The uninvited

Unauthorized workers are the hidden face of immigrant labor. Despite decades of enforcement efforts by immigration authorities, undocumented workers continue to find jobs in the district. Most, including temporary workers and tourists who overstay their visas, work in low-wage industries such as farming, food service and child care.

However, the undocumented—a political flashpoint in Washington, D.C., and southern border states such as California and Arizona—make up a relatively small share of the foreign-born and total workforce in district states. A 2011 report by the Pew Hispanic Center in Washington estimated that there were 60,000 unauthorized immigrants working in Minnesota and 65,000 in Wisconsin.

Those are sizable numbers, but to put them in perspective, the estimate for Minnesota represents 18 percent of the foreign workforce and just 2 percent of the overall workforce. In comparison, Pew estimated that unauthorized workers accounted for 9 percent of the overall workforce in Texas and 10 percent in Nevada.

Other district states had fewer than 10,000 undocumented workers each—less than 1.5 percent of the total workforce in 2011.

Many unauthorized workers carry fraudulent papers indicating that they're permanent residents or U.S. citizens. The Senate immigration bill would require all employers to verify workers' credentials through a federal online database, making it harder for unauthorized workers to keep their jobs.

—Phil Davies

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fewer H-2A and H-2B applications than H-1B requests, but in Montana and the Dakotas the lower-wage visas account for a greater proportion of total guest worker certifications (see Chart 7 on page 7).

The energy boom in western North Dakota and eastern Montana has spurred demand for guest workers to fill positions in construction, food processing, hospitality and other industries—not just in the oil patch but also in surrounding areas that have seen an exodus of workers seeking higher wages in the oilfields.

Employment USA, a guest worker recruiting agency in Aberdeen, S.D., has capitalized on that demand. The firm lost business nationwide during the recession, but since 2010, revenues have increased over 40 percent annually on the strength of placements in the Dakotas. Employers unable to compete with high wages in oil-producing areas have turned to foreign temporary workers to fill out payrolls, said owner Kevin Opp.

"The oil boom is affecting the job market in the entire region. … People can go [to the oil patch] and without a ton of experience make $75,000 to $80,000 a year working just as hard as if they had a cement construction job here in Aberdeen."

About 1,000 workers recruited by Employment USA from Mexico, Canada, South Africa and several nations in the Caribbean and Eastern Europe work in the Dakotas on either the H-2A or H-2B program. Typical jobs include farm labor, basic construction, meat processing and waiting tables—"pretty simple work that doesn't take a lot of experience," Opp said.

The allure of oil country has further strained labor supplies in the Black Hills of South Dakota, where demand for workers in hotels, restaurants, resorts, amusement parks and other businesses peaks during the summer tourist season.

The Powder House Lodge and Resort near Keystone, S.D., hired its first H-2B workers through Employment USA in 2005. Ben Brink, one of the owners of the small, family-run resort, said hiring workers each summer was difficult because of the area's low unemployment and small pool of high school seniors and college students.

"We were just having staffing problems, and [hiring foreign workers] was a solution that was readily available to us," he said. "It has honestly saved our business." The resort hires 16 to 17 H-2B workers each season—about one-third of its full-time staff—to cook, serve food, clean rooms, maintain the grounds and staff the front desk. Most of the workers live onsite for the summer, paying $7.50 a day for accommodations.

Companies that hire lower-wage guest workers—H-2Bs in South Dakota earned about $8.50 per hour in 2011, according to the DOL—don't face the same supply constraints as those using the H-1B program. There is no national cap for H-2A visas, and since 2008, H-2B issuances have not exceeded the statutory cap.

But as is the case for the H-1B program, hiring foreign workers through these programs can tax employers' patience and pocketbooks. In addition to paying filing fees and commissions to recruiting agencies, firms often have to arrange for or provide housing for workers. And in 2009, the DOL began requiring H-2B employers to pay workers' transportation expenses from their home countries—adding hundreds of dollars in airfare to the cost of hiring workers from overseas.

Government red tape has at times disrupted the flow of guest workers. Earlier this year, U.S. Citizenship and Immigration Services suspended processing of H-2B petitions because of a court challenge to the method used by the DOL to determine the prevailing wage to be paid to workers. Opp said the month-long suspension came during the critical sign-up period for the summer season, reducing the number of H-2B workers available to employers.

Got cows to milk?

A large proportion of foreign workers who have come to district states in recent years are neither refugees nor guest workers. Many are legal immigrants or permanent residents admitted because they're relatives of U.S. citizens or permanent residents. The federal government grants a much smaller number permanent residency (making them eligible for U.S. citizenship) because they possess coveted expertise or work skills. And some are undocumented workers (see "The uninvited" above) from Mexico and other countries.

Just how many new foreign workers in each category are in the district labor force at any given time is unknown; their movements and employment status are not tracked by any government agency. But there's anecdotal evidence that they contribute in important ways to the labor supply of the region.

Responding to unrelenting demand for labor in western North Dakota, foreign workers from all over the country have come to the region in recent years, seeking jobs in oil drilling, construction, food service and other industries. "We're seeing a large pool of folks across the board [migrate to the area], including the foreign-born," said Richard Rathge, the former state demographer for North Dakota.

Phil Davis, who heads North Dakota Job Service operations in the western half of the state, said the Bismarck and Williston offices are "seeing more foreign workers show up" and handling an increasing volume of telephone calls from Mexicans looking for work.

In Minnesota and in South Dakota, foreign-born Latinos who have migrated north from southern states such as Texas and Arizona work alongside refugees and the native-born in meat-packing plants. Last summer, Dakota Provisions employed about 50 workers born in Mexico and other Latin American countries, in addition to roughly double that number from the U.S. territory of Puerto Rico.

And dairy farmers in the Dakotas depend upon workers from Mexico and Central America to staff large operations with hundreds of cows. "Our dairy farm families are trying to hire locally, but nobody wants to work on a dairy farm," said Roger Scheibe, executive director of South Dakota Dairy Producers. "So what they end up doing is hiring immigrant workers, usually Latinos."

Scheibe estimates that 60 percent of the milk produced in the state comes from cows milked by foreign-born workers.

Foreign, and here to stay

The "melting pot"—the process of assimilation into the economic and cultural mainstream—is a great American tradition. Over time, as recent immigrants learn English and acquire new skills either in the classroom or on the job, their economic fortunes rise, and they stand out less from the background of the overall workforce.

This melding is evident in the Census and wage data: Compared with recently arrived immigrants, the overall foreign workforce is less concentrated in lower-paying occupations such as food

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