

Immigrants at Mid-Decade A Snapshot of America's Foreign-Born Population in 2005

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An analysis of Census Bureau data shows that the nation's foreign-born or immigrant population (legal and illegal) reached a new record of more than 35 million in March of 2005. The data also indicate that the first half of this decade has been the highest five-year period of immigration in American history. This *Backgrounder* provides a detailed picture of both numbers and the socio-economic status of immigrants.

Among the report's findings:

- The 35.2 million immigrants (legal and illegal) living in the country in March 2005 is the highest number ever recorded — two and a half times the 13.5 million during the peak of the last great immigration wave in 1910.
- Between January 2000 and March 2005, 7.9 million new immigrants (legal and illegal) settled in the country, making it the highest five-year period of immigration in American history.
- Nearly half of post-2000 arrivals (3.7 million) are estimated to be illegal aliens.
- Immigrants account for 12.1 percent of the total population, the highest percentage in eight decades. If current trends continue, within a decade it will surpass the high of 14.7 percent reached in 1910.
- Of adult immigrants, 31 percent have not completed high school, three-and-a-half times the rate for natives. Since 1990, immigration has increased the number of such workers by 25 percent, while increasing the supply of all other workers by 6 percent.
- Immigrants were once significantly more likely to have a college degree, but the new data show that natives are now as likely as immigrants to have a bachelor's or graduate degree.
- The proportion of immigrant-headed households using at least one major welfare program is 29 percent, compared to 18 percent for native households.
- The poverty rate for immigrants and their U.S.-born children (under 18) is 18.4 percent, 57 percent higher than the 11.7 percent for natives and their children. Immigrants and their minor children account for almost one in four persons living in poverty.
- One-third of immigrants lack health insurance — two-and-one-half times the rate for natives. Immigrants and their U.S.-born children account for almost three-fourths (nine million) of the increase in the uninsured population since 1989.
- The low educational attainment of many immigrants and resulting low wages are the primary reasons so many live in poverty, use welfare programs, or lack health insurance, not their legal status or an unwillingness to work.
- A central question for immigration policy is: Should we allow in so many people with little education, which increases job competition for the poorest American workers and the size of the population needing government assistance?



- Immigrants make significant economic progress the longer they live in the United States, but even immigrants who have lived in the United States for 14 or 15 years still have dramatically higher rates of poverty, lack of health insurance, and welfare use than natives.
- States with the largest increase in immigrants are California, Texas Georgia, New Jersey, Maryland, North Carolina, Pennsylvania, Washington, Virginia, Arizona, Tennessee, Minnesota, Nevada, New Mexico, South Carolina, and Mississippi.
- Immigration accounts for virtually all of the national increase in public school enrollment over the last two decades. In 2005, there were 10.3 million school-age children from immigrant families in the United States.
- Immigrants and natives exhibit remarkably similar rates of entrepreneurship, with 13 percent of natives and 11 percent of immigrants self-employed.
- Recent immigration has had no significant impact on the nation's age structure. Without the 7.9 million post-2000 immigrants, the average age in America would be virtually unchanged at 36 years.

Data Source and Methods

Data Source. The information for this *Backgrounder* comes primarily from the March 2005 Current Population Survey (CPS) collected by the Census Bureau, which is also called the Annual Social and Economic Supplement. The March data used in this study include an extra-large sample of minorities and are considered one of the best sources of information on the foreign born.¹ The foreign-born are defined as persons living in the United States who were not U.S. citizens at birth.² In this report the terms foreign-born and immigrant are used synonymously. Because all children born in the United States to immigrants are by definition natives, the sole reason for the dramatic increase in the foreign-born population is new immigration. The immigrant population in the 2005 CPS includes between nine and 10 million illegal aliens and between one and two million persons on long-term temporary visas, mainly students and guest workers. The CPS does not include persons in “group quarters,” such as prisons and nursing homes. The survey is one of the most extensive conducted by the government and includes a host of questions on everything from poverty and income to welfare use, health insurance coverage, and educational attainment. We rely on responses to these questions to examine the demographic characteristics of the nation's immigrant population.

Recent Trends in Immigration

Figure 1 reports the number of immigrants living in the United States based on the CPS collected in March of each year from 1995 through 2005. The figure shows that between March 1995 and March 2000, the foreign-

born population grew by 5.7 million, or about 1.1 million per year.³ The figure also shows that between 2000 and 2005 the immigrant population grew 5.2 million, or 1.04 million per year. These two numbers are the same statistically. Thus, it would appear that the growth in the foreign-born population during the economic expansion in the second half of the 1990s was the same as during the recession and recovery — 2000 to 2005.⁴

Deaths and Out-Migration. When growth in the foreign-born population is discussed, it must be remembered that the increase over time represents a net figure and does not reflect the level of new immigration. New arrivals are offset by deaths and out-migration. Given the age, sex, and other demographic characteristics of the immigrant population, it is likely that there are about 7,500 deaths per million immigrants each year. This number does not change much from year to year, but it does increase gradually over time as the immigrant population grows. As a result, there were about 80,000 more deaths per year among immigrants in 2005 than in 1995 because the overall population grew by almost 11 million. This means that a slower net increase in the immigrant population may not indicate a falling level of new immigration.

There is more debate about the size of return migration. But the Census Bureau has estimated that about 280,000 immigrants living here return home each year.⁵ In total, deaths and return migration equal 500,000 or 550,000 a year. It should also be remembered that like any survey, there exists sampling variability in the CPS. The margin of error, using a 90-percent confidence interval, for the foreign-born is between 640,000 and 700,000 for data from 1995 to 2001 and

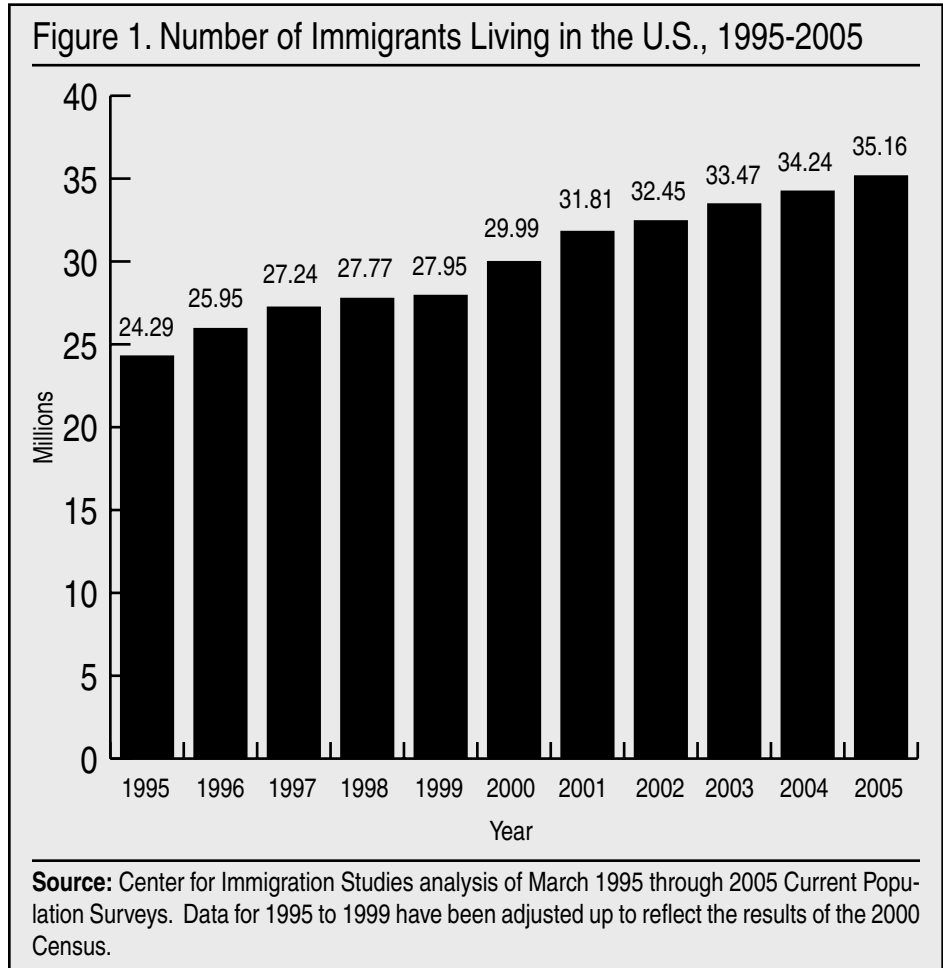
between 520,000 and 540,00 for 2002-2005 data. (The survey was redesigned for 2002, so the size of the statistical error changed.) Thus one could say that in 2005 the immigrant population was 35.16 million plus or minus 538,000. Because of sampling error, even seemingly large year-to-year changes may not be meaningful. When looking for trends it is much better to compare differences over several years.

Flow of New Immigrants. Another way to examine trends in immigration is to look at responses to the year-of-arrival question. The CPS asks individuals when they came to America to stay. The 2005 CPS indicates that 7.9 million immigrants (legal and illegal) settled in the United States between January 2000 and March 2005, which means that on average more than 1.5 million immigrants arrived annually in the United States. The 2000 CPS shows that 6.64 million immigrants (legal and illegal) settled in the country between 1995 and 2000.⁶ The difference between these numbers is statistically significant, indicating that more immigrants have arrived in the United States in the five years since 2000 than in the five years prior to 2000. The period 2000-2005 appears to be the highest five-year period of immigration in American history.

A Peak After 2000? It is reasonable to wonder how the flow of immigrants has been affected by the downturn in the economy and September 11. A recent study by the Pew Hispanic Center found that immigration rose significantly at the end of the 1990s, peaking in 2000, and falling off thereafter.⁷ The study is based mainly on CPS data, and another survey called the American Community Survey (ACS), and the 2000 Census for the 1990s. In evaluating the Pew study it is very important to understand that the numbers in the study “are meant to show trends, not levels of immigration.”⁸ In brief, we too find some evidence in each of these data sources that immigration may have been higher from 1999

to 2001 and lower before and after. But the Census Bureau, which collects the data, applies the same population controls to them, so by design the data are supposed to produce similar results.⁹ Given the limitations in the data itself, it is very difficult to measure changes in year-to-year immigrant flows. For one thing, the CPS itself was redesigned after 2001, making year-to-year comparisons before and after this date more difficult. As for the ACS, it is not fully implemented, covers less than half the nation’s counties, and it too has undergone changes over the last five years. Moreover, in both surveys, the number of just-arrived immigrants comprises less than 1 percent of the sample in many cases. Thus the results can vary quite a bit from year to year.

One of the biggest issues when trying to measure year-to-year changes using the CPS is that the Census Bureau groups respondents by multiple years of entry, making it impossible to know the number of new arrivals for individual years. This is done to preserve the anonymity of respondents. (It is, however, possible to examine the number who entered in the last five years collectively because those years correspond to the grouping of data.) The number of new arrivals in some of



these multiple-year groupings are not statistically different from each other, implying that there was no change in immigrant flows 2000 to 2005. In an effort to overcome this grouping of years, Pew tries to use another question in the CPS, which asks immigrants where they lived last year. But a very large share of respondents, in some cases nearly one-third, give an answer to this question that is inconsistent with their answer to the year-of-arrival question.¹⁰

Another issue is that for some years growth in the foreign-born population does not match what we would expect if immigration fluctuated in the way the Pew study indicates.¹¹ There are other issues with the data as well.¹² What's more, if there was a rise and fall, it is not at all clear that the change had anything to do with the economy, as the Pew study suggests.¹³ None of this means that there was not a rise in immigration in the late 1990s and a fall off after 2001. However, the limitations of the data make it very hard to say how the flow of immigrants changed year to year.

From a policy perspective, what is far more important than a possible temporary fluctuation in the flow of new immigrants is that immigration remained very high even during the economic downturn. What's more, if there was a slowdown, the 2005 data indicate that immigration has resumed its record pace.¹⁴ And the 7.9 million immigrants who arrived between 2000 to 2005 make it the highest five-year period of immigration in American history.

Illegal Immigrants

Illegals in the CPS. It is well established that illegal aliens do respond to government surveys such as the decennial census and the Current Population Survey. While the CPS does not ask the foreign-born if they are legal residents of the United States, the Urban Institute, the former INS, the Pew Hispanic Center, and the Census Bureau have all used socio-demographic characteristics in the data to estimate the size of the illegal population.¹⁵ Our preliminary estimates for the March 2005 CPS indicate that there were between 9.6 and 9.8 million illegal aliens in the survey. It must be remembered that this estimate only includes illegal aliens captured by the March CPS, not those missed by the survey. By design this estimate is consistent with those prepared by the Census Bureau, Immigration and Nationalization Service (INS), Urban Institute, and Pew Hispanic Center.¹⁶ While consistent with other research findings, it should be obvious that there is no definitive means of determining whether a respondent in the survey is an illegal alien with 100 percent certainty. We estimate that

in 2000, based on the March 2000 CPS, that there were between seven and 7.2 million illegal aliens in the survey. This means about 2.5 to 2.7 million, or about half of the 5.2 million growth in the foreign born between 2000 and 2005 was due to growth in the illegal population. We also estimate that 3.6 to 3.8 million or almost half of the 7.9 million new arrivals are illegal immigrants.

Why Illegals Account for Such a Large Share of Growth. The fact that illegals account for about half of the overall growth in the immigrant population may seem surprising to some, especially since illegal aliens account for only a little over one-fourth of the total foreign-born population. There are several reasons for this. First, prior to the mid-1970s, there was little illegal immigration to the United States, thus older immigrants who entered at that time and are still here are almost all legal residents. Moreover, the United States has conducted both broad amnesties for illegal aliens in the past and each year also grants tens of thousands of illegal aliens legal status as part of the normal "legal" immigration process. For example, 2.7 million illegals were given green cards in the late 1980s and early 1990s as part of the Immigration Reform and Control Act (IRCA). Moreover, the immigration service estimated that, during just the 1990s, 1.5 million illegal aliens received green cards, not including IRCA.¹⁷ Because there is this constant movement out of illegal status to legal status, the size of the existing legal population is much bigger than the existing illegal population. Finally, it must be remembered that although the number of illegal aliens entering and remaining in the country is now enormous, the level of legal immigration is also very high, creating a very large legal immigrant population.

Historical Comparison

Immigration 1900 to 2005. While immigration has played an important role in American history, the level of immigration and the size of the immigrant population has varied considerably. Figure 2 shows the number of immigrants living in the United States over the course of the last 100 years and their share of the total population. The 35.2 million immigrants residing in the United States at the beginning of 2005 is by far the most ever recorded. Even during the great wave of immigration at the turn of the century, the immigrant population was very roughly a third what it is today.

Figure 2 shows that after growing in the early part of this century, the immigrant population stabilized at around 10 or 11 million for about four decades. In the mid-1960s, changes in immigration law and other

factors caused the annual level of legal immigration to rise steadily, from about 300,000 in the 1960s to roughly one million today. Illegal immigration has grown dramatically during this time period as well. Since 1970 the immigrant population has more than tripled. As already discussed, the number of immigrants has grown by more than five million just since 2000. The pace of growth is also very high by historic standards, averaging one million per year over the last 10 years. Growth in the 10 years between 1900 and 1910 was 3.2 million, much less than the 5.2 million in just the five years between 2000 and 2005.¹⁸

One of the interesting features of current immigration is that such a large share of immigrants stay permanently. Because so many immigrants in the early 20th century eventually returned to their home countries, the immigrant population did not grow as fast in the past as it does today.¹⁹

Immigrants as a Share of the Population. While the number of immigrants and the growth rate of the immigrant population are now much higher than in the past, Figure 2 shows that the foreign-born percentage of the population was higher in the first few decades of the 1900s, reaching 14.7 percent of the total U.S. population in 1910. As a result of World War I and changes in immigration law in the early 1920s, the level of immigration fell significantly. The current 12.1 percent of the population that is foreign-born is higher than at any time since the 1920 Census.

In terms of the impact of immigrants on the United States, both the percentage of the population made up of immigrants and the number of immigrants are clearly important. The ability to assimilate and incorporate immigrants is partly dependent on the relative sizes of the native and immigrant populations. On the other hand, absolute numbers also clearly matter — a large number of immigrants can create the critical mass

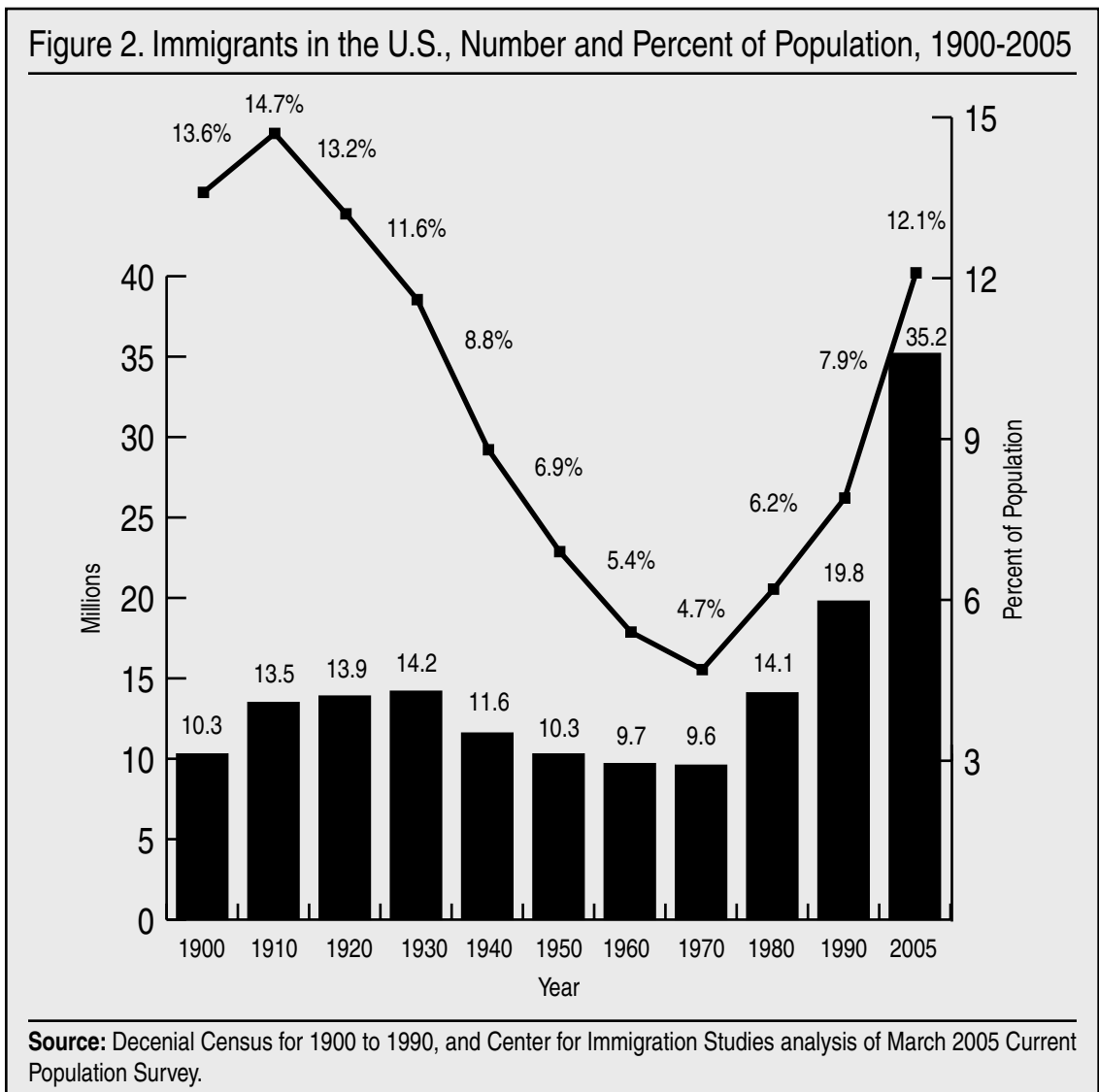


Table 1. Immigrants by State, 2005 (In Thousands)

State	Number of Immigrants	Immigrant Share of Population	Arrivals 2000-05*
California	9,984	27.8 %	1,809
New York	3,900	20.5 %	707
Texas	3,379	15.1 %	948
Florida	3,203	18.3 %	648
New Jersey	1,620	18.7 %	312
Illinois	1,417	11.3 %	286
Massachusetts	880	13.8 %	201
Arizona	851	14.8 %	198
Georgia	762	8.8 %	248
Maryland	725	13.1 %	212
Virginia	719	9.7 %	188
Washington	650	10.6 %	137
Michigan	593	5.9 %	160
North Carolina	590	7.0 %	243
Pennsylvania	534	4.4 %	174
Colorado	443	9.8 %	117
Nevada	408	17.1 %	90
Minnesota	374	7.3 %	99
Ohio	371	3.3 %	115
Connecticut	363	10.4 %	67
Oregon	303	8.5 %	64
Tennessee	264	4.5 %	142
Wisconsin	251	4.6 %	64
Hawaii	215	17.2 %	22
Indiana	184	3.0 %	60
New Mexico	177	9.3 %	57
Oklahoma	153	4.4 %	39
Utah	150	6.3 %	35
Iowa	148	5.1 %	49
Louisiana	145	3.3 %	30
Missouri	138	2.5 %	36
Kansas	129	4.8 %	36
Kentucky	127	3.1 %	56
Rhode Island	126	11.9 %	24
South Carolina	116	2.8 %	27
Alabama	99	2.2 %	48
Nebraska	93	5.4 %	27
Idaho	82	6.0 %	21
D.C.	74	13.5 %	24
Mississippi	72	2.5 %	26
Delaware	67	8.1 %	26
Arkansas	65	2.4 %	7
New Hampshire	58	4.5 %	13
Alaska	48	7.4 %	10
Maine	34	2.6 %	6
South Dakota	18	2.4 %	6
Vermont	17	2.8 %	3
North Dakota	12	1.9 %	5
Wyoming	10	2.0 %	3
West Virginia	8	0.4 %	2
Montana	7	0.8 %	<1
Nation	35,156	12.1 %	7,927

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. * Indicates the year that immigrants said they came to the United States to stay.

necessary to create ethnically-based media outlets and religious and civic institutions fostering linguistic, cultural, and spatial isolation. Whether the immigrants in question represent 10 percent or 30 percent of a city or state's population may not be so important; it's the raw numbers that would seem to matter most, and the numbers are approaching three times what they were in 1910. Moreover, absent a change in policy, the number of immigrants will continue to grow rapidly for the foreseeable future. If current trends continue, within about a decade the share of the population that is foreign-born will surpass the high of 14.7 percent reached in 1910.

State Numbers

Number of Immigrants by State.

Table 1 ranks the states by the size of their immigrant populations. It also shows the number of immigrants who reported arriving in 2000 or later. California clearly has the largest immigrant population; New York, the state with next largest number of immigrants, has fewer than half as many. Table 2 also shows how concentrated the immigrant population is: Only a few states represent the majority of the foreign-born population. The nearly 10 million immigrants in California account for 28 percent of the nation's total immigrant population, followed by New York with 11 percent, Texas with 10 percent, Florida with 9 percent, and New Jersey with 5 percent. These five states account for 63 percent of the nation's total foreign-born population, but only 35 percent of the native-born population.

The table also shows evidence that the immigrant population is becoming more dispersed. Table 1 indicates that although the top-five states account for 63 percent of the total immigrant population, only 56 percent of post-2000 arrivals went to these states.

Share of State That Is Immigrant.

Table 1 also shows the share of each state's population that is foreign-born. While many states with a large number of immigrants are also states where the percentage is high, there are some differences. Because of their relatively small total populations several states with high percentages of immigrants, such as Hawaii and Nevada, rank lower in terms of number of immigrants. It is very likely that the impact of immigration will be quite significant in these states even though the size of the immigrant population is much smaller than in a state like California.

Growth in the Immigrant Population by State.

Table 2 compares the number of immigrants in 1995, 2000, and 2005 for each state.²⁰ It also shows the share of the population that was foreign-born in each of these years. As already discussed, immigrants tend to be concentrated. However, Table

Table 2. Immigrants by State, 1995, 2000, 2005 (In Thousands)

State	2005 Number	2005 Percent	2000 Number	2000 Percent	1995 Number	1995 Percent
California	9,984	27.8 %	9,053	26.8 %	7,995	25.3 %
New York	3,900	20.5 %	3,843	20.4 %	3,158	17.0 %
Texas	3,379	15.1 %	2,591	12.8 %	2,200	11.5 %
Florida	3,203	18.3 %	2,960	19.0 %	2,178	14.7 %
New Jersey	1,620	18.7 %	1,281	15.5 %	1,129	14.0 %
Illinois	1,417	11.3 %	1,243	10.1 %	1,059	8.9 %
Massachusetts	880	13.8 %	816	13.0 %	639	10.5 %
Arizona	851	14.8 %	692	13.6 %	537	12.2 %
Georgia	762	8.8 %	378	4.8 %	268	3.7 %
Maryland	725	13.1 %	479	9.5 %	343	6.8 %
Virginia	719	9.7 %	552	8.1 %	336	5.1 %
Washington	650	10.6 %	457	8.0 %	365	6.9 %
Michigan	593	5.9 %	543	5.4 %	388	4.1 %
North Carolina	590	7.0 %	373	4.8 %	170	2.4 %
Pennsylvania	534	4.4 %	364	3.0 %	407	3.3 %
Colorado	443	9.8 %	449	10.4 %	227	5.9 %
Nevada	408	17.1 %	333	16.3 %	186	11.5 %
Minnesota	374	7.3 %	261	5.4 %	193	4.2 %
Ohio	371	3.3 %	300	2.7 %	267	2.4 %
Connecticut	363	10.4 %	306	8.9 %	308	9.4 %
Oregon	303	8.5 %	293	8.5 %	218	6.8 %
Tennessee	264	4.5 %	110	2.0 %	39	0.7 %
Wisconsin	251	4.6 %	211	3.9 %	147	2.9 %
Hawaii	215	17.2 %	203	16.5 %	201	18.0 %
Indiana	184	3.0 %	151	2.5 %	80	1.3 %
New Mexico	177	9.3 %	107	5.8 %	121	7.1 %
Oklahoma	153	4.4 %	114	3.4 %	87	2.7 %
Utah	150	6.3 %	132	6.0 %	76	3.9 %
Iowa	148	5.1 %	121	4.2 %	23	0.8 %
Louisiana	145	3.3 %	118	2.7 %	103	2.4 %
Missouri	138	2.5 %	169	3.1 %	86	1.7 %
Kansas	129	4.8 %	157	6.0 %	75	3.0 %
Kentucky	127	3.1 %	102	2.6 %	22	0.6 %
Rhode Island	126	11.9 %	87	8.4 %	101	9.9 %
South Carolina	116	2.8 %	65	1.7 %	37	1.0 %
Alabama	99	2.2 %	78	1.8 %	73	1.7 %
Nebraska	93	5.4 %	68	4.0 %	22	1.3 %
Idaho	82	6.0 %	70	5.6 %	46	4.1 %
D.C.	74	13.5 %	59	10.8 %	55	8.5 %
Mississippi	72	2.5 %	29	1.1 %	31	1.2 %
Delaware	67	8.1 %	38	4.9 %	35	5.1 %
Arkansas	65	2.4 %	54	2.1 %	39	1.6 %
New Hampshire	58	4.5 %	51	4.0 %	51	4.5 %
Alaska	48	7.4 %	28	4.4 %	29	4.9 %
Maine	34	2.6 %	29	2.3 %	25	2.1 %
South Dakota	18	2.4 %	10	1.4 %	12	1.6 %
Vermont	17	2.8 %	22	3.7 %	16	2.7 %
North Dakota	12	1.9 %	9	1.4 %	7	1.1 %
Wyoming	10	2.0 %	5	1.0 %	8	1.6 %
West Virginia	8	0.4 %	16	0.9 %	15	0.8 %
Montana	7	0.8 %	7	0.8 %	13	1.5 %
Nation	35,156	12.1 %	29,987	10.8 %	24,292	9.2 %

Source: Center for Immigration Studies analysis of March 1995, 2000 and 2005 Current Population Surveys. Figures for 1995 have been re-weighted to reflect the larger number of immigrants revealed in the 2000 Census.

2 also shows that this has become less the case over time. In 1995, the top five states accounted for 69 percent of the total foreign -born population; in 2000 these same states accounted for 66 percent of the foreign born and

dropped to 63 percent by 2005. Or looked at in a different way, these five states accounted for 69 percent of the total immigrant population in 1995, but only half the growth in the immigrant population between 1995 and 2005 occurred in these five states.

Table 2 also shows different patterns for different states. For example, in New York the number of immigrants increased 585,000 between 1995 and 2000, but grew by only 57,000 in the five years after 2000. New Jersey, which is right next to New York, is quite different. The he foreign-born population grew twice as fast between 2000 and 2005 as in the five years before 2000. The same holds for Texas. Perhaps the most dramatic increases can be found in Georgia and North Carolina, where the immigrant population increased threefold between 1995 and 2005. The key point to take from Table 2 is that there is no one pattern that reflects the entire country. The pace and scale varies by state and by time period as well. Table 3 shows the states where the growth was statistically significant between 2000 and 2005.

Table 3. States with Statistically Significant Growth in Immigrant Population, 2000-2005* (In Thousands)

State	Immigrant Pop. 2005	Immigrant Pop. 2000	Growth	Percent Increase
California	9,984	9,053	931	10.3 %
Texas	3,379	2,591	788	30.4 %
Georgia	762	378	384	101.5 %
New Jersey	1,620	1,281	339	26.5 %
Maryland	725	479	246	51.3 %
North Carolina	590	373	217	58.1 %
Washington	650	457	193	42.2 %
Pennsylvania	534	364	170	46.7 %
Virginia	719	552	167	30.3 %
Arizona	851	692	159	23.0 %
Tennessee	264	110	154	140.0 %
Minnesota	374	261	113	43.3 %
Nevada	408	333	75	22.5 %
New Mexico	177	107	70	65.1 %
South Carolina	116	65	51	78.5 %
Mississippi	72	29	43	148.7 %
Rhode Island	126	87	40	45.5 %
Delaware	67	38	29	77.5 %
Alaska	48	28	20	72.3 %
South Dakota	18	10	8	80.0 %
Wyoming	10	5	5	100.0 %
Nation	35,156	29,987	5,169	17.2 %

Source: Center for immigration studies analysis of March 2005 Current Population Survey.

* Assumes a 90% confidence interval.

Region and Country of Origin

Sending Regions. Table 4 shows the distribution of immigrants by region of the world, with Mexico and Canada treated separately. Mexico accounts for 31 percent of all immigrants, with 10.8 million immigrants living in United States, more than the number of immigrants from any other region of the world. Immigrants from Mexico, Central and South America, and the Caribbean account for the majority of immigrants, with 54 percent of the foreign-born coming from these areas. East Asia also makes up a significant share of the total, accounting for 18 percent of immigrants. This is about the same as the combined total for Europe, Sub-Saharan Af-

Table 4. Region of Birth and Year of Entry in 2005 (In Thousands)

Region	Number	Year of Entry*			
		Pre-1980	1980-89	1990-99	2000-05
Mexico	10,805	1,839	2,262	3,852	2,852
East Asia	6,256	1,473	1,729	1,894	1,160
Europe	4,519	1,936	587	1,324	672
Caribbean	3,213	993	846	907	467
Central America	2,643	366	744	951	582
South America	2,241	391	487	690	673
South Asia	1,800	205	319	727	549
Middle East	1,163	296	257	364	246
Canada	674	344	49	165	116
Sub-Saharan Africa	656	70	96	236	254
Not Reported/Oceania	1,187	187	193	453	354
Total	35,157	8,100	7,569	11,563	7,925

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

* Indicates the year that immigrants said they came to the United States to stay.

rica, and the Middle East. The importance of the Western Hemisphere, excluding Canada, is even more striking when we look at recent arrivals. Of those who arrived 2000 to 2005, 58 percent are from Latin America.

Top Sending Counties. Table 5 (page 9) ranks the top-25 immigrant-sending countries by the number of immigrants as of March 2005. Mexico is, of course, the largest sending country, accounting for almost six times as many immigrants as the combined total for China, Taiwan, and Hong Kong. As is clear from Table 4, Latin America and the Caribbean countries dominate the list of immigrant-sending countries, accounting for almost half of the top-25 countries. One of the striking things about contemporary immigration is that there has been a significant decline in the diversity of immigrants; Mexico accounted for 31 percent of all immigrants in 2005, up from 28 percent in 2000, 22 percent in 1990, and 16 percent in 1980. The top sending country in 1970 was Italy, which accounted for only 10 percent of the foreign-born.

Labor Market Characteristics

Educational Attainment. Immigrants now comprise 14.7 percent of the nation's total workforce.²¹ This is somewhat higher than the 12.1 percent of the total U.S. immigrant population because, in comparison to natives, a slightly higher percentage of immigrants are of working age. Table 6 reports the educational attainment and other characteristics of immigrants and natives in the workforce. The left side of the table shows the education level of all immigrants and natives in the labor force. In 2005, about 30 percent of immigrants 18 and over in the labor force had not graduated from high school. The table also reports the education of adult immigrants who arrived 2000 to 2005. For immigrants who arrived between 2000 and 2005, 34 percent had not completed high school. In comparison, slightly less than 8 percent of natives in the workforce lacked a high school education. This difference in the educational attainment of immigrants and natives has enormous implications for the social and economic integration of immigrants into America society. There is no single better predictor of

Table 5. Top-25 Countries of Birth, 2005 (In Thousands)

Region	Total	Citizenship Rate	Year of Entry*			
			Pre-1980	1980-89	1990-99	2000-05
1. Mexico	10,805	18.8 %	1,839	2,262	3,852	2,852
2. China/HK/Taiwan	1,833	54.1 %	359	473	646	355
3. Philippines	1,530	61.5 %	449	386	431	264
4. India	1,411	33.6 %	170	209	573	459
5. El Salvador	1,120	21.4 %	123	380	411	206
6. Vietnam	996	60.2 %	193	277	362	164
7. Cuba	948	55.8 %	435	171	214	128
8. Dominican Rep.	695	41.8 %	145	206	223	121
9. Canada	674	42.4 %	344	49	165	116
10. Korea	672	51.7 %	167	225	153	127
11. Russia	621	56.9 %	46	79	397	99
12. Jamaica	607	54.7 %	148	202	195	62
13. Great Britain	589	45.8 %	272	89	121	107
14. Haiti	570	40.7 %	123	163	193	91
15. Guatemala	546	24.7 %	72	126	193	155
16. Germany	522	62.8 %	380	37	61	44
17. Poland	519	57.0 %	168	95	183	72
18. Colombia	479	44.7 %	96	135	158	90
19. Italy	391	75.3 %	299	31	31	30
20. Honduras	379	23.2 %	42	73	158	106
21. Brazil	356	21.1 %	35	37	90	194
22. Japan	350	33.3 %	121	46	45	138
23. Ecuador	339	35.4 %	50	78	120	91
24. Iran	331	62.7 %	93	86	93	59
25. Peru	330	38.4 %	46	53	102	129
World Total	35,157	35.1 %	8,100	7,569	11,563	7,925

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

* Indicates the year that immigrants said they came to the United States to stay.

economic success than education. As we will see, the fact that so many adult immigrants lack a high school degree means their income, poverty rates, welfare use, and other measures of economic attainment lag far behind natives. The table also shows that a slightly higher share of natives have a bachelor's degree than immigrants, and the share with a post-graduate degree is almost identical for the two groups.

The large number of immigrants with low levels of education means that immigration policy has dramatically increased the supply of workers with less than a high school degree, while increasing other educational categories more moderately. The last column in Table 6 shows the portion of each educational category composed of immigrants. This is important because it is an

indication of which American workers face the most job competition from foreign workers. While immigrants comprise almost 15 percent of the adult total workforce, they comprise more than 40 percent of adults in the labor force who have not completed high school. Figure 3 shows how immigration in the last 15 years has increased the supply of different types of workers. It reports the share of each educational category comprised of post-1990 immigrants. The figure shows that the number of dropouts in the workforce is 23 percent larger than it would have been otherwise; however, it has increased the supply of workers in other educational categories by between 4 and 8 percent. This means that any effect immigration may have on the wages or job opportunities of natives will disproportionately affect less-educated

workers, who are already the lowest paid workers.

Income of Immigrants and Natives.

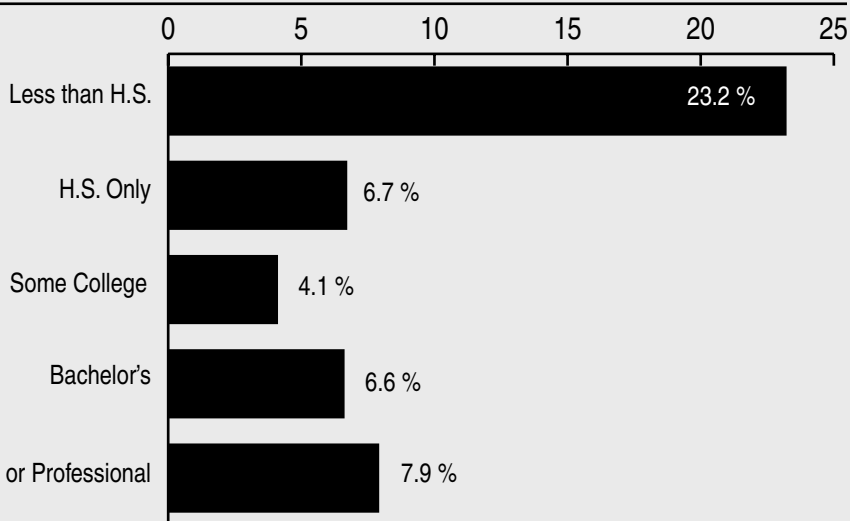
Given the large proportion of immigrants with few years of schooling, it is not surprising that the income figures reported in Table 6 show that, as a group, immigrants have lower median incomes than natives. The annual median earnings of immigrants are only about 75 percent those of natives. And for the most recent immigrants, median earning is only 56 percent that of natives. Another way to think about immigrant's relative position to natives is to look at household income. The average annual household income of immigrant-headed households is \$56,289, compared to \$61,098 for native households. The difference of 9 percent, while not trivial, is not huge. However, immigrant households are a good deal larger on average than native house-

Table 6. Characteristics of Immigrants and Natives in the Workforce*

Education Level	Natives	All Immigrants	Arrived 2000-2005	Immigrant Pct. of Each Category
Less than HS	7.8 %	29.6 %	34.1 %	39.8 %
H.S. Only	31.5 %	25.6 %	25.7 %	12.5 %
Some College	31.1 %	17.4 %	14.0 %	8.9 %
Bachelor's	19.8 %	17.1 %	17.1 %	13.1 %
Grad. or Professional	9.8 %	10.3 %	9.0 %	15.5 %
Median Annual Earnings	\$27,600	\$20,800	\$15,600	-
Average Age	41	40	33	-

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.
* Percentage of persons 18 and over in the workforce.

Figure 3. Percentage of Each Educational Category Comprised of Post-1990 Immigrants*



Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.
* Figures are for persons 18 and over in the workforce.

holds — 3.1 persons versus 2.5 persons. As a result, the per capita household income of immigrants is only 72 percent that of natives — \$17,884 versus \$24,901.

Immigrant Progress Over Time. The income figures in Table 6 only consider those in the workforce. Poverty figures on the other hand, can be used to examine the economic position of those both in and out of the labor force. Moreover, poverty controls for the number of people in a family. Table 7 reports the share of immigrants in poverty or who have incomes that place them in or near poverty. Near poverty is defined as less than 200 percent of the poverty threshold. The 200 percent of poverty threshold is an important benchmark because under that amount people generally do not pay federal income tax and typically begin to be eligible for means-tested programs. Those with income above this amount can be seen as middle class or even upper class, while those with incomes below this amount can be viewed as the low-income population. Poverty figures are reported based on how long the immigrant has lived in the country in 2005.

Table 7 shows that it takes a very long time for immigrants to close the economic gap with natives. In 2005, the table shows that the poverty rate of immigrants matches that of natives after being here for more than 20 years.²² As for the share in or near poverty, it takes more like 26 years for immigrants to match natives. Because it takes so long to match the rate of natives, at the point at which they have similar rates of poverty or near-poverty as natives, immigrants are on average much older than native-born Americans on average. This is shown in the third column of Table 7. Immigrants who arrived 20 years ago were 43 years old on average in 2005, seven years older than is the average native. Those who arrived 26 years ago are 48 years old, 12 years older than the average native. As a result, immigrants tend to have lower lifetime earnings and income than natives.

It was once argued that it took about 14 years for immigrants to close the economic gap with natives.²³ Table 7 shows this is no longer the case, at least with regard to poverty and near-poverty. It is also not the case for income; we find that the median income of immigrants (18 and older) in 2005 who had lived here 14 or 15 years was only 72 percent that of natives. This despite the fact that such immigrants are overwhelmingly legal residents and are about the same age as natives. In terms of health insurance, 40 percent were uninsured compared to 13 percent of natives, and 36 percent of households headed by an immigrant who arrived 14 or 15 years ago used at least one major welfare program compared to 18 percent of natives.²⁴

It should be noted that there is no way to know whether today's immigrants will take the same number of years to close the gap with natives, or even if they ever will. But given their education levels as shown in Table 6, it is not reasonable to expect that their rates of poverty will converge with natives any time soon. We do know that unskilled immigrants never come close to closing the gap with natives.²⁵ Of course, we could change immigration policy and allow fewer immigrants into the country who have little formal education. If we did that, then immigrants who arrive in the future would almost certainly have incomes that match those of natives from the time they arrive in the United States or soon thereafter.

Age of Immigrants. In 2005 the average age of an immigrant was 39 years and 10 months compared to 35 years and eight months for the average native. Thus at least measured in this way, immigration does not make America much more youthful. Of course, those who argue that immigration fundamentally changes the age

Table 7. Poverty and Near-Poverty by Length of Time in the U.S.

Years in the U.S. ¹	Poverty	In/Near-Poverty ²	Average Age
> 55 yrs.	5 %	41 %	76
46-55 yrs.	6 %	33 %	69
41-45 yrs.	12 %	32 %	62
36-40 yrs.	10 %	27 %	58
31-35 yrs.	13 %	33 %	53
26-30 yrs.	10 %	30 %	48
24-25 yrs.	11 %	32 %	46
22-23 yrs.	8 %	32 %	44
20-21 yrs.	14 %	39 %	43
18-19 yrs.	16 %	43 %	40
16-17 yrs.	18 %	44 %	40
14-15 yrs.	18 %	45 %	37
12-13 yrs.	19 %	46 %	36
10-11 yrs.	18 %	45 %	35
8-9 yrs.	18 %	42 %	33
6-7 yrs.	19 %	48 %	31
4-5 yrs.	21 %	51 %	29
< 4 yrs.	29 %	56 %	27
All Immigrants	17 %	45 %	40
Natives	12 %	29 %	36

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

¹ Based on the year immigrants said they came to the United States to stay.

² In or near poverty is defined as income under 200 percent of the poverty threshold.

structure generally have in mind new arrivals. One simple way to measure the impact of immigration is to calculate the average in age in the United States with and without recent immigrants. If the 7.9 million immigrants who arrived in 2000 or later are removed from the data, the average age in the United States would be 36 years five months. Including post-2000 immigrants does lower the average age, but only to 36 years two months. Thus, over the last five years immigration had only a very small impact on the aging of American society.

It could be argued that the benefit to the age structure might take more than just five years of high immigration. In a recent reported we examined the impact of immigration on the aging of American society as well as on the Social Security system. Consistent with other research, we found that immigration has only a very small impact on the problem of an aging society now and in the future. While immigrants do tend to arrive relatively young, and have more children than natives, immigrants age just like everyone else, and the dif-

ferences with natives are not large enough to fundamentally alter the nation's age structure. After looking at the impact of different levels of immigration over the next century, a Census Bureau report stated in 2000 that immigration is a "highly inefficient" means for increasing the percentage of the population that is of working age in the long-run.²⁶ Our detailed look at the full impact of immigration on the nation's age structure is available online.²⁷

Occupational Distribution. Table 8 shows the occupational concentration of immigrants and natives. The occupational categories are ranked based on native unemployment rates, which are shown in the first column. The table shows several important facts about U.S. immigration. First, there are millions of native-born Americans employed in occupations that have high concentrations of immigrants. It's simply not correct to say that immigrants only do jobs natives don't want. If that were so, then there should be occupations comprised al-

Table 8. Immigrants and Natives by Occupation in 2005, Ranked by Native Unemployment Rate in Occupation (Numbers in Thousands)

Occupation	Native Unemployment Rate	Immigrant Share of Occupation	Number of Natives Employed	Number of Unemployed Natives	Number of Recently Arrived Immigrants Employed*	Number of Immigrants Employed
Farming, fishing, & forestry	12.6 %	43.7 %	505	73	132	392
Construct. & extraction	11.3 %	25.9 %	6,368	809	644	2,228
Blding. cleaning & maintenance	10.1 %	34.0 %	3,279	370	412	1,693
Food preparation	9.2 %	23.7 %	5,115	521	454	1,585
Production	7.6 %	22.5 %	7,410	611	400	2,152
Transportation & moving	6.8 %	17.2 %	6,980	509	265	1,446
Personl. care & service	6.1 %	16.6 %	3,537	230	126	703
Sales	5.1 %	11.9 %	13,729	736	255	1,847
Healthcare support	5.1 %	17.5 %	2,462	131	104	523
Office & admin. support	5.0 %	9.7 %	17,206	902	240	1,840
Arts, entertain.& media	4.7 %	10.7 %	2,379	118	56	286
Installation and repair	4.6 %	12.3 %	4,502	216	90	629
Protective service	4.1 %	7.6 %	2,564	109	24	211
Computer mathematical	3.9 %	21.5 %	2,482	100	149	679
Life, physical, & soc. science	2.9 %	17.8 %	1,066	32	46	231
Architecture & engineering	2.9 %	15.3 %	2,250	67	60	405
Business and financial	2.5 %	10.5 %	5,121	130	63	598
Management Occp.	2.4 %	9.4 %	12,817	312	133	1,329
Legal occupations	2.0 %	6.2 %	1,459	30	7	96
Community & Social service	1.9 %	8.6 %	1,904	38	29	180
Educ., training	1.5 %	7.6 %	7,624	118	131	627
Healthcare practitioner	1.2 %	12.3 %	5,870	71	90	823
Total	5.1 %	15.0 %	116,629	6,234	3,909	20,505

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Figures are for persons 18 and older in the labor force.

* Immigrants who arrived 2000-2005. Based on the year immigrants said they came to the United States to stay.

most entirely of immigrants. Just the occupational categories of farming/fishing/forestry, construction, building cleaning/maintenance, and food processing currently employ 15.3 million adult native-born Americans. The second important point to remember is that while employers often argue that there are no Americans available to fill such jobs, Table 8 shows that in the first four occupations listed there are 1.8 million unemployed natives. Moreover, native unemployment averages 10.8 percent in these occupations. Perhaps the labor is not where employers wanted, or there is some other reason businesses find these unemployed natives unacceptable, but on its face Table 8 indicates that there is quite a lot of unutilized labor of this kind in the United States.

Its also worth considering that the correlation between native unemployment rates and the share of an occupation that is immigrants is 0.86. The square of a correlation, in this case 0.74, can be interpreted to mean that the presence of immigrants in an occupation explains 74 percent of the variation in native unemployment rates across occupations. It's also worth pointing out that the correlation between the number of unemployed natives and the number of post-2000 immigrants employed in a occupation is 0.98, and this value squared is 0.96. Of course, correlations do not prove that immigration adversely impacts the employment prospects of natives. It would be a mistake to think that every job taken by an immigrant is a job lost by a native. Clearly many factors impact unemployment rates across occupations. But it would also be a mistake to assume that dramatically increasing the number of workers in these occupations as a result of immigration policy has no impact on the employment prospects of natives. Perhaps most important, the large number of unemployed natives calls into question the argument that America is desperately short of workers to do these less-skilled jobs.

Self Employment. Table 9 (page 13) examines the self-employment rates of immigrants and natives. The table shows that immigrants and natives exhibit remarkably similar levels of entrepreneurship. The table shows that about 11 percent of immigrants and 13 percent of natives are self-employed. Turning to self-employment income reported at the bottom of Table 9, we see that the average self-employment income (revenue minus expenses) for immigrants and natives is virtually identical. While immigrants overall are not more entrepreneurial than natives, immigrants from such countries as Korea, Russia, and Iran are significantly more likely than natives to be self-employed. But overall entrepreneurship is neither lacking nor a distinguishing characteristic of

the nation's immigrants. If one removed immigrants from the data, the overall rate of self-employment in the United States would be about same. Therefore, one must look elsewhere to make an argument for or against current immigration.

Poverty, Welfare, and the Uninsured

Poverty Among Immigrants and Natives. The first two columns in Table 10 (page 14) report the poverty rate for immigrants by country and the number (in thousands) in poverty. Based on the March 2005 CPS, 17.1 percent of immigrants compared to 12 percent of natives lived in poverty in 2004 (Poverty statistics are based on annual income in the calendar year prior to the survey and

Table 9. Self-Employment for Employed Persons 25 and Older

Sending Country	Percent Self-Employed
Korea	28.1 %
Russia	21.9 %
Iran	20.1 %
Japan	18.8 %
Cuba	17.3 %
Italy	16.3 %
Great Britain	14.8 %
Poland	14.6 %
India	14.5 %
Canada	13.5 %
China	12.9 %
Germany	12.9 %
Ecuador	11.5 %
Brazil	11.5 %
All Immigrants	10.7 %
Colombia	10.4 %
Peru	10.2 %
Vietnam	9.7 %
Dominican Rep	8.6 %
Jamaica	7.4 %
Mexico	7.0 %
El Salvador	6.8 %
Guatemala	6.7 %
Philippines	4.3 %
Haiti	4.3 %
Honduras	4.2 %
All Immigrants	10.7 %
All Natives	13.0 %
Immigrant Avg. Self-Empl. Income	\$19,527
Native Avg. Self-Empl. Income	\$19,570

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

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reflect family size). The data by country indicate that there is an enormous variation in poverty rates among immigrants from different countries. For example, the 26 percent poverty rate for Mexicans is more than five times that of persons from Canada or the Philippines.

The higher incidence of poverty among immigrants as a group has significantly increased the overall size of the population living in poverty. Immigrants accounted for about one in six persons living in poverty. While this is a large percentage, it would be even larger if the native-born children (under age 18) of immigrants,

who are included in the poverty figures for natives, are counted with their parents. The poverty rate of minor children reflects their parents' income, therefore it is reasonable to view poverty among the U.S.-born children of immigrants as attributable to their immigrant parents.²⁸ The bottom portion of Table 10 shows that the poverty rate for immigrants and the U.S.-born children of immigrant mothers together is 18.4 percent. If the native-born children of immigrants are excluded, poverty among natives drops from 12 percent to 11.7 percent.

Of the 31 million natives living in poverty, 2.5 million (8 percent) are the U.S.-born children (under 18) of immigrant mothers. Overall, if the six million immigrants in poverty are also excluded, along with their U.S.-born children, the total number of people living in poverty drops by 8.5 million. This means that immigrants and their U.S.-born chil-

Table 10. Immigrant Poverty Rate Ranked by Sending Country

	In Poverty		In or Near Poverty ¹	
	Percent	Number (Thousands)	Percent	Number (Thousands)
Mexico	26.4 %	2,847	62.6 %	6,757
Dominican Rep.	25.1 %	174	54.6 %	378
Russia	20.6 %	107	36.8 %	191
Guatemala	20.6 %	110	60.5 %	323
Haiti	20.6 %	117	51.7 %	294
Honduras	20.1 %	76	55.0 %	208
Cuba	17.0 %	161	43.4 %	411
Colombia	16.3 %	78	34.2 %	164
Brazil	15.4 %	55	39.6 %	141
El Salvador	14.7 %	164	47.5 %	531
Vietnam	14.3 %	142	35.7 %	356
Korea	13.2 %	89	27.8 %	187
Jamaica	13.0 %	79	32.9 %	200
Poland	12.3 %	64	25.6 %	133
China	10.4 %	191	26.5 %	485
Japan	10.3 %	36	27.1 %	95
Peru	10.0 %	33	32.7 %	108
Italy	8.7 %	34	24.2 %	95
Ecuador	8.3 %	28	46.9 %	159
Great Britain	7.5 %	44	21.1 %	124
Iran	6.3 %	21	36.4 %	121
India	6.1 %	86	17.3 %	244
Germany	5.9 %	31	22.8 %	119
Canada	5.3 %	36	17.5 %	118
Philippines	5.0 %	77	20.5 %	313
All Immigrants	17.1 %	6,006	42.5 %	14,922
All Natives	12.0 %	30,991	29.7 %	75,891
Immigrants 18 and Older	15.8 %	5,048	40.8 %	13,031
Natives 18 and Older	10.2 %	18,923	26.5 %	49,048
Children of Immigrant Mothers ²	24.2 %	3,481	53.9 %	7,756
Children (under 18) of Native Mothers ³	16.2 %	9,546	35.6 %	20,979
Immigrants and Their U.S.-born Children ²	18.4 %	8,529	44.9 %	20,787
Natives and Their Children ³	11.7 %	28,469	28.7 %	70,026
Total Population	12.7 %	36,998	31.2 %	90,813

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Official government poverty statistics do not include unrelated individuals under age 15 (mostly foster children) and they are therefore not included in this table and all subsequent tables dealing with poverty.

¹ In or near poverty defined as income under 200 percent of the poverty threshold.

² Includes all children of immigrant mothers under age 18, including those born in the United States.

³ Includes the children of native mothers under 18. The U.S.-born children of immigrant mothers are not included.

dren account for 23 percent of the nearly 37 million people living in poverty in the United States. Among persons under age 18 living in poverty, 27 percent are either immigrants or the child of an immigrant mother.

In or Near Poverty. In addition to poverty, Table 10 also reports the percentage of immigrants and natives living in or near poverty, with near-poverty defined as income less than 200 percent of the poverty threshold. As already discussed, those with incomes under 200 percent of poverty generally do not pay federal income tax and often qualify for means-tested programs. As is the case with poverty, near-poverty is much more common among immigrants than natives. Table 10 shows that 42.5 percent of immigrants compared to 29.7 percent of natives live in or near poverty. Among the children of immigrants (under 18), 53.9 percent live in or near poverty, in contrast to 35.6 percent of the children of natives. If the U.S.-born children of immigrants are excluded from the figures for natives, the rate of poverty/near poverty among natives drops from 29.7 percent to 28.7 percent. If these children are counted with their immigrant parents, the rate of poverty/near poverty for immigrants and their children is 44.9 percent. The 20.8 million immigrants and their U.S.-born children in or near poverty account for 23 percent of all persons in or near poverty.

Without Health Insurance. Table 11 (page 16) reports the percentage of immigrants and natives who were uninsured for all of 2004. (The CPS asks about health insurance in the calendar year prior to the survey) The table shows that lack of health insurance is a significant problem for immigrants from many different countries. Overall, 33.7 percent of the foreign-born lack insurance compared to 13.3 percent of natives. Immigrants now account for 26 percent of the uninsured. The lower portion of Table 11 reports the percentage and number of immigrants and the U.S.-born children (under 18) of immigrant mothers who are uninsured. Of the 46.5 million immigrants and their young children, 29.3% lack insurance.²⁹ In total, the 13.6 million uninsured immigrants and their children account for 30 percent of the uninsured, nearly double their 15.9 percent of the overall population.³⁰

The low rate of insurance coverage associated with immigrants is primarily explained by their much lower levels of education. Because of the limited value of their labor in an economy that increasingly demands educated workers, many immigrants hold jobs that do not offer health insurance, and their low incomes make

it very difficult for them to purchase insurance on their own. A larger uninsured population cannot help but strain the resources of those who provide services to the uninsured already here. Moreover, Americans with insurance have to pay higher premiums as health care providers pass along some of the costs of treating the uninsured to paying costumers. Taxpayers also are affected as federal, state, and local governments struggle to provide care to the growing ranks of the uninsured. There can be no doubt that by dramatically increasing the size of the uninsured population, our immigration policy has wide-ranging effects on the nation's entire health care system.

A recent study found that, after controlling for such factors as education, age, and race, uninsured immigrants impose somewhat lower costs than uninsured natives. However, when the authors simply compared uninsured immigrants to uninsured natives the cost differences were not statistically significant. In other words when using the actual traits that immigrants have, the costs that uninsured immigrants create were the same as uninsured natives.³¹ Of course, even if there was a difference in the costs uninsured immigrants create compared to uninsured natives, it would have to be enormous to offset the fact that immigrants are two-and one-half times more likely to be uninsured than native-born Americans.

Immigration Accounts for Most of Increase in the Uninsured. According to the Census Bureau, since 1989 the population without health insurance has grown by 12.44 million and stood at 45.82 million in 2004. Much of this growth has been driven by immigration. To understand the impact of immigration, we can remove from the CPS immigrants who arrived after 1989 and who are uninsured. According to the March 2005 CPS, there were 8.34 million immigrants who arrived in 1990 or later who did not have health insurance. This is equal to 67 percent of the growth in the uninsured population. Moreover, there were nearly 700,000 children born to post-1990 immigrants who lacked insurance, meaning that new immigrants and their U.S.-born children accounted for 73 percent of the growth in the uninsured population. Thus, it is reasonable to say that the nation's health insurance crisis is, to a large extent, being driven by its immigration policy.

Uninsured or on Medicaid. The large share of immigrants and their children who are uninsured is even more striking when one considers their high rate of Medicaid use. The 2005 CPS shows that 17.4 percent of im-

migrants and their U.S.-born children under 18 are on Medicaid, compared to 12 percent of natives and their children.³² The last two rows at the bottom of Table 11 report the combined share of immigrants and their U.S.-born children who are either uninsured or on Medic-

aid. Nearly 47 percent of immigrants and their children either have no insurance or have it provided to them through Medicaid.

Welfare Use.

As the Census Bureau does in its publications, we report welfare use based on whether the head of household is immigrant or native.³³ With regard to immigrant households, this means we are reporting welfare use for immigrants and their U.S.-born children who live with them and comparing them to natives and their children. Table 12 shows the percentage of immigrant- and native-headed households in which at least one member of the household receives public assistance (including Temporary Assistance to Needy Families and state administered general assistance programs); Supplemental Security Income (SSI), which is for low-income elderly and disabled persons; Food Stamps; Medicaid (health insurance for those with low incomes); live in subsidized or government-owned housing, or use the Women, Infants and Children (WIC) nutrition program.

Table 12 indicates that even after the 1996 welfare reforms, which curtailed eligibility for some immigrants, immigrant households' use of the welfare system remains higher than that of natives for most programs and most entering cohorts. Use of public assistance and SSI tend to be quite similar for immigrant and native households. Thus if by "welfare" one only means cash assistance programs, then immigrant use is roughly the same as natives. Of course, there is the question of whether native use of welfare is the proper yardstick by which to measure immigrants. Some may reasonably argue that because immigration is supposed to benefit the United States, our admission criteria should, with the exception of refugees, select only those immigrants who are self-sufficient. Yet Table 12 shows that welfare use, even of cash programs, is not at or near zero. For other programs such as food stamps and housing, immigrant use tends to be somewhat higher. The biggest differ-

Table 11. Immigrants Without Health Insurance

Country	Number Uninsured (In Thousands)	Percent Uninsured
Guatemala	316	58.0 %
Mexico	5,812	53.8 %
Honduras	191	50.4 %
El Salvador	507	45.2 %
Ecuador	151	44.5 %
Haiti	243	42.6 %
Brazil	139	39.2 %
Peru	122	37.0 %
Colombia	149	31.1 %
Dominican Rep	212	30.5 %
Cuba	243	25.6 %
Jamaica	154	25.4 %
Poland	126	24.2 %
Vietnam	240	24.1 %
Korea	149	22.1 %
China	397	21.7 %
Iran	56	16.9 %
India	232	16.4 %
Russia	89	14.3 %
Philippines	211	13.8 %
Italy	42	10.7 %
Great Britain	55	9.3 %
Japan	32	9.1 %
Canada	55	8.2 %
Germany	25	4.8 %
All Immigrants	11,858	33.7 %
All Natives	33,962	13.3 %
Immigrants 18 and older	10,781	33.8 %
Natives 18 and older	26,771	14.4 %
Children (under 18) of Immigrant Mothers ¹	2,849	19.6 %
Children (under 18) of Native Mothers ²	5,420	9.1 %
Immigrants and Their US-born Children ¹	13,629	29.3 %
Natives and Their Children ²	32,191	13.2 %
Immigrants and Their U.S.-born Children Uninsured or on Medicaid ¹	21,639	46.7 %
Natives and Their Children Uninsured or on Medicaid ²	61,639	25.2 %

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

¹ Includes all children of immigrant mothers under age 18, including those born in the United States.

² Includes the children of native mothers under 18. The U.S.-born children of immigrant mothers are not included.

ences are for Medicaid and WIC. From the point of view of taxpayers, immigrant use of Medicaid is the most problematic because that program costs more than the combined total for the other five programs.

As was the case with lower income and higher poverty rates, the higher welfare-use rates by immigrant households are at least partly explained by the large proportion of immigrants with few years of schooling. Less-educated people tend to have lower incomes and higher levels of unemployment and poverty. Therefore, it is not surprising that immigrant use of the welfare system is significantly higher than that of natives.

While immigrants' use of some welfare programs is higher than natives', Table 12 shows that most households, immigrant or native, do not use the welfare system. On the other hand, even though most households do not use the welfare system, the programs listed in Table 12 cost the government some \$500 billion annually. Moreover, there are other means-tested programs not listed in the table that are linked to those reported in Table 12. For example, 15 percent of immigrant households reported having at least one child receiving subsidized school lunches, compared to only 6 percent of native households. There are many possible reasons to support high levels of immigration. But if the benefit to the United States is one of them, then selecting only immigrants who can support themselves and their children and do not need government assistance would certainly make sense.

Use of EITC. In addition to welfare programs, Table 11 reports the share of households in which at least one

worker is eligible for the Earned Income Tax Credit (EITC).³⁴ The Credit is for low-income workers. Persons receiving the EITC pay no federal income tax and instead receive cash assistance from the government based on their earnings and family size. The figures for the EITC probably overstate receipt of the EITC for both immigrants and natives because they are imputed (by the Census Bureau) based on income and family size. All persons who file a return should receive the EITC — the IRS will process it automatically for you if you qualify. Even illegal aliens sometime receive it. With an annual cost of over \$30 billion, the EITC is the nation's largest means-tested cash assistance program for workers with low incomes. Table 11 shows that 15.8 percent of native-headed households qualify for the credit, compared to 30 percent of immigrant households. Again, given the education level of so many immigrants it is not surprising that a large share work but that their incomes are low enough to qualify for the EITC.

Welfare Use by Country. While on the whole immigrant households have higher welfare use rates, this is not true for immigrants from all countries. Table 13 shows that immigrants from some countries have lower welfare use rates than natives. From the list of countries in Table 13, it is also clear that refugee-sending countries, such as Russia and Vietnam, tend to use the welfare system a good deal. On the other hand, Mexican and Dominican households have welfare use rates that are much higher than natives — higher even than Russia or Vietnam — and virtually none of these immigrants are refugees. In fact, if one excludes the primary refugee-sending coun-

Table 12. Use of Welfare Programs and the EITC for Immigrant- and Native-Headed Households (Percent)

	Native Households	All Immigrant Households	Year of Entry ¹			
			Pre-1980 Immigrant Households	1980-89 Immigrant Households	1990-99 Immigrant Households	2000-05 Immigrant Households
Public Assistance ²	1.5 %	1.8 %	1.9 %	2.3 %	2.0 %	1.9 %
Supplemental Security Income	4.0 %	4.4 %	6.0 %	4.5 %	3.9 %	1.6 %
Food Stamps	6.3 %	7.0 %	5.3 %	7.0 %	9.3 %	5.9 %
Public or Subsidized Housing	4.1 %	4.9 %	4.0 %	5.5 %	5.0 %	5.3 %
Medicaid	14.8 %	24.2 %	18.7 %	27.5 %	29.1 %	20.6 %
WIC	2.7 %	6.6 %	2.1 %	6.3 %	10.5 %	8.6 %
Using Any of Above Programs	18.2 %	28.6 %	21.5 %	31.7 %	34.1 %	26.9 %
EITC Eligibility	15.8 %	30.0 %	17.1 %	35.2 %	36.8 %	36.5 %

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Figures for the EITC are based on analysis of the 2004 Current Population Survey because the 2005 data were released without this information.

¹ Based on the year the household head said he or she came to the United States to stay.

² Includes TANF and state general assistance programs.

tries, the share of immigrant households receiving welfare does drop, but as reported at the bottom of Table 12, only from 28.6 percent to 28.2 percent.³⁵ Refugees are simply not a large enough share of the foreign-born, nor are their rates high enough to explain the level of welfare use by immigrant households.

Educational Attainment

Education Level of Immigrants. The statistics reviewed thus far indicate that a larger share of immigrants than natives have low incomes, lack health insurance, and access means-tested programs. As already mentioned, one of the primary reasons for this situation is that many immigrants have relatively few years of schooling. Table 14 reports, by country, the share of immigrants who have less than a high school education and the share who have

Table 13. Percent Using Welfare Programs and EITC by Household-Head Country of Birth

Country of Birth	Any	Public Assistance	SSI	Food Stamps	Subsidized Housing	Medicaid	WIC	EITC
Dominican Republic	57.2 %	5.0 %	12.2 %	19.4 %	17.8 %	49.7 %	9.4 %	40.1 %
Mexico	43.4 %	2.8 %	2.7 %	11.1 %	4.6 %	37.3 %	16.1 %	49.9 %
Russia	39.8 %	1.2 %	15.4 %	15.4 %	13.4 %	35.0 %	0.8 %	12.5 %
Honduras	37.5 %	3.9 %	7.2 %	9.2 %	6.6 %	31.6 %	5.3 %	42.4 %
Guatemala	35.7 %	0.5 %	3.9 %	4.3 %	2.9 %	29.5 %	11.6 %	49.5 %
Haiti	35.3 %	4.7 %	4.2 %	7.4 %	7.4 %	26.5 %	7.0 %	40.6 %
Cuba	33.0 %	2.1 %	9.9 %	13.7 %	8.7 %	27.3 %	1.7 %	17.2 %
Vietnam	31.8 %	2.0 %	6.3 %	7.0 %	6.5 %	27.3 %	3.0 %	28.4 %
Jamaica	31.3 %	5.9 %	6.9 %	9.7 %	5.6 %	26.0 %	4.9 %	33.2 %
Colombia	29.7 %	2.7 %	3.2 %	7.6 %	5.9 %	29.2 %	3.8 %	29.1 %
El Salvador	29.7 %	1.2 %	4.1 %	3.6 %	2.7 %	26.5 %	8.8 %	42.3 %
Ecuador	23.1 %	0.0 %	1.5 %	3.1 %	2.3 %	22.3 %	4.6 %	19.2 %
Iran	21.9 %	1.5 %	12.4 %	2.2 %	8.0 %	19.0 %	0.0 %	19.2 %
Brazil	21.9 %	0.0 %	3.1 %	6.3 %	4.7 %	16.4 %	2.3 %	26.8 %
Peru	20.6 %	0.0 %	3.1 %	3.1 %	3.8 %	15.3 %	3.1 %	30.8 %
China	18.5 %	0.3 %	4.8 %	1.6 %	2.9 %	15.8 %	1.2 %	22.5 %
Korea	17.4 %	0.7 %	4.3 %	2.5 %	7.6 %	13.0 %	2.5 %	13.1 %
Philippines	15.6 %	0.3 %	6.1 %	0.7 %	2.4 %	13.8 %	1.4 %	18.1 %
Japan	13.4 %	0.0 %	0.0 %	2.0 %	2.7 %	11.4 %	1.3 %	16.8 %
Canada	12.2 %	0.3 %	2.7 %	3.0 %	2.4 %	9.9 %	0.6 %	7.1 %
Poland	10.8 %	1.1 %	1.1 %	1.8 %	2.5 %	9.0 %	0.7 %	9.7 %
Great Britain	10.8 %	2.2 %	2.2 %	4.1 %	2.9 %	9.2 %	1.6 %	13.6 %
Germany	9.1 %	0.6 %	3.6 %	1.3 %	1.3 %	8.7 %	0.0 %	11.7 %
India	7.9 %	0.0 %	0.8 %	1.8 %	1.3 %	6.4 %	0.3 %	15.4 %
Italy	3.4 %	0.0 %	1.1 %	1.1 %	0.6 %	2.2 %	0.0 %	4.7 %
All Immigrants	28.6 %	1.8 %	4.4 %	7.0 %	4.9 %	24.2 %	6.6 %	30.0 %
All Natives	18.2 %	1.5 %	4.0 %	6.3 %	4.1 %	14.8 %	2.7 %	15.8 %
Immigrant Households w/Children*	40.5 %	3.1 %	2.7 %	10.7 %	5.0 %	23.7 %	13.0 %	44.0 %
Native Households w/Children*	27.0 %	3.4 %	2.6 %	9.8 %	4.6 %	35.7 %	7.4 %	27.9 %
Refugee-Sending Countries	30.7 %	1.8 %	8.6 %	9.7 %	8.3 %	25.5 %	2.6 %	20.3 %
Non-Refugee-Sending Countries	28.2 %	1.8 %	3.7 %	6.6 %	4.3 %	24.0 %	7.2 %	31.4 %
Immigrant Housholds w/65+ Head	30.1 %	0.3 %	12.3 %	8.4 %	9.9 %	25.9 %	0.7 %	7.5 %
Native Households w/ 65+ Head	16.0 %	0.4 %	4.1 %	3.6 %	4.9 %	11.6 %	0.3 %	6.2 %

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Figures for the EITC are based on analysis of the 2004 Current Population Survey because the 2005 data were released without this information.

* Households with children under 18.

at least a bachelor's degree. (The overall figures do not exactly match those in Table 6 because in that table the percentages are for only those in the labor force) The big difference between the education level of the two groups is found at the bottom end of the education distribution. In 2005, 31 percent of immigrants age 25 to 64 lacked a high school diploma, compared to less than 9 percent of natives.

At the top end, natives now have a slight advantage in terms of having at least a bachelor's degree. Historically, immigrants enjoyed a significant advantage in terms of having a college education. In 1970 for example, 18 percent of immigrants (25 to 64) had at least a college degree compared to 12 percent of natives.³⁶ But as Table 14 shows this is no longer the case, with 28 percent of immigrants and 30 percent of natives having at least a college degree. Because education is now so important to economic success, the large share of immigrants with relatively little education has enormous implications for their economic and social integration into American Society. Table 14 shows that there is great variation in the education level of immigrants by country. As we have seen, there is also great variation in the poverty, welfare use, and health insurance coverage rates by country. In general, countries with the lowest levels of education are also the ones with highest rates of poverty, welfare use, and lack of health insurance.

Importance of Education. To see just how important education is to economic success, Table 15 reports income, welfare use, poverty, and health insurance rates for immigrants and natives by education level. Table 15 shows that the median annual income of immigrants without a high school degree is just \$15,600, very similar to the \$15,000 for natives. For those with only a high school degree it is only \$20,000 — again, not that different from the \$24,000 for natives. Table 15 also shows that for welfare use, poverty, and health insurance rates, immigrants tend to do somewhat worse than natives with the same education. But more important, the table also shows that how well immigrants do is heavily dependent on their education level. This is consistent both with common sense and very large body of research.

The current immigration system allows legal immigrants into the country primarily based on whether they have a relative here. This fact, coupled with widespread toleration of illegal immigration, means the foreign-born population as a whole is much less educated than the native-born population. Given the nature of the modern American economy and the existence of a

well-developed welfare state, it seems unavoidable that less-educated immigrants will tend to have lower incomes and make heavier use of means-tested programs than natives.

School-Age Children

In the last few years, a good deal of attention has been focused on the dramatic increase in enrollment experienced by many school districts across the country. All observers agree that this growth has strained the resources of many school districts. While it has been suggested that this increase is the result of the children of baby boomers reaching school age, the so called “baby boom echo,” it is clear from the CPS that it is immigration policy that accounts for the dramatic increase in school enrollment. Table 16 shows that there are 10.3 million school-age children of immigrants (ages 5 to 17) in the United States, accounting for 19.2 percent

**Table 14. Education of Immigrants
Ages 25-64, by Country**

Country	< H.S.	College or More
Mexico	61.9 %	5.3 %
Guatemala	61.6 %	4.5 %
El Salvador	57.6 %	6.9 %
Honduras	51.8 %	8.4 %
Dominican Republic	36.7 %	14.5 %
Ecuador	33.3 %	15.1 %
Haiti	27.2 %	16.0 %
Vietnam	21.3 %	24.4 %
Cuba	20.3 %	23.1 %
Jamaica	17.3 %	21.8 %
Brazil	16.5 %	30.6 %
Colombia	16.4 %	32.7 %
Italy	13.5 %	33.2 %
China	10.5 %	57.6 %
Peru	9.2 %	26.0 %
Poland	6.0 %	31.8 %
Philippines	5.7 %	53.2 %
India	5.5 %	76.6 %
Korea	4.9 %	52.2 %
Canada	4.5 %	45.4 %
Russia	3.0 %	66.0 %
Great Britain	2.5 %	48.4 %
Germany	2.2 %	40.7 %
Iran	<1 %	65.1 %
Japan	<1 %	60.6 %
All Immigrants	31.0 %	27.9 %
Natives	8.7 %	30.0 %

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

of the total school-age population. While fewer than one-third of these children are immigrants themselves, the use of public education by the U.S.-born children of immigrants is a direct consequence of their parents' having been allowed into the country. The children of immigrants account for such a large percentage of the school-age population because a higher proportion of immigrant women are in their childbearing years, and immigrants tend to have somewhat larger families than natives. In addition, the effect of immigration on public schools will be even larger in the coming years because 21 percent of children approaching school age have immigrant mothers.

Table 16 also shows that immigration has significantly increased the school-age population in all of the top immigrant-receiving states. Of course, a dramatic increase in enrollment may not create a problem for public education if tax revenue increases proportionately. But as we have seen, immigrants generally have lower incomes than natives, so their tax contributions are unlikely to entirely offset the costs they impose on schools. This is especially true because of the higher costs associated with teaching children whose first language is not English.

The absorption capacity of American public education is clearly an important issue that needs to be taken into account when formulating a sensible immigration policy. Table 16 suggests that the failure to con-

sider this question may have significant consequences for America's schools.

Characteristics by State

In this section we examine the demographic characteristics of immigrants by state. Since the state samples are much smaller than for the nation as the whole, the results should be interpreted with caution, especially for the smaller states.

Educational Attainment by State. Table 17 reports the education level and poverty rates for immigrants. After the first column, which reports the share of immigrants 18 and over who are citizens, the second two columns report the percentage of adult immigrants and natives who lack a high school degree. The table shows that in every state of the country the share of adult immigrants without a high school education is significantly higher than that of natives. The largest gap is found in western states such as California, Arizona, and Colorado, where four to eight times as many immigrants as natives are high school dropouts. This huge gap has enormous implications for the social and economic integration of immigrants because there is no single better predictor of one's economic and social status in modern America than education.

Poverty and Near-Poverty by State.

The two columns after educational attainment in Table 17 report the percentage and number of immigrants and their U.S.-born children (under age 18) who live in poverty compared to natives and their children. While the foreign-born tend to have higher poverty rates in the top-receiving states, in Massachusetts, Illinois, Virginia, Maryland, and Georgia the difference with natives is not that large. In contrast, immigrants and their children tend to have much higher rates of poverty in New Jersey, North Carolina, Texas, Colorado,

Table 15. Socio-Economic Status by Education Level¹

Education Level	Nativity	Median Income	Welfare Use ²	In or Near Poverty (18+) ³	Uninsured (18+)
Overall	Immigrant	\$20,800	28.6 %	40.8 %	33.8 %
	Native	\$27,600	18.2 %	26.5 %	14.4 %
<HS	Immigrant	\$15,600	44.6 %	62.3 %	48.2 %
	Native	\$15,000	39.9 %	55.5 %	21.1 %
High School Only	Immigrant	\$20,000	29.9 %	41.9 %	35.8 %
	Native	\$24,000	21.5 %	31.2 %	17.8 %
Some College	Immigrant	\$29,271	24.4 %	31.1 %	26.7 %
	Native	\$27,000	16.7 %	22.7 %	14.0 %
College or Grad Degree	Immigrant	\$42,000	12.8 %	17.6 %	17.1 %
	Native	\$45,000	6.0 %	9.9 %	7.1 %

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Figures are for persons 18 and older in the labor force.

¹ Persons 18 and older in the workforce.

² Based on nativity and education level of household head.

³ In or near-poverty defined as income under 200 percent of the poverty threshold.

Arizona, and California. Turning to the share in or near poverty we see a somewhat different pattern. (Near poverty is defined as having an income below 200 percent of the poverty threshold.) With the exception of Virginia, immigrants and their children have much higher rates of poverty/near poverty than natives in every major immigrant state. As already discussed, those with incomes below this amount usually do not pay federal income taxes and typically become eligible for means-tested programs. As a share of all persons in or near poverty, immigrants and their children account for more than one-half of the poor and near poor in California and roughly one-third in New York, New Jersey, Florida, Texas, and Arizona.

Welfare Use by State. Table 18 shows the percentage of immigrant- and native-headed households using at least one major welfare program. (Programs included are TANF, SSI, general assistance, Food Stamps, public/rent subsidized housing, WIC, and Medicaid.) Nationally, 28.6 percent of immigrant households use a welfare program compared to 18.2 percent of natives. As we saw in Table 12, the biggest difference in program use is for Medicaid and WIC. For state governments, Medicaid is a particular concern because half to two-thirds of the program's costs are borne by state taxpayers. The biggest difference in welfare use is found in California, Georgia, Florida, Texas, Arizona, Massachusetts, New York, and Maryland. As a result of their higher use rates, immigrant households account for a very significant percentage of those using the welfare system. In California, almost half of households using a welfare program are headed by immigrants, and in New York, Florida, Texas, New Jersey, and Arizona immigrant households account

for between a quarter to a third of households using the welfare system. Use of welfare programs by immigrants does raise the question of why we have an immigration policy that admits so many individuals who are not self-sufficient.

Health Insurance Coverage. In addition to welfare use, Table 18 shows the share of immigrants and their children without health insurance by state. In the nation as a whole, 29.3 percent of immigrants and their children (under 18) are uninsured — compared to 13.2 percent of natives and their children. The difference between immigrant and native insurance coverage rates can only be described as enormous in many states. In Maryland, North Carolina, Colorado, and Arizona, the rate of uninsured among immigrants and their children is triple that of natives. In New Jersey, Illinois, Georgia, Florida, Texas, and California the rate is double.

The impact of immigration on the health care system as a whole can also be seen when we consider the share of immigrants and their minor children who are either uninsured or on Medicaid. The last column in Table 18 shows the share either uninsured or enrolled in Medicaid. The 2005 CPS shows that 17.4 percent of immigrants and their children are on Medicaid, compared to 12 percent of natives and their children. When we combine the percentages without health insurance we find that, in the nation as a whole, 46.7 percent of immigrants and their children (under 18) are either uninsured or enrolled in Medicaid, compared to 25.2 percent of natives. In North Carolina, Georgia, Florida, Colorado, and California roughly half or more of immigrants and their children are uninsured or on Medicaid. In Texas

Table 16. Immigration's Contribution to the School-Age Population (In Thousands)

State	School-Age Population (5-17)		Young Children (0-4)	
	Percent with Immigrant Mothers	Number with Immigrant Mothers	Percent with Immigrant Mothers	Number with Immigrant Mothers
California	46.8 %	3,250	45.9 %	1,219
Nevada	29.6 %	134	25.7 %	43
New York	28.9 %	989	29.8 %	353
Hawaii	27.1 %	56	24.1 %	19
Arizona	26.7 %	294	33.4 %	157
Florida	26.7 %	807	28.0 %	291
Texas	26.4 %	1,180	27.3 %	504
New Jersey	26.3 %	429	27.2 %	157
Colorado	19.4 %	161	23.4 %	80
Maryland	18.5 %	182	26.7 %	109
Massachusetts	18.0 %	205	19.3 %	67
Illinois	17.7 %	405	22.2 %	210
Entire Country	19.2 %	10,272	21.0 %	4,262

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

and Arizona it is over 60 percent. The impact of immigration on the health care system in these states and the nation is clearly enormous.

Immigration's Impact on the Size of the Low-income Population. Figure 4 shows the percentage of the each state's total population comprised of immigrants and the U.S.-born children under 18 of immigrant mothers compared to their share of those in or near poverty or uninsured.

As a share of all persons in or near poverty, immigrants and their children account for more than half of the poor and near-poor in California, and roughly one-third in New York, New Jersey, Florida, Texas, and Arizona. The impact of immigration on the overall size of the uninsured population is even larger. In California, immigrants and their U.S.-born children under 18 are 55.6 percent of the uninsured, and they are almost half of the uninsured in Arizona and New Jersey. They also represent a third or more of the uninsured in New York, New Jersey, Florida, Texas, Colorado, and Maryland.

Metropolitan Areas

Unfortunately the Commerce Department, of which the Census Bureau is a part, changed how it defines metropolitan areas for the 2005 CPS. The reasons and extent of the changes need not concern us here. But they do mean that it is no longer possible to easily compare the largest metro areas, formally called Consolidated Metropolitan Statistical Areas (CMSAs), over time using the CPS. Starting in 2005, these large metro areas are called Consolidated Statistical Areas (CSAs) and are not directly comparable to CMSAs. Looking at metropolitan areas using the CPS has now become much more difficult. Table 19 attempts to make comparisons with just a few of the very largest CSAs. (Note Miami is not a CSA.) The table shows that the

Table 17. Citizenship, Education, and Poverty Ranked by Immigrant Poverty¹ (Numbers in Thousands)

State	Education						In Poverty				In or Near Poverty ²					
	Citizenship, and Older Persons 18		Percent Without a High School Degree		Immigrants and Their Children ³		Natives and Their Children ⁴		Immigrants and Their Children ³		Natives and Their Children ⁴		Immigrants and Their Children ³		Natives and Their Children ⁴	
	Immigrant	Native	Immigrant	Native	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Texas	29.4%	12.6%	46.5%	12.6%	29.5%	1,362	13.1%	2,313	59.5%	2,744	32.2%	5,688	59.5%	2,744	32.2%	5,688
Arizona	31.2%	6.8%	40.3%	6.8%	28.0%	341	10.7%	488	58.1%	708	28.6%	1,298	58.1%	708	28.6%	1,298
North Carolina	23.4%	9.8%	35.5%	9.8%	26.3%	191	13.5%	1,035	55.7%	405	32.3%	2,488	55.7%	405	32.3%	2,488
Colorado	30.2%	5.1%	42.4%	5.1%	20.8%	129	8.2%	321	53.2%	329	21.4%	834	53.2%	329	21.4%	834
New York	54.3%	7.7%	22.5%	7.7%	18.9%	927	13.6%	1,917	41.5%	2,042	28.6%	4,026	41.5%	2,042	28.6%	4,026
California	39.9%	6.6%	38.9%	6.6%	17.7%	2,397	10.6%	2,346	47.9%	6,499	25.7%	5,707	47.9%	6,499	25.7%	5,707
Florida	44.6%	11.1%	21.5%	11.1%	16.6%	671	10.1%	1,355	42.3%	1,714	28.6%	3,820	42.3%	1,714	28.6%	3,820
Georgia	28.9%	20.7%	20.7%	11.1%	15.7%	161	12.7%	978	49.7%	509	31.8%	2,442	49.7%	509	31.8%	2,442
Illinois	41.7%	6.9%	25.5%	6.9%	14.0%	268	11.9%	1,266	37.4%	715	27.0%	2,873	37.4%	715	27.0%	2,873
New Jersey	45.4%	6.5%	20.6%	6.5%	13.6%	280	6.3%	412	30.9%	637	18.7%	1,233	30.9%	637	18.7%	1,233
Maryland	43.6%	7.3%	25.5%	7.3%	13.4%	127	9.1%	418	31.4%	298	22.9%	1,049	31.4%	298	22.9%	1,049
Virginia	37.4%	10.2%	24.7%	10.2%	10.6%	98	9.2%	591	26.2%	242	23.6%	1,521	26.2%	242	23.6%	1,521
Massachusetts	44.9%	7.2%	20.0%	7.2%	10.6%	115	8.9%	471	33.6%	365	21.9%	1,157	33.6%	365	21.9%	1,157
Nation	40.7%	8.7%	31.0%	8.7%	18.4%	8,529	11.7%	28,469	44.9%	20,787	28.7%	70,026	44.9%	20,787	28.7%	70,026

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Official government poverty statistics do not include unrelated individuals under age 15 (mostly foster children) and they are therefore not included in this table.

¹ Persons 25 to 64.

² In or near poverty defined as income under 200 percent of the poverty threshold.

³ Includes all children of immigrant mothers under age 18, including those born in the United States.

⁴ Includes the children of native mothers under 18. The U.S.-born children of immigrant mothers are not included.

New York and Los Angeles CSAs have the largest foreign-born population, while Miami has the largest foreign-born share. The results in Table 19 should be interpreted with caution. The March CPS data is new, and Census Bureau documentation dealing with metro area definitions is not entirely clear.

cussed, this is critically important because education is so important to socio-economic status in the modern American economy.

Illegal Immigration

Illegal Population Overall. So far we have examined the size, growth, and characteristics of the nation's total foreign-born population. As discussed in the methods section of this report, the foreign-born population in the CPS includes both legal and illegal immigrants. We estimate that of the 35.2 million immigrants in the March 2005 CPS, between 9.6 and 9.8 million are illegals. This estimate is not significantly different from those of other researchers who have examined this question.³⁷ It must also be remembered that these figures are only for those in the CPS, not those missed by the survey. Our estimates indicate that illegal aliens comprise 3.3 percent of the nation's total population and 28 percent of the total immigrant population. Estimates prepared by other researchers often adjust for undercount in Census Bureau data. While there is debate about the number missed, most research indicates that roughly 10 percent of the illegal population is not counted in the CPS. Thus, if one wants to know the "true" size of the illegal population, then 10 percent — or about one million illegals — should be added to our estimate of the number captured in the CPS for a total of nearly 11 million in March 2005.

One of the most important characteristics of illegal immigrants is the very large share with little formal education. We estimated that of adult illegals over age 21, 61 percent have not completed high school, 25 percent have only a high school degree, and only 14 percent have education beyond high school. As already dis-

Table 18. Welfare Usage and Insurance Coverage by State, Ranked by Immigrant Welfare Use¹ (In Thousands)

State	Use of Major Welfare Program						Uninsured						Uninsured or on Medicaid					
	Immigrant-Headed Households		Native-Headed Households		Immigrants and Their Children ²		Natives and Their Children ³		Immigrants and Their Children ²		Natives and Their Children ³		Immigrants and Their Children ²		Natives and Their Children ³			
	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number		
Arizona	37.3 %	137	16.0 %	291	36.9 %	449	11.9 %	540	63.2 %	770	24.8 %	1,128	63.2 %	770	24.8 %	1,128		
California	35.0 %	1,368	17.5 %	1,561	27.5 %	3,742	13.3 %	2,969	50.1 %	6,819	26.6 %	5,912	50.1 %	6,819	26.6 %	5,912		
New York	34.5 %	609	22.6 %	1,283	20.2 %	995	12.1 %	1,709	44.3 %	2,182	27.3 %	3,858	44.3 %	2,182	27.3 %	3,858		
Texas	30.6 %	418	18.0 %	1,228	45.2 %	2,096	19.7 %	3,487	61.3 %	2,842	30.6 %	5,416	61.3 %	2,842	30.6 %	5,416		
Massachusetts	28.9 %	110	20.6 %	426	19.4 %	211	10.2 %	537	37.4 %	408	23.1 %	1,218	37.4 %	408	23.1 %	1,218		
Georgia	27.2 %	84	19.0 %	596	39.9 %	409	14.4 %	1,104	56.9 %	583	28.5 %	2,187	56.9 %	583	28.5 %	2,187		
Maryland	25.2 %	71	12.5 %	230	32.9 %	313	10.8 %	497	42.3 %	403	18.6 %	856	42.3 %	403	18.6 %	856		
Florida	24.5 %	334	14.6 %	832	33.7 %	1,369	15.7 %	2,111	47.6 %	1,932	26.4 %	3,541	47.6 %	1,932	26.4 %	3,541		
North Carolina	22.0 %	50	18.8 %	584	40.9 %	297	13.3 %	1,025	49.4 %	359	25.5 %	1,962	49.4 %	359	25.5 %	1,962		
New Jersey	19.9 %	136	13.7 %	348	28.5 %	590	11.1 %	732	38.8 %	802	18.7 %	1,232	38.8 %	802	18.7 %	1,232		
Colorado	18.7 %	34	11.5 %	185	40.0 %	249	13.3 %	518	47.4 %	295	20.1 %	786	47.4 %	295	20.1 %	786		
Illinois	17.5 %	106	14.1 %	605	25.2 %	485	12.0 %	1,279	35.8 %	688	21.3 %	2,274	35.8 %	688	21.3 %	2,274		
Virginia	13.7 %	37	14.3 %	368	26.5 %	246	12.6 %	815	29.4 %	273	20.6 %	1,330	29.4 %	273	20.6 %	1,330		
Nation	28.6 %	4,135	18.2 %	17,957	29.3 %	13,629	13.2 %	32,191	46.7 %	21,696	25.2 %	61,639	46.7 %	21,696	25.2 %	61,639		

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

¹ Includes use of any of the following: TANF, General Assistance, SSI, food stamps, public/subsidized housing, WIC or Medicaid.

² Includes all children of immigrant mothers under age 18, including those born in the United States.

³ Includes only the children of native mothers under 18. The U.S.-born children of immigrants are not included.

Illegals by State. Below we examine the demographic characteristics of illegal aliens by state. Since the samples are much smaller than for the nation as the whole, the results should be interpreted with caution, especially for the smaller states. In addition to issues associated with sample size, the identification of illegals in the survey also contains some error. Table 20 reports our best estimates for the number of illegals by state in the CPS. (It should be noted that even if the undercount is 10 per-

cent nationally, this may not be uniform across states.) The table shows that California has by far the largest illegal population, followed by Texas, Florida, and New York. However, with the exception of Texas, these states do not rank at the top in terms of the illegal share of the total foreign-born. In Arizona, Colorado, and North Carolina illegals account for half or nearly half of the foreign-born.

Table 19. Immigrants in the Nation's Largest Metropolitan Areas, 2000 & 2005

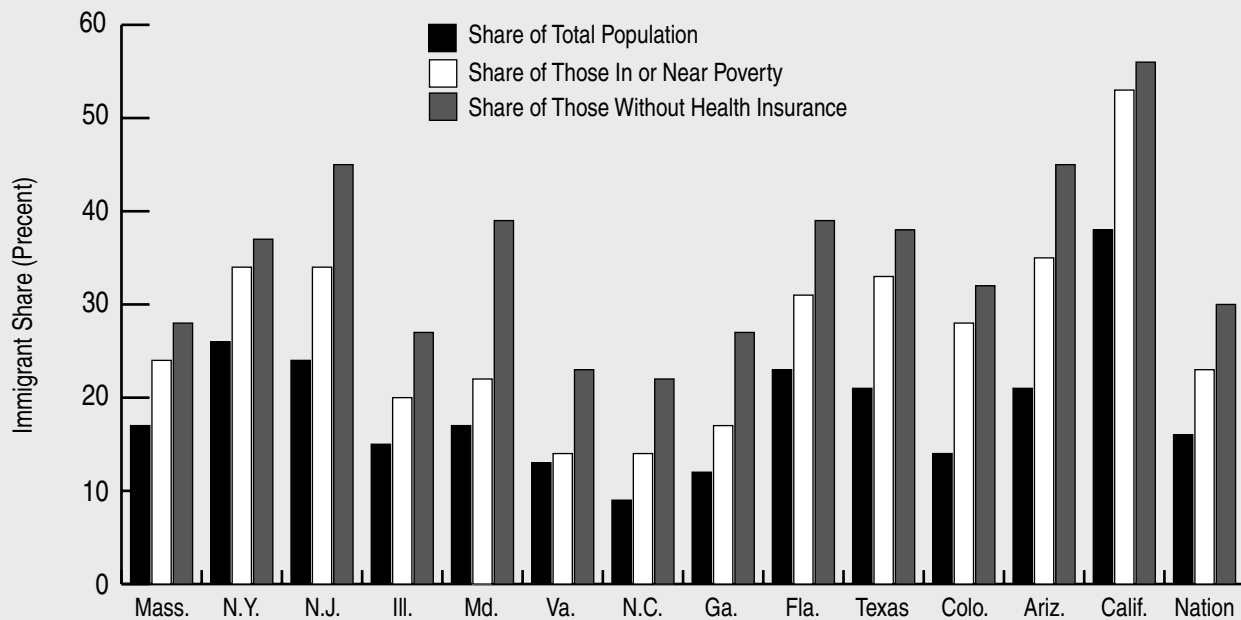
	Number of Immigrants In 2005 (Thousands)	Immigrant Share of Metro Area Population (%)	Arrived 2000-2005 (Thousands)	Number of Immigrants In 2000 (Thousands)	Growth 2000-2005 (Thousands)	Immigrants and Young Children as a Share of Total Population 2005 ² (%)
Los Angeles ¹	5,642	32.1 %	838	4,829	813	44.1 %
New York	5,207	25.1 %	960	4,963	244	31.8 %
San Francisco	2,114	28.5 %	459	2,105	9	37.6 %
Miami-Dade	1,905	35.8 %	349	1,749	156	44.5 %
Chicago	1,327	14.3 %	234	1,154	173	19.6 %
Washington-Baltimore ¹	1,308	16.4 %	372	902	406	21.3 %
Boston-Worcester	789	13.8 %	187	769	20	17.1 %

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Figures are for persons 18 and older in the labor force.

¹ Metro Areas with Statistically Significant Growth 2000-2005.

² Includes all children of immigrant mothers under age 18, including those born in the United States.

Figure 4. Immigrants and Their Children (Under 18) Account for a Large Share of Those In or Near Poverty and Without Health Insurance*



Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

* Includes all children of immigrant mothers under age 18, including those born in the United States.

Poverty Among Illegals by State. One advantage of not adjusting for undercount is that it is possible to see what share of those in poverty or uninsured are illegals in the CPS. If we had adjusted upward for illegals missed in the CPS, then we would have also had to adjust for the undercount of legal immigrants and natives so that we could calculate the share that illegals represent. Table 21 reports the estimated share of illegals who live in or near poverty, with near-poverty defined as less than 200 percent of the poverty threshold. Not surprisingly, Table 21 (page 26) shows that illegals tend to have very high rates of poverty and near poverty. Recall from Table 10 that roughly one in nine natives lives in poverty compared to one in four illegal aliens in poverty. Nationally, about 6.2 percent of those in poverty are illegal aliens, or about double their 3.3 percent share of the total population.

Table 21 also shows poverty for illegals by state. Poverty among illegals is the highest in states like Texas and Colorado. The table also shows that poverty among illegals tends to be even higher when their U.S.-born children under age 18 are counted.³⁸ Nationally, more than 26 percent of illegals and their American-born children live in poverty, accounting for 9 percent of the total poverty population in the United States. In states such as California, Arizona, Texas, New Jersey, and Colorado, illegals and their U.S.-born children accounted for about a fifth of those in poverty. In Virginia, Florida, and North Carolina, illegals are about one-tenth of those in poverty, as is the case for the nation as a whole. If we compare Table 21 with figures from Table 16, which reported the share of all immigrants and their children in poverty, we find that in just about every state, the majority of immigrants and their children in poverty are not illegal aliens or the young children of an illegal born here. Even in a state with a huge illegal population like California, only about one-third of the poverty associated with immigrants is from illegal immigration.

The same general pattern holds when we consider those in or near poverty, which is shown on the right side of Table 21. Rates for illegals tend to be dramatically higher than those of natives. In just about every state, the majority of illegals and their minor children live in or near poverty. And illegal immigrants account for a large share of the overall low-income population. However, as is the case with poverty, most immigrants and their children in or near poverty are not illegal aliens or the minor child of an illegal alien.

Welfare Among Illegals by State. Table 22 shows the share of households headed by illegal aliens using various welfare programs. It shows that a large share of

illegal-alien households use the food assistance programs (Food Stamps and WIC) and Medicaid. But use of cash assistance (TANF, State General Assistance, and SSI) is in most cases is very low. It should also be added that the share of households headed by illegals in public or rent-subsidized housing is virtually zero. It must be remembered that, in general, illegals cannot use the welfare system themselves. But their U.S.-born children can be enrolled in Medicaid and receive food assistance. Table 22 reflects the fact that a very large share of illegals have low incomes and, as a result, their children can enroll in means-tested programs. This is important for a number of reasons, not the least of which because it means that efforts to bar illegals from using welfare programs will be ineffective. Their U.S.-citizen children will continue to enjoy the same welfare eligibility as any other American citizen. Or put a different way, as long as illegals are allowed to stay in the country, their children will continue to access the welfare system at very high rates, at least for some programs.

It should also be noted that this situation is not caused by an unwillingness to work on the part of illegals. In fact, we have estimated that a larger share of illegal alien headed households have at least one worker than do native headed households.³⁹ Rather, with 60 percent or more of adult illegals lacking even a high school degree, their average incomes in the modern economy will be very low. Moreover, the American welfare system is geared toward helping low-income workers, especially those with children. Since a very large share of illegals work, have low income, and have children, most

Table 20. Estimated Number in the Current Population Survey by State (Thousands)

	Illegal Population	Total Foreign-Born
California	2,540	9,984
Texas	1,350	3,379
Florida	780	3,203
New York	610	3,900
Arizona	480	851
New Jersey	410	1,620
Illinois	350	1,417
Georgia	280	762
North Carolina	270	590
Virginia	220	719
Colorado	220	443
Maryland	210	725
Nation	9,690	35,156

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Estimates are only for those who responded to the survey.

of whom were born here, it should be no surprise that many illegal households use the welfare system. Use of means-tested programs by illegal workers is important because it indicates that employers' desire to have access to large numbers of unskilled immigrant workers may come at a very significant costs to taxpayers. This does not mean that the overall effort to help low-income workers is misplaced. But it does raise the question of why we have an immigration policy that adds so many unskilled workers to the country.

Health Insurance Among Illegals by State. The right-hand portion of Table 22 reports the share of illegals and their minor children without health insurance coverage. Not surprisingly, most illegals are uninsured. Nationally we estimate that 65 percent of illegals lack health insurance, compared to about 13 percent of natives. Table 22 also shows that in many states the figure is even higher. Illegals also account for a very large share of the total uninsured population. Nationally 14 percent of all uninsured persons in the United States are estimated to be illegal aliens. This compares to their 3.3 percent share of the nation's total population. In some states the impact is much larger. In Arizona, about one-third of the unin-

sured are illegal aliens, in California it is one-fourth and in Colorado they are one-fifth of the uninsured.

Table 22 indicates that, when their U.S.-born children (under 18) are included, the illegal share of the uninsured is lower than when illegals are considered alone. This is in contrast to the poverty figures reported above, which showed that poverty is higher when the U.S.-born minor children of illegals are included. Nationally, 56 percent of illegals and their minor children are uninsured. In general, lack of health insurance among the U.S.-born children of illegals is much lower than for their parents because, unlike their parents, the U.S.-born children of illegals can enroll in Medicaid. Most of the children in illegal-alien families are U.S.-born, and this is the main reason that the figures for Medicaid use for illegals are high — their American-citizen children use the program. As a share of the total uninsured population, illegals and their children account for 15 percent of the all the uninsured in the United States. In Arizona, 37 percent of the uninsured are illegals or their U.S.-born children under age 18; in California, it's 27 percent; in Colorado, it's 24 percent; in Texas and New Jersey, it's 21 percent; in North Carolina it's 17 percent; and in the rest of the states it's between 13 and 16 percent. The large

Table 21. Poverty and Near Poverty Among Illegal Aliens¹ (Number in Thousands)

State	Poverty				In or Near Poverty ²			
	Illegal Aliens Only		Illegal Aliens + U.S.-Born Children < 18 ³		Illegal Aliens Only		Illegal Aliens + U.S.-Born Children < 18 ³	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
California	23 %	579	25 %	838	60 %	1,530	63 %	2,118
Texas	34 %	457	39 %	731	70 %	941	74 %	1,399
Florida	14 %	106	16 %	152	48 %	372	51 %	469
New York	17 %	104	20 %	153	49 %	302	54 %	406
Arizona	24 %	115	26 %	172	57 %	272	62 %	409
New Jersey	25 %	103	26 %	128	49 %	203	50 %	247
Illinois	24 %	83	23 %	111	55 %	193	59 %	284
Georgia	19 %	52	20 %	75	67 %	184	70 %	256
North Carolina	36 %	97	37 %	119	75 %	201	75 %	243
Virginia	22 %	49	22 %	64	43 %	97	48 %	139
Colorado	28 %	63	32 %	96	67 %	149	71 %	212
Maryland	13 %	28	16 %	39	37 %	77	39 %	94
Nation	24 %	2,297	26 %	3,277	58 %	5,661	62 %	7,706

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey.

¹ Estimates are only for those who responded to the survey. Estimates for illegals are only for those who responded to the survey. Official government poverty statistics do not include unrelated individuals under age 15 (mostly foster children) and they are therefore not included in this table.

² In or near poverty defined as income under 200 percent of the poverty threshold.

³ Includes all illegal aliens and their U.S.-born children under age 18.

number of illegals without insurance, and the likely impact this creates for taxpayers, again reminds us that the desire of some businesses to have access to large numbers of unskilled immigrant workers may create significant problems for the health care system and taxpayers.

Characteristics of Unskilled Legal Immigrants. Illegal immigration is one of the most contentious issues of our time. Many in Congress, as well as the president, have argued for some form of legal status for those here illegally as well as increased levels of legal immigration. Since illegal immigrants are overwhelmingly unskilled, we can gain some insight into the possible effects of legalization by looking at the economic situation of unskilled legal immigrants. Figure 5 reports the estimated welfare use and poverty rates of legal immigrants who have not completed high school. It should be noted that if we have overestimated welfare use for households headed by illegal aliens, then legal immigrants, particular the unskilled, must have higher welfare use rates than reported here. This would mean that legalization would be even more costly because the difference between what illegals currently use and what they would use once legalized is even larger than we have estimated here. This has to be the case mathematically because immigrant households accessing the welfare system can only be either legal im-

migrants or illegals and we simply take the welfare use rates for the foreign-born as reported in the CPS.

Figure 5 shows that unskilled legal immigrants make extensive use of the welfare system. In fact, our estimate is that nearly half (48 percent) of households headed by unskilled legal immigrants use at least one major welfare program. Their use of welfare programs is much higher than that of illegal aliens for every type of program. In contrast to welfare use, the poverty statistics show that unskilled legal immigrants are somewhat better off than illegal aliens. But the difference in poverty rates is not that large — 22 versus 24 percent. The share of unskilled legal immigrants in or near poverty is somewhat lower than that of illegals. But unskilled legal immigrants are still almost twice as likely as natives to live in or near poverty.

Figure 5 indicates that legalization will probably not solve the problems of welfare use or low income associated with illegal immigration. In fact, with regard to welfare use, legalization will almost certainly make the problem worse. Of course, not all illegal aliens are unskilled. Those with more education can be expected to do better than unskilled legal immigrants. On the other hand, legal unskilled immigrants in the CPS have lived in the United States significantly longer than have the average illegal immigrant, the majority of whom have

Table 22. Welfare Use and Health Insurance Coverage for Illegal Alien-Headed Households

	Use of Welfare Programs				Without Health Insurance			
	Food Assistance ¹	Cash Assistance ²	Medicaid	Using Major Welfare Program ³	Percent Without Health Ins.	Number Without Health Ins. ⁴	Pct. Illegals & Their Children ⁴	Number Illegals & Their Children ⁵
California	23 %	1 %	37 %	45 %	66 %	1,678	54 %	1,836
Texas	26 %	1 %	29 %	37 %	73 %	998	62 %	1,184
Florida	6 %	2 %	19 %	26 %	63 %	487	57 %	524
New York	13 %	4 %	34 %	40 %	58 %	356	49 %	364
Arizona	19 %	<1 %	22 %	30 %	65 %	309	56 %	367
New Jersey	12 %	<1 %	14 %	22 %	61 %	252	57 %	279
Illinois	15 %	<1 %	16 %	22 %	63 %	222	52 %	256
Georgia	28 %	<1 %	35 %	42 %	78 %	214	64 %	234
North Carolina	14 %	3 %	9 %	20 %	75 %	203	68 %	223
Virginia	13 %	<1 %	12 %	22 %	57 %	127	46 %	134
Colorado	11 %	<1 %	12 %	18 %	70 %	152	61 %	183
Maryland	6 %	<1 %	19 %	23 %	54 %	114	55 %	133
Nation	19 %	1 %	27 %	35 %	65 %	6,295	56 %	7,014

Source: Center for Immigration Studies analysis of March 2005 Current Population Survey. Estimates are only for those who responded to the survey.

¹Food Stamps or WIC

²TANF, SSI or state general assistance programs

³Includes use of any of the following: TANF, General Assistance, SSI, Food Stamps, public/subsidized housing, WIC or Medicaid.

⁴ Number in thousands.

⁵ Number in thousands. Includes all illegal aliens and their US-born children under age 18.

lived here for less than 10 years. Over time, income rises with greater workforce experience. The estimates for unskilled legal immigrants reflect this fact. Thus, unskilled legal immigrants in the CPS have higher incomes than would be expected for legalized illegal aliens at least at the onset of any amnesty.

Legal Status No Guarantee of Success. Figure 5 makes clear that immigrants who have legal status, but little education, generally have low incomes and make heavy use of welfare programs. If we decide to legalize illegal immigrants, we should at least understand that it will

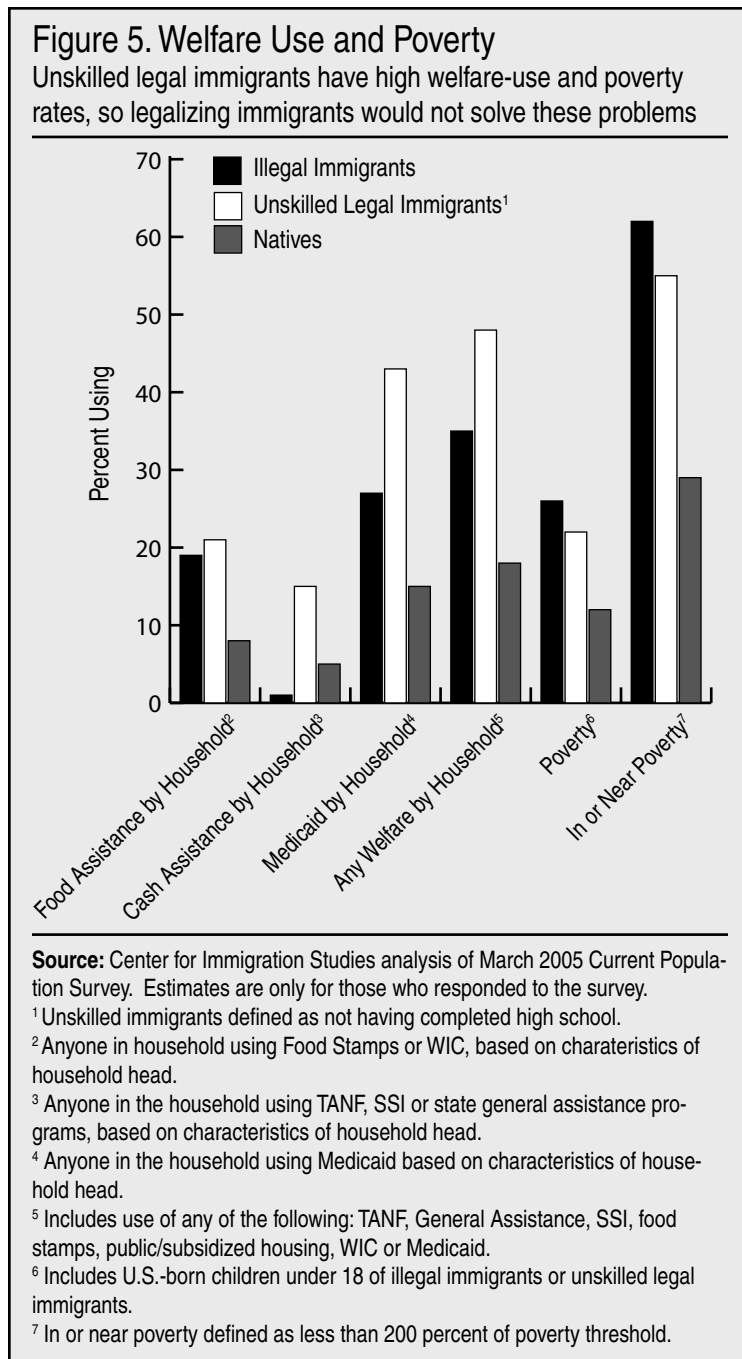
not result in dramatically lower rates of welfare use or poverty. This does not mean legalization is necessarily a bad idea. But it does mean that those who advocate such a policy need to acknowledge this problem and not argue that legalization will save taxpayers money or result in a vast improvement in the income of illegal aliens. Legalized illegals will still be overwhelmingly uneducated and this fact has enormous implications for their income and welfare use and for American taxpayers.

Conclusion

The latest data collected by the Census Bureau show that the years 2000 to 2005 are the almost certainly the highest five years of immigration in American history. Immigration continues to be the subject of intense national debate. The 1.5 million immigrants arriving each year have a very significant effect on many areas of American life. Immigrants and their young children (under 18) now account for one-fifth of school age population, one-fourth of those in poverty, and nearly one-third of those without health insurance, creating enormous challenges for the nation's schools, health care system, and physical infrastructure. The low educational attainment of many immigrants, 31 percent of whom have not completed high school, is the primary reason so many live in poverty, use welfare programs, or lack health insurance, not their legal status or an unwillingness to work.

Setting aside the lower socio-economic status of immigrants, no nation has ever attempted to incorporate more than 35 million newcomers into its society. Whatever one thinks of contemporary immigration, it is critically important to understand that its effect on America represents a choice. Selection criteria can be altered, as can the total number of people allowed into the country legally. Moreover, the level of resources devoted to reducing illegal immigration can be reduced or increased. With illegal immigrants accounting for more than one in four immigrants, their effect on the nation by themselves is now very large.

The goal of this *Background* has been to provide information about the impact of



immigration on American society to better inform the policy discussion about what kind of immigration policy should be adopted in the future. If there is no change in immigration policy, it is almost certain that over the

next 10 years, at least 15 to 16 million new legal and illegal immigrants will settle in the United States. Thus immigration's impact will continue to grow if current trends are allowed to continue.

End Notes

¹The survey is considered such an accurate source of information on the foreign-born because, unlike the decennial census, each household in the CPS receives an in-person interview from a Census Bureau employee. The 211,000 persons in the Survey, almost 24,000 of whom are foreign-born, are weighted to reflect the actual size of the total U.S. population. However, it must be remembered that some percentage of the foreign-born (especially illegal aliens) are missed by government surveys of this kind. Thus, the actual size of this population is almost certainly larger. Of course, this was also true in past years as well.

²This includes naturalized American citizens, legal permanent residents (green card holders), illegal aliens, and people on long-term temporary visas such as students or guest workers, but not those born abroad of American parents or those born in outlying territories such as Puerto Rico.

³Figure 1 reports the number of immigrants living in the country in 1995 through 2005 from the March CPS. The data for 1995 to 1999 were originally weighted based on the results of the 1990 Census carried forward. This was also true for the March 2000 and 2001 CPS. After the 2000 Census, which was conducted in April, the Census Bureau re-weighted the March 2000 and 2001 CPSs based on the results from the 2000 Census. This had the effect of increasing the size of the foreign-born population in the March 2000 CPS by 5.659 percent. While the Census Bureau has not re-weighted the 1995 through 1999 CPSs, it is reasonable to assume that the undercount was similar in those years. If we adjust the 1995-1999 March CPS by the same amount it produces the results found in Figure 1.

⁴If the original weights (based on the 1990 census) are used for the 1996 through 2000 data, then the foreign-born population grew from 23 million in 1995 to 28.38 million in 2000 — 5.38 million. This is less than the 5.7 million growth reported for this time period shown in Figure 1.

⁵Unlike deaths, out-migration may or may not rise with the size of the immigrant population. Also, unlike deaths, it can fluctuate from year to year. While the potential pool of return migrants obviously grows as the immigrant population grows, this does not necessarily mean that more will chose to go home, or in the case of illegals be forced to do so. Put simply, out-migration usually is voluntary and can fluctuate; deaths, on the other hand, are not voluntary and therefore occur at a predictable rate. This does not mean that out-migration cannot be estimated. See www.census.gov/population/documentation/twps0051/twps0051.pdf.

⁶In order to preserve anonymity, the Census Bureau groups several different years of arrival together in the public use CPS. In the March 2000 CPS, those who arrived from 1998 through March 2000 are one group, those who arrived in 1996 and 1997 are another group, and those who arrived in 1994 and 1995 are still another. We split those respondents who arrived 1994 and 1995 to estimate the number of immigrants who came into the country from 1995 to 2000 so that we can compare two different five year periods — 1995 to 2000 versus 2000 to 2005. But even if we did not do this, the total number who entered in the six years 1994 to 2000 is still less than number for the five years 2000 through 2005.

⁷The report by the Pew Hispanic Center, “Rise, Peak, and Decline: Trends in U.S. Immigration 1992-2004,” is at www.pewhispanic.org/reports/report.php?ReportID=53.

⁸This quotation is from a September 26, 2005, email from Jeff Passel who is the lead author of the Pew report. The report does say this less clearly on page 23, but most readers, including some in the media who have reported on his study, mistakenly think the numbers in his tables show levels and not just trends. But Dr. Passel has been very clear in several personal conversations that the actual level of immigration is higher than that shown in the tables of his study. This decision to report figures that are trends and not actual numbers of new arrivals makes the study more difficult to evaluate. For example, it is not possible to directly compare all the numbers in “Rise, Peak and Decline” to a study Pew published just three months earlier entitled, “Unauthorized Migrants: Numbers and Characteristics,” even for the same years.

⁹The weighting of data is a complex procedure. At a basic level, each person in the survey is assigned a weight, which is suppose to be the actual number of people with the same demographic characteristics the individual represents in the total population. These characteristics include things like race, age, gender, and whether someone is Hispanic. The variables used to weight the data are often correlated with being foreign-born, thus it is not so surprising that the CPS or ACS will show roughly the same level of immigration. It should be noted that being an immigrant is not one of the variables used to weight the data.

¹⁰The number of inconsistent responses are most pronounced in the years with the largest variation in new arrivals. The reason for this inconsistency is not clear. Another problem with this question is that the level of immigration it implies is far too low. On average, the “where did you live last year” question shows that about 1.1 million immigrants came to the United States each year from 2000 to 2005. Not only is this completely inconsistent with the 1.5 million implied by

the year-of-arrival question from the March 2005 CPS, (and other March CPSs), but it is also completely incompatible with the growth in the foreign born — 5.2 million from 2000 to 2005. As was discussed earlier, at least 500,000 immigrants die or go home each year. Thus, if only 1.1 million entered, it would not be possible for the population to grow by over 1 million a year. In contrast, if 1.5 million new immigrants enter each year, as the year-of-arrival question indicates, then a growth of 1 million makes perfect sense.

¹¹This problem can be seen when we examine the growth that occurred between 2002 and 2003. The Pew study found that over the 1995 to 2005 period, 2002 and 2003 had the lowest number of new arrivals. Yet as Figure 1 shows, growth in the foreign-born between 2002 and 2003 was one million, higher than some of the years in the 1990s and an amount consistent with the average growth over the entire 1995 to 2005 period. There are also some years in the 1990s when growth does not seem to match the flow numbers found in the Pew study. This almost certainly reflects the sampling variability that occurs in any survey, which is why it is so hard to come to a firm conclusion about changes in the flow of immigrants.

¹²Comparisons between ACS and CPS results are difficult because the ACS asks respondents when they came to “live” in the United States, while the CPS asks when they came to “stay.” Partly as a result of question wording, the number of new arrivals from the ACS and CPS do not always match. Pew ignores the wording difference and averages the results together to get its flow estimates. Other issues include the advertising associated with the 2000 Census, which almost certainly increased response rates to the CPS and ACS among hard-to-count groups, such as the foreign-born. This may create the illusion of a spike in immigration around 2000 in the surveys. Another issue with both surveys is the well-known tendency of respondents to give a round number, such as the year 2000, when asked a question like, “when did you come to the United States?” Researchers often refer to this problem as “clumping,” and this too can create the illusion of a spike in 2000. There is evidence in both surveys of this problem. One advantage with the ACS is that it does not combine answers to the year-of-arrival question into multiple-year groups as is done in the CPS, so it is possible to look at the number of immigrants who arrived in an individual year. Individual year analysis does show evidence of a higher level of immigration from 1999 to 2001 and a fall-off in 2002 and 2003. (Data from the ACS for all of 2004 are not yet available.) But the individual year-of-arrival data also show a lot of variation. For example, in the 2002 ACS 1.56 million said they arrived in the year 2000, but in the 2003 ACS 1.75 million said they came in 2000. The number should go down over time as immigrants who came in that year die or go home and theoretically it should never go up, and certainly not by nearly 200,000.

¹³The September 11 attacks may have slowed illegal immigration because prospective illegal aliens may have mistakenly thought immigration laws were about to be enforced. Or maybe it made them less willing to respond to the survey. Moreover, the immigration service itself has acknowledged that they processed fewer applications for legal status in the years immediately after the attacks. Thus, even if immigration slowed, it may have had nothing to do with the economy.

¹⁴One way we know this is that the March 2005 CPS showed that 4.3 million immigrants entered in 2002, 2003, 2004, and the first part of 2005. In contrast, the March 2004 CPS showed 2.6 million arrivals in 2002, 2003, and the first part of 2004. To get an implied immigration rate, we subtract the 2004 number from the 2005 number to get 1.6 million

¹⁵To determine who are legal and illegal immigrants in the survey, this report uses citizenship status, year of arrival in the United States, age, country of birth, educational attainment, sex, receipt of welfare programs, receipt of Social Security, veteran status, and marital status. We use these variables to assign probabilities to each respondent. Those individuals who have a cumulative probability of 1 or higher are assumed to be illegal aliens. The probabilities are assigned so that both the total number of illegal aliens and the characteristics of the illegal population closely match other research in the field, particularly the estimates developed by the Urban Institute. This method is based on some very well-established facts about the characteristics of the illegal population. For example, it is well known that illegals are disproportionately young, male, unmarried, under age 40, and have few years of schooling. Thus, we assign probabilities to these and other factors in order to select the likely illegal population. In some cases we assume that there is no probability that an individual is an illegal alien.

¹⁶The INS report estimating seven million illegals in 2000 with an annual increase of about 500,000 can be found at www.immigration.gov/graphics/aboutus/statistics/III_Report_1211.pdf. The Census Bureau estimate of eight million illegals in 2000 can be found at www.census.gov/dmd/www/ReportRec2.htm (Appendix A of Report 1 contains the estimates).

The Pew Hispanic Center has estimated 10.3 million illegals from the March 2004 CPS. This includes an adjustment for those missed by the survey. The Pew report can be found at www.pewhispanic.org/files/reports/46.pdf. The Urban Institute has also done estimates by legal status. It estimates that in March 2002, 8.3 million illegal aliens were counted in the CPS, with an additional one million being missed. Urban’s estimates based on the March 2002 CPS can be found at <http://www.urban.org/url.cfm?ID=1000587>. Additional information was provided by Jeffery Passel, now at the Pew Hispanic Center, in a May 24, 2004, telephone interview. Dr. Passel is the lead author of both the Urban Institute and Pew studies.

¹⁷Table C in the INS report on illegal immigration shows the number of non-IRCA legalizations in the 1990s. It can be found at http://uscis.gov/graphics/shared/aboutus/statistics/III_Report_1211.pdf

¹⁸It should be noted that the 5.2 million figure compares the March 2000 CPS and March 2005 CPS. The 2000 Census showed 31.1 million immigrants. But that figure includes persons in group quarters, such as prisons and nursing homes, who are not counted in the CPS. It also was conducted in April 2000, not March.

¹⁹See Robert Warren and Ellen Percy Kraly, 1985, "The Elusive Exodus: Emigration from the United States." Occasional Paper #8. Population Reference Bureau, Washington, D.C.

²⁰So that comparisons can be made between 1995 and 2000 and 2005, we have attempted to adjust figures for 1995 to reflect the results of the 2000 Census. However, the effects of these adjustments are small. For more discussion of weighting prior to and after the 2000 Census see End Note 1.

²¹This figures refers to persons aged 18 or older who are in the workforce. That is, they are either employed or actively looking for work.

²²It should be noted that year of arrival data is grouped in the CPS to preserve the anonymity of respondents. Table 7 reports figures in as detailed a manner as possible given this grouping.

²³See for example the Urban Institute study, "Immigration and Immigrants: Setting the Record Straight," which can be found at www.urban.org/publications/305184.html#III

²⁴Programs included are TANF, SSI, general assistance, Food Stamps, public/rent subsidized housing, WIC, and Medicaid.

²⁵Of immigrants who did not have a high school degree and had lived in the country 20 or more years, one-fifth lived in poverty and 57 percent lived in or near poverty. Both rates are substantially above that of natives.

²⁶See page 21 of the Census Bureau's "Methodology and Assumptions for the Population Projections of the United States: 1999 to 2100" The report can be found at www.census.gov/population/www/documentation/twps0038.pdf

²⁷"Immigration in an Aging Society: Workers, Birth Rates, and Social Security" can be found at www.cis.org/articles/2005/back505.html.

²⁸We report poverty for children born in the United States who have immigrant mothers and are under the age of 18. This has the effect of counting children who have two parents who are foreign-born or just those whose mother is foreign-born. Those who have only foreign-born fathers are not counted. In this way we avoid double counting. It should be noted if we report figures for children with two foreign-born parents or just an immigrant father the results are very similar.

²⁹It must be remembered that these figures include only those individuals counted in the Current Population Survey. Research by the Pew Hispanic Center and Urban Institute suggest that at least two million immigrants are missed by the CPS. Thus, there were almost 50 million immigrants and their dependents in the United States in March of 2005.

³⁰Figures are for children with immigrant mothers. See footnote 16 for more detail.

³¹The article is entitled "Health Care Expenditures of Immigrants in the United States: A Nationally Representative Analysis," by Sarita A. Mohanty, Steffie Woolhandler, David U. Himmelstein, Susmita Pati, Olveen Carrasquillo, and David H. Bor in the *American Journal of Public Health*. August 2005, August 2005.

³²Figures are for children with immigrant mothers. See footnote 16 for more detail.

³³See for example Figures 20-1, 20-2 and 20-3 in *Profiles of the Foreign-born Population in the United States 2000*, U.S. Government Printing Office. Dianne A. Schmidley, Series P23-206.

³⁴The Census Bureau released the 2005 CPS without figures for the EITC, thus the figures for the Credit are from the 2004 CPS.

³⁵The primary refugee sending countries that can be identified in the CPS are Poland, Yugoslavia, Afghanistan, Cambodia, Iraq, Laos, Vietnam, Nicaragua, Cuba, Ethiopia, and those who said they were from the USSR, Russia, or Ukraine.

³⁶For a discussion of the decline in immigrant education relative to natives see, "The Slowing Progress of Immigrants: An Examination of Income, Home Ownership, and Citizenship, 1970-2000," at www.cis.org/articles/2001/back401.html.

³⁷See End Note 9.

³⁸To estimate poverty for illegals and their U.S.-born children, we calculate poverty for illegal immigrants and then for children born in the United States in illegal families. In total, we estimate that there are three million U.S.-born children of illegals in the March 2005 CPS.

³⁸In a report published last year, we found that 89 percent of households headed by illegal aliens had at least one worker. The report entitled, "The High Cost of Cheap Labor: Illegal Immigration and the Federal Budget," can be found at www.cis.org/articles/2004/fiscal.html.



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Backgrounder

Immigrants at Mid-Decade A Snapshot of America's Foreign-Born Population in 2005

By Steven A. Camarota

An analysis of Census Bureau data shows that the nation's foreign-born or immigrant population (legal and illegal) reached a new record of more than 35 million in March of 2005. The data also indicate that the first half of this decade has been the highest five-year period of immigration in American history. This *Backgrounder* provides a detailed picture of both numbers and the socio-economic status of immigrants.

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