



Who Got the Jobs in North Carolina? Natives accounted for most of the growth in population, but all employment growth went to immigrants

By Steven A. Camarota and Karen Zeigler

The Gang of Eight immigration bill (S.744) passed by the Senate last June would have roughly doubled the number of new foreign workers allowed into the country, as well as legalized illegal immigrants already here. North Carolina Sen. Kay Hagen (D) voted for it. An analysis of government data by the Center for Immigration Studies shows that, since 2000, all of the net increase in the number of working-age (16 to 65) people holding a job in North Carolina has gone to immigrants (legal and illegal). This is the case even though the native-born accounted for 61 percent of growth in the state's total working-age population.

Among the findings:

- The total number of working-age (16 to 65) immigrants (legal and illegal) holding a job in North Carolina increased by 313,000 from the first quarter of 2000 to the first quarter of 2014, while the number of working-age natives with a job declined by 32,000 over the same time.
- The fact that all of the long-term net gain in employment among the working-age went to immigrants is striking because natives accounted for 61 percent of the increase in the total size of the state's working-age population.
- In the first quarter of this year, only 64 percent of working-age natives in the state held a job. As recently as 2000, 74 percent of working-age natives in North Carolina were working.
- Because the native working-age population in North Carolina grew significantly, but the share working actually fell, there were 720,000 more working-age natives not working in the first quarter of 2014 than in 2000 — a 56 percent increase.
- The supply of potential workers in North Carolina is very large: In the first quarter of 2014, two million working-age natives were not working (unemployed or entirely out of the labor market), as were 201,000 working-age immigrants.
- Perhaps most troubling is that the labor-force participation rate (share working or looking for work) of working-age natives in North Carolina has continued to decline even after the jobs recovery began in 2010.
- In fact, the labor-force participation of natives in North Carolina shows a near uninterrupted 14-year decline.
- In terms of the labor-force participation rate among working-age natives, the state ranks 37th in the nation.

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- Two key conclusion from the state’s employment situation:
 - First, the long-term decline in employment for natives in North Carolina and the enormous number of working-age natives not working clearly indicate that there is no general labor shortage in the state. Thus, it is very difficult to justify the large increases in foreign workers (skilled and unskilled) that would be allowed into the country in a bill like S.744 that many of the state’s politicians support.
 - Second, North Carolina’s working-age immigrant population grew 146 percent from 2000 to 2014, one of the highest rates of any state in the nation. Yet the number of natives working in 2014 was actually lower than in 2000. This undermines the argument that immigration increases job opportunities for natives.

Data Source

This analysis is based on the “household survey”, collected by the government. The survey, officially known as the Current Population Survey (CPS), is the nation’s primary source of labor market information.¹ Many jobs are created and lost each quarter and many workers change jobs as well. But the number of people employed reflects the net effect of these changes. We focus on the first quarter of each year 2000 to 2014 in this analysis because comparing the same quarter over time controls for seasonality. We also emphasize the economic peaks in 2000 and 2007 as important points of comparison. However we also report figures for every first quarter between 2000 and 2014 in Table 1.

This analysis focuses on those 16 to 65 so that we can examine the labor-force participation rate (share working or looking for work) and employment rate (share working) of native-born Americans.² Labor-force participation and the employment rate are measures of labor-force attachment that are less sensitive to the business cycle than the often-cited unemployment rate. Immigrants (legal and illegal) are individuals who are not U.S. citizens at birth. Prior research indicates that, of immigrants in the CPS, about half in North Carolina are illegally in the country.³

Table 1. Employment Data for 16-65-Year-Olds in N.C., 2000-2014

Year	Natives Working	Natives Unemployed	Natives Not in the Labor Force	Native Employment Rate	Native Labor Force Participation	Immigrants Working	Immigrants Unemployed	Immigrants Not in the Labor Force
2000	3,637,665	151,193	1,127,607	74.0%	77.1%	219,351	4,956	73,783
2001	3,594,633	187,433	1,114,342	73.4%	77.2%	244,997	15,738	62,795
2002	3,467,531	265,684	1,183,975	70.5%	75.9%	210,791	40,029	65,489
2003	3,517,829	233,607	1,204,622	71.0%	75.7%	305,531	25,048	86,184
2004	3,469,789	209,971	1,216,289	70.9%	75.2%	424,944	27,462	131,080
2005	3,552,317	216,351	1,323,695	69.8%	74.0%	369,466	9,039	116,995
2006	3,694,458	184,417	1,375,996	70.3%	73.8%	317,118	8,743	122,643
2007	3,757,854	173,181	1,380,736	70.7%	74.0%	342,396	22,156	115,983
2008	3,753,077	216,947	1,484,427	68.8%	72.8%	335,701	29,515	100,308
2009	3,543,919	411,437	1,514,320	64.8%	72.3%	338,663	48,950	131,527
2010	3,559,822	396,947	1,532,196	64.9%	72.1%	405,415	63,596	139,604
2011	3,517,426	447,831	1,633,730	62.8%	70.8%	341,023	28,449	102,572
2012	3,585,021	398,063	1,661,903	63.5%	70.6%	407,876	29,487	140,314
2013	3,505,549	380,264	1,664,955	63.2%	70.0%	501,091	55,487	192,232
2014	3,606,154	266,216	1,732,689	64.3%	69.1%	532,528	29,411	171,392

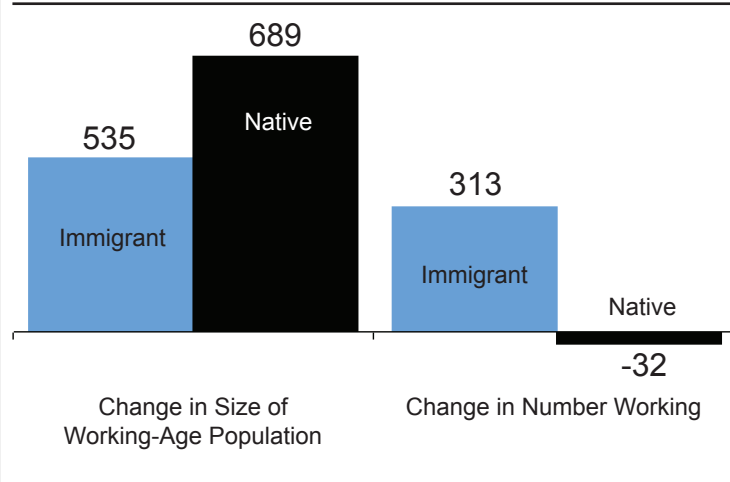
Source: Public-use files of the January, February, and March Current Population Surveys 2000 to 2014. Labor force participation is the share of the working-age (16 to 65) population working or looking for work. The employment rate is the share of the working-age holding a job.

Table 2. State Employment Data for Natives (16 to 65) in 2000 and 2014

State	Labor Force Participation in 2000	Labor Force Participation in 2014	Rank in 2014 Labor Force Participation	Employment Rate in 2000	Employment Rate in 2014	Rank in 2014 Native Employment Rate	Employment Growth 2000-2014 (thousands)	Numerical Rank Employment Growth	Percentage Employment Growth	Percentage Rank Employment Growth
Neb.	84.6%	82.2%	1	82%	79%	1	43	23	4.9%	22
Iowa	83.9%	81.9%	2	81%	77%	3	66	18	4.5%	24
Minn.	84.6%	80.5%	3	81%	76%	5	134	13	5.2%	19
S.D.	84.1%	80.5%	4	82%	77%	4	19	30	5.1%	21
N.D.	83.1%	80.3%	5	79%	78%	2	69	17	22.3%	3
Wisc.	81.5%	78.7%	6	78%	73%	10	(27)	37	-1.0%	34
N.H.	81.1%	78.7%	7	79%	75%	7	33	27	5.1%	20
Vt.	79.6%	78.2%	8	77%	75%	6	4	32	1.4%	32
Wyo.	77.7%	77.3%	9	74%	74%	8	46	22	19.3%	5
Kan.	81.4%	77.1%	10	78%	73%	9	47	20	3.6%	27
Mont.	79.3%	76.6%	11	74%	72%	12	27	29	6.4%	17
Utah	77.3%	76.5%	12	75%	73%	11	261	9	24.4%	2
R.I.	80.1%	75.6%	13	76%	68%	19	(12)	33	-2.5%	39
Conn.	81.9%	75.5%	14	80%	70%	15	(52)	42	-3.1%	42
Colo.	81.2%	75.4%	15	79%	70%	14	274	8	12.3%	10
Va.	77.7%	75.2%	16	76%	71%	13	457	4	13.4%	9
Maine	80.4%	74.6%	17	76%	69%	16	(19)	35	-3.0%	41
Ill.	79.1%	74.1%	18	75%	67%	24	(335)	49	-5.6%	46
Alaska	76.1%	73.6%	19	69%	67%	28	31	28	11.0%	11
Pa.	76.0%	73.4%	20	73%	69%	17	93	15	1.7%	31
Mo.	81.1%	73.2%	21	78%	67%	25	(171)	47	-6.2%	48
Mass.	78.3%	72.9%	22	76%	69%	18	(42)	40	-1.3%	37
Md.	79.8%	72.4%	23	77%	68%	22	121	14	4.6%	23
Ind.	77.9%	72.4%	24	75%	68%	23	(31)	39	-1.1%	35
Texas	77.3%	72.2%	25	74%	68%	20	2,088	1	21.5%	4
Wash.	76.8%	71.8%	26	72%	67%	29	242	11	8.5%	13
Hawaii	78.8%	71.6%	27	75%	68%	21	39	24	7.0%	16
Ohio	77.1%	71.5%	28	73%	67%	27	(326)	48	-6.1%	47
Idaho	78.3%	71.1%	29	74%	67%	26	89	16	15.0%	8
Nev.	76.2%	71.1%	30	73%	64%	41	256	10	26.9%	1
Ore.	79.2%	70.9%	31	75%	65%	34	(44)	41	-2.6%	40
Mich.	78.7%	70.6%	32	76%	65%	33	(688)	50	-14.1%	50
N.J.	77.4%	70.2%	33	74%	64%	36	(157)	46	-3.9%	43
Fla.	75.6%	70.2%	34	73%	65%	31	1,207	2	16.8%	6
Tenn.	74.7%	70.1%	35	72%	66%	30	47	21	1.8%	30
Ga.	76.7%	69.2%	36	74%	64%	38	329	6	8.5%	14
N.C.	77.1%	69.1%	37	74%	64%	37	282	7	7.3%	15
N.Y.	73.6%	69.0%	38	70%	64%	42	(109)	44	-1.3%	36
Del.	78.4%	68.9%	39	75%	64%	35	10	31	2.6%	28
Okla.	73.3%	68.9%	40	71%	65%	32	59	19	3.9%	26
Ky.	73.0%	68.8%	41	69%	63%	44	(17)	34	-0.9%	33
Calif.	76.0%	68.7%	42	72%	62%	45	818	3	5.3%	18
Ariz.	76.0%	68.7%	43	73%	63%	43	369	5	15.8%	7
N.M.	74.6%	68.3%	44	71%	62%	46	33	26	4.1%	25
S.C.	72.0%	68.1%	45	69%	64%	40	184	12	10.4%	12
Ala.	73.7%	67.9%	46	70%	62%	47	(87)	43	-4.3%	45
La.	69.7%	67.4%	47	66%	64%	39	38	25	2.1%	29
Ark.	73.9%	65.8%	48	69%	61%	48	(26)	36	-2.2%	38
W.Va.	66.7%	63.1%	49	62%	58%	49	(29)	38	-4.0%	44
Miss.	73.7%	61.0%	50	69%	56%	50	(132)	45	-11.0%	49
Total	77.1%	71.5%		73.7%	66.4%		5,573		4.2%	

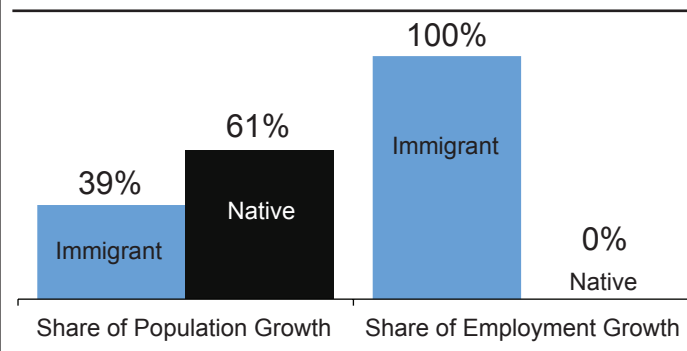
Source: Public-use files of the Current Population Survey from the first quarters of 2000 and 2014.
 Labor force participation is the share of the working-age (16 to 65) population working or looking for work.
 The employment rate is the share of the working-age holding a job.
 *Measures the net increase in the number (in thousands) of immigrants and natives (16 to 65) in the state holding a job from the first quarter of 2000 to the first quarter of 2014.

Figure 1. In North Carolina, natives accounted for most of the increase in the working-age population (16 to 65), but all the employment gains went to immigrants, 2000 to 2014. (thousands)



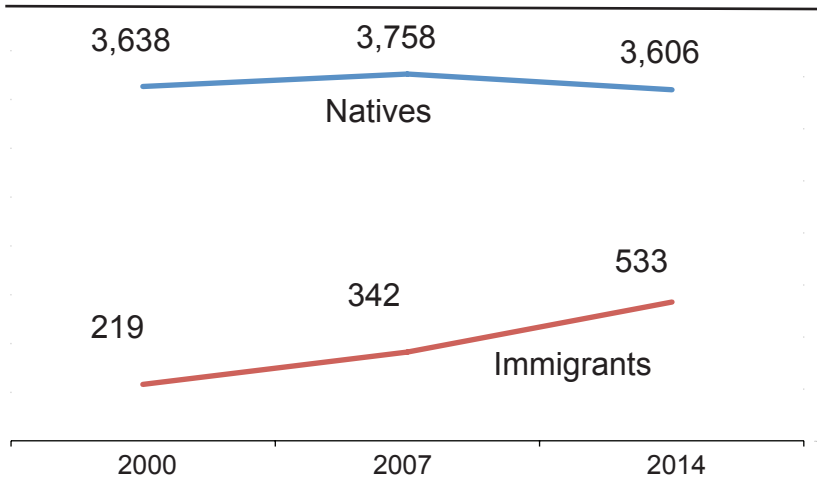
Source: Public-use files of the Current Population Survey for the first quarters of 2000 and 2014. All figures are for those 16 to 65.

Figure 2. In North Carolina, natives accounted for nearly two-thirds of the increase in the working-age population (16 to 65), but none of the employment gains, 2000-2014.



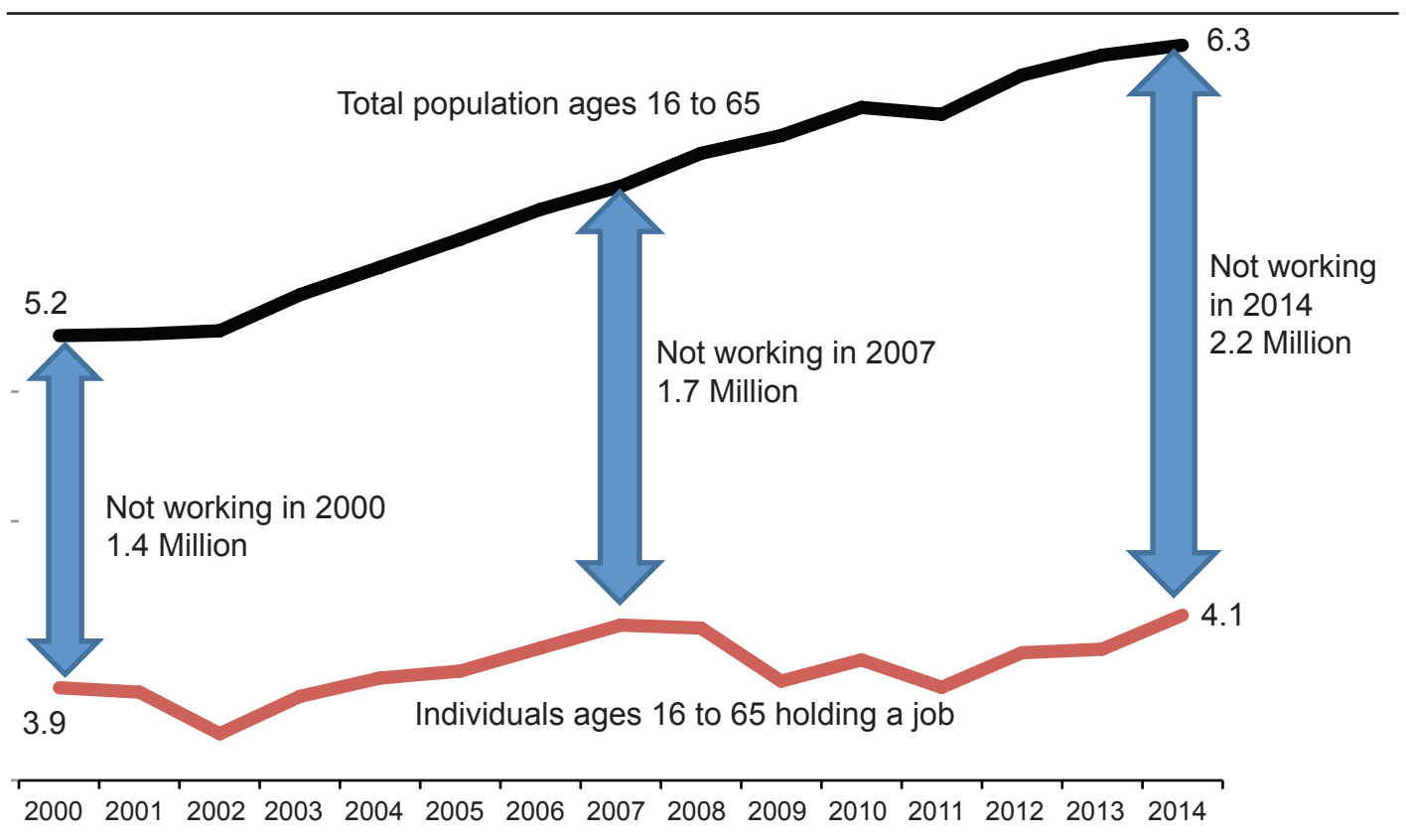
Source: Public-use files of the Current Population Survey for the first quarters of 2000 and 2014. All figures are for those 16 to 65.

Figure 3. The number of immigrants (16 to 65) working in North Carolina has increased significantly, while the number of natives working has not. (thousands)



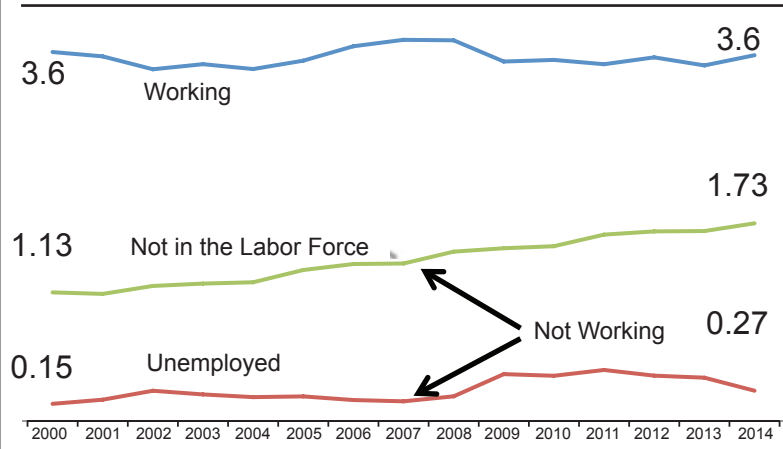
Source: Public-use files of the Current Population Survey from the first quarters of 2000, 2007, and 2014. All figures are for those 16 to 65.

Figure 4. Natural population growth and new immigration have greatly exceeded employment growth in North Carolina, 2000-2014 (millions).



Source: Public-use files of the Current Population Survey from the first quarter of 2000 to the first quarter of 2014. Figures are for immigrants and natives in North Carolina ages 16 to 65. Those not working are either unemployed (looking for work) or not in the labor force (neither working nor looking for work).

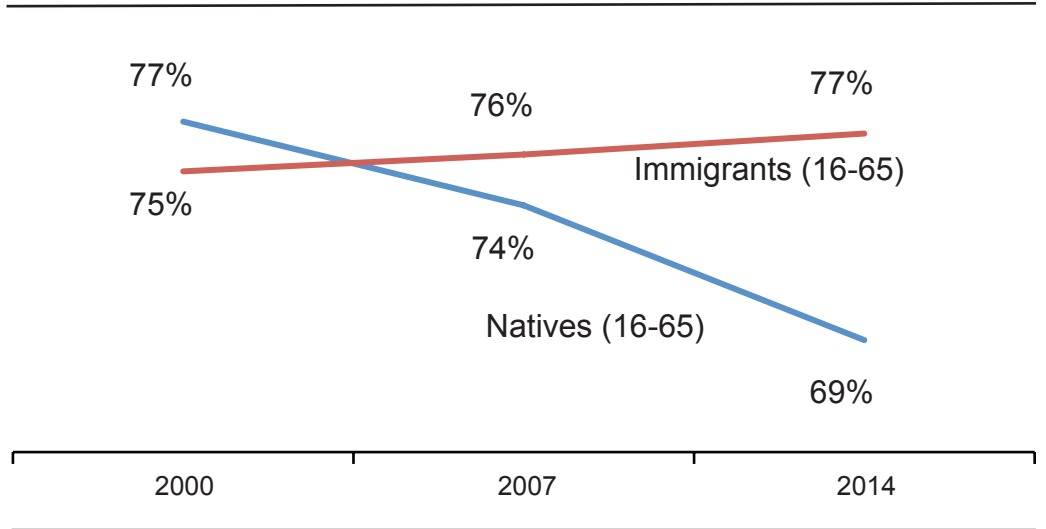
Figure 5. The increase in natives (16 to 65) not working, is mainly due to growth in the number not in the labor force, rather than an increase in unemployment in North Carolina, 2000 to 2014 (millions).



Source: Public-use files of the Current Population Survey for the first quarter of 2000 to the first quarter of 2014.

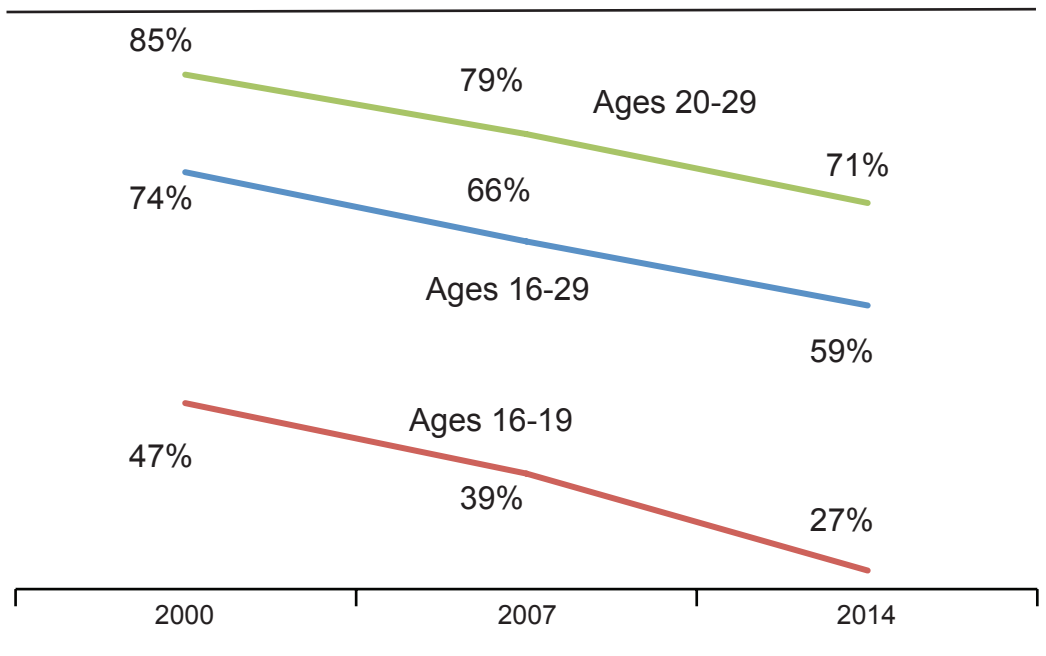
Those unemployed are not working and have looked for work in the prior four weeks. Those not in the labor force are neither working nor looking for work.

Figure 6. Labor-force participation of natives shows a long-term decline in North Carolina.



Source: Public-use files of the Current Population Survey for the first quarters of 2000, 2007, and 2014. All figures are for those 16 to 65. Those in the labor force are either working or looking for work.

Figure 7. Labor force participation has declined most dramatically in North Carolina for young natives.



Source: Public-use files of the Current Population Survey from the first quarters of 2000, 2007, and 2014. All figures are only for natives. Those in the labor force are either working or looking for work.

End Notes

¹ We do not use the “establishment survey”, which measures employment by asking businesses, because that survey is not available to the public for analysis. Equally important, it does not ask if an employee is an immigrant. The Current Population Survey does not include those in institutions such as prisons.

² Those 16 to 65 years of age account for some 95 percent of all workers. When examining the share working or in the labor force it is necessary to limit the age range because, although the under-16 and over-65 populations are quite large, only a small share of each work.

³ The Department of Homeland Security estimated [360,000 illegal immigrants in the state in 2012](#). The total immigrant population (legal and illegal, working and not working, of all ages) in the state in 2012 was 753,000, based on the American Community Survey (ACS). The Department of Homeland Security and others have estimated that about 90 percent of illegal immigrants are included in Census Bureau data such as the CPS and ACS. Thus, in 2012 about half of North Carolina’s immigrant population were illegal aliens. The monthly CPS (2012 to 2014) shows significant growth in the state’s total foreign born. Therefore, it is possible that the illegal share of the state’s population may have changed somewhat between 2012 and 2014.