



In Houston, 45% Pay Hikes Are Dangled to Lure Immigrant Workers

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Cesar Gomez's life is great right now. And a little scary.

The great part: He just got a 45 percent raise -- to \$160 a day. A master remodeler in [Houston](#), he's in such hot demand amid the post-hurricane cleanup that his boss threw him the extra cash to make sure he wouldn't bolt for a rival outfit.

But Gomez is wanted in another sense of the word, too. He's an undocumented Mexican living in a state that's pursuing one of the country's toughest crackdowns on undocumented immigrants. This has made him extra leery of bumping into police officers and, as a result, hesitant to venture outside for anything but work. "I just go straight home from work to eat and sleep and that's it, and then back to work again," he said.

Houston has become ground zero in the nation's immigration crisis, testing just how much the hard-line deportation push espoused by President Donald Trump and his allies -- like Texas Governor Greg Abbott -- will hamper an economy already confronting full employment and an aging workforce.

If a Texas law enacted last year survives a court challenge, it may ensnare Gomez and toss him out of the country. A victory for conservative leaders, but at what economic cost? If it took a 45 percent pay increase to keep Gomez on the job, how much would it cost to find his replacement if he and the state's 250,000 other undocumented construction workers are gone?

"There's ultimately an economic price to be paid for this labor shortage," said Jose Garza, executive director of the Workers Defense Project, which is based in Austin, Texas. "Governor Abbott's immigration policies and Donald Trump's immigration policies are wreaking havoc."

Visas for low-skilled workers are limited mostly to agriculture and tourism, last only 10 months, and are complicated and expensive to obtain. In 2016, the government issued only 221,000. The shortage fuels illegal migration as people bypass long waiting lists to fill readily available jobs,

said Alex Nowrasteh, an immigration policy analyst for the libertarian Cato Institute in Washington.

Hunting Hands

The labor-market dynamics are a lot different than they were in New Orleans when it rebuilt from Hurricane Katrina in 2005. Back then, tens of thousands of immigrants streamed in, said sociologist Elizabeth Fussell, a Brown University professor. Wages stayed the same or even declined and many local construction workers complained they couldn't find jobs.

Few would gripe about such a thing now in Houston. Overall unemployment in the state is down to just 3.9 percent and the market for skilled labor was tight well before Hurricane Harvey inundated the coast with 50 inches of rain and submerged vast swaths of the fourth-biggest U.S. city. Of course, as wages climb there, they are doing so from low levels. Texas is a right-to-work state -- and labor unions have little presence -- so construction laborers made about 20 percent less than the national average in 2016, according to the U.S. Bureau of Labor Statistics.

Now, Houston homeowners bunk with family or friends as they wait for repairs. Those with two-story homes camp upstairs while waiting for torn-out walls, floors and kitchen cabinets to be rebuilt. In the Cinco Ranch community, two-story brick houses with manicured lawns and backyard pools are interspersed with piles of discarded drywall, wood, carpet and insulation. In suburban Kingwood, work crews outnumber residents in neighborhoods where the visible waterline in empty houses tops five feet.

Precarious Position

Even that army isn't equal to the task.

"I could hire three or four hundred people if I could find them," said Stan Marek, who said his Houston remodeling company employs about 1,000 legally vetted workers. "They're just not coming in, and the undocumented can't come in."

About 30 percent of Texas construction workers are undocumented "with no replacements readily available," said Ray Perryman, an independent economist in Waco, Texas. The Gulf Coast, including Houston, may face a shortage of as many as 150,000 workers.

"Immigrants without documentation are becoming increasingly concerned," Perryman said. "As fears of deportation rise, it becomes increasingly difficult to access this critical resource."

Abbott's Clampdown

Texas's diversity is growing and its largest cities lean left even as statewide politics for decades has been dominated by Republicans and a low-tax, less-regulation business climate. In May, Abbott signed the measure that seeks to force local governments to clamp down on undocumented residents.

The law requires officers to cooperate with federal enforcers and empowers them to inquire about immigration status during routine stops. Many police chiefs have criticized the law, saying

people will stop reporting crimes and cooperating with officers. The law was partly blocked by a San Antonio federal judge in August until appeals are heard.

“The objective of the law is to identify dangerous criminals, not detain hardworking families or innocent children,” Abbott wrote in a January report. He said Texas prohibits racial profiling and discrimination. Ciara Matthews, a spokeswoman for Abbott, didn’t respond to requests for comment for this story.

Slipping Away

Meanwhile, the labor pool is drying up, said Brad Perrine, who owns a construction company in suburban Conroe. His cost for drywall installation has risen 80 percent and jobs are taking four times as long to finish. He had chosen subcontractors from among 45 four-person crews before Harvey. Now he’s down to five, as workers were lured away by higher wages.

Houston resident Greg Cowart, whose home was ruined, supports Abbott and Trump even though the labor shortage is making it hard to rebuild. Cowart, 47, fired his first contractor because he showed up only sporadically. The replacement did shoddy work because his crew was all new hires. Cowart, who himself installs commercial heating, ventilation and air-conditioning, said undocumented workers drive down wages.

“If we can cut down on them coming in, that’s where we need to start,” he said. “Then we’ll deal with the rest later.”

Meanwhile, Gomez, the remodeler, hasn’t seen his family in 10 years. It’s too risky and expensive to cross back into the U.S. if he were to return to Mexico. The satisfaction that he’s able to pay for his son’s mechanical engineering and daughter’s psychology degrees eases the pain of separation.

“We Mexicans have to make sacrifices. There’s no other way,” Gomez says. “There’s a lot of work here.”