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Immigration Fact-Check

Inaccuracies in CIS Report on Immigrant Workers in Georgia

A report released on June 20, 2007, by the Center for Immigration Studies (CIS) argues that the increase in the number of less-educated immigrant workers in Georgia between 2000 and 2006 caused employment levels among less-educated natives to decline. However, there is no evidence of a direct, negative relationship between employment levels for immigrants and natives in Georgia. Instead, evidence suggests that immigration has had generally positive effects for most native-born workers and that employment levels among less-educated natives have declined for reasons unrelated to immigration.

Research conducted by Jeffrey Humphreys, Director of the Selig Center for Economic Growth at the University of Georgia, found that less-educated natives in Georgia were either retiring from the workforce or moving "up" into better jobs. During the period of highest immigration, beginning in 1996, unemployment levels among native-born workers remained very low, according to Humphries.¹

Moreover, data show that the number of less-educated native-born workers in Georgia is declining-not because these workers are losing their jobs to immigrants, but because the size of the lesseducated native-born labor force is shrinking. As the chart below illustrates, the ranks of less-educated native-born workers are shrinking at a faster rate than less-educated immigrant workers are entering the labor force. L

	Georgia Workers without High School Degrees								
	Native Born	Native Born	NB Change	Foreign Born	Foreign Born	FB Change	Total	Total	Total Change
Industry Group	2000	2005	2000- 2005	2000	2005	2000-2005	2000	2005	2000- 2005
Agriculture, forestry, fishing and hunting	12,405	10,647	-1,758	5,693	6,028	335	18,098	16,675	-1,42
Mining	1,638	1,078	-560	82	0	-82	1,720	1,078	-643
Construction	73,123	63,026	-10,097	31,521	44,972	13,451	104,644	107,998	3,35
Manufacturingnondurable goods	51,836	31,784	-20,052	21,042	17,751	-3,291	72,878	49,535	-23,34
Manufacturingdurable goods	42,434	28,098	-14,336	10,328	12,947	2,619	52,762	41,045	-11,71
Wholesale trade	15,120	11,808	-3,312	3,013	4,933	1,920	18,133	16,741	-1,39
Retail trade	63,565	49,180	-14,385	7,597	10,067	2,470	71,162	59,247	-11,91
Utilities	2,742	1,937	-805	181	73	-108	2,923	2,010	-91
Transportation and warehousing	22,235	21,019	-1,216	1,749	3,375	1,626	23,984	24,394	41
Information	3,934	5,940	2,006	507	659	152	4,441	6,599	2,15
Finance and insurance	4,760	5,187	427	508	707	199	5,268	5,894	62
Real estate and rental and leasing	5,546	4,035	-1,511	775	1,089	314	6,321	5,124	-1,19
Professional, scientific, and technical services	4,753	4,553	-200	806	605	-201	5,559	5,158	-40
Management of companies and enterprises	66	73	7	0	0	0	66	73	
Administrative & support & waste mngmt srvcs	21,066	19,650	-1,416	8,170	9,954	1,784	29,236	29,604	36
Educational services	14,337	12,463	-1,874	966	1,110	144	15,303	13,573	-1,73
Health care and social assistance	29,006	25,099	-3,907	2,267	2,773	506	31,273	27,872	-3,40
Arts, entertainment, and recreation	4,687	2,786	-1,901	639	1,019	380	5,326	3,805	-1,52
Accommodation and food services	45,698	40,994	-4,704	13,592	11,658	-1,934	59,290	52,652	-6,63
Other services except public administration	30,677	24,081	-6,596	5,929	6,108	179	36,606	30,189	-6,41
Public administration	7,189	5,153	-2,036	224	437	213	7,413	5,590	-1,82
Total all industries	456,817	368,591	-88,226	115,589	136,265	20,676	572,406	504,856	-67,55

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Total unskilled workers in Georgia fell in 2000-2005 because declines among natives exceed growth among immigrants

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The construction industry in Georgia is a good example of the fallacy of the CIS argument. Humphreys found that immigration allowed the industry to expand rapidly, which has increased the total number of jobs available to all workers, both native-born and immigrant. While more and more immigrants are filling these construction jobs, this does not mean that native-born workers are being displaced. Immigration has stimulated growth in the size of the total workforce, and this expanded job pool benefits all workers and the economy as a whole.

The CIS report also implies that native-born workers and immigrant workers are competing for the same jobs in the same industries. Research on immigration in Georgia shows that less-educated immigrant workers are heavily concentrated in particular industries and that their distribution in the workforce is quite different from that of native-born workers.² As a result, the prospect of direct competition for jobs is not as great as is commonly assumed. Moreover, immigrants comprise such a small share of the total workforce that their impact on the native-born, if any, is relatively small.

For example, according to data from the 2004 American Community Survey, 64 percent of foreign-born Latinos (the dominant immigrant group in Georgia) were found in three industries: construction, manufacturing, and recreation/tourism. By contrast, only 27 percent of native-born workers were found in the same industries. Even in these three industries, foreign-born Latinos numbered only 125,373 workers, compared to 1,040,204 native-born workers. All told, foreign-born Latinos were just 11 percent of the total Georgia workforce in construction, manufacturing, and recreation/tourism. Therefore, the possibility of serious job competition is extremely limited to begin with.

A closer look at the manufacturing sector—using the very same data as CIS—further illustrates the basic fallacy in the CIS report. Manufacturing is the sector that recorded the greatest decline in employment among less-educated native-born workers between 2000 and 2005, a total of 34,388 workers. But this decline was not matched by corresponding increases in immigrant employment. Immigrant employment declined by 3,291 workers in the non-durable goods sector and increased by just 2,609 workers in the durable goods sector. The overall increase in immigrant employment in the manufacturing sector was only 672 workers.

The CIS report focuses on one small segment of the native-born workforce in Georgia—the least educated—that might seem to be the most vulnerable to competition from immigrant workers, especially during an economic downturn. However, there is no evidence of any significant job displacement among less-educated native-born workers due to immigration in recent years. The data for Georgia confirm a more general trend witnessed in most states since 1990: most immigrants are drawn to booming sectors of the economy where wages are relatively high and unemployment is relatively low.³ Rather than increasing unemployment, immigration expands production and increases total employment to the benefit of immigrants and natives alike.⁴

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¹ See Humphreys' remarks in Kathleen Pender, "Labor's Complex Situation," San Francisco Chronicle, April 27, 2006.

² Beata D. Kochut & Jeffrey M. Humphreys, "Going North: Mexican Immigration in Georgia," *Georgia Business and Economic Conditions*, Vol. 66, No. 2, 2006.

³ Georgia is one of a dozen states that have witnessed an especially sharp increase in immigrant and native-born employment levels since 1990. See the state-by-state review of U.S. Census data in Rakesh Kochhar, *Growth in the Foreign-Born Workforce and Employment of the Native Born*. Washington, DC: Pew Hispanic Center, August 12, 2006.

⁴ See Pia Orrenius, "The Impact of Immigration," *The Wall Street Journal*, April 25, 2006. Orrenius served on the President's Council of Economic Advisers from 2004 to 2005.