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Unemployment for Immigrants and the US-Born Picture Bleak for Less-Educated Black & Hispanic Americans

WASHINGTON (February 18, 2009) – The Center for Immigration Studies has prepared a detailed employment breakdown for immigrants and native-born Americans based on December 2008 data, the latest publicly available. (The Department of Labor generally does not separate out unemployment statistics for immigrants and the native-born.) Among US-born blacks and Hispanics without a high school degree, unemployment is 24.7 percent and 16.2 percent respectively — two to three times the national rate.

- Those native-born Americans most in competition with immigrants, particularly illegal immigrants, are teenagers (16-17), all adults (18+) without a high school diploma, and young workers (18 to 29) with only a high school diploma.
- Unemployment rates for less-educated native-born Americans (all races).
 - Less than high school: 17 percent.
 - Young with high school diploma only: 15 percent.
 - Teenagers: 21.9 percent.
- Unemployment for less-educated native-born blacks.
 - Less than high school: 24.7 percent.
 - Young with high school diploma only: 20.2 percent.
 - Teenagers: 31.6 percent.
- Unemployment for less-educated native-born Hispanics.
 - Less than high school 16.2 percent.
 - Young with high school diploma only: 13.6 percent.
 - Teenagers: 40.3 percent.
- An estimated 6 to 7 million illegal immigrants are currently holding jobs. Prior research indicates they are overwhelmingly employed in lower-skilled and lower-paying jobs.
- It is difficult to find any evidence of a shortage of less-educated workers. There are currently 12.8 million native-born high school dropouts and young high school graduates either unemployed or not in the labor force. (Persons not in the labor force are neither working nor looking for work and are ages 18 to 65.)
- If we count all adults with a high school diploma or less, there are a total of 24.3 million less-educated native-born Americans unemployed or not in the labor force, along with 6.9 million native-born Americans 16 and 17.
- Less-educated immigrants (legal and illegal) are faring better, though their unemployment rates are also very high. Among immigrants without a high diploma, unemployment is 10.6 percent, for young immigrants with only a high school education it is 11 percent, and for immigrant teenagers, 10.8 percent.

Policy Discussion

The above figure paints a very grim picture for young and less-educated native-born Americans. In some ways the situation is actually worse than these numbers suggest: First, these bleak numbers are from December 2008, and employment is expected to rise for most of 2009. What's more, young and less-educated workers have had a very difficult time in the labor market even before the current recession. In October 2007, before the start of the current downturn, unemployment among US-born high school dropouts was 11.7 and for those with only a high school degree ages 18-29 it was 10.5 percent. Moreover, in general, the share of such workers holding a job has been declining for about three decades. Both in the short term and the long term things have been very difficult to less-educated Americans.



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The difficulty that young workers are experiencing is particularly worrisome because it is as a young person that people learn the skills necessary to function in the workplace, such as showing up on time, following supervisors' instructions, and interacting with customers. There is evidence that people who are poorly attached to the labor force in their youth tend to stay that way throughout their lives.

Illegal Immigration. The latest data shows 22.1 million immigrants holding jobs in the United States. (And immigrant is anyone, legal or illegal, now living in the United States who was not a US citizen at birth.) Of the 22.1 immigrants holding a job, prior research indicates that about 7 million in the survey are in the country illegally, though this may have declined since hitting a peak in 2007. Some number of illegal workers, perhaps one million, are thought to be missed by the survey. The overwhelming majority of illegal immigrants have a high school degree or less. As a result, illegals are primarily employed in construction, building cleaning and maintenance, food preparation, service and processing, transportation and moving occupations, and agriculture. With the exception of agriculture (which accounts for only a small share of illegal workers – less than one in five), the majority of workers in these occupational categories are still native-born Americans. Most have a high school degree or less.¹ If the United States chose to more vigorously enforce immigration laws over the next year, and this resulted in 1 or 2 million illegal workers deciding to leave, it could significantly improve the employment prospects for less-educated natives. An economic downturn would seem to be the ideal time to step up enforcement because such efforts would be buttressed by the economic situation, and a recession is the time when Americans, especially the poorest and least educated, are most in need of jobs.

Legal Immigration. At present, the United States has not adjusted its immigration policy in any way in response to the recession. One analysis found that in 2008, an average of 138,000 new foreign workers were authorized each month. This includes new permanent residents (green cards) and long-term temporary visas for guest workers and others who are authorized to take a job. Although workers in the high-tech sector (using H-1B visas) get a good deal of attention, a very large share of temporary workers and green card holders have relatively little education. The "New Immigrant Survey," for example, showed that one-third of adult immigrants (new green card holders) had not completed high school. Given the deterioration of the economy in the main immigrant-sending countries, the desire of foreign workers to come to the United States is likely to be strong, despite the US recession. Assum-

ing no change in immigration policy, it is likely that the number of work authorizations in 2009 will be similar to 2008. This raises the serious question of whether such a high level of immigration makes sense, given the current concern about joblessness.

Methodology

This report is based on the December 2008 Current Population Survey (CPS). This is the latest public-use data available to researchers outside the government. The survey is collected by the Census Bureau for the Bureau of Labor Statistics. It is the primary source of the nation's unemployment rate, and other labor force-related statistics. It includes about 131,000 individuals, roughly 67,000 of whom are in the labor force, and excludes those in institutions such as prisons. Like all government surveys, the data is weighted to reflect the actual size and demographic makeup of the US population. The government publishes employment statistics that are both seasonally adjusted and unadjusted from the survey. The figures in this analysis are all seasonally unadjusted; unadjusted figures are computationally simpler and easy for other researchers to replicate. In general, seasonal adjustment makes only a small difference. For example, in December 2008, the national unemployment rate was 6.8 percent when seasonally adjusted, and 7.1 percent seasonally unadjusted. For sub-populations the difference between seasonally adjusted and unadjusted can be larger.

End Note

¹ The Department of Homeland Security estimates a 10 percent undercount in Census Bureau data. See Table 2 in Estimates of the Unauthorized Immigrant Population Residing in the United States: January 2007. For the number of illegal workers in the Current Population Survey, see Table 21 in "Immigrants in the United States 2007: A Profile of America's Foreign-born Population." The report also estimates the education level of illegal immigrants (p. 31), with 81 percent having a high school education or less. For a distribution of illegal immigrants across occupations, see Table 10 in "Dropping Out: Immigrant Entry and Native Exit from the Labor Market." The Pew Hispanic Center has also estimated the educational level and occupational distribution of illegals, with similar results; see The Size and Characteristics of the Unauthorized Migrant Population in the U.S. and Unauthorized Migrants: Numbers and Characteristics. see The Size and Characteristics of the Unauthorized Migrant Population in the U.S. and Unauthorized Migrants: Numbers and Characteristics.

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Employment of Immigrants and Native-Born Americans, December 2008¹ (thousands)

Education	Employed	Unemployed	Percent Unemployed	Involuntary Part-Time ²	Education	Not in Labor Force ³	Employed	Total ⁴	Employment Rate ⁵
ALL Persons (16+)⁶	143,350	10,999	7.1 %	3,186	ALL Persons (18-65)⁶	44,295	136,493	191,050	71.4 %
Teens (16-17)	1,743	477	21.5 %	6	Teens (16-17)	6,950	1,743	9,171	19.0 %
<HS (18+)	12,413	2,064	14.3 %	781	<HS (18-65)	9,261	11,776	23,070	51.0 %
HS Only (18+)	41,190	4,043	8.9 %	1,206	HS Only (18-65)	14,505	39,602	58,048	68.2 %
HS Only (18-29)	9,641	1,631	14.5 %	291	HS Only (18-29)	3,842	9,641	15,114	63.8 %
Some College (18+)	42,113	2,693	6.0 %	748	Some College (18-65)	12,712	40,861	56,217	72.7 %
College or More (18+)	45,889	1,722	3.6 %	445	College or More (18-65)	7,817	44,253	53,715	82.4 %
All Natives (16+)	121,211	9,181	7.0 %	2,328	All Natives (18-65)	36,953	114,968	160,401	71.7 %
Teens (16-17)	1,677	469	21.9 %	6	Teens (16-17)	6,447	1,677	8,593	19.5 %
<HS (18+)	6,810	1,397	17.0 %	331	<HS (18-65)	6,681	6,299	14,354	43.9 %
HS only (18+)	35,558	3,528	9.0 %	975	HS Only (18-65)	12,643	34,112	50,190	68.0 %
HS only (18-29)	8,416	1,480	15.0 %	255	HS Only (18-29)	3,264	8,416	13,160	64.0 %
Some College (18+)	38,041	2,387	5.9 %	648	Some College (18-65)	11,441	36,861	50,644	72.8 %
College or More (18+)	39,126	1,400	3.5 %	369	College or More (18-65)	6,188	37,696	45,214	83.4 %
Black Natives (16+)⁷	13,117	1,824	12.2 %	316	Black Natives (18-65)⁷	5,806	12,664	20,205	62.7 %
Teens (16-17)	130	60	31.6 %	3	Teens (16-17)	1,159	130	1,349	9.6 %
<HS (18+)	1,070	351	24.7 %	41	<HS (18-65)	1,505	1,002	2,853	35.1 %
HS only (18+)	4,710	717	13.2 %	166	HS Only (18-65)	2,300	4,602	7,608	60.5 %
HS only (18-29)	1,218	308	20.2 %	62	HS Only (18-29)	651	1,218	2,177	55.9 %
Some College (18+)	4,377	529	10.8 %	80	Some College (18-65)	1,521	4,303	6,351	67.8 %
College or More (18+)	2,830	167	5.6 %	25	College or More (18-65)	480	2,757	3,394	81.2 %
Hispanic Natives (16+)⁸	9,528	1,015	9.6 %	247	Hispanic Natives (18-65)⁸	3,383	9,220	13,517	68.2 %
Teens (16-17)	151	102	40.3 %	-	Teens (16-17)	1,118	151	1,371	11.0 %
<HS (18+)	1,318	255	16.2 %	69	<HS (18-65)	1,087	1,271	2,612	48.7 %
HS only (18+)	3,295	394	10.7 %	93	HS Only (18-65)	1,110	3,237	4,741	68.3 %
HS only (18-29)	1,298	204	13.6 %	38	HS Only (18-29)	456	1,298	1,958	66.3 %
Some College (18+)	3,072	202	6.2 %	70	Some College (18-65)	982	3,028	4,212	71.9 %
College or More (18+)	1,692	62	3.5 %	16	College or More (18-65)	206	1,685	1,952	86.3 %
All Foreign-Born (16+)	22,138	1,818	7.6 %	858	All Foreign-Born (18-65)	7,342	21,524	30,649	70.2 %
Teens (16-17)	66	8	10.8 %	-	Teens (16-17)	504	66	578	11.4 %
<HS (18+)	5,604	667	10.6 %	450	<HS (18-65)	2,579	5,477	8,716	62.8 %
HS only (18+)	5,632	516	8.4 %	231	HS Only (18-65)	1,862	5,491	7,858	69.9 %
HS only (18-29)	1,225	151	11.0 %	37	HS Only (18-29)	579	1,225	1,954	62.7 %
Some College (18+)	4,073	306	7.0 %	100	Some College (18-65)	1,272	4,000	5,573	71.8 %
College or More (18+)	6,764	322	4.5 %	77	College or More (18-65)	1,629	6,557	8,502	77.1 %

¹ Figures are for the non-institutionalized population, so persons in prisons, nursing homes, etc. are not included. "Immigrant" and "foreign-born" are used synonymously and describe persons who were not U.S. citizens at birth, including naturalized citizens, legal immigrants, and illegal aliens. Figures are seasonally unadjusted.

² Persons who indicated that they are working part-time for economic reasons.

³ Persons not in the labor force are neither working nor looking for work.

⁴ Total number in the specific age group.

⁵ The share of people in the specific age group who are currently holding a job.

⁶ Figures are for all races and ethnicities for both immigrants and the native-born.

⁷ Persons who chose only one race, and are not Hispanic.

⁸ Hispanics can be of any race.