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Economic Impacts of Trump Administration Immigration Policy
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Trump administration immigration policies are causing prices to rise, employment and incomes to drop, economic growth to decline, damage to public programs on which millions of Americans rely, and the weakening of American economic leadership—all contributing to the affordability challenges facing the American people.

- The measured foreign-born workforce has declined by 1.2 million workers.
- The loss of immigrant workers has driven up food prices. This can be seen in the food produced by immigrants rising in price more than other food. Examples of immigrant-reliant food price increases that have exceeded the average increase in grocery prices are: fresh whole milk, up by 5.7 percent, canned vegetables, up by 6.3 percent, and apples, up by 7.2 percent.
- The loss of immigrant construction workers is driving up housing costs. This is seen in fewer houses being permitted and built, and building costs increasing faster, in the states most reliant on foreign-born workers. The cost of building homes has jumped up by 10.9 percent in the states most reliant on foreign-born workers while increasing 5.8 percent in the other states. Higher building costs translate to higher prices for homebuyers.
- Other industries that rely on immigrant workers have also seen outsized price increases. The cost of home health care has jumped by more than 16 percent, nursing homes by close to 8 percent and landscaping by over 25 percent.
- As businesses have suffered from the loss of immigrant workers, the pain has been shared with native-born workers. One study found that by September of 2025 Trump immigration policies had already cost native-born workers between 51,000 and 297,000 jobs.
- The loss to the labor force has meant slower economic growth dampening income growth. Inflation adjusted disposable income has fallen for the lowest income 90 percent of the working age population.
- Lost immigrant workers has meant lost tax revenue with particular harm done to the long-term viability of Social Security and Medicare. Required Social Security benefit cuts are now projected to begin in 2032 as a result of fewer immigrant workers contributing to the program.

Introduction and Summary

The second inauguration of Donald Trump as president marked the beginning of the largest decrease in the foreign-born labor force of the United States on record, outside of the Covid

pandemic.[1] This is having a profound effect on the nation's economy which will continue to grow as the administration ramps up deportations and will echo for years to come.

In the short run, the impact is seen in businesses struggling to find workers and, for those businesses that have served immigrant communities, struggling to find customers. As businesses have been forced to scale back by the loss of workers and customers, their native-born employees have also paid a price in lost jobs and income. The owners of businesses have, of course, lost profits. The most broadly experienced pain, however, has been felt in pocketbooks across the country. As the supply of workers has declined, the prices of the goods and services they produce have gone up —contributing substantially to the nation's affordability crisis. In some cases, particularly in the care of the elderly, there is a real threat that some vital services could become prohibitively expensive for many who need them.

In this report, we look at the overall decline in the immigrant labor force and then focus on the industry level employment and price effects in five of the most affected industries: agriculture, construction, home health care, nursing home and adult day care, and landscaping and groundskeeping. Next we look at the impact on native-born workers of the Trump administration immigration policies followed by examining the broader economic damage and government fiscal consequences, with a focus on Social Security and Medicare.

Overall, the Current Population Survey reports a loss of 1.2 million foreign-born workers from two years ago. Worker shortages can be seen in widespread anecdotal reporting and labor market data—most noticeably in industries and states most reliant on immigrants.

Price increases have been felt by consumers and seen in official inflation data. While the overall inflation for groceries from January 2025 to August 2026 was 3.4 percent, the rise in prices for food relying heavily on immigrant workers for its production have risen at a greater rate**.** For example, apples are up 7.2 percent, canned vegetables are up 6.3 percent, fresh vegetables are up 5.7 percent, and fresh whole milk is up 5.7 percent. This reverses the trend over the previous 19 months when the prices of food most reliant on immigrant labor rose less than the average of all food prices.

The Administration's Department of Labor has noted that: "The near total cessation of the inflow of illegal aliens combined with the lack of an available legal workforce, results in significant disruptions to production costs and threatening (sic) the stability of domestic food production and prices for U.S. consumers."[2]

In construction, the states with the highest dependence on foreign-born workers have seen declines in construction employment while it has risen only modestly in other states. With worker shortages, permits to build new homes and the number of new homes under construction have fallen overall but to a markedly greater degree in regions and states more reliant on foreign-born workers. With less supply, the cost of building homes has risen—with the largest increases in states most reliant on immigrant workers. The average cost valuation of a newly built home has jumped by 10.9 percent in the five states most reliant on foreign-born workers while

[1] Citations for data in this introduction can be found in the body of the report where fully described
[2] Ashleigh Fields, "Labor Department warns Trump immigration policies could drive up food prices." The Hill October 14, 2025. https://thehill.com/business/5554649-trump-deportations-food-prices-labor/

increasing only 5.8 percent in the other states: $305,370 to $338,752 compared to $304,198 to $321,885 in the other states. This has reversed the pattern seen before the start of Trump immigration policies when the cost of building homes was growing more *slowly* in states benefitting from a large number of immigrant workers. Higher cost of construction has been mirrored in housing prices paid by homebuyers—with regions that have employed a higher share of immigrant workers seeing greater price increases since the beginning of the Trump administration than other regions.

Home health care, nursing home and adult day care, and landscaping and groundskeeping, all service industries highly reliant on immigrant workers, have seen their prices go up by 16.7 percent, 7.9 percent, and 25.1percent respectively—far exceeding the inflation rate of goods and services less dependent on foreign-born workers.

None of this is working to the benefit of native-born workers. Not only are they, along with everyone else, seeing higher prices—their labor market outcomes are worsening. Research on past mass deportation programs has found that when immigrant-reliant businesses are hurt by the loss of their immigrant employees this hurts their native-born employees—with job and wage losses. This outcome far outweighs native-born workers benefitting from job openings created by deportations—largely in occupations in which native-born workers have little interest. The emerging research on the current large-scale deportations shows that history is repeating itself. One study found that even as of September 2025 of the 668,000 jobs lost due to changed immigration policies, 51,000 to 297,000 were lost by native-born workers.

The administration's immigration policies are fueling the nation's affordability crisis in more ways than one. They are increasing prices but are also constraining household income as they play a substantial part in declining economic growth. From the beginning of the Trump administration through June of 2026 the average inflation-adjusted disposable income of the lower 90 percent of the working age population has declined (even as disposable income has risen for the top 10 percent).

The ramped-up spending on the administration's immigration initiatives and the loss of immigrant contributions to the nation's tax base have coincided with cuts in public services that have further undermined Americans' economic security. The harm to public services most clearly connected to immigration policy has been to the viability of Social Security and Medicare. Immigrants, more likely to be working than the native-born, have been acting as a partial lifeline for these programs struggling to support the country's aging population. As a result of the loss of immigrants in the workforce, that is much less the case now. The Trump administration's 2026 Trustees of Social Security Report acknowledges that the reduction in net immigration has weakened the finances of Social Security and moved up the date of the system's insolvency to 2032.

Some of the outcomes we have seen are reversible should more thoughtful immigration policy take hold. Some damage, however, will be more lasting. The United States has been a beacon that has drawn people from across the world who have brought their creative and entrepreneurial energies. Many of the most successful businesses in the world were founded in the United States by immigrants or their children. Those businesses have been critical to the great economic success of the nation—innovating, creating jobs, raising incomes, and raising living standards for

Americans. Losing that edge in the world economy could have profound effects on how the nation is economically positioned for the future.[3]

The causes of the slowdown in job creation and economic growth, the rise in prices, the fall in real incomes, the job loss and the damage to public programs over the past 19 months are multifaceted and complex. Trump immigration policy is not the sole cause of these outcomes. The Administration's Iran war policy, tariff policy and other policies, as well as factors unrelated to public policy, play roles. Immigration policy is, however, a major factor. This can be seen by the outsized impacts observed in industries, regions and states that have benefitted most from immigrant labor relative to those in which immigrant labor has been relied on to much less of a degree. When these comparisons are made, as they are in this paper, the data are striking.

In summary, Trump administration immigration policies are contributing to rising prices, slowdowns in job creation and economic growth, drops in real incomes, damage to public programs on which millions of Americans rely and weakening American economic leadership. Unfortunately, whatever the future holds, things are likely to get worse before they get better. The consequences of the Trump administration's immigration policies described here are growing over time as it overcomes logistical and legal hurdles to reach its ultimate goals.

The Shrinking of the Immigrant Workforce

As of August 2026, there are 1.2 million fewer immigrant workers in the U.S. labor force than there were in August of 2024 according to the data from the U.S. government's Bureau of Labor Statistics.[4] Although Current Population Survey (CPS) data, used to measure the size of the labor force, can be volatile month-to-month due to its sample size, recent months show a loss in foreign-born workers over a two-year period that has only been seen once before—during the Covid pandemic.

These losses to the labor force are rooted in a range of Trump Administration immigration policies. Many workers have been forcibly removed from the labor force: through arrests and deportations. As of July 2026, ICE arrests have risen to above 40,000 per month, approaching 1 million in total,[5] and the White House claims over 600,000 deportations and that millions have left voluntarily since the beginning of the Trump presidency.[6] Those removed have included not only people who have been living and working outside the view of the authorities but also many who have been checking in regularly as they have sought to normalize their status—people who, in the past, have not been summarily arrested or deported. In addition, for many unauthorized immigrants who have not been arrested or deported, the fear of those outcomes has made them

[3] One sign of the damage being done is the decline in the number of international students seeking admission to U.S. colleges and universities. Johanna Alonso, "New Student Visas Dropped 23% in 2025," Inside Higher Ed, August 26, 2026, https://www.insidehighered.com/news/global/international-students-us/2026/08/26/new-student-visas-dropped-23-2025.

[4] U.S. Bureau of Labor Statistics, Civilian Labor Force Level - Foreign Born [LNU01073395], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/LNU01073395, September 23, 2026.

[5] Government data provided by ICE in response to a FOIA request from the Deportation Data Project analyzed by EIRC. https://deportationdata.org

[6] White House. "Secure the Border." Undated. https://www.whitehouse.gov/priorities/border-immigration/. Accessed September 23, 2026.

reluctant to continue their employment, especially in industries and communities that have been targets of enforcement action.



Many immigrants who have had work authorizations have had those authorizations revoked. One of the largest groups to lose their authorizations has been those who had been legally allowed to stay in the country under Temporary Protected Status (TPS) because of adverse conditions in their native country. To date, over one million people from 13 countries have lost their TPS status. About three quarters of these people were working but have lost or are in the process of losing their access to authorized employment.[7] These immigrants have largely been working for employers who only employ authorized workers—notably in the health industry. For these employers, an employee losing their work authorization means that they will be dismissed, creating a vacancy—often in a hard-to-fill occupation.

The impact of the mass revocation of TPS status is likely to start showing up more significantly in the data following a June 25, 2026, Supreme Court decision upholding the Administration's revocations of TPS for Haiti and Syria. Media reports indicate that the deportation of some 350,000 Haitians with TPS has just begun but will take many months before it is completed.[8]

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[7] Pillai, Nambi Ndugga, and Samantha Artiga, Recent Changes to Temporary Protected Status Designations: Potential Impacts on Health and Health Care, KFF, May 1, 2026 (updated June 25,2026). https://www.kff.org/immigrant-health/recent-changes-to-temporary-protected-status-designations-potential-impacts-on-health-and-health-care/

[8] Stephen Starr, "Death and fear stalk Haitians in Ohio city amid Trump's anti-immigrant crackdown." The Guardian, September 9, 2026. https://www.theguardian.com/us-news/2026/sep/09/haitians-ohio-city-trump-anti-immigrant-crackdown

The Supreme Court decision could ultimately lead to the deportation of 1.3 million immigrants from 17 countries who currently have TPS.

In addition to the loss of unauthorized workers and the loss of authorized status, there has been a drop of inflow of new immigrants.[9] This is a significant factor in the reduced foreign-born workforce. In addition to forced departures, there is always a cycling of immigrant workers in and out of the country. Workers decide to return to their native countries for a variety of reasons in the normal course of their lives. That usual outflow has continued on top of deportations, but the usual offsetting inflow of new immigrants, through official legal channels, as well as through unauthorized border crossings, has been significantly curtailed. This has been in part because of changing official policies but also through embassy and other government agencies slowing the processing of applications under a range of programs for authorized immigration.[10] The administration's approach to immigration, the strong signal it has sent that immigrants of almost any kind are not welcome, has also resulted in less interest in coming to the United States. The net effect is a loss of workers.

The Impact on Employment and Prices in Major Industries

Industries throughout the economy are being affected by deportations and lower immigration. The extent of the impact, however, varies greatly as does the pace at which the impact is being felt. Businesses that lose significant numbers of workers to ICE detentions feel an immediate and significant effect. The impact is more gradual for businesses that can't expand for lack of workers, or which primarily face the challenge of finding replacements for workers leaving through natural attrition.

Thus far, **the economic damage from losing immigrant workers has been exacerbated by their concentration in a set of particularly vulnerable industries**. If the lost workers were spread evenly across the economy and across the country geographically, it would be felt, but less acutely. Because, however, immigrants have taken jobs that are in some cases not attractive to those born in the United States and in other cases require skills and expertise not readily available among native-born workers, they have become irreplaceable cogs in the operations of several key industries, and the impact has been accentuated.

Agriculture, construction, home health care, nursing homes and adult day care, and landscaping and groundskeeping are five industries that each have had a high reliance on immigrants, especially unauthorized immigrants, and have been widely reported as facing worker shortages. For these five industries there are also relevant data available to assess the impact of Trump Administration immigration policy. Collectively these industries play an important role in the economy.

[9] United States Census Bureau, Population Estimates Program Staff, New Population Estimates Show Historic Decline in Net International Migration, January 27, 2026. https://www.census.gov/newsroom/blogs/random-samplings/2026/01/historic-decline-in-net-international-migration.html

[10] For example: Landon Mion, "Trump admin pauses visa appointments worldwide amid heightened screening for applicants." Fox News, August 26, 2026. https://www.foxnews.com/politics/trump-immigrant-visa-interview-pause

In the sections that follow, we look at the impact of immigration policies on each industry's labor force and then look at the effect on prices. The connection between worker availability and prices is straight forward. Restrictive immigration rules and deportations reduce the number of available workers. When labor is in short supply the goods and services that labor produces become more scarce. When goods and services become scarce, prices faced by consumers increase. In addition, businesses losing workers may adopt more expensive techniques of production and pass those increased costs to consumers through higher prices.

Agriculture and Food

Agriculture relies very heavily on foreign-born workers with 48 percent of those in agricultural occupations being immigrants—and half of those immigrants being unauthorized.[11] Parts of the industry, however, are even more reliant on immigrants than the industry as a whole. **Sixty-eight percent of crop workers are foreign-born. Of that 68 percent, 26 are authorized and 42 are unauthorized**. It isn't surprising that we've seen widespread reporting of shortages of agricultural workers as arrests and deportations have ramped up.

Agricultural Occupations: Shares Foreign-Born and Unauthorized, Overall and for Selected Occupations			
Category	**% Foreign Born**	**% Unauthorized**	**Notes**
Agriculture Occupations	**48%**	**24%**	a, b
Crop workers	**68%**	**42%**	c
Graders And Sorters, Agricultural Products	**63%**	**(n/a)**	a, d
Dairy Workers	**51%**	**(n/a)**	e
a. Source: EIRC tabulations of 2024 extract from American Community Survey, U.S. Bureau of Census			
b.Source for unauthorized: Pew 2025 (see Reference for complete citation)			
c. Source: NAWS 2023 (see Reference for complete citation); Not exclusive of other agricultural categories			
d. Fruit sorter, egg grader, etc.			
e. Adcock et.al. 2015. (see References for full citation)			

The Trump Administration has said things to appease farmers and taken some actions to ostensibly address the problems it has created. The policies have, however, veered back and forth and, as with other industries, mass, attention-grabbing raids, have been reduced—even as overall arrests have increased. The extent to which the words have translated into meaningful relief of the labor shortfall, which clearly persists, is unclear.

[11] Employment in the agricultural industry as a whole is 29 percent foreign-born with 14 percent unauthorized immigrants. The difference between the agricultural industry and agricultural occupations shares is explained by employees in the industry who are not in occupations that are exclusive to agriculture. For example, accountants and sales personnel. The industry is of course more sensitive to the loss of workers with specialized agricultural occupations than others.

While reliable and sufficiently timely data on agricultural employment are not currently available,[12] the commentary from industry is a strong validation of what is happening. The sampling of quotes below, and the press reports they come from, are unambiguous. Farmers don't have enough workers which is disrupting food supplies and leading to higher prices.

What the Agricultural Industry is Saying.
A sampling of quotes from press reports from around the country

- A California farmer: "In the fields, I would say 70% of the workers are gone. … If 70% of your workforce doesn't show up, 70% of your crop doesn't get picked and can go bad in one day. Most Americans don't want to do this work. Most farmers here are barely breaking even. I fear this has created a tipping point where many will go bust."
- A Texas Farmer: "Right now, I have zero workers. … We need to figure out what we're doing …"
- CEO of Florida visa services provider: "We have multiple recruiting offices in Mexico and they're having to have pretty robust extra conversations with these folks to convince them that it's safe to come back to the United States and they will not be deported. Some of them are still choosing not to come."
- A New Jersey blueberry farmer who normally would hire 600 workers to harvest but could fill only a third of the positions. "We lost 2 1/2 million pounds of blueberries last year to falling on the ground, just due to the fact that we couldn't harvest."
- The Pennsylvania Farm Bureau's federal affairs specialist: "[W]e have tried every possible solution you could think of, and the domestic workforce is just not there in the ag industry. … A lot of Americans, they prefer the office job over getting up at 4 a.m. to go milk a dairy cow or being out in the hot summer heat, picking lettuce, harvesting lettuce, or fruit, etc."
- A California farmer: "Many people may not realize that agriculture … relies on a workforce that includes … undocumented workers. ... Every single American benefits from the labor of undocumented workers … When [immigrant workers] are afraid, our farms falter, supply chains suffer, and trust in public institutions breaks down…. Let's be clear: even if the ICE raids on farms were to stop tomorrow, targeting people at shopping centers, grocery stores, restaurants, and along public roads is just as damaging—if not worse."
- The Kansas Livestock Association dairy industry relations director: "I don't think ag growth in those rural communities in Western Kansas can really happen without immigrant labor."
- The human relations director of a Nebraska meatpacking company: "I've seen whole companies go under after a raid. The supply chain stalls. Beef prices go up. Consumers pay more."
- A Massachusetts farmer: "[W]e typically have about 15 seasonal immigrant workers here in our peak season. This past year, we were only able to fill 10 of those slots."

continued …

[12] The preferred source of monthly industry employment data is the Burean of Labor Statistics Current Employment Survey. That survey, however, does not include agriculture. The only monthly data source for agricultural employment is the Current Population Survey. That survey has a small sample size which results in significant volatility month-to-month, especially for relatively small populations such as agricultural workers. Furthermore, the CPS is a survey of people not employers and, in an industry with such a high share of workers who are at risk of enforcement action by the government, many may avoid answering government survey questions. If the unauthorized population is underrepresented in the survey, their numbers may be misrepresented, in addition to the problems associated with the volatility inherent in the small sample size. There are other data sources for agriculture employment that are more reliable but they come with a substantial delay and the currently available data do not include the relevant period.

- A Texas cotton farmer: “The big issue we’re having now is finding workers. God almighty, is it hard.” Describing a Mexican farmworker who stopped seeking authorization as a seasonal worker: “He got scared. He told me, ‘I hear the talk that [immigrants] are getting shipped out to Venezuela or El Salvador—and I don’t want that to happen to me.’”
- The executive director of the Dairy Producers of New Mexico after an ICE raid left 20 workers out of 55: “You can’t turn off cows. They need to be milked twice a day, fed twice a day.’’
- The head of the Kansas livestock association: “We have a choice. … We can import workers. Or we can import food.”
- A California farm manager: “Nobody feels safe when they hear the word ICE, even the documented people. … If things are ripe, such as our neighbors have bell peppers here, (if) they don’t harvest within two or three days, the crop is sunburned or over mature. … We need the labor.”
- The mayor of a town in Iowa where 200 immigrant workers with TPS status at a major pork processing plant had their jobs terminated: “These people have work visas, but they’ve been revoked and the Supreme Court has upheld those revocations.”
- A seasonal worker on an Idaho farm: "We all come on the H-2A visa program, so we come all here legally by the season, just for the season, and then we go back to Mexico. … We usually get a lot of applications. We're not getting that many now because people is afraid of that even when they are legally here, they're getting arrested for no reason."
- The CEO of the American Business Immigration Coalition: “That’s not a way to run business when your employees are at this level of stress and trauma. … We saw ICE agents on farms, pointing assault rifles at cows, and removing half the workforce.”
- A Californian farmworker: “If they show up to work, they don’t know if they will ever see their family again.”
- A produce farmer in Massachusetts: “We are short on labor for people with the necessary skills to do some of the jobs that are required in farming.”
- A Wisconsin farmer: “It is this sort of great big fat open secret that everybody understands, that there’s tons of undocumented folks working in production agriculture …”
- The head of the Pennsylvania Farm Bureau’s Ag Labor and Safety Committee: “It’s a shame you have hard-working people who need labor, and a group of people who are willing to work, and they have to look over their shoulder like they’re criminals. They’re not.”
- A Dairy Farmer: “We could not produce food without them. The majority of many agricultural products produced in the United States are produced by immigrant labor.”
- The American Farm Bureau calls the shortage of workers “the single greatest threat to agriculture” and described the administration’s professed way for dealing with it “not the sustainable solution.”
- A Delaware Watermelon grower: “We’re not going to be able to move forward in the poultry industry, and in the fruit and vegetable industry, without consistent foreign workers.”
- The director of Legislative Affairs for the American Business Immigration Coalition on Administration immigration policy: "It's absolutely impacting the labor force."
- A Wisconsin farm organization government relations director: “A lot of the milk that we drink and the food that we eat comes from, and is touched by, people who are working really hard, but aren’t U.S. citizens. I think our members acknowledge that our industry would collapse if we didn’t have immigrants holding them up at this point.”
- A north-central Kansas produce farmer: “I don’t know what I’d do without these people. I’d have to close it all up.”
- A Pennsylvania dairy farmer: “People don’t understand that if we don’t get more labor, our cows don’t get milked and our crops don’t get picked.”
- Head of the Kansas Livestock Association: “Essential isn’t a strong enough word” when describing the need for foreign-born workers.”

continued …

- The CEO of Land O'Lakes, chair of the Business Roundtable immigration committee "These are folks sometimes try to get American labor [but] are struggling to do so. … They absolutely need labor, and if they don't have it ... it could be a black swan event for a farmer if they don't have somebody who can help. …" And "Many are illegal. The thing that's very challenging is that most people acknowledge these are jobs that Americans don't want to do. … Let's talk about the backbreaking work of picking produce in the Central Valley. … Let's talk about dairy farmers. That's a 24/7, 365-day-a-year business. These are not jobs, writ large, that American citizens want to engage with. … If you are a dairy farmer and you don't have labor, you don't have a business."
- A Vermont immigrant dairy worker: "I saw through the window of the house that immigration were already there, inside the farm, and that's when they detained us."
- The conservative Republican general manager of a farm business in Idaho facing worker shortages, regarding his Mexican farmworkers: "I love these people. I love the culture, and I love the effort that they make. And ethically, to continue to not fix this problem is absolutely completely wrong. We as Americans try to do the right thing. Let's do the right thing."
- A Vermont dairy farmer: "If I lose my workers, I'm going to be done. What am I gonna do? Hire more migrant workers and worry about losing *them*? … It's very hard to find American help that will actually milk the cows, work in the barns. … We have to worry about weather. We have to worry about the price of milk fluctuating. And now we gotta worry about losing our help. We're just trying to make a living and feed the country."

The Price Impacts on Immigrant-Reliant Food Sources

Food prices are a top concern for American consumers, and their increase is a threat to affordable living. To assess the costs to consumers of the agricultural labor force challenges created by Trump administration immigration policies, we compare what has happened to prices of foods that are highly dependent on immigrant workers with overall food price inflation and compare those changes with the trends before the beginning of the Trump administration. We find that the fruits and vegetables and dairy products most produced in the United States by immigrant workers have seen price increases substantially above that for other groceries since the implementation of the Trump immigration policies. We also find that this is a reversal of the trend prior to the beginning of the Trump Administration when the price inflation for these foods was below that seen for other groceries.

The August 2026 Consumer Price Index (CPI) shows that food consumed at home (groceries) have experienced 3.4 percent inflation from January 2025 to August 2026.[13] The following table shows the price increases, as reported in CPI data, for the fruit, vegetable, and milk products that are most dependent on immigrant labor and for which data are available. These numbers are seasonally adjusted by the Bureau of Labor Statistics to ensure that what is being observed is not merely seasonal variation, such as that due to normal variation in weather. The table also shows the extent to which the product consumed in the U.S. is produced in the U.S. and thus affected by

[13] United States Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), Food at home in U.S. city average, seasonally adjusted, CUSR0000SAF11, https://data.bls.gov/pdq/SurveyOutputServlet

U.S. immigrant labor shortages.[14] It also shows the inflation rates prior to the beginning of the Trump Administration and the differences in the inflation rates before and after the beginning of the Trump presidency.

Food Product	Percent of production in USA	Jan. '25 to Aug. '26 price change	*Jun 23' to Jan' 25 price change*	Change in Inflation Rate
(1)	(2)	(3)	(4)	(5)
All Food At Home		***+3.4%***	+2.9%	*+0.5%*
Immigrant Dependent Food:				
Fresh Vegetables	**65%**	**+5.7%**	-1.0%	*+6.7%*
Fresh Fruits	**41%**	**+3.7%**	+1.7%	*+2.0%*
Apples	**96%**	**+7.2%**	-6.1%	*+13.3%*
Citrus Fruits	**60%**	**+5.0%**	+2.2%	*+2.8%*
Canned Vegetables	**90%**	**+6.3%**	+4.2%	*+2.1%*
Canned fruits	**60%**	**+5.6%**	+1.0%	*+4.6%*
Milk	**99%**	**+5.1%**	+1.7%	*+3.4%*
Fresh whole milk		**+5.7%**	+1.1%	*+4.6%*
Other fresh milk		**+4.9%**	+2.1%	*+2.8%*

From this table we see that:

1. **Immigrant-reliant food prices have risen faster than prices for food purchased for home consumption overall in the 19 months from January 2025, when President Trump took office, to August 2026.** For example, fresh vegetables have increased in price by 5.7 percent compared to the 3.4 percent price increase for groceries overall (column 3).
2. **The inflation pattern after the start of the Trump presidency is the opposite of the pre-Trump pattern** when every immigrant dependent food price, except that for canned vegetables, rose more slowly than the overall food price. For example, in the 19 months prior to the Trump presidency fresh vegetable prices *fell* 1% whereas all food prices rose 2.9% (column 4).
3. The recent food price inflation rates are, for all these immigrant-reliant foods, now higher than they were in the pre-Trump period. For example, fresh milk prices rose by 1.1 percent in the earlier period compared to the 5.7 percent increase we have seen since the beginning of the Trump Administration—a 4.6 percentage point jump in inflation rate

[14] *For Apples:* Skyler Simnitt, Philip Martin, and Marcelo Castillo. Advancements in Apple Picking: An Industry Addresses Tight Farm Labor Markets**,** U.S. Department of Agriculture, Economic Research Service, June 15, 2023. *For Lettuce:* Davis, Wilma V., Catharine Weber, Seth Wechsler, Gary Lucier, Mauricio Soria Rodriguez, D. Adeline Yeh, and Xiaoli Fan, Vegetables and Pulses Outlook: April 2023, VGS-370, U.S. Department of Agriculture, Economic Research Service, April 27, 2023. *For fresh fruits and fresh vegetables*: Steven Zahniser. U.S. fresh fruit and vegetable supplies continue to rely on imports, U.S. Department of Agriculture, Economic Research Service, January 16, 2025. *For fresh citrus fruit:* Catharine Weber, Skyler Simnitt, Helen Wakefield, and Seth Wechsler. Fruit and Tree Nuts Outlook: March 2025, U.S. Department of Agriculture, Economic Research Service, March 27, 2025. *For canned vegetables:* Food Dollar, U.S. Department of Agriculture, Economic Research Service, March 10, 2026. *For canned fruit*: Agnes Perez. U.S. fruit imports gaining in share of domestic consumption, U.S. Department of Agriculture, Economic Research Service, August 25, 2016. *For Fresh milk*: Food Dollar, U.S. Department of Agriculture, Economic Research Service, March 10, 2026.

(columns 3, 4, and 5). For all these fruit, vegetable and dairy products reliant on immigrant workers the bump up in inflation under Trump exceeded the increase in the overall grocery inflation rate of 0.5 points—with the increase ranging from 2 points to 13.3 points (column 5).

4. There is also a pattern within fruits and vegetables that the ones that are most domestically produced, and hence most reliant on immigrant workers, are the ones seeing the greatest price increases under Trump. Apples, which are 96 percent domestically sourced are up in price by 7.2 percent. Canned vegetables which are 90 percent domestically produced have seen a 6.3 percent price rise. Fresh fruits overall, which are dependent on immigrant workers but less so, as they are only 41 percent domestically sourced, have seen a price rise of 3.7 percent. The pattern is true across fruits and vegetables: The higher the domestic production and reliance on immigrants the greater the price rise under Trump.

These patterns: (1) immigrant-reliant food prices growing faster than food overall since January 2025, (2) the sharp change this marked from the pattern seen before January 2025 (3) price inflation for these foods increasing in all cases under Trump and increasing faster than inflation for food overall, and (4) the matching of these patterns to the extent that the foods are domestically produced and hence reliant on immigrants—all add up to the conclusion that the Trump Administration's restrictive immigration policy is resulting in higher food prices.

Thus, while many factors are always at work in agricultural prices, the patterns showing a relationship with the reliance on immigrant labor are telling. As observed by the Administration's Department of Labor: "The near total cessation of the inflow of illegal aliens combined with the lack of an available legal workforce, results in significant disruptions to production costs and threatening (sic) the stability of domestic food production and prices for U.S. consumers."[15]

Construction and Housing

Thirty-two percent of those in construction industry occupations are foreign-born with 19 percent unauthorized. **All the primary occupations in the construction industry rely very heavily on immigrant workers. From 56 percent of drywall installers being foreign-born to over a third of carpenters. For most of the occupations for which there are available estimates for the unauthorized, over half of the foreign-born workers are unauthorized immigrants.**

[15] Ashleigh Fields, "Labor Department warns Trump immigration policies could drive up food prices." The Hill October 14, 2025. https://thehill.com/business/5554649-trump-deportations-food-prices-labor/

Construction Occupations: Shares Foreign-Born and Unauthorized, Overall and for Selected Occupations			
Category	**% Foreign Born**	**% Unauthorized**	**Notes**
Consruction Occupations	**32%**	19%	a
Drywall Installers, Ceiling Tile Installers, And Tapers	**56%**	**33%**	**b**
Plasterers And Stucco Masons	**55%**	**(n/a)**	
Roofers	**53%**	**32%**	**b**
Painters And Paperhangers	**50%**	**26%**	**c**
Carpet, Floor, And Tile Installers And Finishers	**50%**	**24%**	**c**
Construction Laborers	**43%**	**21%**	**c**
Helpers, Construction Trades	**38%**	**(n/a)**	
Brickmasons, Blockmasons, Stonemasons & Rein. Iron & Rebar Workers	**38%**	**25%**	**c**
Insulation Workers	**38%**	**(n/a)**	
Cement Masons, Concrete Finishers, And Terrazzo Workers	**35%**	**(n/a)**	
Carpenters	**34%**	**17%**	**c**
Foreign-born shares from EIRC tabulations of 2024 extract from American Community Survey, U.S. Bureau of Census			
a. Source for unauthorized: Pew 2025 b. Source for unauthorized: Pew 2024 (see Reference for complete citation) c. Source for unauthorized: Pew 2016 (see Reference for complete citation)			

With 32 percent of those who work in construction occupations being immigrants, losing immigrant workers obviously is a big problem for the industry. The much higher shares in specific occupations, however, creates particular bottlenecks. We can see, for example, that 53 percent of roofers are immigrants. Given that, generally speaking, roofs are considered a desirable feature in buildings—the loss of immigrants is an even larger constraint on construction than the prevalence of immigrants in the industry overall would suggest. The loss of immigrant workers has been the cause of great concern in the construction industry, as the sampling of quotes beginning on page 14 make clear.

The construction industry exists throughout the country but is largely local and the reliance on immigrant workers varies substantially by state. Thus, by comparing states that rely more on foreign-born workers with states that rely less on foreign-born workers we can see how restrictive immigration policy is affecting the industry.

Since the beginning of the Trump Administration, through July 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 small employment growth. Specifically, the five states that had the highest immigrant share of their labor force—California, Florida, Nevada, New Jersey, and New York—states which collectively have been home to about half of the immigrant population, have seen a 0.9 percent *drop* in construction employment, while the other states have seen an increase of 3.4 percent increase.[16]

[16] Note that this is not an artifact of the high immigration states doing less well in employment generally. Those states have seen 0.39 percent growth in employment from January 2025 while the other states have seen 0.43 percent. A small difference that could easily be explained by the loss of immigrant workers. Author's calculations using U.S. Bureau of Labor Statistics, *State and Metro Area Employment, Hours & Earnings, Construction Employment (seasonally adjusted).* U.S. Department of Labor. Retrieved September 2026, from https://www.bls.gov/sae/data/

That pattern can also be seen regionally. The Northeast and the West regions, with the highest shares of immigrant workers saw declines in their construction employment of 0.8 percent and 0.4 percent respectively. The South and, particularly the Midwest, have lower reliance on immigrant workers and have seen construction employment growth of 3.1 percent and 6.2 percent respectively.[17]

Within construction employment, we cannot tell which occupations have been most affected. Reporting from the industry indicates that the most likely scenario, that occupations highly dependent on immigrants are seeing the greatest shortages, is happening. If so, then the shortfalls evident in the industry-wide data are likely understating the extent of bottlenecks and their impact on production.

In a country facing housing shortages—with demand for housing exceeding supply—the loss of construction workers is a serious problem and, as discussed below, is leading to supply issues and higher costs. Although the loss of construction workers has been most pronounced in the states and regions that rely most on immigrant workers, immigrant workers are also part of the workforces in the less reliant states and regions as well. As the administration's immigration policies continue to take further hold, the problems will worsen and spread. Economist Ben Zipperer has calculated that the Trump immigration agenda will eventually lead to the loss of 1.4 million construction jobs, of which 860,000 are held by U.S. born workers.[18]

What the Construction Industry is Saying
A sampling from press reports from around the country

- A Texas contractor describing the impact of the ramp up of immigration enforcement on worker availability and project completion: "Now I have probably a third of what I used to have. Painters usually we'd have six working in a house. Now it's only two. Tile, we used to have four. Now it's sometimes just one…. Right now I'm closing one up tomorrow that should have been done about a month ago, but unfortunately, because of circumstances beyond our control, we are where we are."
- An Alabama construction site superintendent who lost half the workers on a project, has only 12 of his 22-person roofing team which is resulting in damage and cost in building a recreation center: "[B]ecause of their skin color. They are scared because they look the part."
- A Florida construction company manager who has lost between a third and half his workers and who's remaining immigrant workers are asking for higher pay: "They're factoring in basically a hazard rate. And then I'm going to pass it on to my customer, whether it be a homeowner, or a commercial building owner."

continued …

[17] Author's calculations using U.S. Bureau of Labor Statistics, *State and Metro Area Employment, Hours & Earnings, Construction Employment (seasonally adjusted).* U.S. Department of Labor. Retrieved September 2026, from https://www.bls.gov/sae/data/

[18] Ben Zipperer, "Trump's deportation agenda will destroy millions of jobs," Economic Policy Institute, July 10, 2025, https://www.epi.org/publication/trumps-deportation-agenda-will-destroy-millions-of-jobs-both-immigrants-andu-s-born-workers-would-suffer-job-losses-particularly-in-construction-and-child-care/

- A North Carolina contractor running behind schedule because of loss of immigrant workers: "I asked if there was [a] sickness in the family. They said, 'No, we are worried about deportation.' … We have other jobs coming up that I can't get to. … I know they have legal status, but the fear of being detained until that is proven is what scares them the most …. They don't want to be without their family for who knows how long until it's determined that they are legal and they can stay."
- A spokesman for the Association of General Contractors of America: "[They] are taking people permanently out of the construction workforce, and in many cases people that have been working at construction firms for 10, 15, 20 years."
- Chief investment officer at a Florida building firm: "The reality is, a significant portion of our industry relies on immigrant labor—skilled, hardworking people who've been part of our workforce for years. When there are sudden crackdowns or raids, it slows timelines, drives up costs, and makes it harder to plan ahead."
- Board president of the South Texas Builders Association on the impact of immigration policies: "Business is down significantly. If we continue on this trajectory, we will see a lot of businesses fail."
- The president of Dallas-based Cadence McShane Construction: "It makes the projects more expensive. It has an impact on cost, quality and schedule if you don't have enough qualified workers to do the work."
- A California architect working on rebuilding a fire-decimated community regarding delays: "ICE all over the place has affected the work. We have to be careful. We've had less people."
- An Alabama construction company owner: "The contractor world is full of Republicans. I'm not anti-ICE. We're supportive of what the president is trying to do. But the reality of it is our industry has to have the Hispanic immigrant-based workers in it."
- President of the South Texas Builders Association Government Affairs Committee describing the impact of Trump immigration policies during the first 18 months of the second term: "It's been tough economically and, how can I put it, humanity-wise. So, on both sides, it's affecting us. It's tough moments for us right now."
- The CEO of the National Association of Home Builders: "The threats and the reporting of raids have caused workers to not show up at job sites, just whole crews for fear of a raid."
- The owner of a Key West Florida roofing company who lost a third of his workforce to ICE detention: "It's going to be really hard to replace those guys. In Key West, you don't just pull replacements from a big labor pool, and training takes years."
- The chief economist of the Associated General Contractors of America commenting on a survey that found that a third of construction firms had been impacted by new immigration enforcement as of August 2025—with the impact varying greatly by state: "As the survey results show, construction workforce shortages aren't just a problem for the construction industry. Construction projects of all types are being delayed because there aren't enough qualified workers available for firms to hire."
- The vice president for government relations of the National Roofing Contractors Association: "Immigrant labor is indispensable to the roofing industry."
- The senior vice president and chief policy officer of the Los Angeles Area Chamber of Congress: "At some point, we really need to rebuild a lot of properties across the region at a historic rate …. Between the fires, the cutting off of federal funds, the tariffs – which operate as taxes to businesses and individuals—and these immigration enforcement actions, (construction projects) are either grinding to a halt or becoming really expensive through staffing (and supplies) shortages."

continued …

- The chairman of the Associated Builders and Contractors of Alabama: "From an economic standpoint, from our economy, taking this magnitude of workers out of our workforce will adversely affect our industry. … It's going to create higher prices, going to create slower timelines. It's going to create some contractors going out of business because they can't have employees. It's just not a really good situation. … These guys on the job sites right now, their head's on a swivel because they're so concerned any minute that they may get raided. They've heard that some of these people throughout the process have been picked up even though they had documentation."
- The chief executive of the Associated General Contractors of Massachusetts: "If we have folks who have been here for 20 years and have developed the skills and expertise to perform a particular trade or craft, and all of a sudden they're being deported or aren't employable, it could really hurt the industry now and may lead to a lack of confidence in hiring immigrant workforces in the future."
  CEO of the Retirement Systems of Alabama who leads construction projects funded by the system: "These people who have been here 10 years, 15 years, never did a damn thing except feed their family and work and pay their taxes as legal as you could get, other than they came improperly 20, 30 years ago in some cases."

Housing Costs

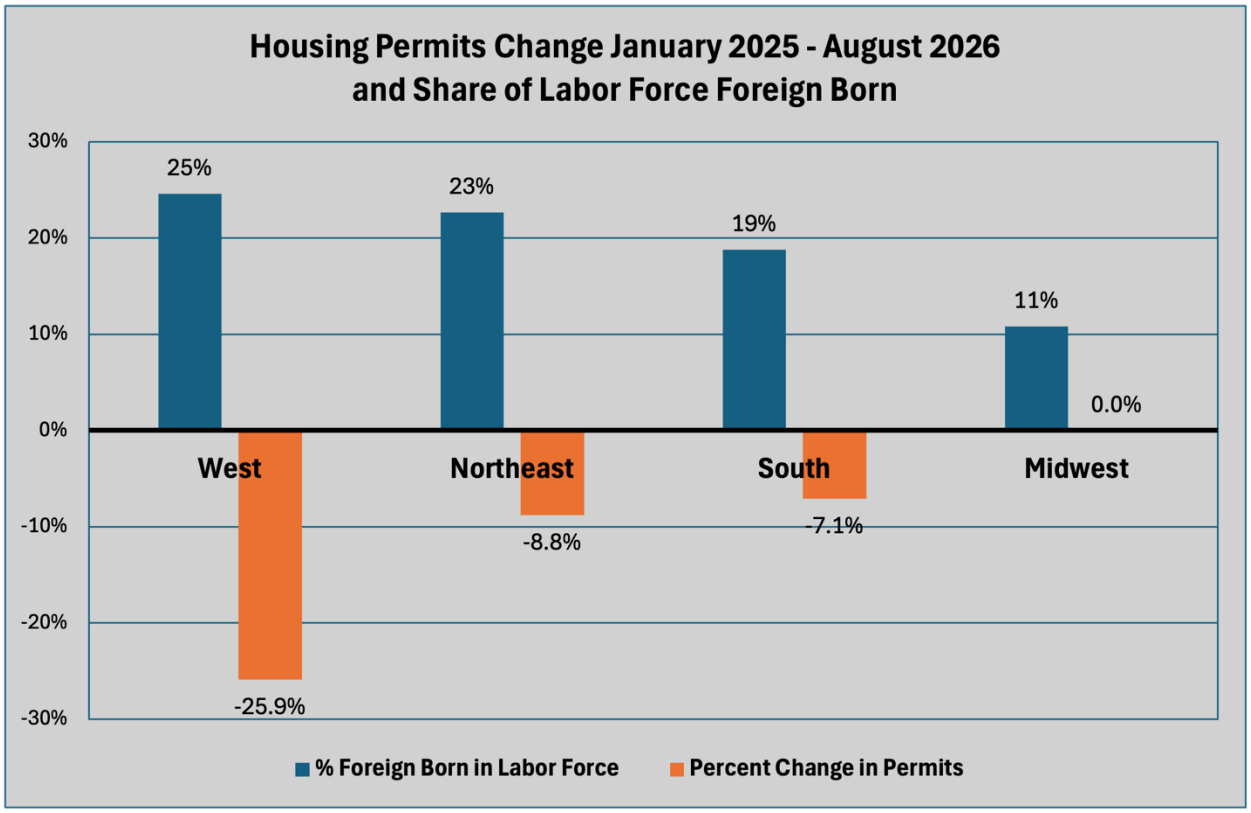
With housing costs making up over one-third of household expenditures, the current housing shortage is a major contributor to the affordability crisis.[19] With their outsized role in the construction industry, immigrants have been a significant part of the solution and their removal is making the problem worse.

The prices of newly built homes, unlike the groceries discussed earlier, are not included in the consumer price index and there are no comparable products with which to compare inflation rates. We can, however, isolate the impact of immigration policy by comparing the states and regions where this highly localized industry has greater, or less, of a reliance on the immigrant labor force using data on building permits, the number of homes under construction, construction costs, and home prices.

Housing Permits. From January 2025 to August 2026, the country has seen a decline in the issuance of permits for single family homes of 10.6 percent (seasonally adjusted). The decline, however, has varied regionally in a pattern similar to the pattern seen in construction employment. The areas of the country that have relied more on foreign born workers have seen the sharpest declines. **The West, which has had 25 percent of its workers foreign born, saw a decline in the issuance of housing construction permits for single family homes of 25.9 percent. The Northeast, with 23 percent immigrant workers, saw a decline of 8.8 percent. The South, with 19 percent of its labor force having been immigrants, has seen permits**

[19] Bureau of Labor Statistics, Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, August 2026. https://www.bls.gov/news.release/PDF/cpi.PDF

drop by 7.1 percent. The Midwest, however, with the lowest share of immigrant workers, at 11 percent, has seen no change.[20]



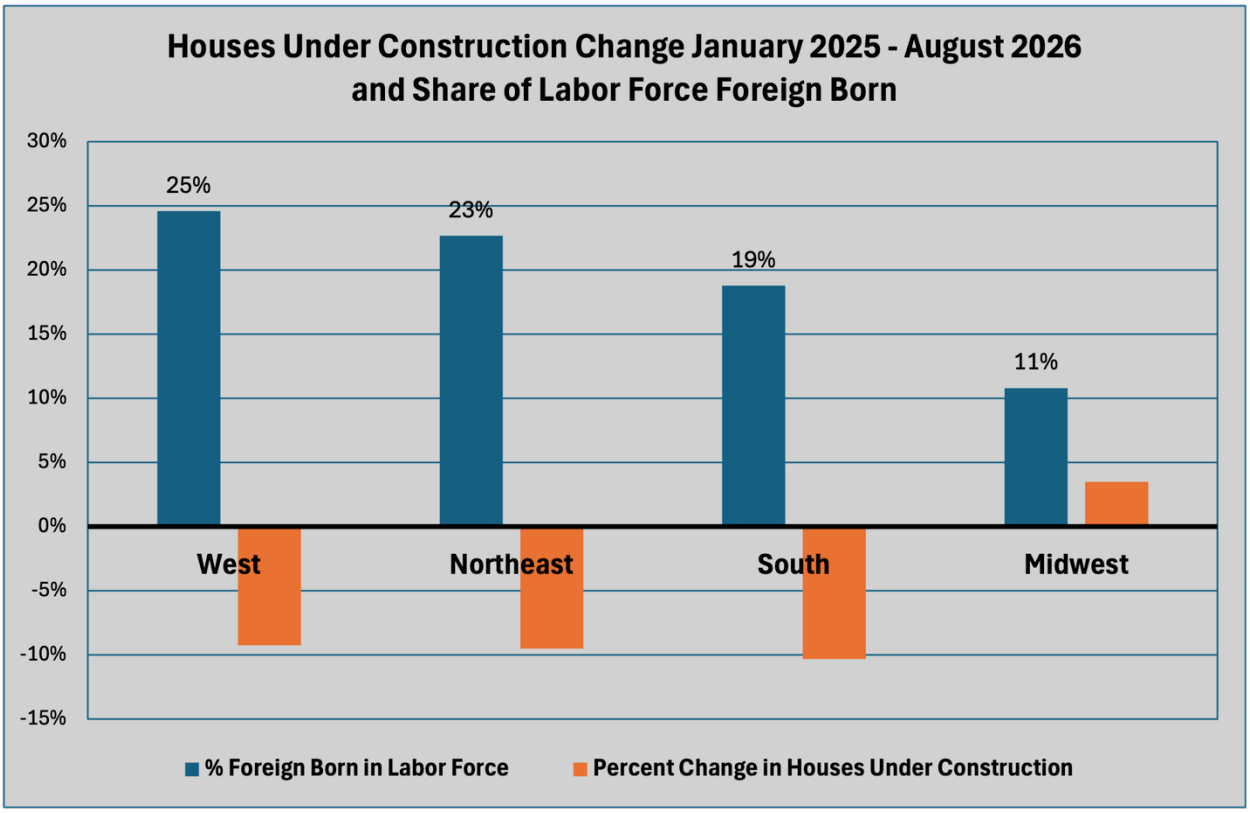
These regional data are available on a seasonally adjusted basis, allowing comparison of a period exactly aligned with the months of the Trump presidency. For states, permit data can only be reliably compared year over year. These data, however, show the same pattern as the seasonally adjusted regional data. **Permits are down nationally in the first eight months of 2026 compared to the same period in 2024, but the decline is 14.1 percent for the five states that have made the greatest use of immigrant workers while they are down 8.1 percent for other states.**[21]

Houses Under Construction. The pattern seen in housing permits has been observed for some time. It is now becoming visible in the number of homes under construction. There are 8.1 percent fewer homes under construction nationwide but similar to the pattern seen in permits

[20] 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

[21] Building Permit Survey, U.S. Census Bureau, Permits by State. https://www.census.gov/construction/bps/current.html

they are down 9.3 percent in the West, 9.5 percent in the Northeast, and 10.3 percent in the South, but up 3.5 percent in the Midwest.[22]

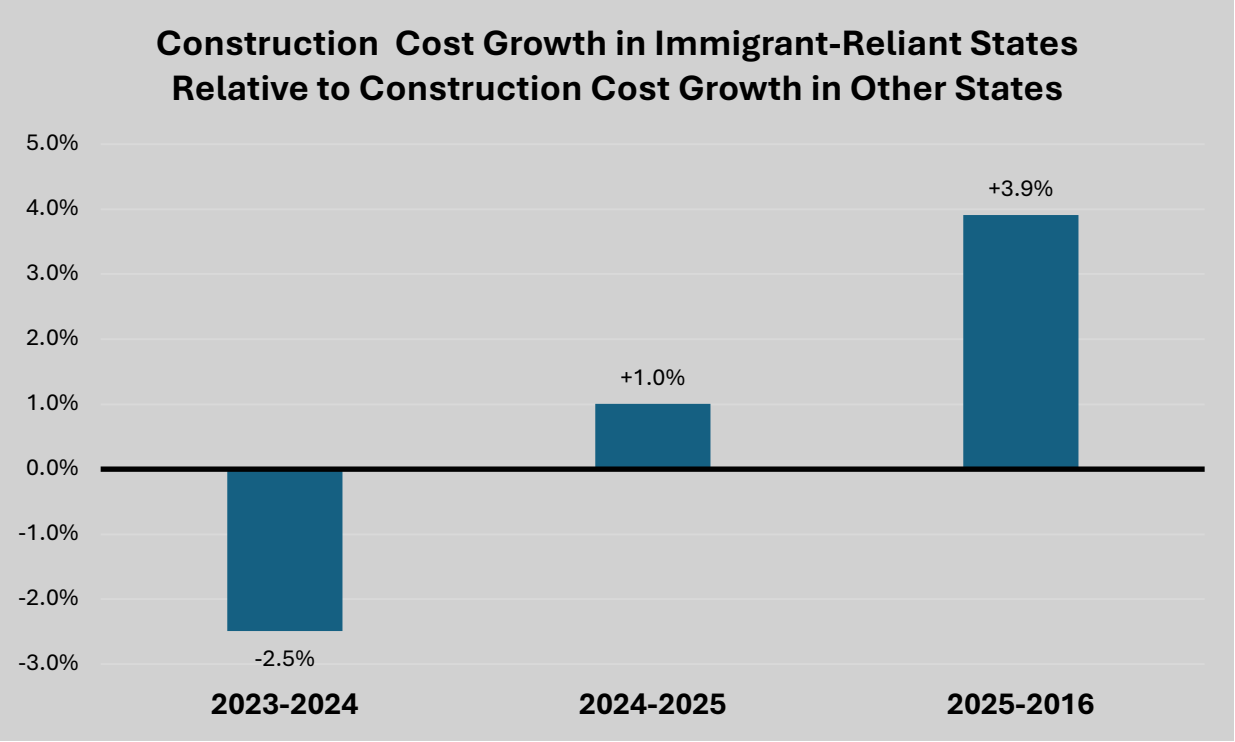


Home Valuations. The state permit data includes estimated construction valuations of the structures being built. Costs of construction, of course, end up reflected in the prices faced by homebuyers. Costs have risen faster in areas where immigrant workers have been the largest share of the workforce and the supply of available workers has been constrained. **The average construction valuation for new single-family homes in the five states with the highest share of immigrant workers rose from an average of $305,752 over the first eight months of 2024 to an average of $338,752 in 2026—a jump of 10.9 percent. For the rest of the states, average cost went up from $304,198 to $321,885—an increase of 5.8 percent.** Thus, in states relying more heavily on immigrants costs have increased by 5.1 percentage points more than in other states.

The beginning of this pattern in construction costs aligns with the beginning of Trump Administration immigration policies. Prior to the Trump Administration, from 2023 to 2024, the states that relied most on immigrant workers actually saw prices grow 2.5 percentage points *more slowly* than other states (1.9 percent versus 4.4 percent). Comparing the first 8 months of 2024 to the same period in 2025, however, the construction valuations in the high immigrant states grew 1.0 percentage point *faster* than the rest of the states (4.7 percent versus 3.7 percent). From 2025 to 2026, as immigration enforcement escalated, costs rose 3.9 percentage points

[22] New Residential Construction, Census Bureau, New Privately-Owned Housing Units Under Construction, Seasonally Adjusted. https://www.census.gov/construction/nrc/data/series.html.

faster in the states more reliant on immigrant workers than in the other states (6.0 percent versus 2.1 percent).[23] In short, as workers have been removed from the construction industry, homebuilding has been constrained and the cost of building homes has increased markedly more in the areas where immigrants have been a greater part of the labor force.

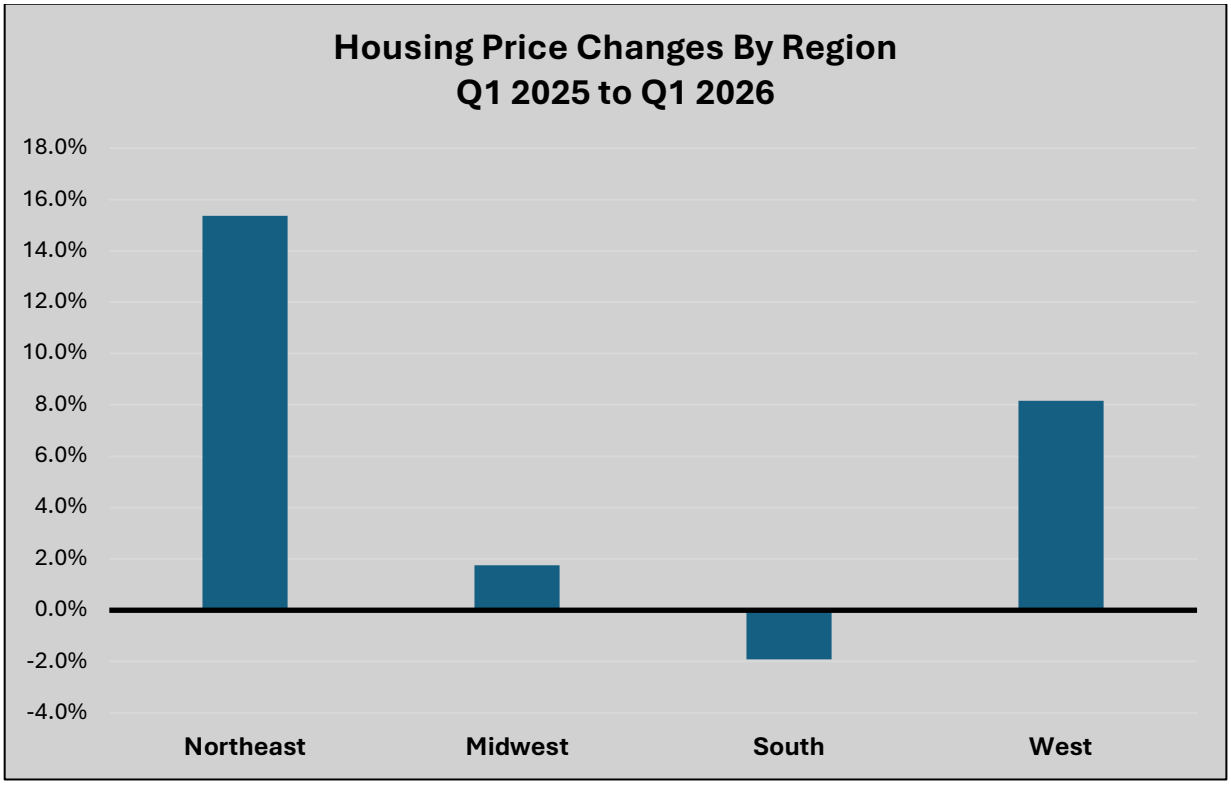


Housing Prices. Measures of the sales prices of new homes are, of course, affected by land values as well as the cost of construction. The prices of new homes are, however, seeing a similar pattern to the reported construction cost valuations. Between the first quarter of 2025 and the first quarter of 2026, the average price of newly built homes rose significantly in the two regions that have benefitted most from 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.[24]

[23] New Residential Construction, Census Bureau, Permits by State. https://www.census.gov/construction/bps/current.html

[24] U.S. Census Bureau and U.S. Department of Housing and Urban Development, New Residential Construction. https://www.census.gov/construction/nrs/index.html. 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

The accelerating cost of construction and its relationship to higher home prices is consistent with reporting from the industry. The South Texas Builders Association, for example, estimates that the slower pace of construction due to labor shortages caused by immigration enforcement has raised prices by $10,000 to $20,000 per home.[25]



Although the differences between states and regions is useful in validating that immigration policy is a cause of lower permitting, less construction, and higher prices, this doesn't mean that the states and regions that rely relatively less on immigrant workers are not being, or will not be, affected. Even in those areas that rely less on immigrants, many immigrants have been working in construction. As the Administration's approach to immigration reaches its zenith, labor shortage issues will likely become exacerbated and felt everywhere.

Finally, it is worth noting that what we are seeing in the housing market today mirrors what has been seen in the past. A recent analysis looked comprehensively at the effect on new home prices of the deportations of unauthorized immigrants that were carried out between 2008 and 2014 under the Secure Communities program. Howard, Wang, and Zhang (2025) found that the increased immigration enforcement resulted in a 5.7 percent reduction in residential construction

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

[25] Melissa Brandi, "South Texas builders say immigration enforcement is slowing construction," KRGV, July 28, 2026. https://www.krgv.com/news/south-texas-builders-say-immigration-enforcement-is-slowing-construction/

and increased new home prices by 4.4 percent.[26] The researchers found that then, as now, the immigrant workers were not replaced by native-born workers—constraining supply and boosting housing costs. In summarizing the report**,** one of the authors said "We're able to show that when you increase immigration enforcement, you do in fact generate a reduction in the number of individuals who are supplying labor to the construction industry in a given county … We show that those reductions in workforce are associated with a large decline in homebuilding." [27]

The deportations occurring under President Trump are much greater than those in the 2008 to 2014 period and are likely to end up causing a more substantial impact—evidence of which we are seeing.

Academic Evidence on Unauthorized Immigrants' Effect on Supply and Demand of Housing

One argument made by administration officials in support of the deportation of unauthorized immigrants is that because they increase demand for housing they drive up prices.[28] There are two flaws in their argument. The first is that it ignores the supply effects which we have examined. The second is that it ignores the academic research that has found that the supply effects overwhelm the demand effects which, in the real world, turn out to be small. The research findings of small demand side effects reflect realities about the capacity of the unauthorized immigrant population. Unauthorized immigrants account for only about 3.5 percent of the population but they represent an even smaller share of the housing market because, on average, they live in households with more people than other households. In addition, with lower incomes they spend less on housing than do other U.S. residents which reduces their impact on the market.[29] Their fraught legal status also creates barriers to, in particular, purchasing a home. Thus, while there are certainly many immigrants who have thrived and developed sufficient economic stability to purchase and rent properties, their overall impact is small.

It therefore isn't surprising that researchers have found that their demand for houses has had no measurable effect on housing prices.[30] Nor have they had a measurable effect on the demand for rental units. Huang et al, address this issue by specifically estimating the demand side effect of

[26] Howard, Troup and Wang, Mengqi and Zhang, Dayin, Cracking Down, Pricing Up: Housing Supply in the Wake of Mass Deportation, (November 10, 2025), Available at SSRN: https://ssrn.com/abstract=4729511 or http://dx.doi.org/10.2139/ssrn.4729511

[27] Logan Stefanich. Mass deportation negatively impacts housing availability, affordability, jobs, Utah study says, KSL news, Posted - Feb. 8, 2025 at 9:03 p.m. https://www.ksl.com/article/51246083/mass-deportation-negatively-impacts-housing-availability-affordability-jobs-utah-study-says

[28] In the 2024 vice-presidential debate, J D Vance asserted that housing "...is totally unaffordable because we brought in millions of illegal immigrants to compete with Americans for scarce homes."
C-SPAN, Simulcast - CBS News Vice Presidential Debate, October 1, 2024. https://www.c-span.org/program/public-affairs-event/simulcast-cbs-news-vice-presidential-debate/649185

[29] Xinhui Huang, Wei Li , and Luqi Xu, Rhetoric vs. Reality: Unauthorized immigration and housing rents, Finance Research Letters, Volume 85, Part A, November 2025, 107876 https://doi.org/10.1016/j.frl.2025.107876

[30] S.S.H. Chen *et al.* Beyond the hype: unauthorized immigrants and the myth of rising house price Finance Research Letters, (2025)

unauthorized immigrants on rental price increases. They found "no statistically significant relationship between unauthorized immigration and housing rent growth at the state level".[31]

The evidence is, thus, quite strong that the damage done to the supply of housing by deporting large numbers of constructions workers critical to the industry creates a large problem on the supply side of the housing price equation but the impact of deportations on the demand side is, outside of isolated markets and unusual circumstances, small. We are already seeing this in the relatively fast-moving, market-sensitive, homebuilding market.

Home Health Care, Nursing Home and Adult Day Care Services

The care of the elderly and disabled adults relies heavily on foreign-born workers. Nationally, 40 percent of home health care workers are immigrants.[32] In addition, 23 to 25 percent of nursing assistants and personal care aids, who work in nursing homes and residential adult day centers, are immigrants.[33] These are growing industries as the aging and lengthening life expectancy of the U.S. population creates greater demand for their services and the workers that provide them. The number of people over the age of 65 is expected to rise by nearly 40 million people by 2060.[34]

Unlike other industries that are being severely taxed by the loss of immigrant workers, however, industries servicing the elderly are less likely to see absolute declines in employment levels over the long run even as the supply of labor falls short of the need. The necessity of the demand for labor within these industries will dictate that. Due largely to the aging population, the Bureau of Labor Statistics has projected that 2.2 million jobs will need to be filled in private health care and social assistance from 2025 to 2035. That is 37 percent of the total number of new jobs projected economy-wide.[35] Home health care support jobs specifically are expected to grow by 18 percent, more than 5 times faster than the 3 percent growth rate of all occupations.[36] Similarly, the residential care workforce in nursing homes and adult day care facilities is expected to grow rapidly.[37] With fewer immigrants available the likely outcome is that less-qualified workers will be drawn in from other industries—exacerbating shortages elsewhere—and that prices will rise

[31] Xinhui Huang, Wei Li , and Luqi Xu, Rhetoric vs. Reality: Unauthorized immigration and housing rents, Finance Research Letters, Volume 85, Part A, November 2025, 107876 https://doi.org/10.1016/j.frl.2025.107876
[32] EIRC tabulations of 2024 extract of American Community Survey, U.S. Bureau of the Census
[33] Priya Chidambaram, Drishti Pillai, and Alice Burns, KFF, Who Are Direct Care Workers and How Might Federal Policy Changes Impact the Workforce? Jul 9, 2026. https://www.kff.org/medicaid/who-are-direct-care-workers-and-how-might-federal-policy-changes-impact-the-workforce/
[34] U.S. Census Bureau, "U.S. Older Population Grew From 2010 to 2020 at Fastest Rate Since 1880 to 1890," published May 25, 2023. https://www.census.gov/library/stories/2023/05/2020-census-united-states-older-population-grew.html
[35] https://www.bls.gov/opub/ted/2026/utilities-fastest-job-growth-private-healthcare-and-social-assistance-most-new-jobs-projected-2025-35.htm
[36] https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm#tab-6
[37] *Caring for the Future: The Power and Potential of America's Direct Care Workforce - PHI. PHI. Published August 3, 2023. https://www.phinational.org/resource/caring-for-the-future-the-power-and-potential-of-americas-direct-care-workforce/* [Google Scholar][Ref list]

in the face of shortages. Shortages are already being experienced, with rural areas in many states experiencing particularly severe shortages.[38]

Leaders in these industries have been raising concerns for some time about the consequences of losing a significant portion of its immigrant workforce, especially the TPS workforce, and the constraints that more limited immigration will place on growth (see selected quotations below). The Trump Administration's decision to revoke TPS for 13 of 17 countries to date and the Supreme Court's ratification of that choice have elevated those concerns greatly and the employment situation in these industries due to immigration restrictions is almost certainly getting worse. Of those potentially impacted by the Supreme Court's ratification of the president's power to revoke TPS status, over 53 thousand are health care professionals and over 18 thousand are specifically home health care workers.[39]

What the Eldercare Industry is Saying
A sampling from press reports from around the country

- Chief executive of LeadingAge New York: "We have a growing number of older adults who need services and we have a shrinking workforce. So anything added that will further reduce the workforce, such as someone's legal status or authorization to work being ... revoked will exacerbate a crisis where we don't have enough people to do these jobs."
- The president of and CEO of the health care ministry of the Archiocese of New York: "About 30 staff members have been impacted by TPS. Several have served our customers for more than 15 years and have deep roots in the community, where they have raised their families. As a result, we have had to remove all of these employees from our payroll. …The elimination of TPS status appears to have been undertaken without adequate consideration of its impact on our health care system and has been deeply harmful to our employees and their families."
- A senior policy officer at the Robert Wood Johnson Foundation: "The loss of this significant part of the workforce means that people with disabilities [and] older folks are going to lose people that they rely on for some of their most basic functions, whether it's bathing, helping feed themselves, or even helping take their medicines,"

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continued …

[38] The national average of home health care workers is 258 per 100,000 people. Twenty states have less than half that average in their non-metro areas, including Washington (28), Alabama (35), Montana (61), and Arizona (69). https://www.americanimmigrationcouncil.org/wp-content/uploads/2015/10/Home-Health-Aides.pdf

[39] Pillai, Nambi Ndugga, and Samantha Artiga, Recent Changes to Temporary Protected Status Designations: Potential Impacts on Health and Health Care, KFF, May 1, 2026 (updated June 25,2026). https://www.kff.org/immigrant-health/recent-changes-to-temporary-protected-status-designations-potential-impacts-on-health-and-health-care/. Jeanne Batalova, "Immigrant Health-Care Workers in the United States." Migration Policy Institute, April 7, 2023. Analysis of the U.S. Census Bureau 2021 American Community Survey (ACS), May 14, 2020. https://www.migrationpolicy.org/article/immigrant-health-care-workers-united-states

- The vice-president of policy and research at the Paraprofessional Healthcare Institute: “We simply do not have enough people in our domestic market, when you exclude immigrants, to fill those jobs.”
- The chief executive of a senior care community in California: **“**Our work force is being drastically disrupted, relationships are being severed and lives are being upended right now,”
- The chief executive of LeadingAge which represents more than 5,000 aging service providers regarding the administration’s immigration policies “a government-mandated disservice to older adults and families in need of care and services. There is no work force waiting in the wings capable of replacing the longstanding relationships, in some cases built over years and even decades, that are so vital to quality care”
- The senior director of Hebrew SeniorLife, a Boston area provider: “No matter their job, they are all caregivers. The effect of losing them will be felt by the 4,500 seniors we care for every day. … These are the people that clean their rooms, serve their food, lift them to take them to the bathroom and to shower,”
- A caregiver: “Because my work authorization expired, I am no longer legally allowed to work and had to leave a job that I loved, caring for others.”
- The president and chief executive of the New York State Health Facilities Association on TPS eldercare providers getting letters revoking their temporary work visas: “I've spoken to a number of providers that have staff that have received these letters and they're very nervous. … These are active members of the community. They're providing essential care in nursing homes that are already struggling with a workforce crisis ... And this is only going to exacerbate this crisis.”
- The vice president of communications and media relations at LeadingAge: “Foreign-born staff are significant contributors to care and services our members provide, and that older adults and their families rely on. Without staff, there is no care. … In ageing services, a sector that has, for a number of reasons, long navigated workforce challenges, the loss of good workers is a significant blow. These are dependable, valued staff who are having to leave their employer because the government says they must go”
- A representative of the Healthcare Association of New York State: "Hospitals, nursing homes and other providers are facing tremendous workforce challenges amid growing and changing patient demand, The dedicated, foreign-born workers they employ are essential to these organizations’ ability to maintain the services they provide. Policies that reduce the health care workforce will reduce access to care.”

Home Health Care Prices

As with other industries that are highly reliant on foreign-born workers, the price of home health care has gone up more than other prices. We can see this in the CPI data. For these services the data are not available on a seasonally adjusted basis, so we compare the same month in two years and compare how home health care prices have changed relative to inflation overall.

What we find is that home health care service prices rose by 16.7 percent between August 2024 and August 2026 compared to 4.7 percent for all items except food, energy, and shelter over the same period.[40]

[40] United States Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), Home health care in U.S. city average, not seasonally adjusted, CUUR0000SEMD03. 100% of home health care services consumed in the U.S. are produced domestically.

Nursing Home and Adult Day Care service Prices

Nursing home and Adult Day Care services are also highly reliant on immigrant workers, and is an industry that has seen significant price increases. Prices for these services are available on a seasonally adjusted basis. Between January 2025 and August 2026, they rose by 7.9 percent, exceeding the 3.3 percent price increase for all items excluding food, energy, and shelter over the same period.[41]

The costs of home health care, nursing home and adult day care services are likely to accelerate as the industries lose more immigrant workers and demand for these services increases with an older and longer-living population. The likelihood that the U.S. will be able to address acute labor shortages and contain inflation in home health care services nursing homes and adult day care facilities by replacing immigrant workers with native born workers is low. To relieve labor shortages and contain costs, we would have to find hundreds of thousands of U.S. born workers with comparable skills willing to work in home health care for a median pay of $34,900 per year.[42] Certified nursing assistants in nursing home fare only a little better with a median pay of $38,900.[43] Adult day care workers earn a median wage of $36,400.[44]

Lawn Care, Landscaping and Groundskeeping Services

Immigrant workers have comprised 35 percent of the 1.2 million lawn care, landscaping, and groundskeeping workforce.[45] Of that 35 percent, 21 percent are estimated to have been unauthorized immigrant workers and 14 percent have been authorized immigrant workers. It is, thus, an industry highly reliant on the foreign-born.

Seasonally adjusted price data are not available for this industry. We compare this industry's price increases from August 2024 to August 2026 to the inflation rate for all goods and services except food, energy, and shelter over the same period.

The data show that gardening and lawn care service prices were up 25.1 percent from August 2024 to August 2026 compared to the 4.7 percent increase in all other prices except food, energy, and shelter over the same period.[46] Thus, this is another industry reliant on immigrant workers that is seeing outsized price increases.

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[41] United States Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), nursing home and adult day care in U.S. city average, seasonally adjusted, CUSR0000SEMD02. 100% of these care services consumed in the U.S. are produced domestically.

[42] Median pay in 2024. Bureau of Labor Statistics, U.S. Department of Labor, *Occupational Outlook Handbook*, Home Health and Personal Care Aides, at https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm (visited *July 06, 2026*);

[43] Bryce Hall. CNA Salary Guide 2026: Pay by State, Setting & Experience, August 30, 2026. https://www.cnaclasses.org/cna-salary/

[44] ZipRecruiter. September 28, 2026. https://www.ziprecruiter.com/Salaries/Adult-Day-Care-Worker-Salary

[45] EIRC tabulations of 2024 extract of American Community Survey, U.S. Bureau of the Census

[46] United States Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), Gardening and lawncare services in U.S. city, Not Seasonally Adjusted, CUUS0000SEHP02.

Impact on Non-Immigrant Workers' Jobs and Wages

Restrictive immigration policy has consistently throughout U.S. history resulted in bad outcomes for non-immigrant workers, and history appears to be repeating itself today.

With regard to the past, Lynch and Ettlinger surveyed the literature on the economic effects of U.S. mass deportation programs going back 100 years. Four of these deportation episodes that took place in the 1930's, 1960's, from 2007 to 2008, and from 2008 to 2014, were carefully studied by economists. In each of these episodes, politicians and proponents of the deportations asserted that the policy would create jobs for American workers, raise their wages, and grow the economy. In each case, however, the opposite happened: American workers lost jobs, their wages declined, and the economy shrank.[47]

Written since that review was completed, the recent analysis of the 2008 to 2024 Secure Communities Program by Howard, Wand and Zhang (2025), mentioned earlier in the context of housing prices, also looked at the effects on U.S. born workers.[48] The authors found that as deportations increased, the number of U.S.-born workers in the construction industry did not increase. Instead, a small increase in the number of low-paid, low-skilled US born workers was offset by a decrease in the number of higher paid, high-skilled workers in construction. The researchers also found no increases in the wages of US-born construction workers. This indicates that builders who lost undocumented workers did not raise the wages of US born workers to attract replacement workers but instead reduced production leading to the higher prices the researchers found.[49]

Other researchers, also studying the 2008-2014 period, found that native-born women were especially adversely affected by the deportation program. They lost employment and income when immigrants exited the labor force because they had to cut back on working to take care of children and elderly family members when immigrant childcare and eldercare workers disappear.[50]

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[47] Robert Lynch and Michael Ettlinger. The Economic Impact on Citizens and Authorized Immigrants of Mass Deportation , August 29, 2024. https://carsey.unh.edu/sites/default/files/media/2025-01/literature-review-economic-impact-mass-deportation.pdf; Lynch, Robert G. and Ettlinger, Michael, Literature Review on the Economic Consequences of the Deportation of Unauthorized Immigrants (July 14, 2024). Available at SSRN: https://ssrn.com/abstract=4898970 or http://dx.doi.org/10.2139/ssrn.4898970

[48] Howard, Troup and Wang, Mengqi and Zhang, Dayin, Cracking Down, Pricing Up: Housing Supply in the Wake of Mass Deportation, (November 10, 2025), Available at SSRN: https://ssrn.com/abstract=4729511 or http://dx.doi.org/10.2139/ssrn.4729511

[49] Howard, Troup and Wang, Mengqi and Zhang, Dayin, Cracking Down, Pricing Up: Housing Supply in the Wake of Mass Deportation, (November 10, 2025), Available at SSRN: https://ssrn.com/abstract=4729511 or http://dx.doi.org/10.2139/ssrn.4729511

[50] East, Chloe N. and Andrea Velásquez (2022). "Unintended Consequences of Immigration Enforcement: Household Services and High-Educated Mothers' Work," Journal of Human Resources, doi: https://jhr.uwpress.org/content/early/2022/05/02/jhr.0920-11197R1

Cortés, Patricia, and José Tessada. 2011. "Low-Skilled Immigration and the Labor Supply of Highly Skilled Women." American Economic Journal: Applied Economics, 3 (3): 88–123;

Research on the current loss of foreign-born workers has found that we are seeing the same pattern today. Cox and East examined wage and employment data for both immigrants and U.S. born workers from October 2023 to November of 2025. They found that in areas of the country that experienced sudden spikes in ICE arrests of immigrants there were significant declines in the employment rate of likely unauthorized immigrants. They also found that the employment of U.S. born workers declined and employers did not increase wages to attract more native-born workers.[51]

Another study, by Escobari, Seyal, and Beach, analyzed the economic effects of the ICE arrest and deportation surge from January through September of 2025. **They calculated that it caused the loss 668,000 jobs, of which 51,000 to 297,000 were jobs lost by U.S.-born workers**.[52] According to the authors there were two main causes of this job loss: "As firms faced sudden labor shortages, they scaled back operations, delayed projects, and cut headcount. At the same time, declining foot traffic and consumer spending hurt businesses whose customers stayed home."

The decline in customer traffic in areas targeted for raids has also been a channel by which native-born workers are hurt by deportations Trump Administration immigration policies. Hernandez analyzed the economic effects of 5,388 ICE raids during the first year of the second Trump administration and found that there was a 2.7 percent drop in foot traffic and a 6.2 percent decline in spending in targeted areas compared with 2024. These declines resulted in over 8 billion fewer customer visits and up to $14 billion in lost business sales.[53] This loss in consumer spending caused businesses to close and jobs to be lost. As Hernandez noted that "Many who seem to be in favor of this approach justify it by saying that it will help American businesses be better off and create more jobs. What I'm finding is it is doing exactly the opposite."[54]

As economist Michael Konczal recently summarized in a series of 10 graphs, there is no evidence of wage or employment benefits to native–born Americans from the strict immigration polices implemented by the Trump administration. Specifically, among other findings, Konczal shows that unemployment for native-born workers is higher and their employment is lower in 2026 than it was in 2024, and wage growth for all but the top ten percent of native-born workers

https://www.aeaweb.org/articles?id=10.1257/app.3.3.88; and Cortes, P. and J. Pan (2019). "When Time Binds: Substitutes for Household Production, Returns to Working Long Hours and the Gender Wage Gap among the Highly Skilled." Journal of Labor Economics 37(2): 351-398. https://www.journals.uchicago.edu/doi/abs/10.1086/700185

[51] Cox, E., & East, C. N. (2026). Labor market impacts of ICE activity in Trump 2.0 (NBER Working Paper No. 35129). National Bureau of Economic Research. https://www.nber.org/papers/w35129

[52] Marcela Escobari, Ian Seyal, and Paul Beach, *Shock, Awe, and Economic Fallout: The Employment Effects of ICE Enforcement in US Cities* (Brookings, May 29, 2026).

[53] Exequiel Hernandez. ICE-ing the Economy: Immigration Enforcement Under Trump 2.0 and Local Economic Activity, SSRN, May 2026. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=6759278

[54] Angie Basiouny. ICE Raids Have a Chilling Effect on Local Economies, Knowledge at Wharton, September 22, 2026, https://knowledge.wharton.upenn.edu/article/ice-raids-have-a-chilling-effect-on-local-economies/

has slowed over the first 18 months of the Trump Administration compared to the previous 18 months.[55]

Big Picture Harms to Economic Growth, Incomes, and Jobs from Labor Force decline due to Immigration Policy

As Nobel prize winning economist, Paul Krugman, has pointed out:

[L]ong-run job creation is driven by growth in the supply of labor. U.S. labor supply growth has been slowing for some time, because Baby Boomers have been aging out of the work force. However, the rate of job growth has suddenly fallen further due to Trump's harsh crackdown on immigrants.[56]

Economic, income, and job growth depend on several key, interrelated factors. This includes increases in the labor force or the availability of people to perform work. The growth of the labor force due to population growth alone has been estimated to be responsible for roughly 40 percent of the economic growth of the United States between 1960 and 2025.[57] Thus, the Trump administration's immigration policies are denying the economy one of its most important sources of growth: people.

According to the CPS, from January of 2025 to August of 2026, the labor force shrank by 919,000 people.[58] For context on the magnitude of this reduction, consider that in the 78 years since 1948 that the government has collected this data, the average annual growth in the labor force has been 1.4 million and the labor force shrank in only seven of those 78 years. In addition, this is the largest decline in the labor force for any 19-month period outside of a recessionary period.[59] The lion's share of the current decline in the labor force is almost certainly due to the loss of immigrants who have been deported or left the country, exacerbated by the flow of immigrants into the country having been greatly diminished.

Historically, the American economy has grown rapidly and been remarkably effective at raising incomes and creating jobs. Over the past 19 months, however**,** the United States has entered a period of unusually slow economic, income and employment growth, particularly for an economy that is not in recession. Real, inflation adjusted GDP (a broad measure of the size of the

[55] Mike Konczal. Can We Find Literally Any Sign Deportations Are Helping Native-Born Workers?Shoot the moon! Ten hypotheses, ten charts, and no payoff for native-born workers, Sep 23, 2026. https://newsletter.mikekonczal.com/p/can-we-find-literally-any-sign-deportations?mod=djemecon
[56] Paul Krugman, Demography, Deportations and the Trump Stall, Why the American jobs machine is sputtering, Aug 16, 2026. https://paulkrugman.substack.com/p/demography-deportations-and-the-trum
[57] Murray, Seth, and Ivan Vidangos (2026). "Labor force growth, breakeven employment, and potential GDP growth," FEDS Notes. Washington: Board of Governors of the Federal Reserve System, April 02, 2026, https://doi.org/10.17016/2380-7172.4045.
[58] U.S. Bureau of Labor Statistics, Civilian Labor Force Level [CLF16OV], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/CLF16OV, September 24, 2026.
[59] The 19-month shrinkage of the labor force was greater only during the 2008-2011 great recession period and during the Covid downturn in 2020-2021.

economy) has grown slowly at only two-thirds of the rate of the preceding 19 months.[60] **The real, inflation adjusted, disposable income per working age adult (the money available to people to spend or save) has fallen from January 2025 to June 2026 by 4.6% for the bottom 50 percent and by 0.9% for the next 40 percent while it rose by 5.5% for the top 10 percent.**[61] In addition to real income loss, job growth has fallen from 1.5 percent over the 19 months prior to January 2025 to 0.5 percent in the 19 months since.[62] All these declines are partly due to the Trump administration's restrictive immigration policies, which have sharply reduced the growth of the U.S. labor force.

Although the administration's claims that their deportation policies are creating millions of jobs for American citizens, empirical research shows that, as described above, American workers are losing jobs due to the administration's current immigration policies. These job losses have not completely nullified job creation in the economy but they have significantly dampened it.

There are several reasons why we are seeing these labor market effects. In an economy that is at, or close to, full employment as was the one President Trump inherited, the right workers for the right jobs are not necessarily available. Immigrant and native-born workers are often complements rather than substitutes for each other. In other words, immigrants frequently possess different skills and abilities, or they are willing to work in occupations that many native-born workers are reluctant to enter, which is partly why construction, agriculture, lawn care, home health care, and nursing home and adult day care are particularly dependent on foreign-born labor. When workers are complements, the jobs of one group depend on the work of other workers with which they collaborate.

The construction industry illustrates the concept. Immigrants make up large shares of workers in occupations such as drywall installation, plastering, roofing, painting, and flooring. If immigration enforcement makes those workers unavailable, construction projects are slowed or stopped. That hurts the construction company, hurts the potential occupants of the buildings, hurts economic growth and, importantly, causes the native-born workers in construction to lose jobs, as well. These US-born construction workers may lose their positions as project managers, architects, plumbers, electricians, etc.. Thus, removing immigrant workers reduces employment opportunities for native-born workers rather than increasing them.

There is also a demand-side effect from immigration restrictions that slows economic growth. When immigrant workers, both authorized and unauthorized, are removed from the labor market they lose jobs, as do some native-born workers. Without jobs, these workers, both foreign-born and native-born, lose income and cut back their spending on goods and services: from food, to clothing, to automobiles or trips to the local convenience store or hair stylist. The sales of

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[60] U.S. Bureau of Economic Analysis, Real gross domestic product per capita [A939RX0Q048SBEA], retrieved from FRED, Federal Reserve Bank of St. Louis; September 14, 2026. https://fred.stlouisfed.org/series/A939RX0Q048SBEA

[61] Thomas Blanchet, Léonard Mouillet, Emmanuel Saez, Gabriel Zucman.Who Benefits from Income and Wealth Growth in the United States? RealTime Inequality at https://realtimeinequality.org/. See Income groups, Real Income Growth, Disposable Income, Working Age Adults (age 20-64), Monthly, January 2025 to June 2026.

[62] U.S. Bureau of Labor Statistics, *E*mployment, Hours, and Earnings from the Current Employment Statistics survey*,* All employees, thousands, total nonfarm, seasonally adjusted, CES0000000001

American businesses then decline, and businesses cut back on what they produce, lay off more workers or reduce wages, and the economy further contracts.

Prior to January 2025, immigration helped sustain labor force and job growth, by largely replacing the retiring baby boomers. Over the past year and a half however, federal immigration policy has caused the labor force to shrink, the job creation rate to decline, incomes to be constrained, and the economy to grow slowly. It has also driven up prices, and with income loss, has resulted in an exacerbation of the affordability crisis.

Researchers at the Federal Reserve Bank of Dallas estimated that the immigration policies introduced by the Trump Administration, starting in January 2025 shaved 0.81 percentage points off economic growth in 2025.[63] This suggests that economic growth in 2025 would have been 2.9 percent instead of the 2.1 percent that was observed. The faster growing economy would have created more jobs for Americans in 2025. The bottom line is that deportations and indiscriminate immigration policy have been bad not only for unauthorized immigrants but for authorized immigrants, US-born workers and the economy as a whole.

While much of the attention on the issue of "affordability" has been focused on prices, the slow economic growth described here, distributed away from most Americans, has led to their incomes failing to keep up with those prices. Immigration policy is contributing to both slow income growth and rising prices.

The Diversion of Tax Dollars to Deportations and Undermining Social Security and Medicare

Trump Administration immigration policies are creating substantial pressure on the federal government's fiscal situation and, in particular, accelerating the shortfalls in Social Security and Medicare. The causes are the direct costs of immigration enforcement, the loss of tax revenue paid by immigrants and slower economic growth.

On the spending side of the fiscal equation, the Trump administration has allocated $269 billion to immigration enforcement over its 4-year term.[64] **ICE's budget alone is now larger than those of every other federal law enforcement agency *combined*, including the Federal Bureau of Investigation (FBI), the Drug Enforcement Agency (DEA), Alcohol Tobacco, and Firearms (ATF), and the U.S. Marshals. Corps.[65]**

[63] Pia Orrenius, Grace Ozor, Madeline Zavodny and Xiaoqing Zhou, Declining immigration weighs on GDP growth, with little impact on inflation, July 08, 2025. https://www.dallasfed.org/research/economics/2025/0708
[64] The National Priorities Project. https://www.nationalpriorities.org/analysis/2026/trump-bill-mass-deportations-2689-billion-and-counting/
[65] National Priorities Project, "Trump Bill for Mass Deportations: $268.9 Billion, and Counting. August 5, 2026. https://www.nationalpriorities.org/analysis/2026/trump-bill-mass-deportations-2689-billion-and-counting/. fwd.us, "DHS Was Already Given $191 Billion. Voters Say: Not One Dollar More." March 6th, 2026. https://www.fwd.us/news/dhs-funding/.

On the tax side, the $100 billion in federal, state and local taxes paid annually by unauthorized immigrants is being whittled away.[66] With the steep decline in the unauthorized population due to deportations, departures, lack of new immigration and loss of employment that amount is dropping by at least $10 billion per year.[67]

The diversion of resources to immigration enforcement and loss of tax revenue has coincided with major cuts in other programs,[68] Here we highlight the tangible effect on Social Security and Medicare.

Social Security

Unauthorized immigrants have supported the Social Security System by paying about $26 billion in payroll taxes per year and by boosting the economy, while being barred from receiving benefits.[69] Even if they were not barred from benefits, their contributions would be an asset to the program as the aging baby boom generation strains the finances of the system. In their 2026 report, the Social Security Trustees noted that the finances of the system worsened this year because the "estimated historical and assumed near-term and ultimate net total immigration are lower." This reduced "… the projected number of workers, projected taxable payroll, and projected GDP over the long range." [70]

In their 2026 analysis the Trustees lowered their estimate of net immigration between 2025 and 2029 by 5.5 million people relative to the estimate in their 2025 analysis— to reflect the strict immigration policies of the Trump administration. They also lowered net immigration by roughly 80,000 people for each subsequent year through 2100. In total, this reduction in

[66] Davis, Carl, Marco Guzman, and Emma Sifre, "Tax Payments by Undocumented Immigrants," Institute on Taxation and Economic Policy, July 2024. https://itep.org/undocumented-immigrants-taxes-2024/

[67] This is a quite conservative approximation. The Administration claims a reduction of 3 million unauthorized immigrants already which would amount to an over 20 percent decline in the unauthorized population last reliabley estimated as 14 million. Jeffrey S. Passel and Jens Manuel Krogstad, "U.S. Unauthorized Population Reached a Record of 14 Million in 2023," Pew Research Center, August 21, 2025. https://www.pewresearch.org/race-and-ethnicity/2025/08/21/u-s-unauthorized-immigrant-population-reached-a-record-14-million-in-2023/

[68] Medicaid/CHIP Monthly Enrollment Tracker, KFF, Sep 8, 2026. https://www.kff.org/medicaid/medicaid-enrollment-tracker/. Bipartisan Policy Center, What Does the One Big Beautiful Bill Cost? July 23, 2025. https://bipartisanpolicy.org/explainer/what-does-the-one-big-beautiful-bill-cost/. Center on Budget and Policy Priorities, Food Assistance SNAP Tracker, People Are Losing Food Assistance as the Harmful 2025 Republican Reconciliation Law Is Implemented, August 26, 2026. https://www.cbpp.org/research/food-assistance/snap-tracker-people-are-losing-food-assistance-as-the-harmful-2025. Selena Simmons-Duffin NPR, 5 million have dropped ACA insurance after Trump and the GOP let prices skyrocket, Updated June 27, 2026. https://www.npr.org/2026/06/26/nx-s1-5860746/aca-health-insurance-subsidies-rates-premiums. National Priorities Project, "For Mass Detentions FY25-FY29, taxpayers are paying $269 billion. Here's what those tax dollars could have paid for instead:." https://www.nationalpriorities.org/interactive-data/trade-offs/?state=00&program=63#

[69] Davis, Carl, Marco Guzman, and Emma Sifre, "Tax Payments by Undocumented Immigrants," Institute on Taxation and Economic Policy, July 2024. https://itep.org/undocumented-immigrants-taxes-2024/

[70] Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds. (2026). *Status of the Social Security program: A summary of the 2026 annual report*. Social Security Administration. ssa.gov https://www.ssa.gov/oact/TRSUM/index.html

projected net immigration caused the projected 75-year deficit in Social Security to grow by 5.5%.[71]

In the near term, the Trustees now project that the system will be unable to pay full retirement benefits to Social Security recipients in 2032, instead of in 2033 as was projected in their 2025 report.[72] In a scenario to illustrate the severity of Social Security's impending deficits, the Trustees report that to close the projected 75-year deficit and restore solvency (the ability to fully pay benefits to current and future beneficiaries) through the year 2100 without raising revenues, retiree benefits would have to be reduced by 28.5 percent per year by 2034 and in all subsequent years.[73] Given that the average Social Security benefit is roughly $25,000 per year, cuts in benefits of this magnitude would reduce average annual retirement income by $7,125.

We estimate that, if the Trustees projections are correct about the path of immigration policy, then Trump immigration policies alone, aside from the other fiscal challenges faced by the Trust Fund, will account for a cut in retiree benefits of 1.5% in 2034 and every year thereafter.[74] The Trustees, however, assume that net migration will increase substantially after 2026.[75] If Trump immigration policies continue unabated, however, and Congress provides no additional outside revenue to Social Security, the benefit reduction starting in 2034 would be 35.6 percent—a cut of $8,906 in the average benefit. The share of that annual loss due to the Trump immigration policy would be $2,152. **Thus, the Trump immigration policies, if continued, would reduce projected average annual Social Security benefits by 8.6% in 2034, and every year thereafter.[76]**

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[71] The estimated 75-year deficit was 3.82 of taxable payroll in the 2025 report but grew to 4.42 in the 2026 report. Of this 0.60 deterioration in the estimated 75-year deficit, approximately 0.21 was caused by the reduction in net immigration. 0.21 is 5.5 percent of 3.82. Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds. (2026). *The 2026 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*. Social Security Administration. ssa.gov Pages 85-87.

[72] By 2034 if current law is changed so that the surpluses in the system's Disability Insurance program (with 8 million beneficiaries) are allowed to be used to pay retiree benefits.

[73] If the surpluses in the Disability Insurance program are allowed to be used to pay retiree benefits, then retiree benefits will need to be reduced by 17 percent in 2034. Social Security Administration, *The 2026 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, https://www.ssa.gov/oact/tr/2026/trTOC.html

[74] This estimate is based author's calculations using the relationship between the Trustees estimates for overall benefit loss in the event of insolvency and the amount of loss to the trust fund due to the reduction in immigration.

[75] The Trustees assume that net immigration will *increase* from the 2026 level of 130,000 by nearly 200,000 people per year for each of the next 5 years and then stabilize at an annual average baseline of nearly 1,200,000 people through the year 2100. However, the Trustees acknowledge that their estimates of future annual net immigration may be wrong and note that every 100,000 reduction in average annual net immigration relative to their baseline assumption worsens the 75-year deficit by more than 2 percent. They provide an analysis of the 75-year deficit that shows it growing by 10 percent relative to their baseline estimate if annual average net immigration is lower by 426,000 people compared to the number of net immigrants that the Trustees anticipate. See Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds. (2026). *The 2026 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*. Social Security Administration. ssa.gov Page 198.

[76] If the average annual net immigration were to stay at the Trustee's 2026 assumed level of 130,000 per year brought about by the Trump administration's immigration policies, then the 75-year deficit would increase by more than 25 percent. To close the projected 75-year deficit and restore solvency through the year 2100 without raising

In short, Trump immigration policies are threatening the financial security of current and future retirees and making their lives less affordable.

Medicare:

Just as with Social Security, the loss of immigrants from the country will significantly damage funding for Medicare. Unauthorized immigrants improve the finances of the Medicare by paying about $6.4 billion in payroll taxes per year while being barred from the receiving the medical benefits.

Summary

In summary, Trump administration immigration policies are causing prices to rise, employment and incomes to drop, economic growth to decline, damage to public programs on which millions of Americans rely and threatening American economic leadership—all contributing to the affordability challenges facing the American people. Unfortunately, whatever the future holds, things are likely to get worse before they get better. The consequences of the Trump administration's immigration policies described here are growing over time as it overcomes logistical and legal hurdles to reach its ultimate goals.

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revenue, then the typical retiree's benefits would have to be reduced by 35.6 percent per year starting in 2034 and in all subsequent years. The annual loss in retirement benefits for the typical beneficiary would amount to $8,906 in 2034 and more every subsequent year, of which $2,152 would be due to the reduction in net immigration.

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