



Why Immigration Is Critical to Lowering Prices

Executive Summary: As a bipartisan coalition of over 2,200 CEOs and business leaders, the American Business Immigration Coalition (ABIC) underscores a fundamental economic reality: immigrant labor is indispensable to lower prices.

When critical industries face severe labor shortages, consumer prices spike. Indiscriminate enforcement doesn't just disrupt communities—it directly exacerbates inflation and makes affordability worse by severing essential supply chains

What is the Affordability Solution? Legalizing long term, law-abiding immigrants—such as Dreamers, TPS holders, construction workers, and farm workers—strengthens the economy and lowers prices. Providing a path to legal status for essential workers and long-term residents would boost total U.S. GDP by \$1.2 to \$1.7 trillion over a decade, create 400,000+ new American jobs, and expand federal, state, and local tax revenues.

Politically Smart: [Recent polling](#) from [FOX News Pollster and Hoover Institute Fellow Daron Shaw](#) and [Harris 2024 Pollster Matt Barreto](#) shows 76% Hispanic voters from FL, TX, NC, AZ, OH, GA, WI strongly support legal pathways for Dreamers, Spouses of US Citizens and Essential workers

How Productive, Law Abiding Immigrants Lower Costs Across Essential Sectors

The economic argument relies on labor supply, production bottlenecks, and supply-chain efficiency. In sectors where domestic labor is scarce, skilled

Immigrant workers perform critical labor that keeps output high and operating costs low.

A. Food and Agriculture

Harvesting and Processing: Immigrants make up over 40% of agricultural workers and a massive share of food processing (meatpacking, dairy, distribution) staff. Without them, crops rot in fields, herds are culled early, and processing capacity drops.

Cost Impact: When labor shortages reduce food production, supply shrinks while consumer demand remains unchanged, driving up retail grocery prices. A stable labor supply keeps farm yield high and wholesale prices down.

B. Housing and Construction

Building Supply: Immigrants represent nearly 30% of all construction workers (and over 40–50% in trades like drywalling, roofing, and framing in major states).

Cost Impact: Housing affordability is fundamentally a supply-and-demand problem: there are not enough houses. Shortages of construction labor slow down home builds, lengthen project timelines, and increase labor overhead—costs that builders pass directly to buyers and renters. Immigrant labor builds housing stock faster and at lower labor costs per square foot.

C. Healthcare, Eldercare, and Services

Essential Care Operations: Immigrants comprise roughly 25% of direct care workers (home health aides, nursing assistants) and a significant portion of hospital support staff (sanitation, food service).

Cost Impact: The U.S. population is aging rapidly, driving demand for eldercare to historic highs. Without immigrant care workers, facilities face severe staffing shortages, forcing nursing homes to cap occupancy or rely on costly overtime and agency staffing, which drives up daily care rates and insurance costs.

How Unfocused, Aggressive ICE Enforcement Makes Affordability Worse

When enforcement action is "indiscriminate"—targeting long-standing, productive, and law-abiding workers rather than focusing strictly on criminal threats—it creates economic shockwaves that spill over to consumers.

A. Aggravating Labor Shortages and Cost-Push Inflation

Removing productive workers overnight shrinks the pool of available labor in key sectors. Employers are forced to bid up wages or pay expensive overtime just to keep basic operations running. These higher labor overhead costs are passed directly to the consumer. Economists call this cost-push inflation.

B. Destruction of Business Capacity and Capital

Farms, construction projects, and small businesses face operational paralysis during sweeping enforcement actions: A farm losing its harvest crew during a two-week window can lose an entire season's crop, destroying local supply and driving regional produce prices up.

Construction sites stall when crews are missing, inflating financing interest costs for developers, which ultimately makes the finished housing units more expensive.

C. The "Chilling Effect" Beyond Deportation Targets

Harsh, non-selective enforcement creates fear even among legally authorized or documented immigrants (such as mixed-status families or TPS holders): Workers avoid going to work, driving, or participating in formal commerce. This artificially drives down labor participation beyond the actual number of people deported, exacerbating labor shortfalls in agriculture and services.

D. Misallocation of Public Resources

Mass, indiscriminate enforcement requires billions of tax dollars spent on surveillance, detention, processing, and transportation. When government resources are directed toward arresting law-abiding, economically productive workers rather than being targeted strictly at violent criminals or public safety threats, tax dollars are diverted away from public infrastructure, housing subsidies, and economic stabilization programs.

Summary: Aggressive, unselective immigration enforcement is that it acts as an artificial supply shock. By tearing away skilled, law abiding productive workers who harvest food, construct homes, and care for the elderly, policy forces industries to cut production and spend more to operate—directly worsening the affordability and inflation crises facing average households.

What is the Affordability Solution? Legalizing long term, law-abiding immigrants—such as Dreamers, TPS holders, construction workers, and farm workers—strengthens the economy and lowers prices. Providing a path to legal status for essential workers and long-term residents would boost total U.S. GDP by \$1.2 to \$1.7 trillion over a decade, create 400,000+ new American jobs, and expand federal, state, and local tax revenues.

Citations

<https://equitablegrowth.org/economic-research-shows-immigration-is-good-for-u-s-workers-the-economy-and-affordability/>

<https://www.fwd.us/news/immigration-inflation/#:~:text=%20At%20the%20onset%20of%20the%20pandemic%2C,the%20resettled%20remote%20workers%20would%20not%20fill.>

<https://www.americanprogress.org/article/citizenship-undocumented-immigrants-boost-u-s-economic-growth/#:~:text=Putting%20undocumented%20immigrants%20on%20a%20pathway%20to,jobs%2C%20advancing%20the%20country's%20economic%20recovery.%20Authors.>