

Will deportation plans impact construction?

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President Donald Trump's pledge to deport millions of undocumented immigrants has Colorado construction-industry watchers concerned about what enforcement operations might mean for the state's workforce, laborer working conditions and housing prices.

Nationally, foreign-born workers, regardless of legal status, fill an estimated 30% of trade jobs like carpentry, plastering, masonry and electrical roles. *

The U.S. construction industry, meanwhile, employs an estimated 1.5 million undocumented workers — or 13% of its total workforce, according to the Pew Research Center.

While the Trump administration says it's targeting undocumented individuals with criminal histories, industry professionals are bracing for what an expansion of the deportation criteria might mean for the sizable workforce here without legal papers.

A highly publicized raid in Denver and Aurora last week was billed as targeting members of the Venezuelan gang Tren de Aragua, but immigration advocates and witnesses said federal agents detained people who were not gang members or criminals.

"There's absolutely a concern, even a fear on some of the job sites," said Mark Thompson, a senior representative with the Southwest Regional Council of Carpenters union. "Definitely people are laying low and being very cautious."

One 2024 study from the University of Utah showed mass deportations reduce the number of available construction workers, leading to a decline in homebuilding and higher housing costs.

The same study showed that as many as half of the positions vacated by deported employees were not filled by American workers, particularly in lower-skilled occupations. "It looks like the net losses in people willing to work in these lower-skilled occupations are inducing an overall slowdown in the construction industry," said Troup Howard, an assistant professor at the University of Utah School of Business's Marriner S. Eccles Institute for Economics and Quantitative Analysis. "The more casual way of saying that is you need someone to come in and frame the house before you need the relatively higher skilled plumbers and electricians to come in and finish the house." *

Research suggests mass deportations also negatively impact complementary roles often held by U.S.-born workers. When there are fewer laborers at the lower levels, that means fewer projects that necessitate higher-skilled construction jobs. *

"On the whole, mass deportations are bad for U.S.-born workers," said Chloe N. East, associate professor in economics at the University of Colorado Denver.

The University of Utah study found housing prices for new builds jumped 18% after mass deportations between 2008 and 2013. Prices for existing housing stock climbed 10%.

Colorado worker organizations also worry about how ramped-up immigration efforts might impact laborer exploitation.

Increased immigration enforcement could bring more subcontracting, which gives general contractors less liability when it comes to employing undocumented workers. More fragmenting means more misclassification of workers, experts say. When workers are misclassified as independent contractors, employers do not have to give them overtime pay, paid sick leave, health benefits, vacation or workers' compensation. Companies also don't need to pay payroll taxes.

Workers will also be less likely to speak up about poor working conditions or wage theft for fear of being reported to immigration authorities, said Mayra Juárez-Denis, executive director of El Centro De Los Trabajadores, a Denver organization that works with day laborers.

A 2016 survey by University of Denver researchers found 62% of day laborers have experienced wage theft, but just half of them attempted to recover their wages. Fewer than 40% of workers asked for assistance in recovering their wages.

"Any time you up this climate of fear, it makes it more likely exploitative practices will become routine," said Rebecca Galemba, a University of Denver professor and co-director of the school's Center for Immigration Policy & Research.

Thompson, the carpenters' union representative, said his team has not yet seen any raids on Colorado job sites but they're monitoring the situation closely. Industries with high immigrant and undocumented populations in other states have already seen people not showing up for work due to deportation fears.

It's nothing new to use immigrants as scapegoats for economic problems, said East.

"In that sense, I'm not surprised, but it's very frustrating and very different from what we know the facts to be for mass deportations," she said.