



# **Economic Growth & Workforce Development**

An Annotated  
Bibliography

Prepared by  
the Cisneros Center for  
New Americans  
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# Introduction

This annotated bibliography summarizes ten reports and articles on the topic of immigration and its impact on receiving regions' economies and the United States' domestic workforce. Our hope is that this information will be helpful to those in search of the facts necessary to dispel pervasive false beliefs about the effects of immigration on our national prosperity.

There is the broadly accepted misconception that there is only so much work that can be done -- that one cannot get a job without someone else losing one. It is assumed that immigrants take jobs from native-born workers. But, in fact, evidence shows that immigrant job holders tend to create jobs, most of which are occupied by native-born Americans. Furthermore, our economy is in sincere need of immigrant workers. With the coming of age of the Baby Boomer generation, more jobs are being and will be vacated than occupied. Over the next few decades, the United States will experience a surplus in job openings that will require workers who are willing and capable of filling these important gaps. By 2030, it is predicted that 58.6 million jobs will need replacement workers, of which only 51.3 million can be occupied by native-born workers. Immigrants will be needed to fill the 7.3 million job positions left unoccupied by native-born workers. Between 2010-30, immigrants and their children will account for 85% of the nation's workforce growth.

The immigrant population contributed nearly 15% to the overall economic output of this country between 2009-11. Immigrants have contributed momentarily to the economic growth of U.S. destinations including Northwest Arkansas, the community in which the Cisneros Center for New Americans operates. In 2013, Northwest Arkansas was placed in the top 10% of the fastest-growing metropolitan statistical areas (MSAs) in the nation. The economic growth in Northwest Arkansas has been propelled by the growing immigrant populations in its major cities, Springdale, Rogers, Bentonville, and Fayetteville. Immigrants in these cities and in cities across the U.S. are contributing to sectors from agriculture, to construction, to social work, to STEM jobs.

The following texts outline the effects of our aging native-born population, the business case for immigration reform, and the impact that immigrant workers have had on localities across our country. They point clearly to the conclusion that supporting our New American workers and investing in their development is in the best interest of all Americans.

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## Is Migration Good for the Economy?

*Organization for Economic Cooperation and Development (2014)*

According to data found in Organization for Economic Cooperation and Development (OECD) countries, immigrants benefit labor markets, public purse, economy, and social life. Immigrants fill important and much-needed job positions in fast-growing and declining sectors of the economy. Additionally, they contribute more in taxes and social contributions than they receive in individual benefits. Immigrants boost the working-age population, have skills and contribute to human capital development, and the technological processes of receiving countries.

- From 2004-14, immigrants accounted for 47% of the increase in U.S. workforce and 70% in Europe.
- Since 2000-01, immigrants have represented 21% of the increase in the highly educated labor force in the U.S., 31% in Canada, and 14% in Europe. New immigrants represented many of the entries into growing occupations (e.g. health-care and STEM occupation): 22% in the U.S., and 15% in Europe.
- Immigrants represented around a quarter of the job entries when occupations were in decline: 28% in the U.S., 24% in Europe. They filled jobs that native-born workers found unappealing or did not meet career expectations. In Europe, free movement migration helped address labor market imbalance. In Switzerland and Luxembourg, immigrants provided a net benefit of 2% in GDP.
- Evidence found within U.S. parameters suggests that many immigrants arrive with skills and abilities who contribute to advancing research, innovation, and technology. Efforts to better integrate immigrants should be seen as an investment rather than a cost. Immigrants tend to be younger and more economically active compared to native-born groups, thus reducing dependency ratios and positively transforming the age proportion of receiving countries.
- The number of tertiary-educated immigrants (ages 25 and older) in OECD countries showed an unexpected 70% increase between 2004-14, reaching a total of nearly 30 million by 2010-11. Approximately 5 million (17%) of the same immigrants had arrived between 2009-14, two million of whom migrated from Asia.
- An increase of 50% in net migration of the foreign-born produces less than 1/10 of a percentage-point variation in productivity growth.
- Between 1986 and 2006, 22 OECD countries demonstrated that the impact of immigration on the economic growth and human capital was small but nonetheless positive.

Suggested Citation: *Migration Policy Debates: Is Migration Good for the Economy?* 2014. Paris, France: Organization for Economic Cooperation and Development.

## The Contributions of Immigrants and Their Children to the American Workforce and Jobs of the Future

*Center for American Progress (2013)*

This report analyzes demographic and employment trends that are affecting America's workforce. The current labor force, comprised largely of the Baby Boomer generation, will be retiring over the next few decades, causing millions of job openings for the potential workforce. The proliferating immigrant population will play a pivotal role in reshaping the workforce, occupying jobs, and maintaining economic growth.

- In total, by 2030, it is predicted that 58.6 million people will have left the workforce, while 83 million new workers are projected to occupy these 58.6 abandoned jobs in addition to the 24.2 recently developed ones.
- 58.6 million jobs will be replacement workers, while 24.2 million will account for new growth in workforce.
- Over  $\frac{2}{3}$  of new entrants to workforce will be needed to replace today's workers.
- Between 2010-2030, immigrants and their children will account for 85% of the nation's workforce growth.
- Of the 83 million new workers projected to enter the workforce, 38% of them projected to be immigrants and their children:
  - 51.3 million will be children of native-born parents
  - 18.6 million will be immigrants
  - 12.9 million will be children of immigrants

According to the report, only 51.3 million native-born Americans will be able to occupy the 58.6 million abandoned jobs, in addition to new ones. The number is 7.3 million short of workers that will be leaving the workforce. Immigrants and their children will prove critical to occupying those 7.3 million jobs in addition to emerging jobs required to sustain economic growth.

Suggested Citation: Myers, Dowell, Stephen Levy, and John Pitkin. 2013. *The Contributions of Immigrants and Their Children to the American Workforce and Jobs of the Future*. Washington, D.C.: Center for American Progress.

## Facts About Immigration and the U.S. Economy

*Economic Policy Institute (2014)*

This report answers frequently asked questions about immigration, the U.S. economy, and native-born workforce. Even though unauthorized immigrant workers add to the supply of labor, they also consume goods and services that in turn create jobs thus expanding and increasing the economy. In the short run, immigration can minimally reduce native-born employment since the economy takes time to adjust to new immigration, but in the long run immigration has a positive impact on the labor market outcomes of native-born workers.

- As of 2012, over 40 million immigrants (13% of total U.S. population and 16% of U.S. labor force) and 11.7 million unauthorized immigrants (3.7% of total U.S. population and 5.2% of U.S. labor force) resided in the U.S. Less than half (46%) of the 40 million immigrants are naturalized U.S. citizens.
- Less than half (46%) of all immigrants in the U.S. are Hispanic or Latino, 1/5 of all immigrants are non-Hispanic white (19.2%), 8% are black, and over 1/4 (26.3%) are Asian or of some other ethnicity.

Immigrant contributions to the economy:

- Even though immigrants comprise 13% of the total U.S. population, immigrants' share of total economic output was 14.7% from 2009-11.
- The share of immigrant workers who own small businesses (18%) is slightly higher than the comparable share among U.S. born workers.
- The impression that nearly all immigrants work in low-wage jobs is inaccurate. In the entire U.S., there are nearly as many immigrants in white-collar jobs (46%) as in all other occupations combined. In some states over half of immigrants are in white-collar jobs.
- Immigrants are less likely than native-born citizens to go to college, yet 46% of immigrants have at least some college education. Furthermore, 22% of dental, nursing, and health aides are immigrants; 31% of computer software developers are immigrants.
- Overall 20% of immigrants live below the poverty line compared to 16% of native-born citizens.
- Unauthorized immigrants positively contribute to U.S. net worth because they contribute more to the system than they get out of it (e.g. unqualified to receive benefits from most government programs, and required to pay taxes). The Social Security estimates that 75% of unauthorized immigrants are on formal payrolls (with fraudulent SSN), get payroll deductions, but are not able to claim Social Security benefits. In 2005, unauthorized immigrants paid \$7 billion in Social Security benefits that they will never be able to reclaim.

Suggested Citation: Costa, Daniel, David Cooper, Heidi Shierholz. 2014. *Facts About Immigration and the U.S. Economy*. Washington D.C.: Economic Policy Institute.

## Forum Statement on the Immigrant Workforce: The Impact of High Levels of Immigration on U.S. Workforce

*National Immigration Forum (2016)*

The National Immigration Forum affirms that the immigrant workforce complements and consolidates the U.S. workforce, fills significant gaps, expands the economy, and increases wages.

- According to the Economic Policy Institute, the immigration population contributed nearly 15% to the total economic output between 2009-11.
- According to a study conducted by Americas Society/Council of the Americas and Partnership for a New American Economy, immigrants increased home equity in the U.S. by \$3.7 trillion. In addition, it was also discovered that for every 1,000 immigrants that immigrated to the U.S., 46 manufacturing jobs are created or preserved.
- Immigrant workers tend to have varied skills and thus fill different positions than native-born workers. They are able to satisfy demand at ends from high-skilled positions (e.g. STEM jobs) to much-needed agricultural, construction, and service workers as well. However, immigrants are more likely to be employed in the latter rather than the former—still complementing the native-born workforce and not undermining them.



## Immigrants Aren't Hurting the Middle Class

*U.S. Chamber of Commerce (2015)*

The article argues against the common misconception that immigrants hurt the middle class by having low wages. Reforming the immigration system will help American companies compete for global talent, which will create more jobs and increase wages.

Immigrants are an economic benefit to native-born workers:

- Each new immigrants produces 1.2 new jobs—most of which are occupied by native-born Americans.
- A study done by Partnership for a New American Economy demonstrates, “One additional young, high-skilled immigrant worker hired by a firm created 3.1 jobs for U.S.-born workers at that same company”
- H-1B-driven increases in STEM workers in a city were associated with wage increases for native workers. (H-1B is a visa category for temporary non-immigrant employment for highly educated foreign professionals in “specialty occupations”)

Suggested Citation: Hackbarth, Sean. 2015. *Immigrants Aren't Hurting the Middle Class*. Washington, D.C.: U.S. Chamber of Commerce.

## Immigration and the Economy: Look at the Facts – Not the Fiction

*U.S. Chamber of Commerce (2015)*

Immigration helps create jobs for American workers and thus are good for the economy, and imperative to keeping the U.S. a powerful competitor in the global marketplace. This is overwhelmingly supported by economists, leading think tanks, researchers, and experts at top universities.

- Employment data shows that there are not enough native-born STEM workers to fill available STEM jobs and foreign STEM workers are not displacing their native-born counterparts.
- Wages are increasing for STEM professionals and U.S. companies have hard-to-fill positions that require STEM degrees with specific skills. Immigrants are able to fill in these specific skill jobs.
- Americans (native-born) fill more than 91% of all jobs in America.
- Immigration does not negatively impact American workers without college degrees. Lesser-skilled immigrants create jobs for Americans and grow important sectors for the economy.
- Over 15,000 site visits annually to H-1B employers confirm compliance with immigration law.

Suggested Citation: U.S. Chamber Staff. 2015. Immigration and the Economy: Look at the Facts - Not the Fiction. Washington, D.C.: U.S. Chamber of Commerce.





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