



Robb: Low-skill jobs need to pay

By Robert Robb, columnist

The indictments issuing from the immigration investigation of Danny's Family Car Wash reveal the extraordinary lengths — indeed, allegedly criminal lengths — the company went to maintain a workforce of illegal immigrants.

This raises the question: Did the company do that strictly as a profit-maximizing strategy, or was it the only way to fill its labor needs?

The extent to which the country needs low-skilled workers is one of the most contentious issues in the immigration-reform debate. The business community claims it needs a generous guest-worker program to fill unmet needs. Immigration restrictionists say imported low-skilled workers, legal and illegal, take jobs from native workers and depress wages.

The restrictionists have the better of this argument. Price is the truth teller. Wages are the price of labor, and wages for low-skilled jobs are stagnant or declining. That's an indication of a surplus, not a shortage.

The business community rejoins that it has to fill jobs Americans won't take, regardless of how much they pay. Restrictionists say that's not true, and, for the most part, the evidence is with them on this point, as well. Except for seasonal agriculture, native workers still constitute the overwhelming majority in the occupations that have a strong presence of illegal workers.

This debate, however, is skipping over what may be the most important question of all: What does it mean if it is true, or becoming true, that Americans won't do entry-level, low-skilled physical labor?

The implications of that are profound, disturbing and destructive.

There's a lot of utopian blather about getting every kid college-educated or technically trained. Educational-attainment statistics offer a sobering rebuke.

Over 60 percent of adult Americans have less than an associate degree. More young adults are going on to some sort of schooling after high school, but not that many more are completing it. Less than a third of young adults age 25 to 34 have a college diploma.

For the foreseeable future, at least half of all Americans will need to begin their work careers in an entry-level, low-skilled position. They needn't stay there. But that's where, as a practical matter, their path to being able to support themselves has to begin.

In a market in which the supply of low-skilled labor was constrained, physically taxing jobs would pay more than those less physically strenuous. Prior to the flood of illegal immigration that began around 1990, that was generally the case in the United States. But due to illegal

immigration, businesses have been able to expand the labor pool for low-skilled physical labor and sharply reduce the wage premium for it.

If being a construction worker doesn't pay that much more than being a retail-sales clerk, most young Americans will naturally prefer the latter to the former. If the wage premium were restored for physical labor, would native workers flow back into it?

The answer needs to be yes. Otherwise, the country will have a growing pool of marginally productive workers who will have a hard time supporting themselves. That's economically hurtful and highly threatening to social cohesion.

So, how can the answer be made yes? Restoring the wage premium by not acceding to the call for the continuous importation of large numbers of low-skilled workers is an important step. But there are cultural and social-policy dimensions, as well.

Idleness does not carry the stigma it once did, nor is much respect accorded to hard honest work, particularly of a physical kind. And, according to a recent Cato Institute study, welfare programs in 35 states offer more than a minimum-wage job.

Rather than debating whether there are jobs Americans won't do, the country needs to make sure there aren't. And that includes washing cars.

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