

Pew Omits Important Details in Report on the Labor Force

Foreign-Born Job Gains Do Not Equal Native-Born Job Losses

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Washington, D.C. - Today, the Pew Hispanic Center released a [report](#) [1] that has an attention-getting headline, but pays little attention to detail. The report makes much of recent data indicating that unemployment has fallen slightly among foreign-born workers over the past year, while rising slightly among native-born workers. Some observers will undoubtedly conclude from this that the jobs which went to foreign-born workers would have otherwise gone to native-born workers if not for the presence of immigrants in the labor market. However, this is not the case. In reality, immigrant and native-born workers are not interchangeable, nor do they compete with each other for some fixed number of jobs in the U.S. economy. Moreover, many immigrants are highly skilled professionals who create jobs through their inventiveness and entrepreneurship.

Unfortunately, the Pew report provides no detail about the skill level of the workers who have gained or lost jobs since last year, nor does it tell us where in the country they live. Yet this is critical information in determining how many unemployed natives might have filled jobs which went to immigrants. As the Immigration Policy Center (IPC) pointed out in an August 2009 [report](#) [2], employed immigrants and unemployed natives “tend to have different levels of education, to live in different parts of the country, to have experience in different occupations, and to have different amounts of work experience. As a result, they could not simply be ‘swapped’ for one another.”

Consider just the question of where native-born and foreign-born workers live. According to a July 2010 [report](#) [3] from the Congressional Budget Office, 62.5% of foreign-born workers lived in six states as of 2009: California, New York, Florida, Texas, New Jersey, and Illinois. In contrast, 66.2 percent of native-born workers lived in the other 44 states. In other words, many unemployed natives would have to travel half way across the country to reach the jobs currently held by immigrants.

In addition, as the Pew report itself notes “even if immigrants have managed to gain jobs in the recovery, they have experienced a sharp decline in earnings. From 2009 to 2010, the median weekly earnings of foreign-born workers decreased 4.5%, compared with a loss of less than one percent for native-born workers. Latino immigrants experienced the largest drop in wages of all.”

It’s also important to remember that even if immigrants were somehow magically removed from the U.S. labor force, this would not “free up” jobs for unemployed natives. Why? Because all workers are also consumers who [create jobs](#) [4] through their purchasing power. If all immigrant consumers in the United States disappeared, many businesses that depend heavily upon their purchases would go under and the U.S. economy would lose jobs overall.

When examining the latest figures from the Pew Hispanic Center, it is important to keep in mind that most foreign-born workers complement, rather than compete with, most native-born workers. As an August 2010 [report](#) [5] from the Federal Reserve Bank of San Francisco points out, “immigrants expand the U.S. economy’s productive capacity, stimulate investment, and promote specialization that in the long run boosts productivity,” and “there is no evidence that these effects take place at the expense of jobs for workers born in the United States.”

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