	64	51	18.8	310
Chuukese.	465	201	43.2	181	114	114	100.0	-	20	17.5	264
Kosraean.	29	19	65.5	19	19	10	52.6	9	-	-	10
Pohnpeian.	378	124	32.8	78	78	78	100.0	-	46	59.0	254
Yapese.	53	31	58.5	22	22	-	-	22	9	40.9	22
Marshallese.	-	-	-	-	-	-	-	-	-	-	-
Other Pacific Islands.	81	37	45.7	19	19	19	100.0	-	18	94.7	44
Asian.	20,254	18,907	93.3	18,510	18,396	17,893	97.3	503	397	2.2	1,347
Filipino.	5,764	5,011	86.9	4,741	4,693	4,279	91.2	414	270	5.8	754
Chinese/Taiwanese.	12,813	12,599	98.3	12,535	12,481	12,438	99.7	43	64	.5	214
Japanese.	251	162	64.5	154	154	154	100.0	-	8	5.2	88
Korean.	669	410	61.3	355	355	318	89.6	38	55	15.5	259
Other Asian.	757	725	95.8	725	713	705	98.9	8	-	-	32
White.	353	309	87.5	266	266	241	90.6	24	44	16.5	44
Black.	11	11	100.0	11	11	11	100.0	-	-	-	-
Other single ethnicity.	44	12	27.3	12	2	-	-	2	-	-	32
Multiple ethnicity.	1,089	489	44.9	441	408	388	95.1	21	49	12.0	600
Chamorro and other.	696	235	33.8	201	180	159	88.3	21	33	18.3	462
Carolinian and other.	432	221	51.2	194	183	173	94.5	10	27	14.8	212

Source: 2003 CNMI American Community Survey

CNMI Labor Force Participation by Citizenship: 1973 to 2000

Citizenship	Number of persons					Labor Force Percent Distribution				
	1973	1980	1990	1995	2000	1973	1980	1990	1995	2000
All persons	4,787	6,089	26,581	37,540	44,470	100.0	100.0	100.0	100.0	100.0
U.S. Citizen	3,472	3,787	6,685	10,020	9,705	72.5	62.2	25.1	26.7	21.8
CNMI born	3,092	3,388	5,085	7,050	6,970	64.6	55.6	19.1	18.8	15.7
Other U.S. citizen	380	399	1,600	2,970	2,735	7.9	6.6	6.0	7.9	6.2
Not a Citizen	1,315	2,302	19,896	27,520	34,765	27.5	37.8	74.9	73.3	78.2
Permanent residence	538	620	1,522	1,706	2,805	11.2	10.2	5.7	4.5	6.3
Temporary residence	777	1,682	18,374	25,814	31,965	16.2	27.6	69.1	68.8	71.9
All Female	1,373	2,094	11,491	18,033	24,095	100.0	100.0	100.0	100.0	100.0
U.S. Citizen	1,107	1,443	2,688	4,189	4,095	80.6	68.9	23.4	23.2	17.0
CNMI born	1,004	1,309	2,100	3,003	2,980	73.1	62.5	18.3	16.7	12.4
Other U.S. citizen	103	134	588	1,186	1,115	7.5	6.4	5.1	6.6	4.6
Not a Citizen	266	651	8,803	13,844	19,995	19.4	31.1	76.6	76.8	83.0
Permanent residence	155	260	713	774	1,440	11.3	12.4	6.2	4.3	6.0
Temporary residence	111	391	8,090	13,070	18,555	8.1	18.7	70.4	72.5	77.0
All male	3,414	3,995	15,090	19,507	20,375	100.0	100.0	100.0	100.0	100.0
U.S. Citizen	2,365	2,344	3,997	5,831	5,610	69.3	58.7	26.5	29.9	27.5
CNMI born	2,088	2,079	2,985	4,047	3,990	61.2	52.0	19.8	20.7	19.6
Other U.S. citizen	277	265	1,012	1,784	1,620	8.1	6.6	6.7	9.1	8.0
Not a Citizen	1,049	1,651	11,093	13,676	14,770	30.7	41.3	73.5	70.1	72.5
Permanent residence	383	360	809	932	1,365	11.2	9.0	5.4	4.8	6.7
Temporary residence	666	1,291	10,284	12,744	13,410	19.5	32.3	68.2	65.3	65.8

Source: CNMI Census Reports, "Recent Trends in Population, Labor Force, Employment, Unemployment and Wages, CNMI: 1980 to 2000"

Work Permits Issued by Industry

INDUSTRY	1999	2000	2001	2002	2003	2004	2005	2006.1	2006.2	2006.3	2006
Banking	10	15	9	10	15	11	13	6	4	1	15
Construction	2,844	2,604	1,794	1,739	1,496	2,076	1,938	531	426	468	1,900
Fishing	11	18	20	18	19	28	16	3	6	4	17
Garment	14,833	16,639	15,104	12,372	11,982	14,512	13,922	2,090	1817	3,660	10,089
Hotel	2,035	2,887	2,370	2,194	2,203	2,687	2,447	618	654	509	2,375
CNMI Gov't	67	78	53	67	89	193	281	108	41	28	236
Night Club/Bar	500	598	456	471	480	679	618	138	112	155	540
Farmer	543	558	432	417	445	699	658	184	167	139	653
Private Household	1,610	1,823	1,410	1,529	1,597	2,012	1,802	453	437	384	1,699
Restaurant	1,171	1,419	987	1,096	1,021	1,670	1,420	349	312	298	1,279
Services	6,961	8,756	6,954	7,172	7,181	10,998	9,534	2,373	1944	2,043	8,480
Tourism	339	468	380	389	369	588	491	109	99	110	424
Manpower	49	178	87	81	59	58	15	8	2	1	15
Security Services	84	220	214	178	192	194	139	66	38	32	181
TOTAL Permits Issued	31,057	36,261	30,270	27,733	27,148	36,405	33,294	7,036	6,059	7,832	27,903

Source: Department of Labor

Exhibit 8: Immigration Entry Permits by Immigration class: Calendar Years 2006-2000

	2006	% chge (05-04)	2005	% chge (05-04)	2004	% chge (04-03)	2003	% chge (03-02)	2002	% chge (02-01)	2001	% chge (01-00)	2000
Total	5,803	4.5	5,551	-4.5	5,814	10.1	5,280	8.0	4,891	-1.9	4,985	3.9	4,799
706A (90days)	50	6.4	47	-19.0	58	31.8	44	0.0	44	-41.3	75	11.9	67
706A (S.Ind.)	54	-31.6	79	-10.2	88	33.3	66	-2.9	68	-9.3	75	226.1	23
706B	192	-31.7	281	45.6	193	107.5	93	31.0	71	29.1	55	-38.9	90
706C	891	-26.2	1,208	-22.9	1,566	2.0	1,536	27.8	1,202	-10.1	1,337	28.7	1,039
706D	2,437	21.3	2,009	10.1	1,824	7.4	1,699	1.4	1,675	1.0	1,658	8.8	1,524
706E	1090	20.8	902	-7.4	974	29.5	752	-4.8	790	-2.6	811	-1.0	819
706H	310	6.5	291	-14.9	342	1.8	336	73.2	194	21.3	160	-14.0	186
706M	187	1.6	184	3.4	178	10.6	161	2.5	157	10.6	142	0.0	142
706N.6A	265	17.8	225	-21.6	287	17.1	245	-24.4	324	19.6	271	-28.3	378
706N.6D	188	-7.4	203	-5.6	215	-9.3	237	-11.9	269	-6.3	287	-28.6	402
Other	139	13.9	122	37.1	89	-19.8	111	14.4	97	-14.9	114	-11.6	129

706A(90 days) - 90 days business

706A(S. Ind.) - 180 days business 706M - Missionary

706B - Government 706N.6a - Long term business

706C - Tourist-long term 706N.6D - Long term business I.R.

706D - Non-Alien immediate relative

706E - Alien immediate relative

706H - Foreign student

Note: Numbers indicate Immigration entry permits issued.

Source: LIIDS Database

EXHIBIT 8

Exhibit 9: Immigration Entry Permits by Immigration class: Calendar Years 2006-2000

	2006	% chge (05-04)	2005	% chge (05-04)	2004	% chge (04-03)	2003	% chge (03-02)	2002	% chge (02-01)	2001	% chge (01-00)	2000
Total	33,047	-14.3	38,562	-8.2	42,026	21.6	34,567	0.9	34,275	-4.5	35,887	-17.0	43,229
706A (90days)	50	6.4	47	-19.0	58	31.8	44	0.0	44	-41.3	75	11.9	67
706A (S.Ind.)	54	-31.6	79	-10.2	88	33.3	66	-2.9	68	-9.3	75	226.1	23
706B	192	-31.7	281	45.6	193	107.5	93	31.0	71	29.1	55	-38.9	90
706C	891	-26.2	1,208	-22.9	1,566	2.0	1,536	27.8	1,202	-10.1	1,337	28.7	1,039
706D	2,437	21.3	2,009	10.1	1,824	7.4	1,699	1.4	1,675	1.0	1,658	8.8	1,524
706E	1090	20.8	902	-7.4	974	29.5	752	-4.8	790	-2.6	811	-1.0	819
706H	310	6.5	291	-14.9	342	1.8	336	73.2	194	21.3	160	-14.0	186
706K	27,244	-17.5	33,011	-8.8	36,212	23.6	29,287	-0.3	29,384	-4.9	30,902	-19.6	38,430
706M	187	1.6	184	3.4	178	10.6	161	2.5	157	10.6	142	0.0	142
706N.6A	265	17.8	225	-21.6	287	17.1	245	-24.4	324	19.6	271	-28.3	378
706N.6D	188	-7.4	203	-5.6	215	-9.3	237	-11.9	269	-6.3	287	-28.6	402
Other	139	13.9	122	37.1	89	-19.8	111	14.4	97	-14.9	114	-11.6	129

706A(90 days) - 90 days business
 706A(S. Ind.) - 180 days business
 706B - Government
 706C - Tourist-long term
 706D - Non-Alien immediate relative
 706E - Alien immediate relative
 706H - Foreign student
 706K - Non-Resident Worker
 706M - Missionary
 706N.6a - Long term business
 706N.6D - Long term business I.R.

Note: Numbers indicate Immigration entry permits issued.

Source: LIIDS Database

EXHIBIT 9

DEPARTMENT OF LABOR
Labor Complaints
Calendar Years 2000-2006

TOTAL LABOR COMPLAINTS FILED 2000-2006

<i>YEAR</i>	<i>NEW CASES</i>	<i>CLOSED</i>	<i>PENDING</i>
<i>2000</i>	<i>327</i>	<i>159</i>	<i>168</i>
<i>2001</i>	<i>188</i>	<i>134</i>	<i>54</i>
<i>2002</i>	<i>296</i>	<i>196</i>	<i>100</i>
<i>2003</i>	<i>524</i>	<i>220</i>	<i>304</i>
<i>2004</i>	<i>812</i>	<i>146</i>	<i>666</i>
<i>2005</i>	<i>420</i>	<i>54</i>	<i>366</i>
<i>2006</i>	<i>343</i>	<i>26</i>	<i>317</i>

COMPLAINTS ALLEGING UNPAID WAGES

<i>YEAR</i>	<i>UNPAID WAGES AND OVERTIME</i>
<i>2000</i>	<i>136</i>
<i>2001</i>	<i>107</i>
<i>2002</i>	<i>125</i>
<i>2003</i>	<i>97</i>
<i>2004</i>	<i>127</i>
<i>2005</i>	<i>71</i>
<i>2006</i>	<i>74</i>

**DEPARTMENT OF LABOR
HEARINGS AND
MEDIATION**

ADMINISTRATIVE HEARING OFFICE

YEAR	TOTAL HRGS HEARD	TOTAL AO'S ISSUED	IMPOSED MONETARY AWARDS	COLLECTED MONETARY AWARDS*	TOTAL SANCTIONS IMPOSED	TOTAL SANCTIONS COLLECTED	TOTAL TRANSFERS GRANTED	TOTAL ORDERED TO DEPART	TOTAL BARRED (ER)	TOTAL BARRED (EE)
2002	197	155	\$164,616.34	\$147,301.00	\$41,425.00	\$39,323.00	89	51	21	0
2003	682	582	\$786,648.00	\$118,197.74	\$207,385.00	\$96,475.00	413	49	25	1
2004	526	506	\$119,290.46	\$125,698.04	\$81,193.95	\$22,170.00	1,080	499	32	9
2005	398	356	\$44,541.06	\$322,816.22	\$32,9285.00	\$22,490.00	523	25	9	7
2006	436	406	\$615,198.60	\$203,618.66	\$40,485.00	\$16,441.20	232	69	21	8

*Collected monetary awards include wages, liquidated damages and sanctions awarded in an Administrative Order or issued pursuant to a Stipulated Settlement Agreement (see Mediations).

MEDIATIONS

YEAR	TOTAL CASES MEDIATED	TOTAL CASES SETTLED	TOTAL SETTLEMT. AWARDS	COLLECTED MONETARY AWARDS	TOTAL CASES REFERRED TO INVESTIGATION	TOTAL TRANSFERS GRANTED	TOTAL CONTINUED EMPLOYMT WITH ER	TOTAL REPATRIATED (EE REQUEST)	TOTAL BARRED (ER)	TOTAL BARRED (EE)
2002	246	114	\$113,422.00	See above Collected Monetary Awards	115	104	6	12	0	0
2003	322	102	\$118,668.21	See above	220 (approx.)	91				
2004	620	164	\$101,220.99	See above	461	105	33	0	0	0
2005	406	99	\$97,757.74	See above	255	80	15	7	0	0
2006	364	186*	\$427,001.71	See above	107	123	10	55	See	above

* Period covers Jan. 06-June 06 (AHO compiling stats from July 06 – Nov. 06 to be incorporated)

*Stats are currently being compiled by the AHO for those blank spaces where stats were not readily available