Immigrants and the U.S. workforce
A demographer’s view from the pandemic

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Today’s presentation

• Recent data on immigration flows
  – Flows are way down from historical levels
  – Recent data (OIS) show some upticks but still low

• How many immigrants live in the US?
  – Surveys (ACS, CPS–March/monthly) are “all over the place”
  – No current data incorporate results of 2020 census
  – Little growth in last 2 years – 46 million of 14%

• How many unauthorized immigrants live in the US
  – New Pew estimates for ’18-’19 → little change at ~ 10 million
  – ‘20-’21 data imply no big increases, if any

• Where are we going to get workers?
  – Immigrant share has gone up, especially in some industries
  – Projections show slowing workforce growth through 2040
  – ALL growth will come from future immigration
Net international migration down
Down 76% from 2010s peak

Slowest growth in US history for ‘20-’21

Figure 2.
Population Change and the Components of Change: 2001–2021

- % Change
- Births
- Deaths
- International Migration

Percent Population Change

Annual Components of Change* (in millions)

0.13%

* Components of change include births, deaths and net international migration.
Note: Only data to the right of the line are from Vintage 2021.
Office of Immigration Statistics (OIS in DHS)

• Release quarterly statistics with minimal lag
  a. Trump administration innovation
  b. Green cards (LPR admissions)
  c. Refugee arrivals
  d. Naturalizations
  e. Nonimmigrant arrivals (lag one quarter)

• Inflows way down from 3rd quarter FY20 (Apr ‘20)
  a. “New arrival” green cards
  b. Refugees
  c. Legal temporary admissions (I-94)

• Some recovery by 4th quarter FY21 (Sep ‘21)
  a. Still WAY BELOW prepandemic levels
  b. Exceptions for some categories
Total green cards granted fell almost 75%
4th quarter FY21 basically back to ‘15-’16 levels

Refugee arrivals slowed under Trump & stopped
4th quarter FY21 still far below pre-Trump levels

Tourist visas cratered during the pandemic. 3rd quarter FY21 still 80% below normal.

Business visitor visas also disappeared
3rd quarter FY21 still 80% below normal

Employment visas did not fall as far 3rd quarter FY21 up but only half of normal

(in thousands)

Foreign students not allowed in initially
FY21 levels still 75% below normal

Immigrant Population in the US
Population data sources

• Two (or three) major surveys
  – American Community Survey (ACS) – 1% random sample (>1M HHs)
    – “Rolling” sample collected over 12 months
  – Monthly Current Population Survey (CPS) – 40K HHs
    – Overlapping, state-based design with clustering
  – March CPS ASEC – 60K HHs (oversamples for children & minorities)

• Timing varies considerably
  – Monthly CPS – month after data collection (very timely!!)
  – March CPS – September of collection year
  – ACS – fall of year after reference date and data collection

• Weighting determines size of immigrant population
  – Weights assigned to agree with census-based population estimates
  – Weights use age, sex, race/Hispanic and geography mainly
  – None of the surveys use nativity in the weighting (!)
  – CPS uses short-term projections made before data collection
  – Current data DOES NOT use 2020 Census results
Pandemic challenges

- In-person data collection stopped in mid-March 2020
  - 1st & 5th CPS monthly interviews are supposed to be in-person
  - Mailing of materials was also halted as Jeffersonville, IN mail center closed
  - At least 6 months of ACS data was severely compromised
  - Follow-ups were limited to telephone (and on-line)

- Non-response rates skyrocketed
  - Immigrants have higher non-response rates; more likely to need in-person interviews
  - Immigrants are underrepresented in the samples (and in follow-ups)
  - Regular weighting does not compensate

- Alternative weighting (entropy balance) applied to ASEC & ACS
  - Designed to “correct” over-reporting on income (and underreporting of poverty)
  - Incorporates administrative records into the weighting
  - Does not always use full weighting scheme

- Consistently LOWER immigrant populations with EB weights in ASEC – about 1 million fewer
  - 1st applied to March ‘20 ASEC; then March ‘21 ASEC and finally ‘20 ACS
  - Revised ‘20 ASEC weights produced and, for trending, EB weights for ‘17-’19
  - Monthly response patterns seem to have almost returned to normal
Foreign-born population

Alternative survey estimates – “All over the place”

Source: Pew Research and Census Bureau alternative weights for many years, especially in the '90s and '00s.
Contact author for more information.
Rough trend of foreign-born population

Discount pandemic estimates → 46 million

Source: Pew Research and Census Bureau alternative weights for many years, especially in the '90s and '00s.
Contact author for more information.
What about unauthorized immigrants?
Pew estimates show large decline after ’07, Followed by slow decline in ’15-’17 to ’04 (!) level

Unauthorized immigrants (millions)

Shaded area represents 90% confidence interval

Source: Pew Research Center estimates based on residual methodology, Passel & Cohn (2019).
New estimates (still preliminary) show levelling at a bit over 10 million for 2019

Unauthorized immigrants (millions)

Shaded area represents 90% confidence interval

Source: Pew Research Center estimates based on residual methodology, Passel & Cohn (2019).
2020 figure is *unlikely* to go up –
Great uncertainty from data sources

Source: Pew Research Center estimates based on residual methodology, Passel & Cohn (2019).
Immigrants and the US workforce
Where will the US workforce come from in the future?
Future US workforce projection

- Virtually all workers in the 2040 workforce are currently alive.

- **2040 Projection:**
  a. 2020 population by age, sex, race/Hispanic and nativity
  c. Increased mortality from recent projections (i.e., pandemic effect).
  d. Future fertility has minimal impact for 2040
  e. Apply labor force participation rates from 2020
Conclusions

• Decreased immigration has slowed population & labor force growth

• 2040 projected workforce (without future immigration) would be 163 million compared with the current (2020) workforce of 165 million

• Modest immigration could grow it to 178 million
  ▪ Growth in 2020s and 2030s still below 2010s

• Decreases in labor force participation would reduce the size of the workforce a bit more

• Productivity increase would offset slowing workforce growth
Thank you!
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Race and Ethnicity