

# THE CHANGING WORKFORCE:

## *Immigrants and the New Economy in Massachusetts*



*A Joint Project of:*



The Massachusetts Institute  
for a New Commonwealth

*Economic Opportunity Initiative*

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# Executive Summary

## INTRODUCTION

Foreign immigration is playing a major role in the changing demography, culture and economy of Massachusetts today.

Foreign immigration has quietly played a key role in offsetting a major part of our state's population losses due to domestic out-migration — native-born residents moving from Massachusetts to other states in the U.S. — as well as a declining birth rate. And it is very likely to continue to be a key source of population and labor force growth well into the next decade.

Immigrants from outside the U.S. have contributed in a substantial way to the growth of the state's resident labor force and the ranks of the employed. Foreign immigrants were responsible for 82 percent of the net growth in the state's civilian labor force between the mid-1980s and 1997.

In fact, if it weren't for foreign immigration, the state's population would actually be shrinking —and would have shrunk in every decade since the 1970s.

Most surprisingly, the five states that were the most dependent on foreign immigration to generate their labor force growth were all in the Northeast Corridor: New York, New Jersey, Rhode Island, Connecticut and Massachusetts.

This report is intended to ensure that any debate in Massachusetts about the benefits and costs of immigration is informed by a rigorous factual analysis of our current situation. It is intended to answer, as best we can from the available data, the basic questions about the impact of immigration in Massachusetts:

- Who are the immigrants coming to Massachusetts?
- How many are coming, and how do these numbers compare to those in earlier generations?
- Where do they come from?
- How many and which immigrants participate in the labor market?
- In what jobs do they work?
- How do their labor market experiences compare to those of the native born?
- How are they doing economically once they get here?
- What particular obstacles stand in the way of their future success here?
- What does their presence mean for the future growth and success of the Massachusetts economy?

The key findings of our report are highlighted below:

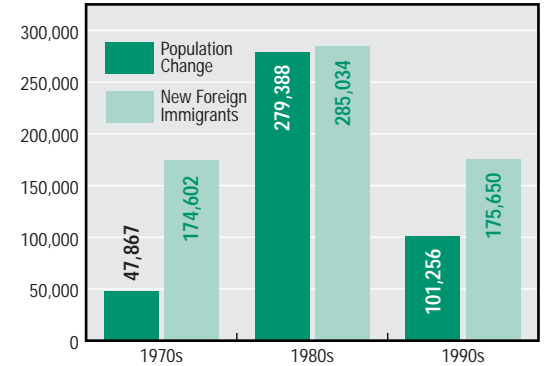
## KEY FINDINGS

Massachusetts and other key states in the Northeast Corridor have become extraordinarily dependent on foreign immigration — both from abroad and from U.S. territories like Puerto Rico — to provide growth in their population and labor force.<sup>1</sup>

<sup>1</sup> All persons born in the United States or born abroad of American parents are considered as native-born Americans for purposes of this report. All other persons born abroad, including those born in Puerto Rico, Guam, and the U.S. Virgin Islands, are classified as foreign born. While all Puerto Rican born migrants to the U.S. are citizens and are not affected by changes in U.S. immigration laws and policies, we have followed the standard practice of the U.S. Census Bureau in classifying international migrants and included them in the “foreign-born” population statistics. There are three principal reasons justifying the federal government’s approach. First, the official population data for the United States have historically only reflected the resident population of the 50 states and the District of Columbia — Puerto Rico is maintained separately. Second, the national statistics on the labor force, the employed, and the poverty population have also been restricted to residents of the 50 states and the District of Columbia. Third, as a group, Puerto Rican immigrants in Massachusetts face severe labor market and poverty problems, often exceeding those encountered by most other immigrant groups, including other Spanish-speaking immigrants. Treating them separately allows for a much better appreciation of their economic situations.

- If not for increased foreign immigration, the Massachusetts population would actually be smaller today than it was in 1970 — and it would have shrunk in each of the past three decades. . . . . **p. 28**
- Foreign immigrants to Massachusetts were responsible for 82 percent of the net growth in the state’s civilian labor force between the mid-1980s and 1997. . . . **p. 47**
- If not for foreign immigration, the New England region’s labor force — the number of people working or looking for work throughout the region — would actually be smaller, by 200,000 people, than it was in 1990. . . . . **p. 45**

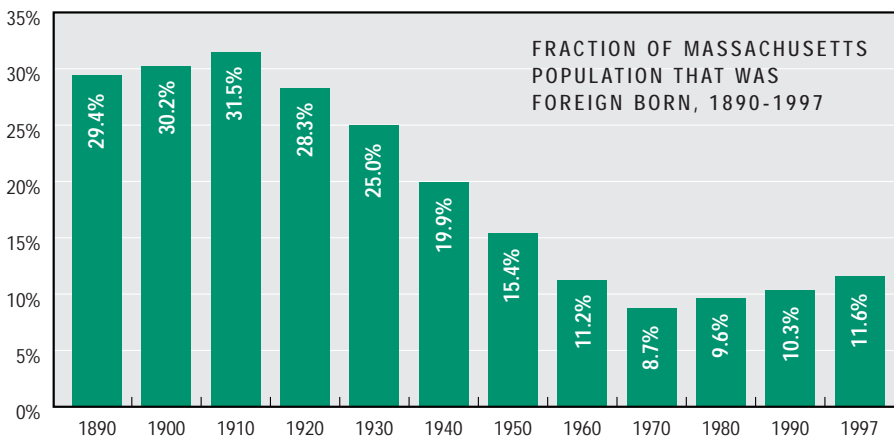
POPULATION GROWTH IN MASSACHUSETTS AND THE FLOW OF NEW FOREIGN IMMIGRANTS



- The five states that have become the most dependent on foreign immigration to generate their labor force growth are all in the Northeast Corridor: New York, New Jersey, Rhode Island, Connecticut and Massachusetts. . . . . **p. 47**

While the number of immigrants coming to Massachusetts is nowhere near the highs reached earlier this century, the number has risen steadily since the 1970s and has brought over 100,000 new immigrants to Massachusetts in this decade alone.

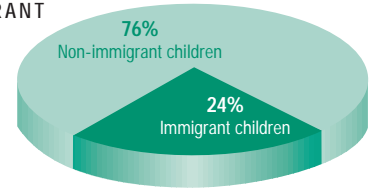
- At immigration’s highest point in 1910, 31.5 percent of all Massachusetts residents were immigrants (i.e. foreign born). . . . . **p. 23**
- The absolute number of foreign-born persons living in Massachusetts peaked at 1.088 million in 1920. . . . . **p. 26**
- By 1970, the state’s foreign-born population had declined to 495,000 — less than half of the 1920 figure — and accounted for only 8.7 percent of the state’s population. This group was also aging rapidly and contained a very high fraction of retirees. . . . . **p. 26**
- By 1990, the state’s foreign-born population — including migrants from Puerto Rico and the other territories of the U.S. — had risen to 620,000 or 10.3 percent of the state’s population. . . . . **p. 27**
- By 1997, the state’s foreign-born population is conservatively estimated to have reached 710,000, just under 12 percent of the state total — a far cry from the 31.5 percent figure of the early 1900s, but substantially higher than the percentage only 30 years ago. . . . . **p. 26**



- Immigrants and their offspring of all ages accounted for just under 30 percent of the Massachusetts population in 1996-97, a share well above the 21 percent ratio for the nation. . . . . **p. 18**
- Of all the children in Massachusetts under the age of 18, approximately one of every

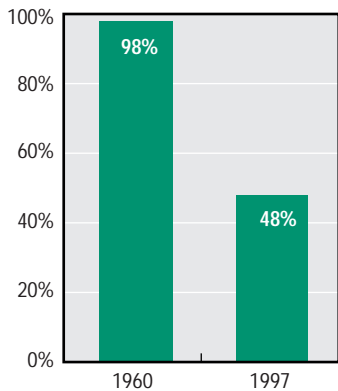
four is either an immigrant or the child of an immigrant father or mother. . . . . **p. 30**

CHILDREN IN MASSACHUSETTS, BY IMMIGRANT STATUS



**Immigrants to Massachusetts are much more ethnically and racially diverse than they used to be. They come from a wider array of countries and continents than ever before in our state's history.**

PERCENT OF STATE'S IMMIGRANT POPULATION THAT WAS WHITE

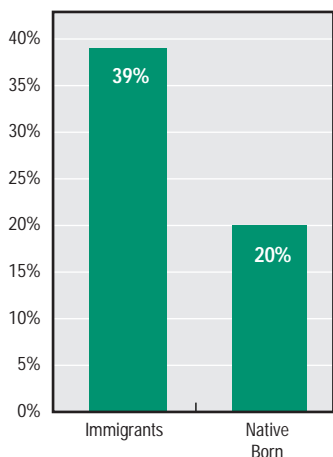


- As late as 1970, close to 80 percent of Massachusetts immigrants had come from Canada or Europe. . . . . **p. 36**
- Until 1960, immigrants to Massachusetts were overwhelmingly (98%) white (non-Hispanic). Fewer than 12,000 Asians lived in the state at the time of the 1960 Census — a mere 0.2 percent of the state's population. . . . . **p. 34**
- By the time of the 1990 Census, only 37 percent of the state's immigrants had roots in Europe, while Asia and Latin America each accounted for 18 percent, Puerto Rico 13 percent and Canada 8 percent. . . **p. 37**
- By the late 1990s, 52 percent of the state's immigrant population was non-white. **p. 35**

- China, Vietnam, India and Cambodia have contributed the largest number of Asian immigrants to Massachusetts, while Portugal (including the Azores), Italy, Great Britain and Ireland have contributed the largest number from Europe. The Dominican Republic, Haiti, Brazil and Jamaica have contributed the largest numbers of Latin American and Caribbean immigrants to Massachusetts. . . . . **p. 37**
- Since 1990, immigration patterns have shifted once again, with the largest number of immigrants coming to Massachusetts in the 1990s from Puerto Rico, followed by Brazil, El Salvador, Russia, India and China. . . **p. 38**

**Immigrants in Massachusetts continue to be more highly concentrated in our state's larger metropolitan areas, but unlike past waves of immigration, this no longer means just the central cities in those metropolitan areas: a majority of today's foreign-born residents live in the suburbs.**

PORTION OF MASSACHUSETTS POPULATION LIVING IN CENTRAL CITIES IN 1995-97

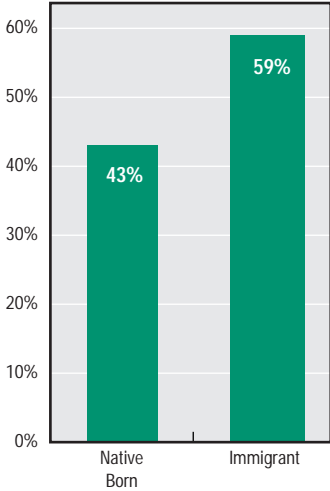


- The metropolitan areas of Boston, New Bedford, Springfield, Worcester, Lowell and Fall River each had a population that was at least 11 percent foreign born (as compared to 4 percent for the rest of the state). **p. 41**
- A majority of the immigrant population living in metropolitan areas in Massachusetts had moved outside of the central cities to their neighboring suburbs. . . . . **p. 41**
- Immigrants in those metropolitan areas were also more likely than their native-born counterparts to be living in the central cities of those metro areas. At least 39 percent of the immigrant population was living

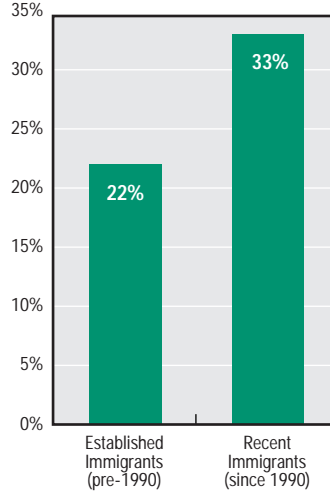
- in central cities versus only 20 percent of the native-born population, a relative difference of two to one. . . . . **p. 41**
- While many immigrants continue to begin their Massachusetts lives in our central cities, an increasing number of them — particularly the highly-skilled — move directly from their home countries to the suburbs in our large metropolitan areas. . . . . **p. 41**

**Immigrants to Massachusetts have two demographic characteristics that create substantial hurdles to their economic success: they are less educated on average than native-born workers, and they are more likely to be single-parent families.**

PORTION OF MASSACHUSETTS POPULATION WITH ONLY HIGH SCHOOL DIPLOMA OR LESS, 1996-97



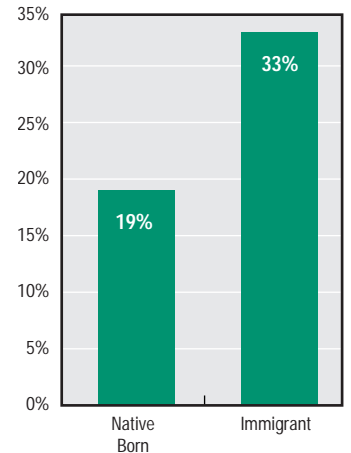
IMMIGRANTS TO MASSACHUSETTS WITH BACHELOR'S OR MORE ADVANCED DEGREES



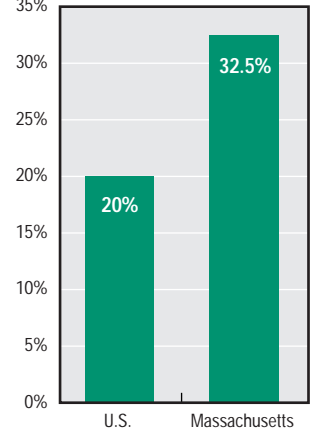
- The majority of working-age immigrants who have come to the U.S. and Massachusetts have only a high school diploma or less. This finding is true both of recent immigrants (those who have come to the U.S. or Massachusetts since 1990) and of earlier arrivals (those who came before 1990). . . . . **p. 33**
- Recent immigrants to Massachusetts (since 1990) are more likely than earlier immigrants to have a college or more advanced degree - 33 percent of recent immigrants versus 22 percent of established immigrants. Our state also attracts immigrants who are more highly educated than their national counterparts. But the fact remains that the majority of recent immigrants to Massachusetts continue to have only a high school diploma or less. . . . . **p. 34**
- The educational attainment levels of those who head immigrant families (called “family householders”) lag far behind those of native-born family householders. For example, in 1990, 41 percent of immigrant family householders lacked a high school diploma or GED certificate versus only 16 percent of native-born family householders. . . . . **p. 78**
- In contrast, 54 percent of native-born family householders had completed some post-secondary schooling versus only 37 percent of immigrant householders, and 29 percent of native-born family heads had obtained a bachelor’s or higher degree versus slightly less than 21 percent of foreign-born family householders. . . . . **p. 78**

- In the mid-1990s, 76 percent of native-born families in Massachusetts were married couple families versus only 64 percent of immigrant families. Nearly 33 percent of immigrant families in Massachusetts were female householder families with no spouse present versus only 19 percent of native-born families. . . . . **p. 79**
- Between 1995-97, only 20 percent of immigrant families nationally were headed by a woman with no spouse present, but in Massachusetts almost 33 percent of immigrant families were headed by a woman with no spouse present. The absence of a spouse lowers earnings and income potential and places many of these families at risk of poverty. . . . . **p. 79**

PORTION OF FAMILIES IN MASSACHUSETTS HEADED BY SINGLE FEMALE, 1995-97



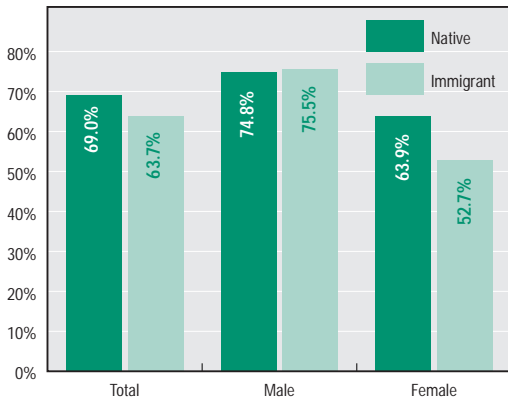
PORTION OF FAMILIES HEADED BY SINGLE FEMALE, 1995-97



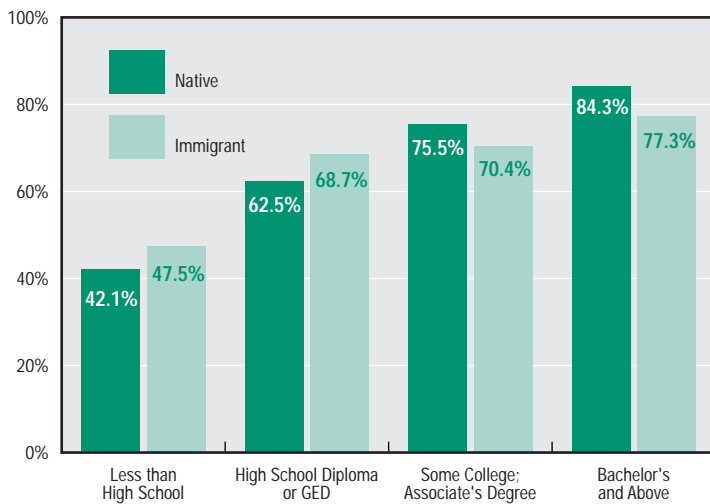
Given some of the real barriers immigrants face in achieving economic success, they have fared consistently well on many measures of labor market success.

- The labor force participation rate of immigrants in Massachusetts is very close overall to that of their native-born counterparts. Male immigrants are actually more likely to actively participate in the labor market than their native-born counterparts — both nationally and in Massachusetts. Immigrant women, however, are considerably less likely to be active in the labor force than their native-born counterparts. Participation rates of immigrants are strongly associated with their levels of formal schooling. **.p. 52**
- Immigrants who seemingly face the most hurdles to gaining employment — those with only a high school diploma or less — are actually more active in the labor force than their native-born counterparts. **.p. 53**

LABOR FORCE PARTICIPATION RATES IN MASSACHUSETTS BY GENDER, 1996-1997

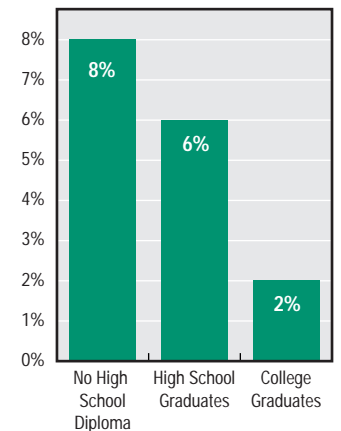


LABOR FORCE PARTICIPATION RATES BY EDUCATIONAL ATTAINMENT, MASSACHUSETTS, 1996-1997



- Immigrants in Massachusetts overall do have higher aggregate rates of unemployment than do native-born residents. **.p. 56**
- However, the findings of a multivariate statistical analysis controlling for differences in age, educational attainment, gender and race/ethnic background revealed that established immigrants, i.e. those arriving in the U.S. prior to 1990, had a statistically significant lower probability of unemployment (1-2 percentage points lower) than native-born workers. **.p. 57**
- The unemployment rates of immigrant workers decline steadily with the years of schooling that they have completed. The unemployment rate of immigrants who lacked a high school diploma was 8 percent versus unemployment rates of 6 percent for high school graduates and only 2 percent for those immigrant workers with a bachelor's or more advanced degree. **.p. 56**

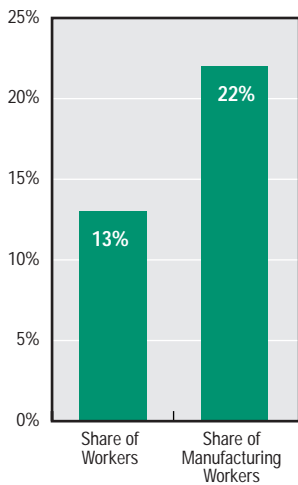
UNEMPLOYMENT RATES OF IMMIGRANTS IN MASSACHUSETTS BY LEVEL OF EDUCATIONAL ATTAINMENT, 1996-97





Immigrants can be found in virtually every industrial job category and every occupation in the Commonwealth. However, they are most strongly represented in the industrial sectors of manufacturing and professional services.

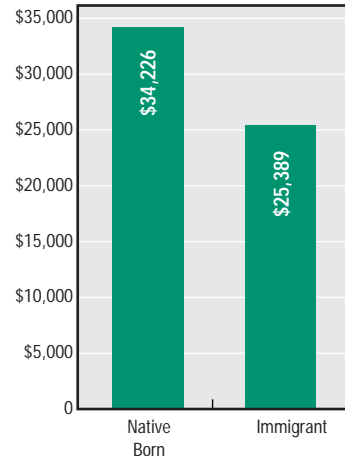
IMMIGRANTS' SHARE OF WORKERS AND MANUFACTURING JOBS IN MASSACHUSETTS, 1995-97



- More immigrants are employed in the manufacturing sector in Massachusetts than in any other sector, including professional service industries. Despite the large number of manufacturing jobs lost in the last 15 years in Massachusetts, this sector continues to employ approximately 500,000 people and plays a disproportionately important role in our state's economy, because it generates a large portion of the goods our state exports to other regions and nations. . . . . **p. 65**
- Foreign-born workers were nearly twice as likely as native-born workers to be employed in manufacturing industries. . . . . **p. 65**
- By the late 1990s, immigrants constituted just under 13 percent of the total number of employed persons in Massachusetts, but accounted for almost 22 of every 100 employees in the state's manufacturing industries, commanding an even greater share of blue collar jobs in these key goods-producing industries. . . . . **p. 65**
- Immigrants held dominant shares in many blue collar occupational niches by the late 1990s. They were nearly twice as likely to be employed in skilled production crafts as native-born workers, and three to five times as likely to be employed as fabricators, assemblers, and machine operators. . . **p. 70**
- Within the service occupations, immigrants were 2 to 4 times more likely to be working as health service, cleaning and building service, and private household workers, but only half as likely as the native born to be engaged in protective service work (police, detective, fire). . . . . **p. 70**
- Within the professional occupations, foreign-born workers were more than twice as likely as native-born workers to be university and college teachers. Slightly over 2 percent of all foreign-born workers held these jobs versus less than 1 percent of native-born workers. Foreign-born workers were also modestly more likely than native-born workers to be employed as engineers, physical scientists, and computer scientists. . . . . **p. 69**
- Overall, immigrants were under-represented in "college labor market jobs" in the professional, technical, management, and high level sales fields in Massachusetts — in large part due to their lower levels of educational attainment. Only 24 percent of the state's 16-64 year old immigrant population held a bachelor's or higher degree versus 32 percent of the native-born population. Language barriers, more limited U.S. work experience, and difficulties in transferring professional credentials from the home country to the U.S. job market also play a role in their under-representation in these high-paying and expanding fields. . . **p. 68**

The annual earnings of immigrants to Massachusetts lag behind those of native-born workers, largely because they have lower levels of educational attainment. However, their annual earnings come very close to matching those of their native-born counterparts with similar years of formal schooling.

MEDIAN ANNUAL EARNINGS OF FULL-TIME WORKERS IN MASSACHUSETTS, 1995-97



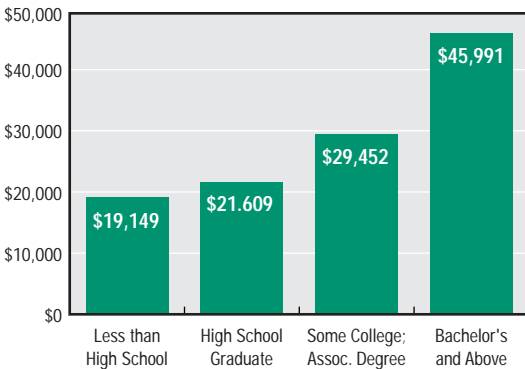
- On average, immigrant workers achieve annual earnings equal to 75 percent of the earnings of their native-born counterparts in Massachusetts. From 1995 to 1997, the median annual earnings of full-time, year-round immigrant workers was approximately \$25,400 compared to \$34,200 for native-born workers. . . . .p. 75
- The annual earnings of immigrants are not as high as those for their native-born counterparts because they have lower levels of educational attainment, fewer years of U.S. work experience, and lower levels of English-language proficiency. . . . .p. 72

\$46,000 for those possessing a bachelor's or more advanced degree. . . . .p. 75

- Immigrant workers with less than a high school degree, those with some college, and those with a bachelor's or higher degree earned 94 to 100 percent of their similarly-educated native-born counterparts. The earnings of immigrant workers with only a high school degree lagged further behind their native-born counterparts, achieving only 80 percent parity. . . . .p. 76

- Inequality in the earnings among immigrants to Massachusetts has also grown in recent years. In 1989, the annual earnings of a foreign-born resident of Massachusetts at the 90th percentile of the earnings distribution were 4.26 times higher than those for a foreign-born resident at the 10th percentile. By the mid-1990s, this ratio had worsened to 5.45. . . . .p. 77

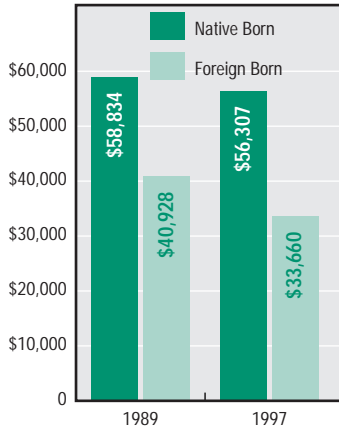
MEDIAN ANNUAL EARNINGS OF FULL-TIME IMMIGRANT WORKERS IN MASSACHUSETTS BY EDUCATIONAL ATTAINMENT, 1995-97



- The annual earnings of immigrants were strongly and positively associated with their years of formal schooling. Median annual earnings ranged from \$19,000 for those lacking a high school diploma to nearly \$22,000 for those holding a diploma or GED to just under \$30,000 for those with 1 to 3 years of college, and a high of

**The family incomes of immigrants lag substantially behind those of native-born workers — and the gaps between these two groups have widened in the 1990s.**

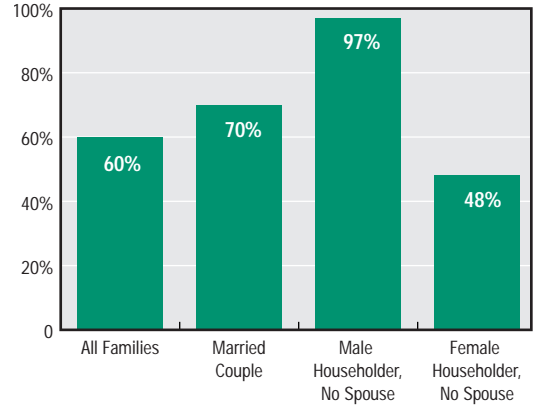
**REAL MEDIAN INCOMES OF IMMIGRANT AND NATIVE-BORN FAMILIES IN MASSACHUSETTS**



- Despite the robust economic recovery of the past few years that has generated gains in real earnings and incomes, the median real income of the state’s families in 1997 had not yet recovered its 1989 level. This means that the average family in Massachusetts was receiving less in income in 1997 (in inflation adjusted dollars), than it was in 1989. . . . . **p. 80**
- Immigrant families in Massachusetts have lost substantially more ground from their 1989 income highs than have native-born families. The real median income (in constant 1998 dollars) for native-born families in Massachusetts in 1989 was \$58,834 — a number that had slid to \$56,307 — a 4.3 percent drop — by 1997. For immigrant families, their real median income hit a high of \$40,928 in 1989, but has since declined to \$33,660 — a 17.8 percent drop — by 1997. . . . . **p. 81**
- This means that in 1989 immigrant families achieved median incomes that were approximately 70 percent as high as those for native-born families — but by 1997, they were receiving a median real income only 60 percent as high as their native-born counterparts. . . . . **p. 81**

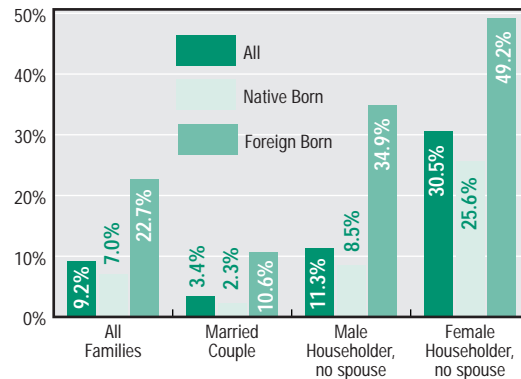
- Much of this decline was caused by the higher number of female-headed immigrant families in Massachusetts and the smaller number of immigrant families with a college-educated householder. While married couple immigrant families obtained median income levels that were 70 percent as high as their native-born counterparts, and male headed immigrant families achieved near parity (97 percent) with their native-born counterparts, female headed immigrant families achieved a median family income of only \$12,839 — only 48 percent of their native-born counterparts. . . . . **p. 82**

**INCOME LEVELS OF IMMIGRANT FAMILIES AS COMPARED TO NATIVE-BORN FAMILIES, 1997**



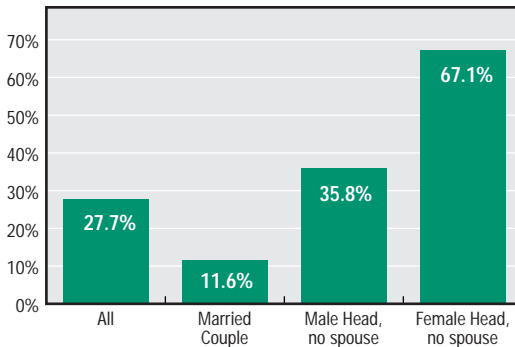
**A disproportionate number of immigrant families are headed by single women and live below the poverty line in Massachusetts. The poverty rate for immigrant families is three times that of native-born families, and roughly 40 percent of the state’s poor and near-poor children (those living below 125 percent of the poverty line) are members of immigrant families.**

**POVERTY RATES OF MASSACHUSETTS FAMILIES BY NATIVITY STATUS OF FAMILY HOUSEHOLDER AND FAMILY TYPE, 1995-97**



- During the 1995-97 period, the poverty rate for immigrant families was just under 23 percent — meaning that 23 percent of all immigrant families in Massachusetts lived below the poverty line — three times as high as the poverty rate among native-born families. . . . . **p. 85**
- In recent years, immigrant families have accounted for 36 percent of all poor families in Massachusetts despite the fact that they represent only slightly more than 14 percent of all family households in the state. . . . . **p. 86**
- Among the state’s immigrant families, only one of every ten married couple families were poor, while nearly 50 percent of those immigrant families headed by an unmarried woman lived below the poverty line. **p. 85**

POVERTY RATE AMONG CHILDREN BORN TO IMMIGRANT FAMILIES IN MASSACHUSETTS AT TIME OF 1990 CENSUS



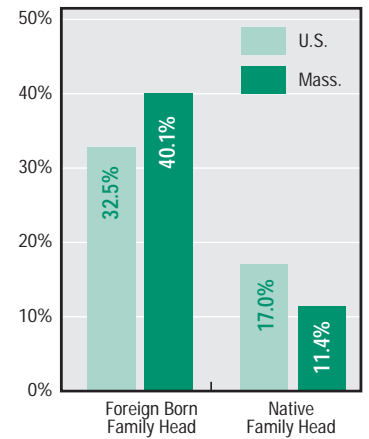
- Among immigrant children, one of every nine children in married couple families was poor at the time of the 1990 Census, while 2 of every 3 children in single mother families lived below the poverty line. Two thirds of poor immigrant children and nearly three-fourths of the poor children in native-born families were living in single mother households at the time of the 1990 Census. . . . . **p. 87**

school drop-out through those with a Bachelor's or higher degree, immigrant children living in single mother families were five to seven times more likely to be living below the poverty line than their counterparts living in married couple families. **p. 87**

- A higher fraction of the state's children were living in poverty in 1996 and 1997 than in 1989. The rise in child poverty was considerably greater among immigrant families. Over this two year period, 40 percent of the children in immigrant families in Massachusetts were poor versus only 11 percent of the children in native-born families. . . . **p. 87**
- Children in immigrant families in Massachusetts were more likely to be poor than their respective national peers (40 percent vs. 32 percent). . . . . **p. 88**

- Approximately 1 of 6 children in native-born families and nearly 1 of 2 children in immigrant families were residing in families with incomes below 125 percent of the poverty line in 1996 and 1997. By the late 1990s, immigrant children

PERCENTAGE OF CHILDREN WHO WERE POOR, 1996-97



had come to account for 40 percent of the state's poor and near-poor children. **p. 88**

- The longer immigrant families have lived in the U.S., the less likely they are to live below the poverty line. Over the 1995-97 period, 36 percent of immigrant families living in Massachusetts with a householder who had arrived in the U.S. only since 1990 lived below the poverty line, versus 29 percent for those arriving in the 1980s and only 15 percent of those who had migrated to the U.S. prior to 1980. . . . . **p. 86**

## CONCLUSIONS

Immigrants to Massachusetts in the past decade are more diverse than ever in our state's history. They come from more countries, and more continents, than at any previous time and have literally changed the demographic face of our state in the last 30 years.

Today's immigrants are also more economically diverse than in previous generations. A growing number of them arrive in Massachusetts with a bachelor's or more advanced degree and begin work almost immediately in high-paying, high-skill jobs. At the same time, the majority of immigrants to Massachusetts continue to hold only a high school degree or

less, making their economic prospects less bright. And the substantial numbers who arrive here with less than a high school degree face a daunting challenge in finding gainful employment at a decent wage in an economy that continues to reward skills and educational attainment.

Immigrants today are much more likely than those in previous generations to move directly from their homeland to a suburb, rather than a big city. In fact, a clear majority of foreign-born residents of Massachusetts today live in the suburbs — not in big cities.

Much of the economic news about immigrants in Massachusetts is favorable. The longer they stay in the U.S., the more their incomes and earnings are likely to match those of their native-born counterparts. And in some cases, immigrants are more likely to be active in the labor market (working or looking for work) than their native-born counterparts.

However, it also remains true that today's immigrants face two big challenges: their education levels remain far behind those of native-born workers, and they are much more likely to be single-parent families than native-born families. Both of these facts make it more likely that immigrant families will struggle economically, which for many poorer families is exactly the case. The poverty rates for immigrant families are three times those of native-born families, and almost 40 percent of the state's poor children (living at 125 percent or less of poverty level) live in immigrant families.

What does this mean for our state? Three steps seem obvious.

### 1. We must initiate an informed public discussion about the key questions that will affect future immigration policy decisions:

- How much future immigration should the state seek, especially from immigrants who are brought into the state to fill specific jobs?
- What types of immigrants should we seek to bring into Massachusetts?
- What educational and skill levels should they possess?
- Given the high costs and the developing affordability problem, how and where in the state will future immigrants be housed?
- How can we improve our knowledge base on the state's immigrant population to make more informed decisions about these questions in the future?

### 2. We must formulate and execute a statewide strategy to address the labor market shortcomings of adult immigrants so that they can contribute even further to our state's strong economic recovery.

Regardless of how we decide to answer the important questions set out in point 1 above with respect to future immigrants, we now have over 700,000 foreign-born people living in Massachusetts today.

The foreign-born adults who live in Massachusetts represent a critical and growing part of our current labor force. They work in every industrial sector of our economy, and can be found in large numbers in many of the key industries (manufacturing, higher education, engineering, computer software) that continue to drive the growth of our state's economy.

However, the majority of working-age immigrants have only a high school diploma or less, and a disproportionate number of them lack even a high school diploma and are single-parent families beset by severe poverty problems.

What is overwhelmingly clear from the findings of this report is that the same trends that have been affecting native-born families in Massachusetts are buffeting immigrant families living in the Commonwealth. The economy is increasingly sorting out Massachusetts residents — native born and immigrant alike — into economic classes based on educational attainment, occupational skills and family structure.

To the extent that many adult immigrants — like many poorly educated native-born residents — lack the basic skills to acquire decent-paying jobs, we must focus state efforts on lifting the skill levels of these adults through increased opportunities to participate in education and training programs.

To the extent that a disproportionate percentage of immigrant families live below the poverty line, we must focus on the liabilities and hurdles that prevent these families from escaping poverty — which leads us back again to the

human capital investments that will increase educational opportunities, literacy proficiencies, and skills training for these families.

And to the extent that a disproportionate percentage of immigrant families are headed by single-females - many of whom have very low levels of educational attainment - we must focus on lifting the skills of those under-educated single parents. We must redouble prevention efforts that will discourage future young women from embarking on a path which often assures them and their children a lifetime in poverty. We must also develop and strengthen prevention efforts that will discourage young men from fathering children without thought to the emotional and economic consequences of fatherhood — on them, their child, and their child's mother.

### **3. We must formulate and execute a statewide strategy to address the educational, health, and social needs of the children of immigrant parents, because our state's economic future will depend on how well we equip these children for the changing labor market in the state.**

Almost one-fourth of the state's children are either immigrants themselves or the children of at least one immigrant parent. A disproportionate number of these children live below the poverty line and face major hurdles — educational, economic, health and social — to

becoming the skilled workers and good citizens our Commonwealth will need to continue thriving in the 21st Century.

Again, these challenges point the state in two directions. First, we must redouble our efforts to make the state's Herculean education reform initiative a success for all children, including immigrant children. This is the state's central human capital investment, and it must be made to work — not just for native-born residents in our state's wealthier communities, but also for the immigrant children whose very livelihoods will depend on the success of this effort in the not-too-distant future.

Second, we must focus more intensely on the special challenges that some immigrant children face in overcoming the odds to become successful at school. While many immigrant children perform quite well in school settings, others are failing to obtain the basic reading and math proficiencies needed for future educational and labor market success and leave school before obtaining a high school diploma. To improve future educational outcomes, a special effort will have to be made to assess the performance of our state's current system for helping these children overcome the obstacles that confront them, and to make it work better for the growing number of immigrant children who will play a key role in our state's future prosperity.

## FINAL THOUGHT

Our hope in conducting the research for this report is that it will lead to a more informed public debate in Massachusetts — both about the many contributions immigrants are making to our state's economy, as well as about the challenges many of them continue to face in fully achieving economic self-sufficiency.