



How minimum wage hikes harm immigrants

By [Jason Russell](#)

May 23, 2015

Immigrants are more likely to work in service jobs than native-born Americans, according to [new data](#) released by the Bureau of Labor Statistics. That puts liberals, who typically support helping immigrants but need to acknowledge the job-killing effects of the minimum wage, in quite a bind.

In 2014, 24 percent of immigrant workers were in service jobs, compared to 16 percent of native-born American workers.

That same year, the median annual wage for service jobs in the United States was \$25,250. For comparison, management and professional jobs paid a median wage more than twice that: \$56,850.

With low skills and low wages comes a high risk of harm from a minimum wage hike.

"Immigrants are more likely to be lower-skilled workers, exactly the types of workers most likely to be harmed by a higher minimum wage," Alex Nowrasteh, an immigration policy analyst at the libertarian Cato Institute, told the *Washington Examiner*. "In fact, conservative Ron Unz sponsored a ballot initiative in California last year to raise the minimum wage for the explicit purpose of forcing illegal immigrants out of the market."

Unz's measure failed after labor unions decided to focus their political resources elsewhere. But Unz got what he wanted at least in Los Angeles, where the City Council has voted to raise the city's minimum wage to \$15 an hour by 2020, followed by increases consistent with inflation.

Immigrants make up more than one-third of the Los Angeles metropolitan area population. That's the third-highest share of any city in the nation, according to the Migration Policy Institute.

Immigrants in the area might not lose their current jobs, but they're more likely to have trouble finding new jobs if they do. "It's less that [low-skill workers] get laid off ... It gets in the way of hiring them," Douglas Holtz-Eakin, president of American Action Forum, told the *Examiner*. He added that a minimum wage hike to \$10.10 an hour would diminish hiring by an entire year's worth of new jobs in the food service and retail trade sectors.

American Action Forum [research](#) says a \$10 minimum wage would cost 2.3 million new jobs per year nationwide. For comparison, 2.8 million jobs were created in the past 12 months.

When immigrants can't get jobs, it's not as if American workers simply slide in their place. "The job would just be gone," Holtz-Eakin said. "It's terrible."

Liberal advocates for minimum wage hikes will be skeptical that such hikes will harm the poor. But at least one immigration expert says an immigration program demonstrates that point. "I would point anyone who denies that minimum wage laws affect immigrant workers to the H-2A agricultural visa program, which is completely uncapped and yet rarely used by farmers because it mandates extremely high wages on top of other compensation like housing and food," David Bier, an immigration policy analyst at the libertarian Niskanen Center, told the *Examiner*.