



# Imported Talent

## Foreign Immigration and the New England Labor Market

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**W**orkforce development policymaking and program planning at the state and local level is dependent on the availability of information on changes in the quantity and quality of the available labor supply. The 1990s witnessed powerful demographic shifts in the composition of the U.S. population and labor force. Foreign immigration into the United States during the decade reached new historical highs and contributed a substantial share of the growth in the nation's population. Between 1990 and 2000, 41 percent of the nation's population growth was generated by new foreign immigrants, and about half the increase in the nation's civilian labor force between 1990 and 2001 was attributable to this New Great Wave of foreign immigrants from an array of nations.

The impacts of foreign immigration on population and labor force growth during the 1990s varied widely across geographic regions, divisions and states. New England was far more dependent than nearly all other regions on the new wave of foreign immigrants to achieve its population growth and labor force growth during the past decade. In fact, New England's labor force would have experienced no net growth whatsoever in the absence of these new immigrants.

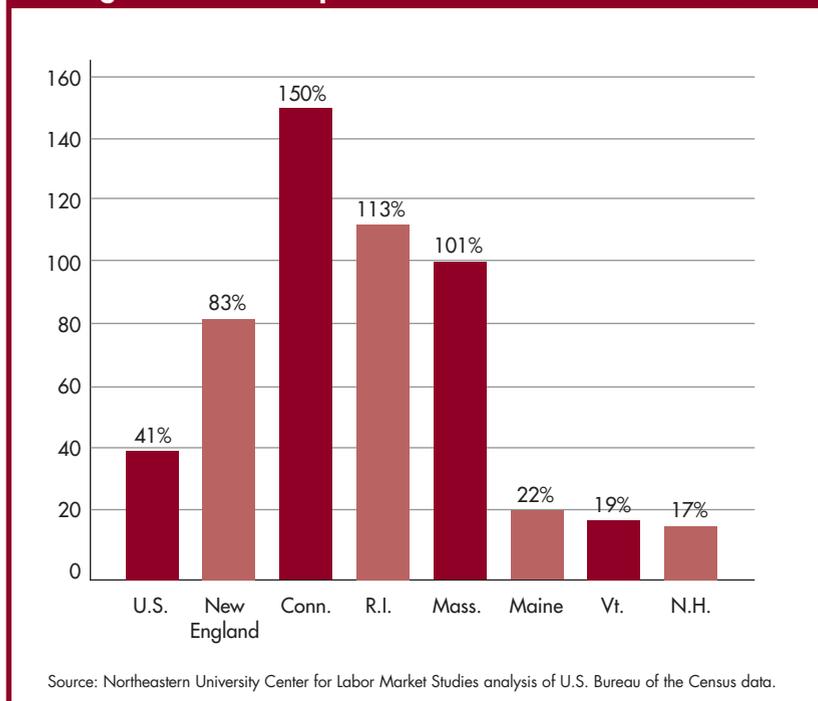
### Immigrant contributions

The 2000 census reveals that the population of New England increased from 13.2 million in 1990

to 13.9 million in 2000, an increase of 716,000 or 5.4 percent. New England's population growth rate over the 1990s was well below the national rate of 13 percent, and the region ranked last among the nine U.S. census divisions. An analysis of the sources of population growth and decline during the past decade reveals that new foreign immigration played a crucial role in generating New England's population growth.

Slightly more than 595,000 new immigrants who came into the United States from 1990 onward were residing in New England at the time of the 2000 census. These new foreign immigrants generated 83 percent of the region's population growth over the decade, twice as high a contribution as that for the nation and the second highest among the nine geographic divisions. (See Figure 1.) Within New England, new foreign immigrants accounted for all the population

**Figure 1: New Foreign Immigrants as a Percent of the Change in Resident Population between 1990 and 2000**



growth in the three southern New England states of Connecticut, Massachusetts and Rhode Island, but only one-fifth of the population growth in the northern tier of New England states.

### Labor force growth

More than 80 percent of these new immigrants were of working age, and immigrant males were strongly “attached” to the labor force as measured by their high rate of labor force participation. As a consequence of the high inflow of foreign-born, working-age adults and the high level of out-migration of native born adults from New England, foreign immigration played an even more critical role in generating the modest growth in the region’s civilian labor force during the 1990s. All of New England’s civilian labor force growth between 1990 and 2001 was attributable to new foreign immigration. Nearly 375,000 new foreign immigrants were either working or actively looking for work in 2001, while the region’s entire labor force is estimated to have grown by only 103,000. (See Figure 2.)

No other geographic division in the country was as dependent on foreign immigration for labor force growth as New England was. All labor force growth in the three southern New England states was generated by new immigrants. The native-born labor force in these three states declined considerably over the decade. In the three northern New England states, only 10 percent to 20 percent of labor force growth was the consequence of new foreign immigration.

During the 1990s, the number of males in New England’s labor force actually declined, primarily as a result of reduced labor force attachment by men over the decade. While the total number of male labor force participants fell by 30,000 between 1990 and 2001, the number of new male immigrants increased by 219,000. (See Figure 3.) These findings together imply that the number of native-born workers and established immigrants in New England must have declined by close to 250,000 over this 11-year period.

No serious attention has been paid to this steep decline in New England’s male native-born labor force, though it is surely a critical workforce development issue for the

region. This trend should be carefully analyzed by regional and state economic policymakers, and workforce development strategies should be forged to boost the growth of the male native-born labor force in the coming decade.

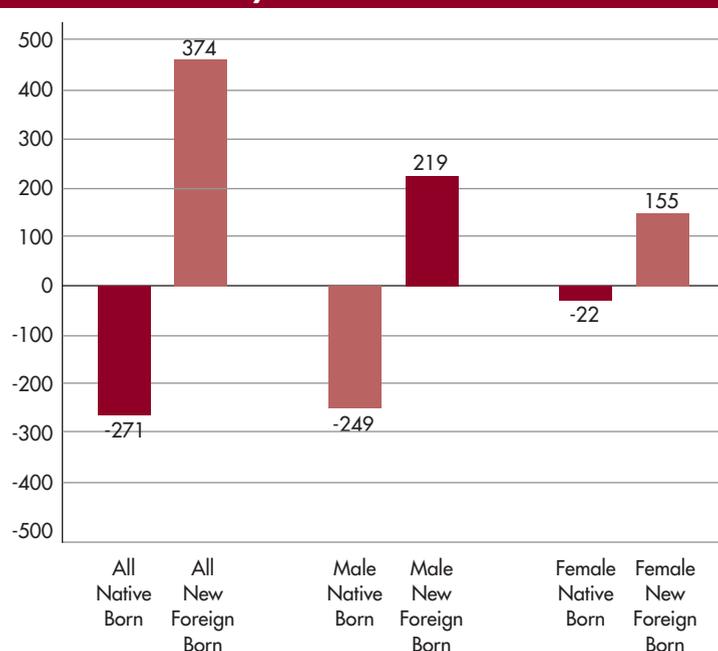
New England’s female labor force grew by 133,000 or 4 percent between 1990 and 2001. Yet, immigrants accounted for *all* the net growth in the region’s female labor force over this period. During 2001, an estimated 155,000 female immigrants who had arrived in the United States between 1990 and 2001 were in New England’s labor force. All of the growth—116 percent—in the region’s female labor force was attributable to foreign immigration. The number of native-born, female workers declined by 22,000 over the

**Figure 2: Growth in the Total Civilian Labor Force and Number of New Foreign Immigrants in the Labor Force of New England between 1990 and 2001**

	Change in Labor Force, 1990–2001	New Immigrants in Labor Force	Percent of Labor Force Growth Due to Immigrants
New England	103,000	374,000	363%
Connecticut	-132,000	81,000	NA
Maine	63,000	4,000	7%
Massachusetts	80,000	249,000	312%
New Hampshire	67,000	13,000	19%
Rhode Island	-9,000	24,000	NA
Vermont	34,000	3,000	9%

Note: Ratios cannot be calculated for Connecticut and Rhode Island due to negative denominator.  
Source: Northeastern University Center for Labor Market Studies analysis of U.S. Bureau of the Census Current Population Survey data.

**Figure 3: Growth of New England’s Civilian Labor Force by Gender and Nativity Status between 1990 and 2001**



Source: Northeastern University Center for Labor Market Studies analysis of U.S. Bureau of the Census Current Population Survey data.

decade, primarily as a consequence of high levels of out-migration from the region during the decade.

### **New immigrant workforce**

Males made up 58 percent of the new immigrant labor force, compared with 52 percent of the native-born labor force. This reflects the greater gender gaps in participation ratios among newer immigrants, cultural factors for some immigrant groups and greater assimilation difficulties for immigrant women with limited English-speaking skills. The newer immigrants also were younger than their native-born labor force counterparts. Nearly 60 percent of them were under age 35, compared with only 35 percent of the native-born. The educational backgrounds of the region's new immigrants also were quite diverse. About 25 percent lacked a high school diploma or GED certificate, compared with only 9 percent of the native-born. At the same time, 31 percent of the new immigrant workers held a bachelor's degree or higher, only slightly below the native-born share of 34 percent.

The newer immigrant workers were employed in all major industries and occupational groups throughout New England in 2001, but they were over-represented in some key job clusters. By industry, new immigrants were substantially over-represented in manufacturing

### **All of New England's civilian labor force growth between 1990 and 2001 was attributable to new foreign immigration.**

and business/repair/personal service industries and under-represented in construction, finance/insurance and the public sector.

New immigrant workers were just as likely as native-born workers to be employed in professional and technical occupations, but were heavily under-represented in management-related, high-level sales and administrative support positions. Immigrants were strongly over-represented in blue-collar production and laborer positions, especially in manufacturing, and in service occupations, especially as cooks, domestics, nursing assistants, health care aides, janitors and security guards.

### **Workforce development implications**

The very limited growth of New England's labor force during the past decade, along with the steep decline in the male, native-born labor force and the region's overwhelming reliance on immigrant workers, have important implications for New England's workforce development.

Restoring growth in the native-born labor force, especially among young men, should be a high priority for the region's economic and education policymakers.

Achieving this goal will require sustained efforts to keep the current larger cohort of young adults ages 16 to 22 in the region as they enter the labor market, to boost the labor force attachment of young male adults with no postsecondary schooling and to maintain the growing cohort of 45- to 64-year-old males (the aging baby boomers) active in the labor force.

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At the same time, however, a diverse array of education and training strategies for new immigrants will likely be needed to boost labor market attachment, employability and earnings. National and state labor market studies have consistently revealed that the labor force attachment, labor supply and annual earnings of immigrant workers are strongly linked to their English-speaking proficiencies, literacy and math proficiencies, and their formal educational attainment, especially schooling acquired in the United States.

Given New England's current and likely future dependence on new immigrants for achieving growth in its labor force and employed populations, the region's adult basic education agencies, postsecondary education and training institutions and private and public employers will have to make unified, critical investments in the immigrant workforce if the region is to achieve broad-based prosperity in the first decade of the 20th century. This should include efforts to expand existing English-as-a-Second-Language (ESL) and adult basic education services for adult immigrants, to retain low-income immigrant children in high school, to boost their access to postsecondary training and educational programs and to increase employer training investments in frontline workers, both native- and foreign-born, especially those with no postsecondary education. Importantly, the region also needs to undertake more rigorous evaluations of the effectiveness of such programs in boosting immigrant workers' labor market success.

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