



## NATION'S IMMIGRANTS ACCOUNT FOR BULK OF LABOR FORCE GROWTH SINCE 2000 WHILE NATIVE-BORN WORKERS EXPERIENCE HEAVY DECLINES

New study reveals that the nation's foreign-born make up more than half of the labor force growth between 2000 and 2003

REPORT REVEALS EXTRAORDINARY DEPENDENCE ON IMMIGRANTS IN LIGHT OF BUSH'S PROPOSAL TO OFFER 8 MILLION ILLEGALS AMNESTY

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(1-9-04) BOSTON, Mass. – Despite the recession, lackluster job growth, and the nation's increasingly strict rules governing immigration post 9-11, America's burgeoning population of foreign-born generated the bulk of the nation's labor market growth since 2000, amplifying a trend identified in the 1990s, according to a new report from Northeastern University's Center for Labor Market Studies and researchers Andrew Sum, Paul Harrington and Ishwar Khatiwada.

Their findings show that nationally, between 50 and 58 percent of the growth in the labor force was due to new foreign immigrants who came to the U.S. between 2000 and 2003, an all-time historical high for the country. During that three-year period, between 1.7 and 2 million immigrants came to the U.S., many from Mexico and Central America.

According to the report, immigrants' labor force growth varied by region, with particularly heavy reliance on immigrant labor, both legal and illegal, in the Mid-Atlantic, New England and the Pacific regions (where between two-thirds and 120 percent of the growth in the labor force between 2000 and 2003 was due to new foreign immigrants). As the nation heads toward this year's presidential election with a labor market hobbled and still recovering from the effects of recession, *the issue of immigrant labor is a poignant to many Americans, a topic, the researchers believe, has been expertly avoided by the Democratic candidates thus far in the campaign.*

Though foreign immigrants made up some 13 percent of the members of the nation's 147 million-member civilian labor force in 2003, it's the growth of their presence in the labor market – both formally through wage and salary jobs as well as through informal work arrangements, including being paid as contract workers, paid off-the-books, and as temporary workers – that's increasingly notable, the researchers say. According to Andrew Sum, lead author of the report, the dramatic change in the way Americans are working post-recession is historically unprecedented, and immigrants make up a large part of this trend in non-formal employment.

"The nation's two most prominent employment surveys, the CPS and the CES, are issued each month to provide an accurate picture of the nation's employment trends, but their findings have never been further apart," said Paul Harrington, co-author of the report. "The CPS survey (household survey of those 16 and older) and the CES (survey derived from company payroll reports) have experienced a widening gap since the end of the recession in November 2001. That's because Americans are increasingly working on contract, are self-employed, working as consultants or earning their living off-the-books. So while companies report that they've got more than 726,000 fewer payroll jobs than they did in November 2001, some 2.3 million more people surveyed for CPS have managed to find work of some sort."

During the decade of the 1990s, foreign immigration played a key role in generating both population and labor force growth in the nation with nearly 14 million new immigrants arriving and accounting for nearly half (47 percent) of the increase in the nation's civilian labor force, with nearly two-thirds of the growth in the male labor force produced by new male immigrant workers. By extension, between 2000 and 2003, Sum and Harrington found that new immigrants contributed more than half of the growth in the nation's labor force thus exceeding their contribution in the decade of the 1990s which was a historical high in the US.

Additional key findings:

> FOREIGN BORN EMPLOYMENT RISING AMIDST NATIVE-BORN DECLINES: The number of new immigrants who were employed between early 2000 and 2003 ranged from 1.757 million to 1.985 million and accounted for all of the net growth in civilian employment during that period while the native-born and established immigrants' employment levels combined declined by more than 1.1 million.

> INCREASING SHARE OF OVERALL LABOR FORCE: In 2003, there were 21.8 million immigrants employed, which accounted for nearly 15 percent of the U.S. labor force. In 1990, immigrants comprised about 10 percent of the overall labor force.

> SOME REGIONS MORE AFFECTED THAN OTHERS: Between 2000 and 2003, fourteen states hosted the lion's share of foreign-born workers (80 percent), with particularly heavy concentrations of immigrants in the Mid-Atlantic, the New England and the Pacific regions.

> MANY NEW IMMIGRANT WORKERS YOUNG & MALE: Nearly two thirds of the new immigrant labor force

participants were male though they comprised only 51 percent of all new immigrants to arrive during this time period. A very high share of these new immigrants were quite young, with slightly more than a quarter under age 25, one-half under age 30, and just under 70 percent under 35 years of age. Only three percent of these new immigrant labor force participants were 55 or older.

> WHERE THEY'RE FROM: Hispanics were the dominant group among new immigrants participating in the labor force between 2000 and 2003, with more than half of them coming from Mexico and Central America. Mexico alone contributed some 902,000 workers to the labor force, accounting for nearly a third of the total. Only one European country (Russia) made the top 20 places from which immigrants mainly come. Some 20 percent were Asian, 19 percent were white, non-Hispanic, and seven percent were black. Many of these new immigrants – an estimated 50 percent – are undocumented.

> A THIRD LACK HIGH SCHOOL DIPLOMAS: Some 36 percent of new foreign immigrant workers had not earned a high school diploma, a ratio considerably above that of the native-born labor force. Just under 28 percent of these new foreign immigrants had received a bachelor's degree or higher, a ratio slightly above that for U.S. native-born workers.

> THE JOBS THEY HOLD: Nearly 95 of every 100 new immigrant workers held wage and salary jobs in 2003. A high percentage, however, are employed as contract workers or work in the informal labor market, frequently paid in cash on a daily basis, which accounts for a substantial share of the gap between employment growth in the nation's two employment surveys. Though found in every industrial sector, new foreign immigrants are highly concentrated in three sectors: construction and manufacturing, leisure/hospitality and other service industries, and health/education/professional business services. More than 320,000 new immigrants obtained employment in the nation's manufacturing industries at a time when total wage and salary employment in these industries declined by more than 2.7 million positions.

***"The continued high levels of new immigrant employment at a time when job prospects for native-born workers have dwindled represent an issue that should be part of the national dialogue among all candidates for president, Democrat and Republican," Sum said. "All candidates must take a stand on this crucial labor market issue. The nation needs a comprehensive, carefully thought through national immigration policy that takes labor market impacts into consideration."***

For a full copy of the report, [please click here](#) or call 617-373-5455.

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