



The business voice on immigration

BY THE NUMBERS

IMMIGRANTS AND THE ECONOMY

THE TWIN PILLARS OF ECONOMIC GROWTH. In order to remain globally competitive, the U.S. needs sustained economic growth. Economists agree that growth requires two critical ingredients: innovation and a growing labor force. Without immigration – sustained, robust immigration – the U.S. will fall short on both counts.

Fact Immigrants are more than twice as likely as native-born Americans to start businesses.

Fact Immigrants accounted for almost half of U.S. labor force growth since 1995.

A CHANGING U.S. WORKFORCE. Recent decades have brought dramatic changes to the U.S. labor force and U.S. jobs. Without immigration, the U.S. faces fewer workers in the future and potential shortages of highly skilled and unskilled workers.

Fact In 1950, more than half of American workers were high school dropouts willing to do physically demanding, low-skilled work. Today, the figure is less than 5 percent. But many U.S. businesses still need less-skilled workers to serve customers and remain competitive.

Fact Over the next decade, the U.S. will need three million workers to fill jobs that do not require a high school degree. But only 1.7 million new workers, skilled or unskilled, will enter the labor force in these years.

Fact Nearly 50 percent of the PhD scientists and engineers working in the U.S. are foreign-born.

Fact Foreign-born students receive half of the advanced degrees in science, math and engineering granted by U.S. universities.

IMMIGRANT WORKERS FILL CRITICAL GAPS. Most immigrant workers are different from American workers – either better educated and more skilled, or less educated and less skilled. This difference is what produces most of the economic benefits of immigration. While most Americans fall in the middle of the education bell curve, immigrants are concentrated at the tail ends.

Fact Immigrants account for 13 percent of the U.S. population but 27 percent of U.S. degrees in computer science and math.

Fact Immigrants account for 13 percent of the U.S. population but 22 percent of construction workers.

Fact Immigrants account for 25 percent of the doctors practicing in the United States, 25 percent of the nurses and 25 percent of the international patents filed from the United States.

Because they are different from U.S. workers, immigrants round out the U.S. labor force, filling niches few Americans are available to fill at both the high and low ends of the job ladder. This enables Americans to be more productive.

Fact Jobs done by low-skilled immigrant workers free higher-skilled U.S. workers to focus on their professions, increasing Americans' productivity and earning power. In recent decades, the availability of affordable immigrant labor enabled millions of American women to work outside the home.

IMMIGRANTS CREATE JOBS FOR AMERICANS. Immigrant workers don't take jobs from Americans. On the contrary, because they complement U.S. workers and fill niches we can't otherwise fill, they create jobs for Americans.

Fact Low-skilled immigrant workers fill critical gaps and expand the economy, putting more Americans to work. In the hospitality sector, for example, low-skilled immigrants allow new restaurants to open and existing restaurants to expand, creating jobs for U.S.-born chefs, U.S.-born waiters, U.S.-born managers and accountants. A growing restaurant also creates more work for other businesses up and downstream in the local economy: food producers, designers, architects and janitorial services, among others.

Fact One hundred workers in the H-1B worker visa program – computer scientists, engineers and other highly skilled workers – create 183 jobs for American workers.

Fact One hundred less-skilled foreign workers employed in seasonal occupations – at summer vacation towns, ski resorts and on landscaping crews, for example – create 464 jobs for American workers.

ONLY A SMALL WAGE EFFECT. The conventional wisdom is wrong: immigrants do not decrease most Americans' wages.

Fact According to economists Giovanni Peri and Gianmarco Ottaviani, immigration boosts Americans' productivity and raises wages for 90 percent of U.S. workers. Between 1990 and 2004, immigration raised the average American worker's wages by nearly 2 percent.

Fact Most economists agree that low-skilled immigrants have some negative impact on the wages of other low-skilled workers – previous immigrants and the 5 percent of U.S. workers without high school diplomas. But the effect is small. Giovanni Peri found that immigration lowered the earnings of native-born high school dropouts by 1 percent over 15 years.

ImmigrationWorks USA is a national federation of employers working to advance better immigration law. The network links major corporations, national trade associations and 25 state-based coalitions of small to medium-sized business owners concerned that the broken immigration system is holding back the nation's economic growth. Their shared aim: legislation that brings America's annual legal intake of foreign workers more realistically into line with the country's labor needs.