

## Immigrants in the Massachusetts Economy

### A crucial – and growing – part of our workforce

- **1 in 5 workers** in Massachusetts is foreign-born: more than 728,000 people across all skill levels.<sup>1</sup> In Boston, the share of immigrant workers is even higher: 3 in 10.<sup>2</sup>

- Immigrants are a **major part of the workforce** in several sectors, including services to buildings and dwellings (56.4%), traveler accommodation (40.8%), grocery and related wholesalers (37.9%), and skilled nursing facilities (36.6%).<sup>3</sup>

- Immigrants play a key role **at all levels of our economy**. They make up 72.1% of housekeeping employees, 49.4% of taxi drivers, and 48% of nursing, psychiatric and home health aides, but also 59.2% of medical and life scientists.<sup>3</sup>

- A breakdown of Boston's foreign-born resident workers shows they're a **very diverse** population: 29.6% come from the Caribbean, 22% from Asia and the Pacific, 15.2% from North and Central America, 12.2% from Europe, 11.8% from Africa and 9.2% from South America.<sup>2</sup>

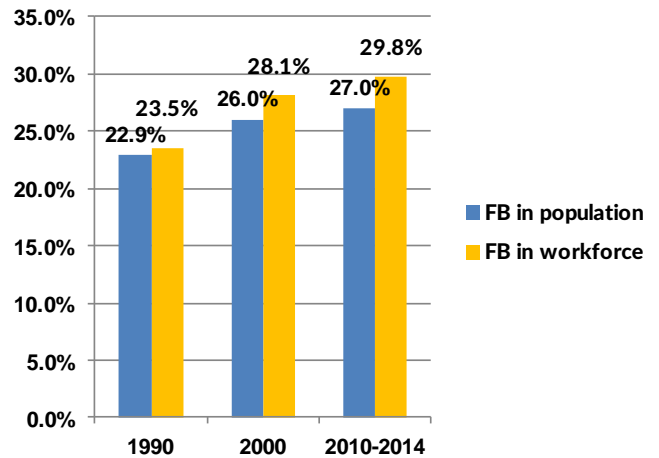
- Almost 44% of all foreign-born labor force participants in Boston **arrived in the U.S. since 2000**, and more than 71% since 1990; 46% are U.S. citizens, and 52% are English-proficient. 30% have a bachelor's degree or higher, compared with 53% of native-born workers; 21% lack a high school diploma, vs. 5% of the native-born.<sup>2</sup>

- Low English skills limit job options. In Boston, foreign-born workers who lack proficiency are clustered in building maintenance (26%), food services (21%), production and transportation (14%), and personal care (14%).<sup>2</sup>

- 28% of science, technology, engineering and medicine (STEM) jobs in Massachusetts are held by immigrants; in addition, 33% of STEM master's students and 36% of STEM Ph.D. students are foreign nationals. Conversely, nearly 25% of doctors were educated abroad, and 13% of nurses and 41% of health aides are foreign-born.<sup>3</sup>

- A 2018 analysis ranked Massachusetts fourth in the nation, after New York, California and New Jersey, for the **economic impact of immigrants**, with particularly great benefits noted from hosting international students.<sup>4</sup>

- **Undocumented** immigrants comprised **4%** of the state's workforce in 2014.<sup>1</sup>



Foreign-born people play a key role in Boston's economy.  
Source: BPDA, 2018, *Boston's Immigrant Labor Force*.

### Entrepreneurs from Fortune 500 to Main Street

- Immigrants are likelier to start businesses than native-born U.S. citizens. **One in 5 entrepreneurs** in Massachusetts is foreign-born, even though they make up only 16.5% of the population.<sup>3</sup>

- Massachusetts is home to **about 69,000 entrepreneurs**, who employ more than 134,000 people and earn \$1.9 billion in business income. About 8,700 are undocumented.<sup>3</sup>

- **58% of Fortune 500** companies in Massachusetts were founded by immigrants or their children.<sup>3</sup>

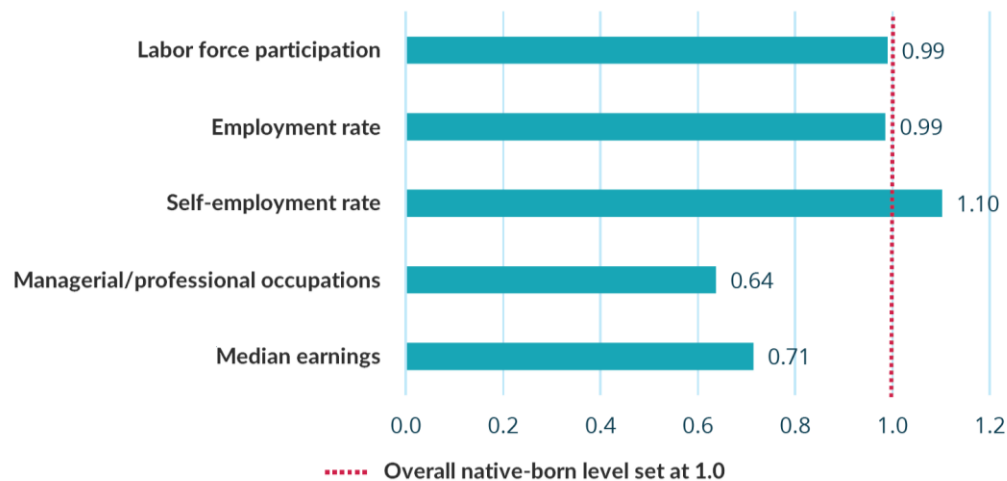
- Immigrants also play a vital role in "Main Street" economies across Massachusetts. Boston alone is home to some 8,800 immigrant-owned small businesses that generate almost \$3.7 billion in annual sales.<sup>5</sup>



## Major consumers and taxpayers – but lagging native-born residents

- Immigrant households in Massachusetts earn **\$42.9 billion per year** and have **\$31 billion in spending power**. They pay **\$8.4 billion per year in federal** and **\$3.5 billion in local and state taxes**, plus payroll taxes.<sup>3</sup>
- **Undocumented** households earn **\$3.9 billion** per year and have **\$3.4 billion** in spending power. They pay an estimated \$350.4 million in federal taxes and \$167.2 million in state and local taxes.<sup>3</sup>
- About 228,000 immigrants in Massachusetts are **homeowners**, with \$107.5 billion in housing wealth. Immigrant-led households that don't own homes pay \$3.6 billion in rent.<sup>3</sup>
- In Boston, immigrants at all educational levels **earn less** than their native-born counterparts. The median annual income for foreign-born Boston resident workers is \$40,961, vs. \$57,346 for native-born workers.<sup>2</sup> The gap is most pronounced among those with bachelor's degrees, with a median wage of \$45,000 vs. \$60,000.<sup>6</sup>

### Labor market outcome indicators: foreign-born vs. native-born, Boston



Source: Adapted from BPDA, 2018, *Boston's Immigrant Labor Force*.

## DACA and TPS are important for Massachusetts' economy

- About 19,000 Massachusetts residents are eligible for **Deferred Action for Childhood Arrivals (DACA)**; more than 8,000 have successfully applied, but only 5,900 remained in the program as of September 2017.<sup>6</sup> DACA-eligible households earn \$404.2 million per year and pay about \$68 million in federal, state and local taxes.<sup>3</sup>
- Official figures show more than 12,000 people with **Temporary Protected Status (TPS)** in our state, though current enrollment is likely lower.<sup>7</sup> About 4,800 workers are Salvadoran TPS holders, in the U.S. for an average of 22 years; 2,300 are Haitians with TPS, with an average of 15 years in the U.S.<sup>8</sup>

*This factsheet was written by Marion Davis. It was last updated on August 16, 2018.*

<sup>1</sup> American Immigration Council, 2018. *Immigrants in Massachusetts*. <https://www.americanimmigrationcouncil.org/research/immigrants-in-massachusetts>.

<sup>2</sup> Boston Planning & Development Agency (BPDA), 2018. *Boston's Immigrant Labor Force*. <http://www.bostonplans.org/getattachment/73239d8c-07de-48ac-9f9c-a150282b8a4b>.

<sup>3</sup> The Partnership for a New American Economy, 2018. *Immigrants in the Economy in Massachusetts*. <http://www.newamericaneconomy.org/locations/massachusetts/>.

<sup>4</sup> WalletHub, 2018. *Economic Impact of Immigration by State*. <https://wallethub.com/edu/economic-impact-of-immigration-by-state/32248/>.

<sup>5</sup> Lima, A., 2017. *The Importance of Immigrants to Boston's Continued Prosperity*, presentation by BPDA at the Boston Foundation, April 2017. <https://www.tbf.org/-/media/tbforg/images/video-stills/forum-files/alvaro-lima-sldie-on-importance-of-immigrants.pdf>.

<sup>6</sup> Estimate: Migration Policy Institute, 2018. <https://www.migrationpolicy.org/programs/data-hub/deferred-action-childhood-arrivals-daca-profiles>. Enrollment data from U.S. Citizenship & Immigration Services (USCIS).

<sup>7</sup> See MIRA's TPS factsheet at <http://www.miracoalition.org/tps>.

<sup>8</sup> CAP Immigration Team, 2017. *TPS Holders in Massachusetts*. Center for American Progress.

[https://cdn.americanprogress.org/content/uploads/2017/10/19130146/101717\\_TPSFactsheet-MA.pdf](https://cdn.americanprogress.org/content/uploads/2017/10/19130146/101717_TPSFactsheet-MA.pdf).