Arizona decision unlikely to mean more immigrant workers

By Allison Linn, 26 June 2012

The Supreme Court’s decision on Arizona's immigration law may not do much to ease concerns of employers who rely on migrant workers, especially those in states that have passed similar laws.

The high court Monday struck down several key parts of the Arizona law, including one making it a crime for an illegal immigrant to work or seek work in the state.

But it upheld a portion allowing police officers stopping someone for another crime to check that person’s immigration status.
That could be enough to keep many immigrant workers away from states that have passed similar laws seeking to crack down on illegal immigration, including Utah, Georgia, Indiana, Alabama and South Carolina.

Proponents argue such laws are needed because federal lawmakers have failed to come up with a comprehensive solution to the issue, but the Supreme Court reiterated Monday that for the most part immigration law should be left to the federal government.

While the state laws have drawn popular support, they also have faced serious opposition from some businesses, including farm interests, that depend on migrant workers to do work that citizens and legal residents either can’t or won’t.

“We don’t support people that are here illegally having a pathway to citizenship, but we’ve got to have somebody to harvest our crops,” said Charles Hall, executive director of the Georgia Fruit and Vegetable Growers Association. “We don’t have that workforce.”

Hall and others say the fear of immigration checks was enough to scare some workers away from states that imposed the tougher laws. He said Monday that it wasn't yet clear how the Supreme Court ruling will affect Georgia's law -- or the rumor mill blamed for keeping many foreign-born workers out of Georgia.

As employers wait for more legal guidance, some expect that undocumented workers will take a wait-and-see attitude.

"It's not going to open the floodgates in terms of workers leaving or coming," said Michael Fix, senior vice president with the Migration Policy Institute, which has been following the issue closely.

Experts say that despite the nation’s high unemployment rate, it is hard to find native-born workers to do the difficult, unpleasant, low-wage jobs typically filled by undocumented workers.

“The shortages that these laws create are real,” Judy Gans, program manager for immigration policy at the University of Arizona, said ahead of the ruling. “The wages would have to go up a lot for there to be an adequate supply of native-born workers.”

In 2011, crops were left rotting in Georgia fields when workers who normally migrate through the state bypassed it because of rumors of a crackdown driven by the state's new law.

Hall said efforts to recruit domestic workers largely failed, as native-born workers had neither the skill nor endurance for the job.

This year, he said Georgia farmers were able to recruit enough workers after a judge blocked two sections of the state law.
The 11th Circuit Court of Appeals has said it would rule on the Georgia law after hearing the Supreme Court opinion on the Arizona law, so it’s not clear what the effect will be on the next harvest season in four or five months.

In Alabama, farmers have complained of a similar problem. An analysis by Samuel Addy, a research economist and director of the Center for Business and Economic Research at the University of Alabama, found that the loss of these types of workers would likely hurt the state’s economy more than it would help it.

“The potential for economic growth is reduced somewhat,” he said.

In other states, the backlash from business, the improving economy and the fear of legal challenges has already dampened enthusiasm for such laws. In 2011, 30 states considered but didn’t pass bills that would crack down on immigration, according to data from the National Conference of State Legislatures. In 2012, just five states introduced such bills, and none have passed yet.

“I think the heat’s off,” said Frank Bean, director of the Center on Research, Immigration, Population and Public Policy at the University of California at Irvine.

The Pew Hispanic Center estimates that about 11.2 million unauthorized immigrants were living in the United States as of 2010, down from a high of about 12 million a few years ago. About 8 million were thought to be in the workforce.

Arizona has been at the forefront of the effort to curb illegal immigration through state laws. Business leaders there say that’s one reason why they actually may be less affected by the Supreme Court decision than business owners in other states.

For one thing, they have been responding to immigration crackdowns since 2007, when Arizona lawmakers passed a law that required many employers to use the federal E-Verify system to check whether employees had the required paperwork to work in this country legally.

Magnus Lofstrum, a public policy fellow with the Public Policy Institute of California, said his research found that as a result of that earlier law, the working-age unauthorized immigrant population fell by about 17 percent, or roughly 90,000 people, between 2008 and 2009.

In addition, he said, the number of suspected unauthorized immigrants who began working as contractors rose by about 25,000 between 2007 and 2009. Under the law, contractors are not subjected to the screening.

The shift toward more contract work could mean lower tax revenues, he said, because informal workers may be less likely to file taxes.

“It’s an unintended consequence, and it’s not a desired one, and particularly in these tight fiscal time,” Lofstrum said.
Other states that have passed immigration laws also have an E-Verify component, although they are not necessarily as strict as Arizona's. Lofstrum said Monday those provisions, which won't be affected by Monday's high court ruling, also could make it tough for employers to find workers.

Another reason Arizona businesses could be less affected is because the industry that once relied heavily on undocumented labor, construction, has been in the doldrums for years since the spectacular housing bust. Although there are signs the housing market in Arizona is improving, that downturn still means there’s less need for those workers.

Still, the law may have had other effects.

A 2010 report from the liberal-leaning Center for American Progress estimated that the tourism industry lost as much as $141 million because of people opted not to book conferences and other events there in the wake of the bill being passed.

The state’s major business organizations haven’t taken a formal position for or against the most recent immigration law.

Garrick Taylor, spokesman for the Arizona Chamber of Business and Industry, said they think federal lawmakers need to craft a nationwide solution to the immigration issue, while the Chamber is more focused on healing the state’s economy.

“Our push is that the legislature here at the state level continue to focus on economic recovery and job creation,” he said.