Contemporary U.S. Immigration

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Immigration by the numbers

• **1.6 million new arrivals annually**
  • Most immigration is legal, NOT illegal
  • Legal permanent residents (green cards) is 70% family-based

• **45 million immigrants in US**
  • “Foreign born,” legal & illegal
  • Persons who are not US citizens at birth

• **More people means a larger economy**
  • Perhaps $1.7 trillion larger
  • But almost all of this goes to immigrants themselves in the form of wages and benefits
Number & percentage of U.S. population comprised of immigrants, 1900 to 2060

Census Bureau: In 2027 the immigrant share of the population will hit its highest level in U.S. history (14.8%), and continue to rise.
Large share of immigrants have few skills

• 28% of adult immigrants have not graduated high school
• 41% of immigrants have “below basic” English literacy
• 1/3 of children in poverty have an immigrant parent
• Half of all immigrant households use a welfare program

But

• 13% of immigrants have grad. degree v. 12% of natives
• About 12% of immigrants & natives are self-employed
• 71% of both adult immigrants and natives are employed

Newest projections show population of 404 million in 2060

Impact of Immigration Levels on U.S. Population (millions)

- 5x Census level (maintains working-age share)
- 2017 Census level
- 1/3 Census level (population stabilization)
- Zero Net Immigration
The level of immigration foreseen by Census Bureau has a modest impact on the working-share of population (16-64) 2017-2060

- 2x Census level
- Census Level
- 1/3 of Census Level (population stabilization)
- Zero net migration
Natural population growth and new immigration have exceeded employment growth, 2000-2018

180.3 million
Total population ages 16 to 65

131.9 million
Individuals ages 16 to 65 holding a job

208.8 million
Not working in 2018 63.8 Mil.

Not working in 2007 57.2 Million

Not working in 2000 48.4 Million

Source: Monthly public use files of the Current Population Survey for the first quarter of each year, 2000 to 2018
There has been a long-term decline in the employment rate of native-born Americans

Labor Force Participation Rate Natives 18 to 65

<table>
<thead>
<tr>
<th></th>
<th>Q1 2000</th>
<th>Q1 2007</th>
<th>Q1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>College +</td>
<td>88%</td>
<td>86%</td>
<td>86%</td>
</tr>
<tr>
<td>Some College</td>
<td>81%</td>
<td>78%</td>
<td>74%</td>
</tr>
<tr>
<td>HS only</td>
<td>78%</td>
<td>76%</td>
<td>71%</td>
</tr>
<tr>
<td>&lt; HS</td>
<td>59%</td>
<td>56%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Immigration changes U.S. political culture

Hispanics & Asians are supportive Of Bigger government

- Hispanics: 75%
- Asians: 55%
- General public: 41%
- Share wanting larger gov't. providing more gov't. & fewer services: 19%
- Share wanting smaller gov't. & fewer services: 48%

Share with negative view of capitalism

- Hispanics: 55%
- Liberals: 47%
- General Public: 40%
- Conservatives: 29%

Immigration’s Impact is uneven

Immigrant share of occupations

- Maids: 49%
- Construction Laborers: 35%
- Butchers: 33%
- Physicians: 27%
- Janitors: 27%
- Lawyers: 7%
- Farmers: 6%
- Reporters*: 5%

National Academies of Sciences (NAS) study in 2016 on economic and fiscal impact

• Conclusions: economy-wide wage effect may be modest but, “a high degree of consensus exists that specific groups are more vulnerable than others to inflows of new immigrants.”

• Textbook model: immigration may create \(~$50\) billion net benefit to natives, but to do so it redistributes about \$400 billion away from workers to businesses and consumers.
Immigrant households have higher rates of welfare use than native households.

United States

- Any welfare: Immigrant 51%, Native 30%
- Medicaid: Immigrant 42%, Native 23%
- Food: Immigrant 40%, Native 22%
- Cash: Immigrant 12%, Native 10%

Welfare figures are from the 2012 Survey of Income and Program Participation and include free/subsidized school lunch, WIC, SNAP, SSI, TANF, Medicaid, subsidized and public housing.
How can so many immigrant households access welfare?

• Most new legal immigrants are barred from welfare, as are illegals & temp. visitors

BUT:

• Most have been here long enough to qualify
• The bar does not apply to all programs
• Loopholes and exceptions exist
• Some states provide welfare on their own

• Most important: immigrants can receive benefits through their U.S.-born children
NAS found that at present immigrants have net negative fiscal impact (taxes paid minus costs)

<table>
<thead>
<tr>
<th>State</th>
<th>Fiscal impact (billions)</th>
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<tbody>
<tr>
<td>California</td>
<td>-$18.96</td>
</tr>
<tr>
<td>Texas</td>
<td>-$7.83</td>
</tr>
<tr>
<td>New York</td>
<td>-$5.79</td>
</tr>
<tr>
<td>Illinois</td>
<td>-$4.16</td>
</tr>
<tr>
<td>New Jersey</td>
<td>-$3.24</td>
</tr>
<tr>
<td>Washington</td>
<td>-$2.51</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>-$1.86</td>
</tr>
<tr>
<td>Minnesota</td>
<td>-$1.68</td>
</tr>
<tr>
<td>Colorado</td>
<td>-$1.18</td>
</tr>
<tr>
<td>Arizona</td>
<td>-$1.17</td>
</tr>
<tr>
<td>Florida</td>
<td>-$1.14</td>
</tr>
</tbody>
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Immigrants and their dependent children create a net fiscal drain in U.S. of $43 billion to $299 billion.

The fiscal drain is large enough to erase economic benefits.
Conclusion

• Reducing immigration and shifting to a more skills-based system would:
  • Take pressure off bottom of labor market
  • Reduce negative impact on public coffers
  • Help assimilate the 62 million immigrants & children here

• Best argument for current system:
  • Immigrants themselves benefit
  • Allows immigrants here to bring in more family members
  • Employers & consumers benefit