Immigrant Workers, Human Capital Investment and the Shape of Immigration Reform

Audrey Singer
The Brookings Institution

University of Nevada Las Vegas
February 27, 2013
U.S. Immigration: Current policy debates

- How many immigrants should we admit?
- Who should we prioritize?
- How do we modify immigration policy to better meet national and local economic needs?
Key Issues in Immigration Policy Reform

**Enforcement**, includes border and worksite, with an employer verification system

**Legalization**, includes Dreamers and others

**Future Flow**, includes reduction of backlogs and adjustments to family-based and employment-based visas
Immigrants are a growing part of the labor force

Foreign-born share of total population and labor force, 1970 – 2010

Civilian labor force, age 16 – 64
Total population

Skill ratio

Nearly one-in-three immigrants lack a diploma.
Immigrants are over-represented in certain industries

37% of workers in these industries are foreign-born

Source: 2010 Current Population Survey data accessed via IPUMS.org
In high-skill industries, immigrant education keeps pace

Educational attainment among immigrants and natives in selected industries, 2010

- HS to some college
- BA or higher

% middle and high-skilled, in...

<table>
<thead>
<tr>
<th>Industry</th>
<th>Foreign-born</th>
<th>Native-born</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>42.7%</td>
<td>55.9%</td>
</tr>
<tr>
<td></td>
<td>51.6%</td>
<td>41.3%</td>
</tr>
<tr>
<td>High-tech mfg.</td>
<td>48.4%</td>
<td>72.5%</td>
</tr>
<tr>
<td></td>
<td>49.7%</td>
<td>27.4%</td>
</tr>
<tr>
<td>Info technology</td>
<td>87.2%</td>
<td>30.3%</td>
</tr>
<tr>
<td></td>
<td>12.7%</td>
<td>33.5%</td>
</tr>
<tr>
<td>Life sciences</td>
<td>68.0%</td>
<td>65.0%</td>
</tr>
<tr>
<td></td>
<td>30.3%</td>
<td>33.5%</td>
</tr>
</tbody>
</table>
In low-skill industries, immigrant education lags

Educational attainment among immigrants and natives in selected industries, 2010

- HS to some college
- BA or higher

% middle and high-skilled, in...

**Accommodation**
- Foreign-born: 2.0%
- Native-born: 64.4%
- Skill ratio: 0.03

**Agriculture**
- Foreign-born: 0.6%
- Native-born: 67.0%
- Skill ratio: 0.01

**Construction**
- Foreign-born: 2.3%
- Native-born: 65.6%
- Skill ratio: 0.01

**Food services**
- Foreign-born: 0.7%
- Native-born: 72.4%
- Skill ratio: 0.01

Source: 2010 Current Population Survey data accessed via IPUMS.org
Immigrants are over-represented in largest-growing occupations, many in healthcare

Foreign-born share in 2010 of the fifteen largest-growing occupations, 2010 – 2020

- Home health aides
- Nursing aides, orderlies, and attendants
- Personal care aides
- Postsecondary teachers
- Combined food prep and serving workers
- Heavy and tractor trailer truck drivers
- Laborers and other movers, hand
- Childcare workers
- Cashiers
- Registered nurses
- Office clerks, general
- Retail salespersons
- Customer service representatives
- Bookkeeping, accounting, and auditing clerks
- Elementary school teachers, excl. spec. ed.

Source: Projections data from Table 7 of http://www.bls.gov/news.release/pdf/ecopro.pdf; share foreign-born from 2010 Current Population Survey; skill level based on typical education needed to enter the occupation as reported by BLS

*For occupations marked with an asterisk, there is not a one-to-one match between BLS and CPS data. CPS data, which was used to determine the share foreign born, has less detailed occupational categories.
Immigrants over-represented in fastest-growing occupations: construction and healthcare

Foreign-born share in 2010 of the fifteen fastest-growing occupations, 2010 – 2020

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Skill ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reinforcing iron and rebar workers</td>
<td>72%</td>
</tr>
<tr>
<td>Interpreters and translators*</td>
<td>48%</td>
</tr>
<tr>
<td>Helpers -- masons, tile and marble setters*</td>
<td>40%</td>
</tr>
<tr>
<td>Helpers -- carpenters*</td>
<td>36%</td>
</tr>
<tr>
<td>Helpers -- pipayers, plumbers, etc.*</td>
<td>24%</td>
</tr>
<tr>
<td>Home health aides*</td>
<td>12%</td>
</tr>
<tr>
<td>Personal care aides*</td>
<td>12%</td>
</tr>
<tr>
<td>Glaziers</td>
<td>12%</td>
</tr>
<tr>
<td>Market research analysts and specialists*</td>
<td>12%</td>
</tr>
<tr>
<td>Veterinary technologists and technicians*</td>
<td>12%</td>
</tr>
<tr>
<td>Diagnostic medical sonographers*</td>
<td>12%</td>
</tr>
<tr>
<td>Physical therapists assistants*</td>
<td>12%</td>
</tr>
<tr>
<td>Physical therapist aides*</td>
<td>12%</td>
</tr>
<tr>
<td>Medical secretaries*</td>
<td>12%</td>
</tr>
<tr>
<td>Meeting, convention and event planners*</td>
<td>12%</td>
</tr>
</tbody>
</table>

High-skill occupation
Mid-skill occupation
Low-skill occupation

Source: Projections data from Table 6 of http://www.bls.gov/news.release/pdf/ecopro.pdf; share foreign-born from 2010 Current Population Survey; skill level based on typical education needed to enter the occupation as reported by BLS. *For occupations marked with an asterisk, there is not a one-to-one match between BLS and CPS data. CPS data, which was used to determine the share foreign born, has less detailed occupational categories. Note: Biomedical engineers and occupational therapy assistants were among the fifteen occupations projected to grow the fastest by BLS, but they are not included on this graph because the sample size for foreign-born workers in those occupations in the 2010 CPS was too small to produce a reliable estimate.
Immigration policy is set at the federal level, but the impact of immigration is at the local level. 95% of immigrants live in metropolitan areas; 85% in the 100 largest. Metropolitan areas have a mix of immigrants across skill levels. Immigrant integration, including into the labor force (but also into schools, neighborhoods, healthcare systems) happens at the local level.
The Metropolitan Geography of Immigrant Skills

Immigrant Skill Ratio, 100 Largest Metropolitan Areas, 2009

Source: Brookings Institution analysis of 2009 ACS data
The majority of immigrants are concentrated in the prime working ages

Source: Brookings analysis of 2010 ACS 1-year estimates; microdata, accessed via IPUMS.org
While slightly more than half of the native-born population are 20-64,
While slightly more than half of the native-born population are 20-64, 79 percent of the foreign-born are in that age group.
Even among the high-skilled, 26 percent do not consider themselves to be proficient in English.
Among recent arrivals more than one-third of high-skilled and two-thirds of mid-skilled immigrants are not proficient in English.
Nearly half of high-skilled immigrants are overqualified for their job.

Overqualified high-skilled workers in the U.S., 2006-2008

- Natives: 36%
- Immigrants: 49%
- Newly arrived immigrants: 53%

Source: Brookings analysis of 2006-2008 estimates from the ACS. Overqualification is measured by comparing workers’ level of education compared to national occupation-specific means using data from the ACS. A worker is considered overqualified if their education attainment is one or more standard deviations above the mean education for their occupation. Newly arrived immigrants are those who came to live in the U.S. ten or fewer years ago.
How should metro areas proactively support the economic integration of immigrants?
Building Immigrant Skills

- Partnerships between nonprofits organizations, educational institutions and employers to build skills of immigrants and others to fill labor shortages

- Programs that integrate skills acquisition along with English language training for jobs such as certified nursing assistants, pharmacy technicians, die setters, assembly workers and auto service technicians

- Programs that create clear career pathways so that workers and employers see the benefit
Unlocking Immigrant Skills

- Initiatives aimed at immigrant professionals that assist immigrants in understanding licensing requirements, teach US-specific professional language, and US-style job search

- Programs work directly with employers to market immigrant professionals