

## Bernies \$15 Minimum Wage Would Make America Less Hospitable for Immigrants

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The Trump administration implemented its "public charge" rule last week. The <u>rule</u> will generally refuse legal status to unskilled immigrants whom the government predicts will make less than 250% of the poverty line: \$31,900 annually for an individual. Democrats decried this move as immoral, and it is indeed <u>deeply flawed</u>, yet their party's economic plans would create similar barriers to immigrants striving to realize the American dream.

Democratic presidential candidate Bernie Sanders is the leading example. The socialist senator <u>promises</u> to rescind the public charge rule created by Trump. He <u>says</u> it is appalling that our immigration system would "discriminate on the basis of income." The land of the free, he quite rightly believes, should "welcome all."

Yet where Trump would stop many unskilled immigrants at the border, Sanders's policy platform would make it nigh impossible to hire them, essentially locking immigrants out of our economy. Sanders's federal minimum wage proposal would bar U.S. employers from hiring anyone, citizen or not, for less than \$15 per hour, which is roughly \$31,200 annually for a 40-hour-a-week worker. That's basically the same wage requirement as the public charge rule. Every other major Democratic presidential candidate supports the same minimum wage requirement.

Sanders's plan, just like Trump's public charge rule, tells immigrants that if employers aren't willing to pay them high wages, our country shouldn't welcome them. Sure, Sanders might argue he would approve a higher percentage of immigrant families seeking citizenship than Trump. But if employers can't hire them, far fewer will desire to immigrate anyway.

The facts are clear: Low-skilled immigrants would be disproportionately affected by a major upward shift in the federal wage floor. The 4.1 million immigrants lacking a high school

degree <u>made up</u> 59% of that demographic in 2018, and their median annual wages were \$27,820, well below the annual earnings of a \$15-an-hour worker working 40 hours per week.

Democrats believe, of course, that minimum wage laws raise pay without costing jobs. But such a high wage floor imposed across the whole country would have significant adverse effects on low-wage workers' opportunities. That's why the Congressional Budget Office's median <u>estimate</u> was 1.3 million net lost jobs if a \$15 minimum wage was implemented through 2025.

Low-skilled immigrants are already <u>abandoning states</u> such as California and New York in favor of states with lower minimum wages such as Texas and Virginia. This confirms research that low-skilled workers <u>move</u> or <u>commute away</u> from states with higher wage floors and shows that minimum wages destroy jobs. Nationally, we would therefore expect far fewer low-skilled workers to move to the United States if Sanders' wage plan became law.

True, firms may adjust in the short-term by restricting other work-related benefits, cutting hours, or reorienting production, allowing them to maintain jobs. But future job growth in these industries will be lower, particularly in industries with a high proportion of minimum wage workers: food and drink establishments, accommodation, personal care, and private household work. Such sectors have historically been the first step on the jobs' ladder for new, unskilled immigrants.

Workers who lose their private sector jobs due to soaring minimum wages might find refuge in Sanders's proposed "federal jobs guarantee," which would obligate the federal government to hire anyone at \$15 per hour. But U.S. taxpayers will never support giving low-skilled immigrants public-funded jobs solely because they can't get a job anywhere else.

Without jobs, immigrants will stay in their home countries, indirectly achieving the goal that Trump's public charge rule would achieve directly. We know this because when the economy stops creating jobs, as it did during the 2009 recession, <u>more immigrants leave the U.S. than come</u>.

Despite empty claims that he would "welcome all," Sanders has a long history of talking about keeping out low-wage immigrants.

In 2015, the senator dramatically <u>denounced</u> "an open-border policy [to] bring in all kinds of people [to] work at \$2 or \$3 an hour that would be great for them" but "would make everybody in America poorer." In 2019, he <u>was equally</u> blunt: "If you open the borders, my God, there's a lot of poverty in this world, and you're going to have people from all over the world. And I don't think that's something that we can do."

But effectively closing legal employment to low-wage immigrants would hurt us all. The evidence <u>is clear</u> that low-skilled immigrants create better job opportunities for the vast majority of U.S. workers. That's because rather than displace U.S. workers, immigrants <u>actually complement them</u>. Workers with limited English ability work in the back of the restaurant, for example, while natives manage the front. This synergy makes the entire economy more productive.

A genuine pro-immigrant agenda would look to create more such opportunities, not restrict them. Instead, while Trump wants to put up legal restraints against low-wage immigrants coming to the U.S., Sanders and other Democrats would put up wage controls to stop many from legally working. Their message is the same: If you are a poor foreigner, stay put.

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