

Does Local Immigration Enforcement Impact Employment and Wages?

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PPIC

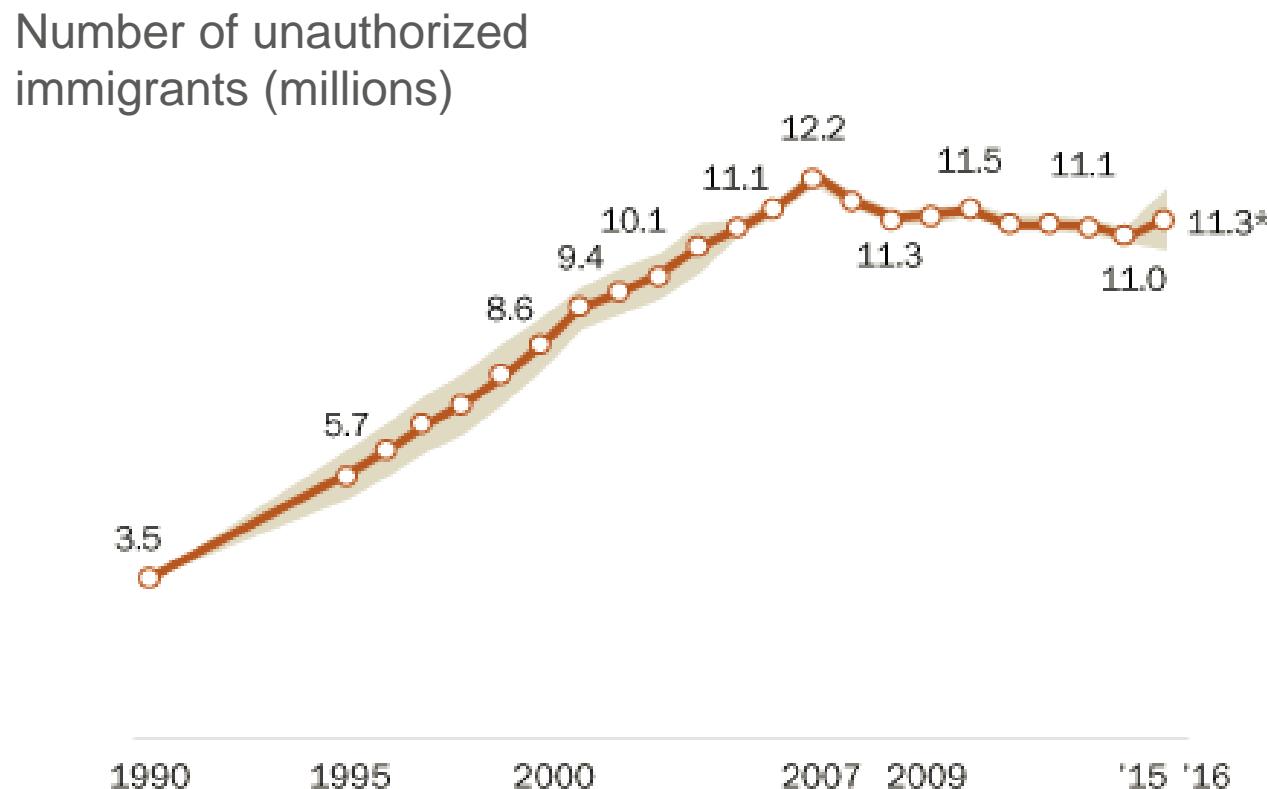
PUBLIC POLICY
INSTITUTE OF CALIFORNIA



“There’s no denying this generation long surge in low skilled immigration has **hurt blue collar wages**...If we can **reduce the number of low skill immigrants** coming into the country, that will reduce the pool of labor, put upward pressure on wages and **bring more Americans back into the labor force**”

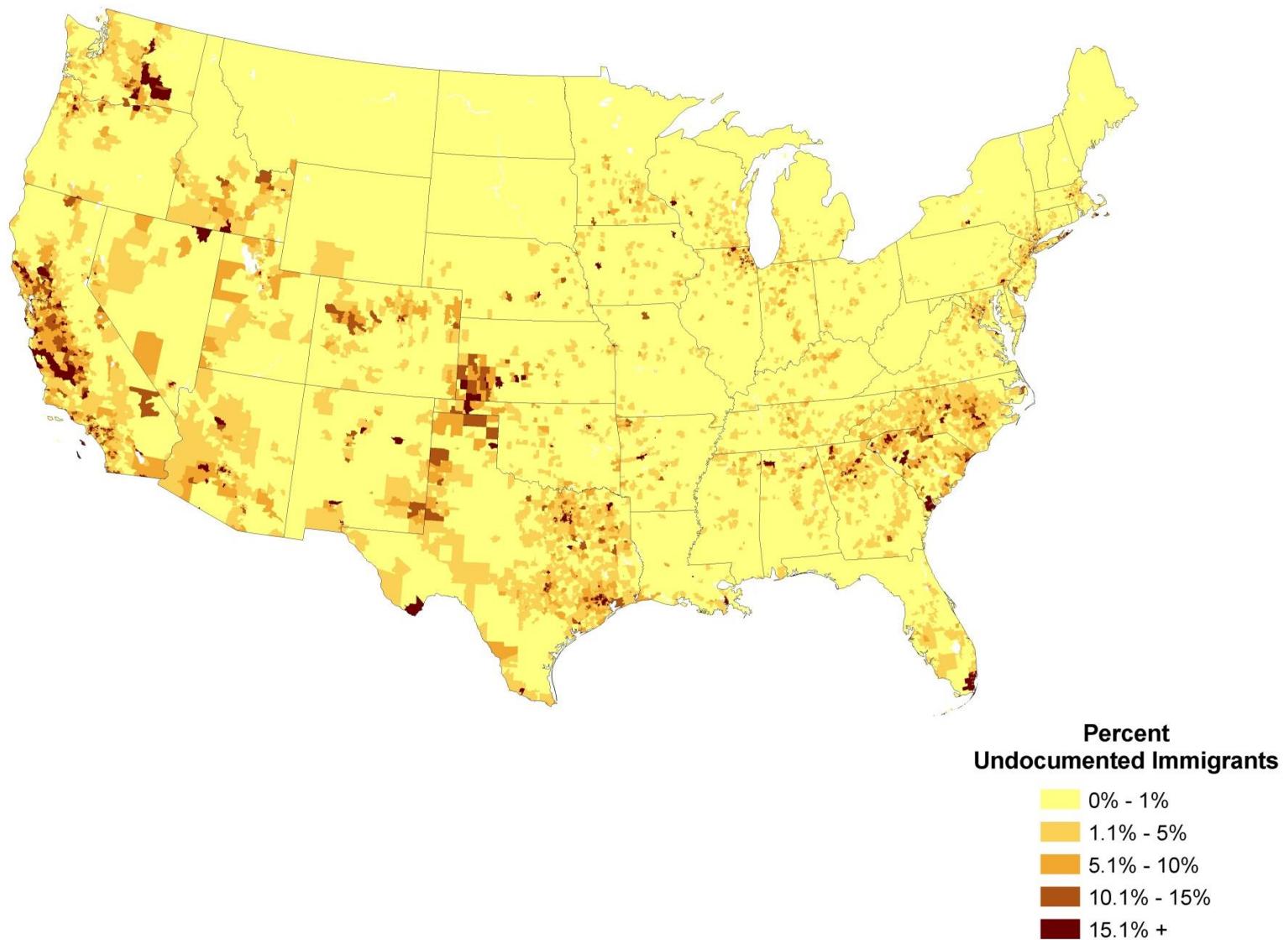
-Rep Tom Cotton, R-Arkansas, 2017

Unauthorized immigrant population in the U.S. declining after 2007 peak



Source: Passel and Cohn (2017), Pew Hispanic Center <http://www.pewresearch.org/fact-tank/2017/04/25/as-mexican-share-declined-u-s-unauthorized-immigrant-population-fell-in-2015-below-recession-level/>

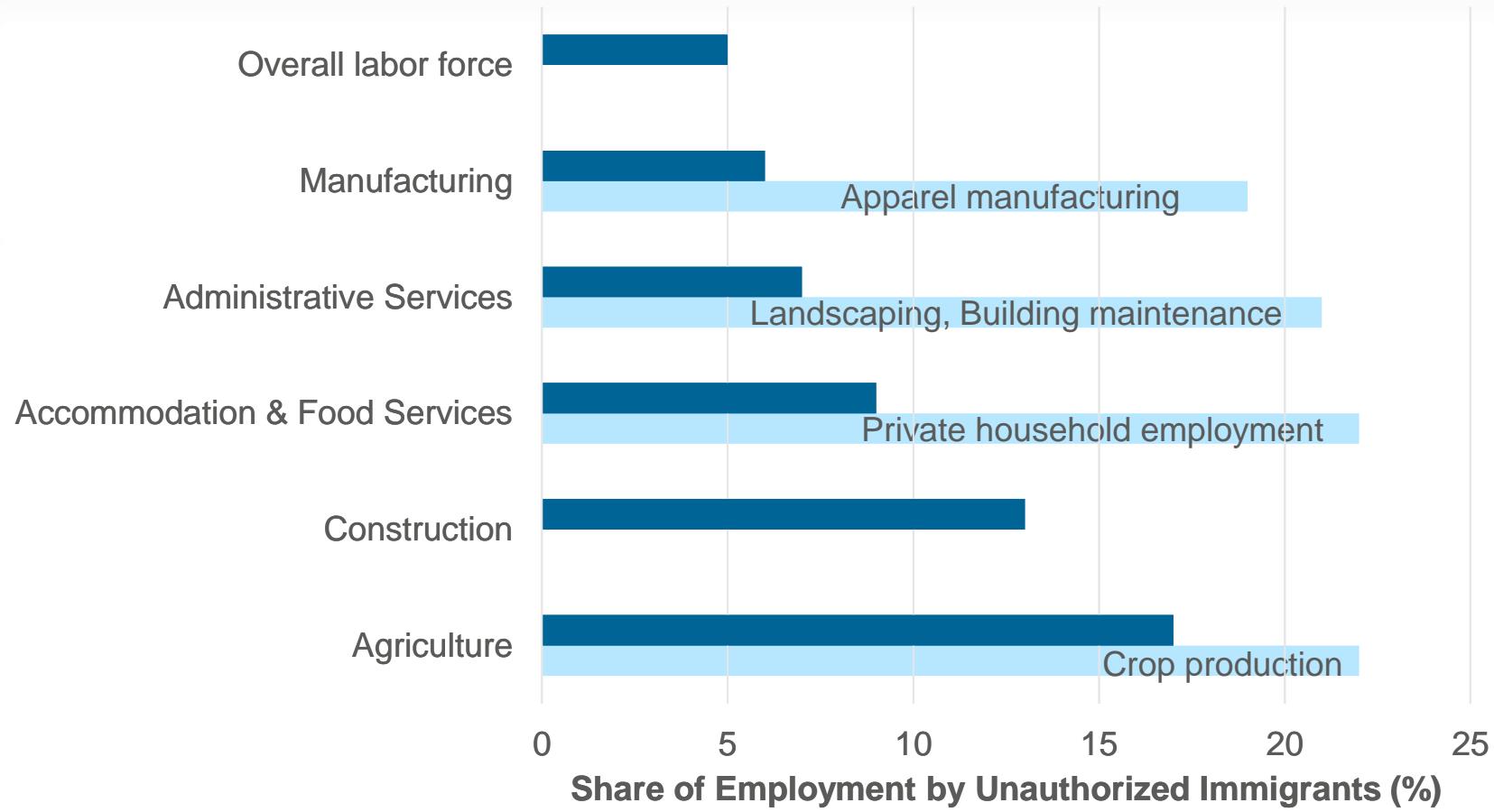
Percent of Population that are Undocumented, by Zipcode Continental U.S.



Source: Estimates pertain to 2008; Hill and Johnson (2011), PPIC

<http://www.ppic.org/publication/unauthorized-immigrants-in-california-estimates-for-counties/>

Unauthorized immigrants comprise a disproportionate share of select industries



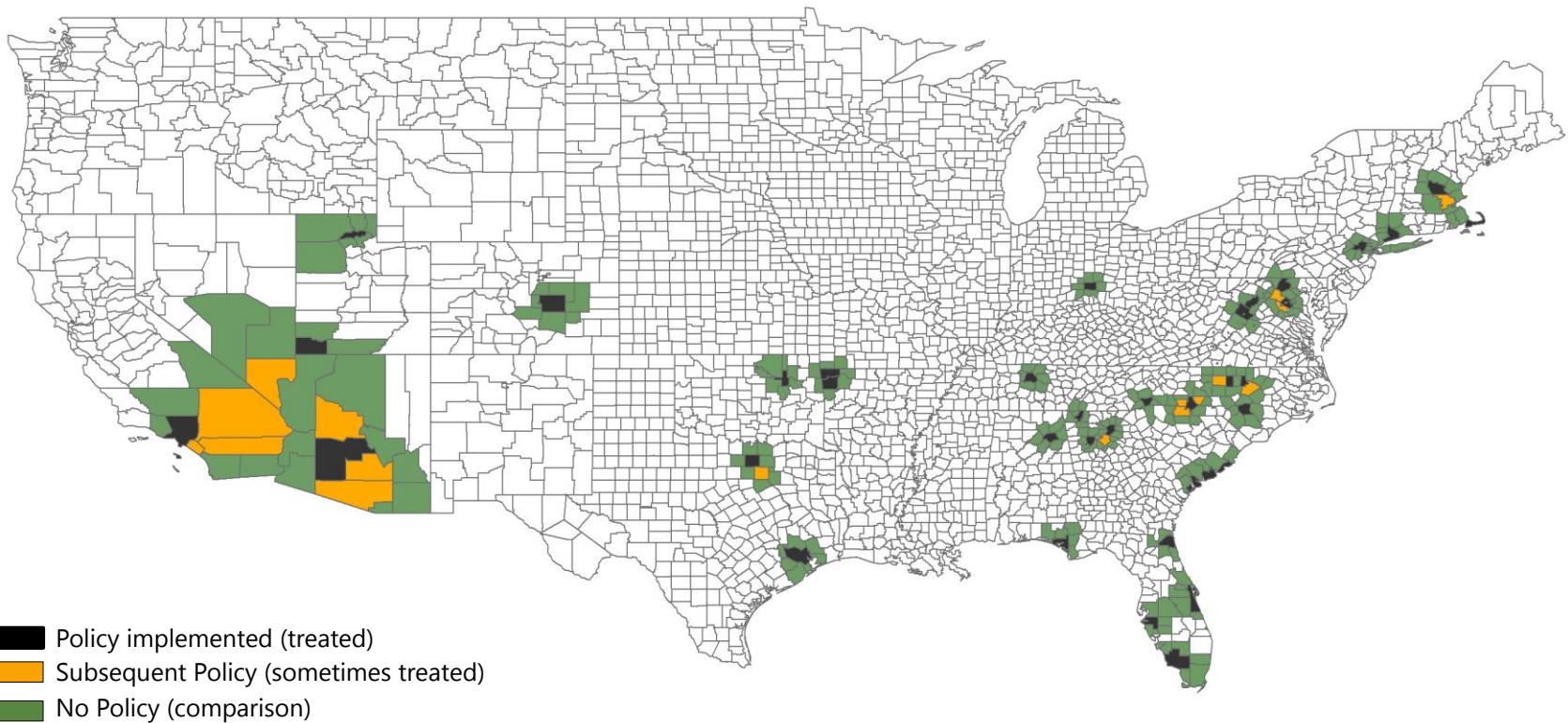
This study (with Rob Santillano)

- How does local immigration enforcement impact employment and wages at the local level?
- Local enforcement policy we study: 287(g) agreements
- Economic impacts measured in Quarterly Census of Employment and Wages (QCEW) data, 2005-2009
- Empirical strategy: D-in-D w/controls for local shocks

287(g) local immigration enforcement in context

- 287(g): law enforcement agreements with ICE
 - Jail: enforced in jails
 - Task Force: enforced in public
- Local and state laws on employment, housing, law enforcement (wide mix, hard to classify)
- Other federal laws/programs implemented locally
 - E-Verify
 - Secure Communities: in jails
 - Criminal Aliens Program: in jails

Local 287(g) jurisdictions spread out across the U.S.



- Policy implemented (treated)
- Subsequent Policy (sometimes treated)
- No Policy (comparison)

Some impacts observed across communities

- Anecdotal evidence on 287(g) is mixed
 - Demographic changes and economic “damage” (CAP, 2011)
 - But also immigrants return when policy not enforced
- Limited research
 - Fewer students following 287(g) (O’Neil 2011)
 - Some immigrants left some areas (Capps et al 2011)
 - Small negative effects in some industries (Pham and Van 2010)
 - Do not control for confounding factors

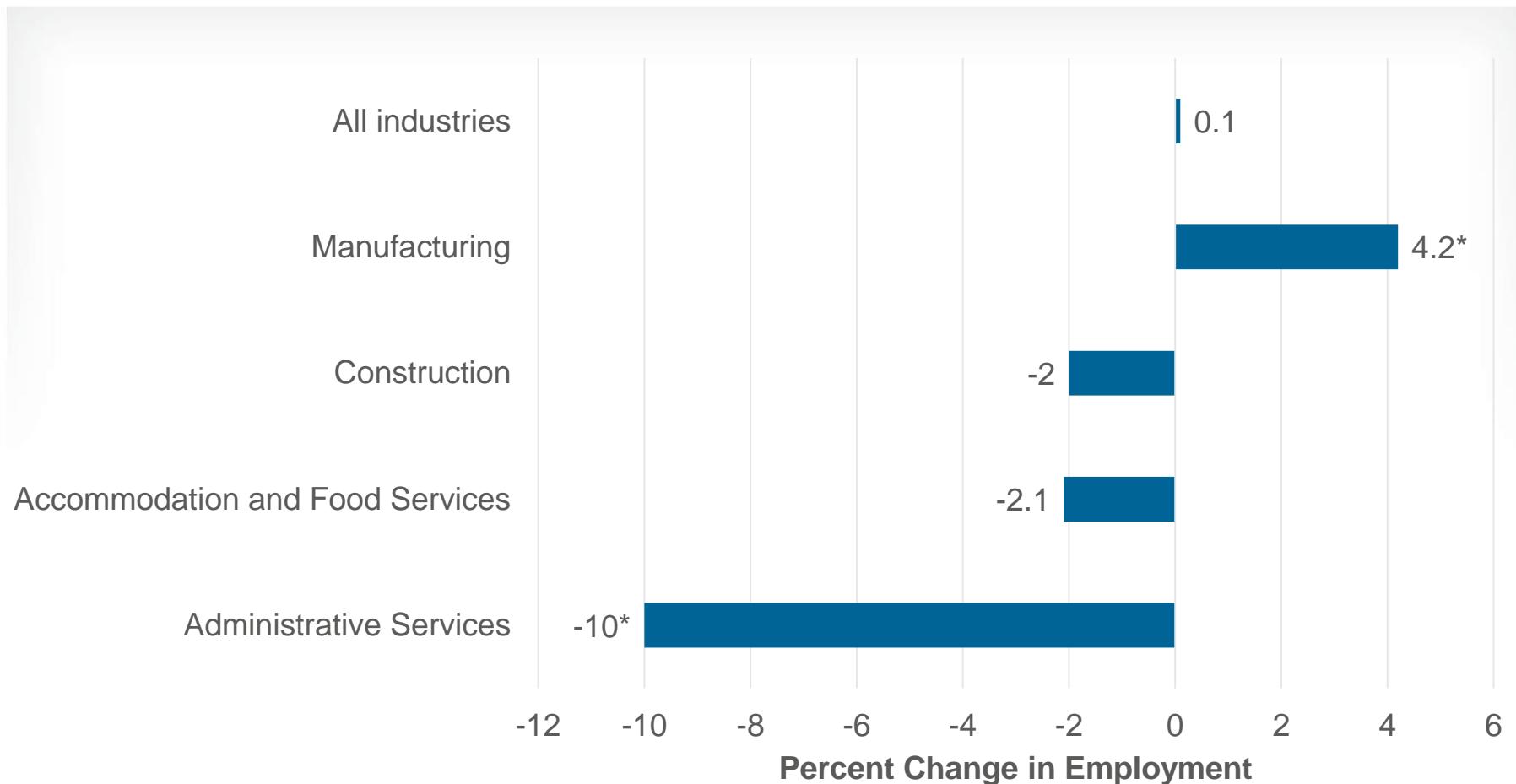
Hypothetical economic impacts of 287(g)

- Intended impact of 287(g): deter or remove immigrants
- Economic theory suggests
 - Lower overall employment likely
 - Lower production or lower demand for goods & services
 - Less work in the shadows? → increase employment (that is officially reported)
- Depends on the extent to which U.S. workers fill jobs vacated by immigrants

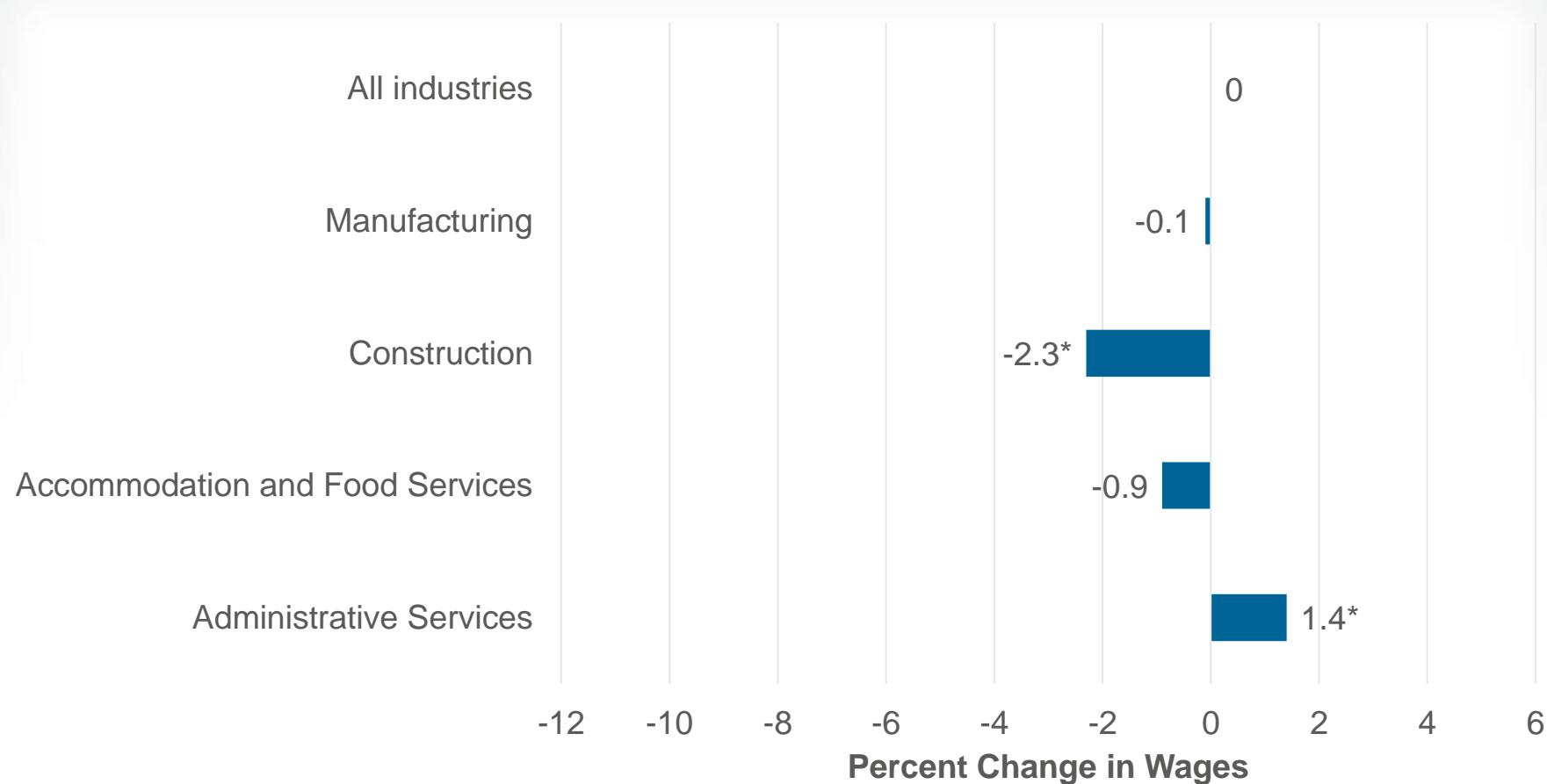
Data & Analysis

- Quarterly Census of Employment and Wages (QCEW)
 - County-level, 2-digit industry
 - Based on official UI reporting
- Policy database
 - 287(g) agreement dates and agencies
 - Local and state immigration laws 2005-2009
 - Kevin O'Neil
 - National Conference of State Legislatures
- Compare counties with 287(g) agreements to neighbors with similar economies

Does overall employment change in 287(g) jurisdictions?



Do wages change in 287(g) jurisdictions?



In summary

- Little evidence of county-wide economic effects of 287(g)
- But key immigrant-heavy industries experience declines in labor market activity
- Shifts in informal work might be even more dramatic

Esta organización participa en E-Verify



Este empleador proporcionará a la Administración del Seguro Social (SSA, por sus siglas en inglés) y, de ser necesario, al Departamento de Seguridad Nacional (DHS, por sus siglas en inglés) la información incluida en el Formulario I-9 de todo empleado nuevo con el propósito de confirmar su autorización de trabajo.

IMPORTANTE: Si el gobierno no puede confirmar que usted tiene autorización para trabajar, el empleador debe suministrarle las instrucciones por escrito y darle la oportunidad de ponerse en contacto con DHS o SSA antes de sancionarlo de cualquier forma o finalizar la relación laboral.

Los empleadores no pueden utilizar E-Verify para realizar preselecciones de solicitantes y no pueden limitar ni influenciar la selección de los documentos que usted presente para su inclusión en el Formulario I-9.

Para determinar si los documentos incluidos en el Formulario I-9 son válidos, este empleador utiliza la técnica de comparación fotográfica para comparar la fotografía que aparece en las Tarjetas de Residente Permanente, Tarjetas de Autorización de Empleo y pasaportes de los EE. UU. con la fotografía oficial del gobierno de los EE. UU. Asimismo, E-Verify verifica los datos incluidos en licencias de conducir y tarjetas de identificación emitidas por algunos estados.

Si considera que su empleador ha infringido sus responsabilidades en virtud de este programa o lo ha discriminado durante el proceso de verificación de la elegibilidad de empleo por su origen nacional o estatus de ciudadanía, comuníquese con la Oficina del Consejero Especial llamando al 800-255-7688, 800-237-2515 (para personas con impedimentos auditivos) o visitando www.justice.gov/crt/osc.

E-Verify funciona para todos

Para obtener más información sobre E-Verify,
comuníquese con DHS al:

888-897-7781

www.dhs.gov/E-Verify

A V I S O:

**La ley federal exige a todos los empleadores que
verifiquen la identidad y la elegibilidad de empleo de
todas las personas contratadas en los Estados Unidos.**



E-VERIFY IS A SERVICE OF DHS AND SSA

El logotipo y la marca de E-Verify son marcas registradas del Departamento de Seguridad Nacional. Queda estrictamente prohibida la venta comercial de este afiche.

Labor market consequences of The Legal Arizona Workers Act (LAWA)

- Mandated E-Verify as of January 1, 2008
- Imposed employer sanctions
- What happened to the unauthorized population?
 - Decreased by 17%
 - Fewer employed (11% drop)
 - Huge increase in self-employment (double)
- Benefits to US-born workers or firms?
 - No

Takeaways

- Interior enforcement laws can be effective....
- ...but have economic consequences beyond their intent
- Evidence to-date finds adverse consequences on employment and economic activity and no benefit to U.S. workers

Notes on the use of these slides

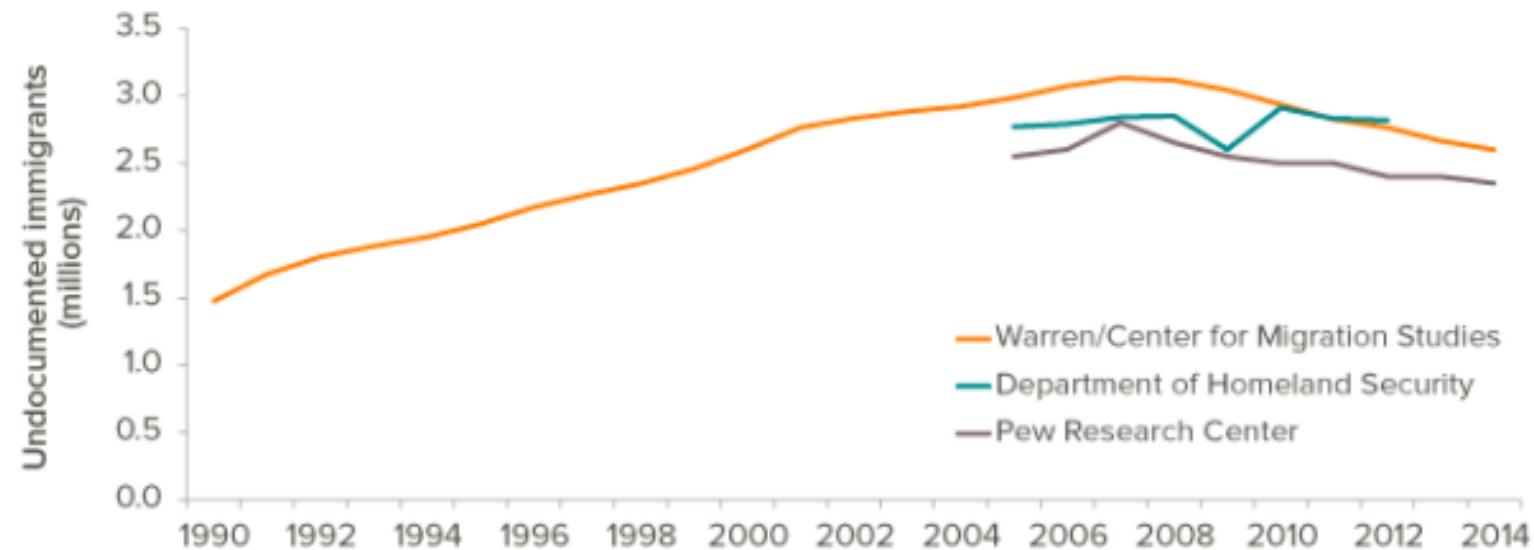
These slides were created to accompany a presentation. They do not include full documentation of sources, data samples, methods, and interpretations. To avoid misinterpretations, please contact:

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Thank you for your interest in this work.

Supplementary Slides

The undocumented population in California appears to be declining



SOURCES: Annual estimates of the undocumented population by Robert Warren, working alone or with the Center for Migration Studies, the Department of Homeland Security, and the Pew Research Center.

State Legislation on Employment of Unauthorized Immigrants

