

Young Immigrants Vital to Georgia's Workforce, Healthy Economy

By Wesley Tharpe, Research Director

Potential harsher federal immigration policies under the new presidential administration pose special concern for young Georgians whose parents brought them to the United States as children. A new federal crackdown threatens havoc for tens of thousands of young Georgians who now enjoy some limited legal protections which allow them to work, go to school and avoid deportation. In doing so, it could cause headaches for Georgia employers and deprive the state's economy of thousands of productive, upwardly mobile workers.

An estimated 47,000 Georgians, most of them in their late teen years or 20s, are now enrolled or immediately eligible for a federal program known as Deferred Action for Childhood Arrivals (DACA). Created in 2012, DACA allows some undocumented immigrants brought here as children to live and work in the U.S. without threat of deportation.¹ If the new presidential administration eliminates DACA as promised, these 47,000 young Georgians stand to lose their ability to work or access higher education. Federal authorities could also choose to deport them to the countries of their birth, even if they lived the bulk of their life in the U.S.

Immigrant workers as a whole contribute substantially to Georgia's economy, as shown by a December 2015 Georgia Budget and Policy Institute report.² This likely holds doubly true for the group of Georgia immigrants covered under federal DACA protection. Evidence indicates that young people protected from deportation by DACA are highly motivated, well-educated and employed in an array of occupations.³ Continuing the DACA program or enhancing it with a full path to citizenship would increase the contribution of these Georgians. On the other hand, stripping their temporary lawful status or deporting them outright would lessen it. Specifically, this new report shows:

- **Young Georgians who received DACA are contributing as workers.** A recent detailed nationwide survey found about 87 percent of young immigrants receiving DACA are employed, compared to only 51 percent who worked before gaining status.⁴ Assuming those rates hold true in Georgia, then an estimated 24,400 young Georgians enrolled in DACA are likely already employed on legal payrolls. Georgia's economy will lose these workers if the new administration moves forward with deporting young immigrants brought to the U.S. outside their control as children. In contrast, fully implementing the DACA program or enhancing it with a gradual path to citizenship could add an additional 16,500 workers to the lawful workforce.
- **Georgia's economy could suffer from a federal crackdown on young immigrants.** Young Georgia immigrants either enrolled or immediately eligible for DACA now earn about an estimated \$800 million a year in wages. Immigrant workers pump much of that money back into small businesses and local communities in the form of consumer spending, the same as native-born residents. Georgia will lose that economic activity if the federal government moves forward with deportation. In turn, the state's economy as a whole is likely to suffer. Deporting the 47,000 young Georgians either enrolled or immediately eligible for DACA could shrink the state's economy by an estimated \$1.7 billion a year.

Federal Crackdown Threatens to Erase Young Immigrants' Contribution as Workers

Since its creation in 2012, DACA allowed hundreds of thousands of young immigrants brought to the U.S. as children to enroll in higher education or to get better jobs. More than three-quarters of DACA recipients in one 2015 survey reported that they obtained a new job after enrolling in DACA, with more than half moving into a better-paying job.⁵ Thirty percent of DACA respondents in another national survey reported returning to school after gaining lawful status. Additional surveys suggest DACA recipients are also pumping money back into the economy, using newly earned income to buy cars, purchase first homes and in some cases start new businesses.⁶

At the core of DACA recipients' positive economic contribution is their ability to legally work in the U.S., which they gain through temporary work permits renewable every two years. A September 2016 survey of DACA immigrants nationwide found that 87 percent were working compared to 51 percent before gaining lawful status. The jump in employment among immigrants with lawful status is largely because people are more likely to join the mainstream economy once a threat of deportation is removed.

Based on DACA recipients' employment rates nationally, **an estimated 24,400 young Georgians enrolled in DACA are likely already on legal payrolls.** That estimate is out of the 28,045 young Georgians enrolled in the program in June 2016, the most recent data available.⁷ National evidence suggests these workers are working in a broad swatch of occupations. In the aforementioned 2016 survey, the top three industries for DACA workers are educational and health services (21.3 percent), wholesale and retail trade (8.6 percent) and professional and business services (7.6 percent).

Georgia's economy will lose these workers if the new administration moves forward with deporting young immigrants brought to the U.S. outside their control as children. In contrast, fully implementing the DACA program or enhancing it with a gradual path to citizenship adds additional contributors to Georgia's lawfully present workforce.

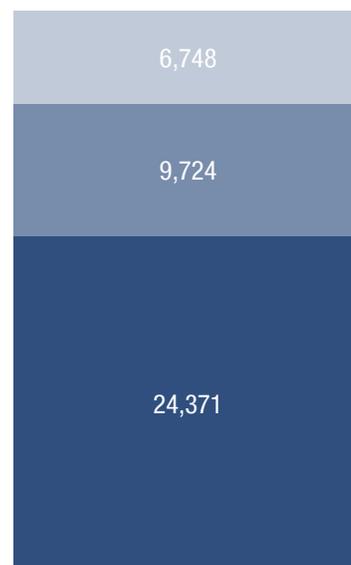
The accompanying chart details how **Georgia can add an estimated 16,500 workers if DACA is either continued by the new administration or enhanced with a gradual path to citizenship,** as long advocated by reform-minded members of both parties. Pursuing this constructive path provides lawful status to an estimated 9,724 Georgia

Continued Lawful Status Could Bolster Georgia's Workforce

Estimated employment of 47,000 Georgians enrolled or immediately eligible for Deferred Action for Childhood Arrivals (DACA)

- New workers enticed into workforce by lawful status
- Current workers eligible for DACA but not enrolled
- Current workers enrolled in DACA

About 40,850 total workers



If DACA fully implemented or path to citizenship created

workers who are likely already working off of legal payrolls. It could also entice an estimated 6,748 DACA-eligible Georgians who are not working to join the workforce.

Removing Young Immigrant Workers Could Damage Georgia's Economy

A renewed crackdown on young immigrants by the new administration poses considerable risk for Georgia's overall economy. Young Georgians enrolled in DACA are working, earning wages, participating in the economy as consumers and paying taxes. If they are deported or no longer able to work, Georgia loses their positive contributions. In contrast, protecting or enhancing their legal status could reap positive benefits.

Young Georgia immigrants either enrolled or immediately eligible for DACA now earn an estimated \$800 million a year in wages. That estimate includes \$583 million a year earned by young immigrants enrolled in DACA and working on legal payrolls, as well as an additional \$214 million earned by DACA-eligible immigrants who lack lawful status but are likely already working.

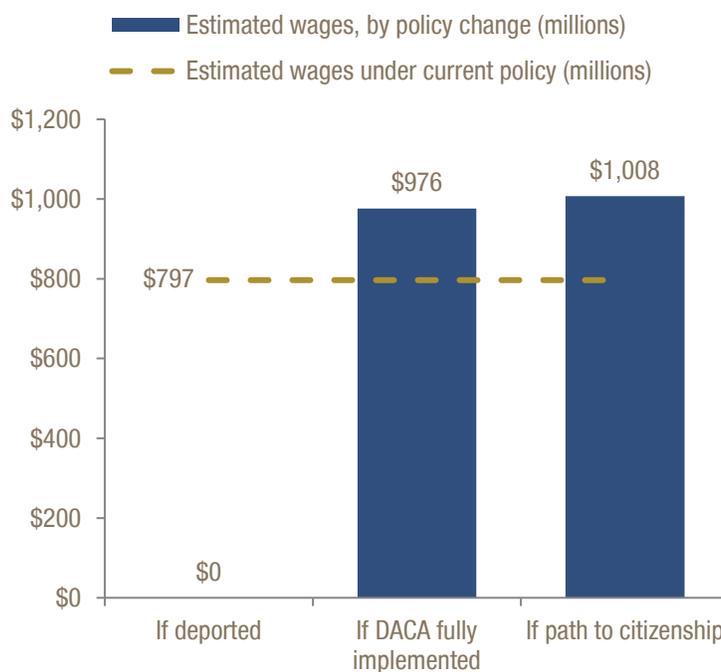
Immigrant workers pump much of that money back into small businesses and local communities in the form of consumer spending, just as native-born residents do. Those dollars circulate through the economy as a whole. Georgia will lose that economic activity if the federal government moves forward with deportation.

Meanwhile, fully implementing the current federal program or enhancing it with a gradual path to citizenship could lead to stronger economic outcomes, as detailed in the accompanying chart. Continuing DACA and working to enroll all Georgians who qualify would increase annual wages earned by DACA recipients by an estimated \$179 million, to \$976 million from \$797 million. Or, enhancing the program with a promise of eventual citizenship could boost annual wages by an estimated \$211 million, to about \$1 billion from \$797 million.⁸

Sticking to the deportation option promised by the new administration during the 2016 campaign eliminates Georgia's gain from both current wages earned by DACA recipients and the additional ones they could earn with enhanced legal status. Lost wages translate into less consumer spending and a smaller economy in the long run. Estimates suggest **deporting the 47,000 young Georgians either enrolled or immediately eligible for DACA could reduce the state's overall economy by an estimated \$1.7 billion a year.**⁹

Immigration Crackdown Could Drain Positive Wage Income from Economy

Estimated annual wages earned by 47,000 Georgians either enrolled or eligible for DACA, under varying policy scenarios



Source: GBPI estimates based on DACA population data from the Migration Policy Institute and analysis of how changes in legal status affect wages from the Center for American Progress.

Methodology

This report estimates how changes in legal status could affect the employment status, wages and total economic output of the 47,000 Georgians either now enrolled or immediately eligible for the Deferred Action for Childhood Arrivals (DACA) program. Here is how estimates in this report are calculated:

Number of workers. Several national surveys estimate the effect of DACA on employment.¹⁰ The most recent effort is [a detailed survey](#) of 1,308 DACA recipients by the Center for American Progress in September 2016, which found 86.9 percent of DACA recipients to be working, whereas only 51.3 percent held a job before receiving DACA. Because Georgia is home to the seventh-largest DACA population among the states, this report assumes these employment rates to be a fair estimation of employment behavior among in-state DACA recipients.

DACA enrollees included 28,045 Georgians in June 2016, the most recent data available; applying the 86.9 percent employment rate to them equates to 24,371 workers. An additional 18,955 Georgians are immediately eligible for the program but not enrolled; if 51.3 percent of them are working, that equals 9,724 workers. If these immediately eligible workers secured lawful status, their employment rate would presumably rise to 86.9 percent, at which point 16,472 of them would be working.

Wages. [The Center for American Progress estimates](#) undocumented workers earn \$22,095 a year on average, and that granting DACA status would increase wages by 8.5 percent. Setting immigrants on a path to citizenship carries a larger effect, since it grants rights and protections associated with permanent residence. A path to citizenship would boost wages by 12 percent, according to [Congressional Budget Office](#) estimates. Estimates for this report's total annual wage income across Georgia economy are derived by applying these annual wages to the estimated amount of workers (as described above) under varying policy scenarios.

Economic output. Removing all workers in Georgia who are unauthorized immigrants would reduce the state's gross domestic product by an estimated \$11.13 billion, according to [a September 2016 study](#). Estimates for this report suggest young immigrants either enrolled or immediately eligible for DACA account for 15.2 percent of the total undocumented workforce. Combining these two figures results in an estimate of \$1.7 billion in lost economic output annually.

ENDNOTES

¹ The Deferred Action for Childhood Arrivals (DACA) program was created in 2012 by federal executive action. It allows some undocumented immigrants brought here as children outside of their control to live and work in the United States for two years with a renewal period near the end of their term if they meet educational or military service requirements.

² ["Immigrants Help Chart Georgia's Course to Prosperity,"](#) Georgia Budget & Policy Institute. December 2015.

³ ["DACA at Four: Participation in the Deferred Action Program and Impacts on Recipients,"](#) Migration Policy Institute. August 2016.

⁴ "New Study of DACA Beneficiaries Shows Positive Economic and Educational Outcomes," Center for American Progress. October 2016.

⁵ "DACA at Four," Migration Policy Institute.

⁶ ["New Study of DACA Beneficiaries Shows Positive Economic and Educational Outcomes,"](#) CAP. For one example of how DACA immigrants are integrating into the mainstream economy, see ["American Dream: After Qualifying for DACA, Young Immigrants Buy Homes,"](#) NBC News.

⁷ [Deferred Action for Childhood Arrivals Data Tools,](#) Migration Policy Institute.

⁸ GBPI estimates based on DACA population data from the Migration Policy Institute and analysis of how changes in legal status affect wages from the Center for American Progress.

⁹ GBPI estimates based on DACA population numbers from Migration Policy Institute and GDP estimates by state from ["The Economic Impacts of Removing Unauthorized Immigrant Workers,"](#) Center for American Progress. September 2016.

¹⁰ A [2015 survey](#) of 1,750 DACA enrollees by United We Dream found that 81 percent were employed, 76 percent had obtained a new job after enrollment and 52 percent had obtained a higher-paying job. In a [survey of 2,684 DACA recipients](#) by the National Undocumented Research Project, 59 percent of respondents reported securing a new job since gaining lawful status and 21 percent obtaining an internship.