



IMMIGRATION POLICY CENTER

...providing factual information about immigration and immigrants in America

March 9, 2009

A STIMULUS FOR FEAR: Anti-Immigration Groups Raise Specter of Undocumented Construction Workers and Call for Ensnaring All U.S. Workers in “E-Verify”

The [Center for Immigration Studies](#) (CIS), as well as the Heritage Foundation, have recently claimed that up to 300,000 construction jobs created by the economic stimulus bill could be filled by undocumented immigrants. CIS arrives at this scary number by using a job-creation formula designed for highway expenditures in 2007, and then tacking on an estimate of the undocumented construction workforce from 2005—*before* the mass layoffs that have plagued the construction industry. Beyond the use of fuzzy math, CIS also suggests that the federal government’s “E-Verify” employment-verification pilot program could prevent undocumented immigrants from securing these new jobs. Yet numerous reports—from the Congressional Budget Office, the Social Security Administration’s Inspector General, and a Department of Homeland Security contractor, among others—indicate that rushing to implement E-Verify on a national scale would be a costly mistake that would ensnare U.S. citizens in database errors and wouldn’t actually stop undocumented immigrants from getting jobs. “Enforcement-only” attempts to stop undocumented immigration have failed repeatedly for more than 20 years. Only a comprehensive approach to immigration reform that allows exploited undocumented immigrants to become legal workers will fix our broken immigration system in a way that benefits *all* workers.

Fuzzy Math Yields a Scary Number

CIS starts off by estimating that the stimulus bill will create roughly 2 million new construction jobs. The basis for this number is a formula from the [Federal Highway Administration](#) on the “employment impacts of highway capital expenditures.” According to this formula, “\$1 billion of Federal highway expenditure” in 2007 was estimated to support 10,300 “construction-oriented jobs.” CIS uses this formula to conclude that the \$104 billion in construction spending in the stimulus bill will create approximately 2 million new construction jobs. Yet it is highly questionable whether or not a highway-funding formula from 2007 is a reliable means of estimating how many construction jobs will be created by all of the construction projects that the stimulus bill will create in the coming years, which will include more than just highway construction. Moreover, many “construction-oriented” jobs are highly skilled positions for which a less-skilled undocumented immigrant would lack the required education or expertise.

Nevertheless, CIS takes this dubious figure and uses it as the basis for an even more dubious estimate of how many new construction jobs might be filled by undocumented workers. CIS relies upon estimates from the 2005 Current Population Survey suggesting that approximately 15% of the construction workforce was undocumented in that year—*before* the U.S. economy and the construction industry took a nosedive and were afflicted by mass layoffs. As the [Pew](#)

THE IMMIGRATION POLICY CENTER

1331 G STREET, NW • WASHINGTON, DC 20005 • TEL: (202) 507-7500 • FAX: (202) 742-5619

www.immigrationpolicy.org

[Hispanic Center](#) notes in a recent report, Latino immigrants have been particularly hard hit by the current recession. Moreover, the economic downturn has caused fewer undocumented immigrants to come to the United States and more to return home, as indicated by data from both [Pew](#) and the [Department of Homeland Security](#). As a result, it is doubtful that 15% of today's decimated construction workforce consists of undocumented immigrants, most of whom are Latino. Yet CIS takes 15% of 2 million to come up with its estimate of 300,000 new construction jobs being filled by undocumented immigrants.

E-Verify is a Costly, Not Magic, Bullet

CIS and Heritage claim that the only way to prevent undocumented immigrants from swarming into construction jobs created by the stimulus bill, or into any job for that matter, is to require all employers to use "E-Verify"—the federal, electronic, employment-verification pilot program. However, E-Verify ensnares U.S. citizens in its [database errors](#), adds to the [costs](#) incurred by employers required to use it, and does not actually prevent undocumented immigrants from getting jobs. For instance, participation in E-Verify by Swift and Company, whose meatpacking plants were subjected to high-profile raids by U.S. Immigration and Customs Enforcement (ICE) in December 2006, apparently did not identify all undocumented workers who were employed there.

Regardless, CIS asserts that E-Verify is a highly effective system which could be made mandatory for all employers and expanded nationwide quickly, easily, and at minimal cost. Yet the Department of Homeland Security's own contractor, [Westat](#), and the Social Security Administration's [Inspector General](#) have a far less sanguine view of the program's efficiency, suggesting that it is far from ready for a debut on the national stage. The [Congressional Budget Office](#) (CBO) estimated that a mandatory E-Verify program would **decrease federal revenues by \$17.3 billion** over 10 years due to the number of workers leaving the formal economy and working in the unregulated, untaxed, underground economy. Any attempt to expand E-Verify overnight would be a costly and chaotic mistake that would neither help the economy nor fix our broken immigration system. Rushing E-Verify into nationwide implementation would simply force unemployed Americans to jump through hoops in order to prove that they are entitled to work in the United States.

Enforcement is Not a Substitute for Reform

Although there is no way of knowing with certainty how many undocumented immigrants might secure construction jobs created by the economic stimulus bill, one thing is certain: E-Verify won't keep undocumented immigrants out of the workforce, nor will any of the other "enforcement only" policies that have been tried and failed over the past two decades. Comprehensive immigration reform that includes a path to legal status for undocumented immigrants already in the United States would eliminate the pool of exploitable, underground workers who unscrupulous employers use to undercut wages and working conditions for all workers.