EIRC Economic Insights and Research Consulting

Fact Sheet on Immigration Policies and Prices, July 2026

The Trump administration's immigration and deportation policies are significantly reducing the size of the U.S. labor force. This lack of workers is creating supply constraints that are driving up prices of U.S. produced goods and services. As illustrated in this fact sheet, this is especially noticeable for goods and services produced by industries that have relied most heavily on immigrant workers.

At the dawn of the second Trump Administration, immigrants, including both the authorized and unauthorized populations, accounted for 19 percent of the overall U.S. workforce.[1] Since then the immigrant workforce has been reduced through the substantial ramping up of deportations, removal of work authorization for hundreds of thousands of non-citizen immigrants, and numerous initiatives that have barred or discouraged both legal and unauthorized immigration. While immigrant workers have long contributed across the economy, they have comprised particularly large portions of the workforces in the production of a number of specific goods and services. In this fact sheet we look at four industries where timely, high-quality data allow for analysis: agriculture, gardening and lawn care services, home health care services, and home construction.

We rely on the June Consumer Price Index (CPI) released on July 14, to examine prices of consumer agricultural goods, gardening and lawn care services, and home health care services. For home construction (which is not included in the Consumer Price Index) we compare changes in the construction labor force, housing permits, and new home prices between regions and states that rely more or less heavily on immigrant workers.

Overall, the June Consumer Price Index shows that prices rose by 3.5 percent between June of 2025 and June of 2026. Excluding energy and food prices, the prices of all other goods and services rose an average of just 2.6 percent. **By comparison, the prices of lettuce, apples, citrus fruit, canned fruit, whole milk, gardening and lawn care services, and home health care services—all of which have been heavily dependent on immigrant workers—increased in a range from 6.3 to 32.1 percent.**[2]

In construction, the states with the highest dependence on foreign-born workers have seen declines in construction employment while it has risen modestly in other states. With worker shortages, permits to build new homes have declined nationwide but have fallen far more in the regions and states that rely most heavily on immigrants. In turn, **the prices of newly built homes have gone up in those regions that have relied most heavily on immigrant workers while remaining essentially flat in the other regions.**

IMMIGRANT DEPENDENT FOOD SOURCES

Sixty-eight percent of all crop farmworkers, those who produce and pick fruits and vegetables, have been immigrants. Of that 68 percent, 42 percent are unauthorized and 26 percent are authorized.[3] The fruits and vegetables most produced in the United States by these workers have seen price increases substantially above the 2.6 percent inflation level described above. Over half of all dairy workers are also immigrants—and dairy products have also seen their prices increase well above this inflation rate. The following table shows the price increase over the last year for the fruit and vegetable and dairy products that are most dependent on immigrant labor and for which data are available, as well as the extent to which the product consumed in the U.S. is produced in the U.S. and thus affected by U.S. labor shortages:

Product	Percent of Production in U.S.	One-Year Price Increase
All CPI goods and services excluding energy and food	—	*+2.6%*
Lettuce	**85%**	**+32.1%**[4]
Apples	**90%**	**+7.1%**
Fresh citrus fruit	**75%**	**+6.3%**
Canned fruits	**60%**	**+7.9%**
Canned vegetables	**90%**	**+3.5%**
Fresh whole milk	**95%**	**+9.0%**
Other fresh milk	**95%**	**+5.5%**

For comparison, less than 1 percent of bananas that are consumed in the U.S. are domestically produced and banana prices are up just 1.0 percent.

GARDENING AND LAWN CARE SERVICES

Immigrant workers have comprised 39 percent of the lawn, landscaping, and groundskeeping workforce. Of that 39 percent, 24 percent are estimated to have been undocumented immigrant workers and 15 percent have been authorized immigrant workers.[5] It is, thus, an industry heavily dependent on the, now-depleted, foreign-born workforce and the consumer price index shows that **gardening and lawn care service prices are up 10.8 percent** over the last year.[6]

HOME HEALTH CARE SERVICES

Of the home health care workforce, 39.8 percent have been immigrants, or over 220,000 workers.[7] As with the other immigrant dependent industries for which CPI data are available, prices have exceeded overall inflation with **prices for home health care services rising by 10.7 percent in the last year**[8].

Rising costs in home health care services are likely to accelerate as the industry's workforce is further depleted in the wake of a recent Supreme Court decision and demand for these services increases with an older and longer-living population. The number of people over the age of 65, many of whom will eventually need home health care support, is expected to rise by another nearly 40 million people by 2060.[9] Furthermore, in June of 2026, the Supreme Court allowed the Trump administration to end Temporary Protected Status (TPS) and deport 359,000 Haitians and Syrians living and working legally in the U.S. The decision could ultimately lead to the deportation of 1.3 million immigrants from 17 countries who currently have TPS. Of these, over 18,000 are home health care workers, including 10,000 Haitians.[10]

NEW HOMES

Immigrants have accounted for 26 percent of construction employment, half of whom have been unauthorized.[11] The prices of newly built homes are not included in the consumer price index but we can look at data on construction employment, building permits and other price data and compare the states and regions where this highly localized industry has greater, or less, of a reliance on the immigrant labor force.

Construction Employment. Since the beginning of the Trump Administration, through June of this year, states that have relied more heavily on immigrants in their construction labor force have seen declines in construction employment while states less reliant on foreign born workers have seen modest employment growth. Specifically, the five states which had the highest immigrant share of their labor forces—California, Florida, Nevada, New Jersey, and New York—states which collectively have been home to about half of the immigrant population, **have seen a 1.3 percent drop in construction employment, while the other states have seen an increase of 3.3 percent.**[12]

Housing Permits. Authorized building permits, a predictor of the level of future construction and housing supply, have seen a pattern similar to that seen in employment. From March 2025 to June 2026 the country has seen a decline in the issuance of permits for single family homes of 9.5 percent (seasonally adjusted). The areas of the country which have relied more on foreign born workers have seen the sharpest declines. The Northeast, which has had 23 percent of its workers foreign born, saw a decline in the issuance of housing construction permits for single family homes of 23.5 percent. The West, with 25 percent immigrant workers, saw a decline of 10.4 percent. The South, with 19 percent of its labor force having been immigrants, has seen permits drop by 9.3 percent. The Midwest, however, with the lowest share of immigrant workers, at 11 percent, has seen a drop of only 1.6 percent in permits.[13]

This regional data is available on a seasonally adjusted basis, allowing comparison of different months. For states, permit data can only be reliably compared year over year. These data, however, show the same pattern as the seasonally adjusted monthly regional data. Between June of 2024 and June of 2026, before and after the start of the Trump administration's immigration policies, **permitted single family homes fell by 9.2 percent in the five states with the highest percent of their labor force comprised of immigrants. The remaining states saw an increase of 3.0 percent.** Looked at another way, permits are down nationally in the first six months of 2026 compared to the same period in 2025 but **the decline is 6.2 percent for the five states that have made the greatest use of immigrant workers while they are down 3.7 percent for other states.**[14]

Housing Prices. The effect of fewer workers, modest home construction, and slower growth in supply is starting to be seen in housing prices in the areas most affected. Between the first quarter of 2025 and the first quarter of 2026, the average price of newly built homes rose significantly in the two regions that have been most reliant on immigrant workers while they changed little in the other two regions. **In the West region, with 25 percent of its workforce immigrants, new houses became 8.2 percent more expensive. In the Northeast, with 23 percent of its workforce foreign born, the price of newly built homes went up 15.4 percent. In the South and Midwest, each with a smaller share of immigrants in their labor force, a combined 16 percent, the cost of newly built homes remained essentially unchanged.**[15]

We can also see the effect on costs of the loss of immigrant employment in the permitting data. The estimated value of structures is recorded on building permits and is intended to reflect the cost of construction. Costs of construction, of course, end up reflected in the prices faced by homebuyers. Valuations are currently rising faster in areas where immigrant workers have made the largest contributions to the workforce and the supply of available workers is more constrained. From June 2024 to June 2026 the average valuation for new single family homes went up from $304,312 to $344,112 in the five states with the highest share of immigrant workers–an increase of 13.1 percent. In the other states the increase has been only 2.0 percent (going from $309,815 to $316,093). Comparing the first six months of 2026 to the first six months of 2025 the states with the greatest share of immigrant workers have seen valuations go up 5.9 percent versus 1.6 percent in other states.

CONCLUSION

While there are many factors that affect the costs of goods and services, the data are showing clearly that goods and services provided by immigrants are going up substantially more than other goods and services. This is telling evidence that the policies of substantial increase in deportations, removal of work authorization for hundreds of thousands of non-citizen immigrants, and drastically increased barriers to both legal and unauthorized immigration, are contributing significantly to the national challenge of rising costs and decreased affordability.

ENDNOTES

1 Foreign-Born Workers: Labor Force Characteristics— 2025, Bureau of Labor Statistics, May 19, 2026. https://www.bls.gov/news.release/pdf/forbrn.pdf

2 All price data except for one, are from Table 2. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by detailed expenditure category, June 2026, https://www.bls.gov/news.release/cpi.t02.htm#cpipress2.f.3. The one exception is for the price data for garden and lawn care services which are from the May 2026 report because it was not reported in the June 2026 report.

3 Findings from the National Agricultural Workers Survey 2021-2022: A Demographic and Employment Profile of United States Crop Workers. https://www.dol.gov/sites/dolgov/files/ETA/naws/pdfs/NAWS%20Research%20Report%2017.pdf

4 The 15 percent that is imported arrives mostly in the winter months and has little effect on the June 2026 over June 2025 inflation rate.

5 Passel, Jeffrey S. and D'Vera Cohn. 2015. "Immigrant Workers in Production, Construction Jobs Falls Since 2007: In States, Hospitality, Manufacturing and Construction are Top Industries." Washington, D.C.: Pew Research Center, March.

6 100% of gardening and lawn care services consumed in the U.S. are produced domestically.

7 Jeanne Batalova, "Immigrant Health-Care Workers in the United States." Migration Policy Institute, May 14, 2020. https://www.migrationpolicy.org/article/immigrant-health-care-workers-united-states.

8 100% of home health care services consumed in the U.S. are produced domestically.

9 U.S. Census Bureau, "2020 Census: United States Older Population Grew." May 2023. https://www.census.gov/library/stories/2023/05/2020-census-united-states-older-population-grew.html

10 Jeanne Batalova, "Immigrant Health-Care Workers in the United States." Migration Policy Institute, May 14, 2020. https://www.migrationpolicy.org/article/immigrant-health-care-workers-united-states.

11 Pew Research Center. https://www.pewresearch.org/short-reads/2024/10/21/most-us-voters-say-immigrants-no-matter-their-legal-status-mostly-take-jobs-citizens-dont-want/

12 Authors' calculations using U.S. Bureau of Labor Statistics, Current Employment Statistics, January 2025 to June 2026 and Bureau of the Census, American Community Survey, 2024.

13 New Residential Construction, Census Bureau, New Privately-Owned Housing Units Authorized by Building Permits in Permit-Issuing Places, Seasonally Adjusted. https://www.census.gov/construction/nrc/data/series.html. Foreign-Born Workers: Labor Force Characteristics 2025. https://www.bls.gov/news.release/pdf/forbrn.pdf

14 Seasonally adjusted data are not available by month.

15 U.S. Census Bureau and U.S. Department of Housing and Urban Development, New Residential Construction, May 05, 2026. Note that these findings are consistent with an important study released last November that looked back at a past episode of significant deportations and found that the loss of immigrant workers in the construction industry led to a 4.5% increase in the price of newly built homes—as home construction abated and supply became constrained. Howard, Troup and Wang, Mengqi and Zhang, Dayin, Cracking Down, Pricing Up: Housing Supply in the Wake of Mass Deportation (February 16, 2024). This paper previously circulated under the title "How Do Labor Shortages Affect Residential Construction and Housing Affordability?" Available at SSRN: https://ssrn.com/abstract=4729511 or http://dx.doi.org/10.2139/ssrn.4729511