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New UCLA CRP Study: Increased Immigration Is Essential to Sustain Population Growth and Meet Labor Market Needs

Los Angeles – Amid the Trump administration's politically charged effort to carry out the biggest mass deportation program in U.S. history, a new analysis of U.S. population growth and labor market needs published by the UCLA Civil Rights Project/Proyecto Derechos Civiles makes clear that increased immigration is essential to sustaining U.S. population growth and economic vitality. The authors contend the only plausible solution to bolster the nation's diminishing workforce is large-scale, strategic immigration.

The paper, "U.S. Economic Vitality Depends on Immigration," by Raúl Hinojosa-Ojeda and Marcelo Pleitez, presents a detailed analysis of population growth trends and potential impacts on labor-market projections, with particular emphasis on immigrant workers. The research examines long-term population projections, considering total fertility rates by race in the U.S. and total immigration among different racial groups, and estimates the immigration growth rate needed to stabilize the U.S. population in the long term. The research also examines labor market needs for workers, details the educational attainment of immigrants, and highlights their education and training needs. The report provides policy recommendations that encourage and prepare immigrants already in the U.S. to participate in the workforce and incentivize and support new immigration.

"Immigration is no longer just a social or political issue—it's an economic necessity. Bottom line, the U.S. population is aging and shrinking, weakening the workforce, and threatening the economy," says coauthor Hinojoa-Ojeda. "Fertility rates and current immigration projections are not enough to sustain population growth. Without a proactive immigration strategy, the U.S. risks severe labor shortages and long-term declines in productivity and economic vitality."

The report analyzes multiple sources of data showing that the U.S. population and labor market will face major reductions in growth over the next decades. That research shows declining fertility rates are driving the aging of the U.S. population. Over the past 75 years, crude birth rates have declined by half, from 24.1 births per thousand people between 1950 and 1955 to 12 births per thousand people from 2015 to 2020.

The situation is complicated by declining rates of immigration, especially among Mexican and migrants from other countries in Latin America. The report's new immigration projections show that, year over year, the growth of new immigrants coming to the U.S. will be lower than previously projected by the U.S. Census Bureau.

According to the reports' projections, the number of new immigrants entering the U.S. in 2060 would be 1.2 million, 680,000 fewer immigrants than the 1.8 million estimated in previous projections. The estimate for 2060 is much lower than the number of immigrants who entered the U.S. during the beginning of the

21st century, threatening the sustainability of the total U.S. population. Total immigration is projected to grow at an average rate of 0.45% annually, meaning that around 703,000 new net immigrants will come into the U.S. in 2060, with just 27.1 million new net immigrants entering the U.S. over the next four decades, compared to 44.4 million new net immigrants projected by previous Census Bureau estimates. This will not be enough to satisfy the replacement levels.

"This paper shows that the only plausible solution to bolster the nation's diminishing workforce is immigration," says Gary Orfield, co-director of the Civil Rights Project. "The question is whether policymakers will use and improve immigration policy to sustain and grow our economy or whether some will continue to exploit it as a political tool that divides our communities and inflames fear and stereotypes. Unfortunately, too many political leaders act as if we can turn the clock back, change the nation's demography and return to the past. This study shows that approach is nonsense."

While strategies that promote immigration are essential, the authors also underscore that assuring the economic productivity of the U.S. over the next decades is not only a matter of increasing the number of potential workers, but also of increasing immigration from regions with educational attainments that match short- and mid-term labor market demands for different occupations.

The research demonstrates that immigrants have high labor force participation rates and that a significant share of these immigrants currently work in occupations expected to experience a fast rate of growth and add more jobs to the current pool.

However, the research also shows that immigrant workers have low participation in the fastest-growing occupations, and that education and training in the skills required to perform these occupations is needed. Increased immigration should be accompanied by enhanced educational access policies for immigrants, especially on-the-job training, which would help them to improve their skills and knowledge in those specific occupations.

"For too long, our immigration policies have reflected a racially tinged politic that has fueled intense anxieties over immigration's perceived threats, rather than to understand that immigration is a gift to our nation," says Patricia Gandara, co-director of the Civil Rights Project. "We need to realize that immigrants are an essential and valuable resource. It's critical to build on our current educational systems to make them more welcoming and amenable to the specific needs of the immigrant population and to invest in educational and training policies that will fuel their transition to occupations that add higher value to the economy and benefit their lives."

Given expected U.S. labor market shortages due to population aging and projected lower immigration, the report's authors offer policy recommendations that encourage and prepare immigrants already in the U.S. to participate in the workforce and incentivize and support new immigration. Among specific recommendations are calls to facilitate education for unauthorized immigrant youth and to incentivize immigration through occupational licenses. The authors also suggest social and technological innovations and call for comprehensive immigration reform for currently unauthorized, TPS, DACA, and Agricultural Workers.

"America's economic future hinges on smart immigration policies. If we fail to act, we risk labor shortages, slowed growth, and a weakened safety net. Immigration isn't just part of our history—it's our best path forward," affirm the authors.

About the report and authors

"U.S. Economic Vitality Depends on Immigration," is authored by Raúl Hinojosa-Ojeda and Marcelo Pleitez. Hinojosa-Ojeda is the Founding Director of the UCLA North American Integration and Development

<u>Center (NAID)</u> and Associate Professor in the César E. Chávez Department of Chicana, Chicano and Central American Studies at UCLA. Pleitez is a Research Fellow at UCLA NAID. The report is published by the UCLA Civil Rights Project/Proyecto Derechos Civiles as part of <u>"A Civil Rights Agenda for the Next Quarter Century,"</u> a series of research publications marking the first quarter century of the Civil Rights Project.

The full report is available online HERE.

About the UCLA Civil Rights Project/Proyecto Derechos Civiles: The Civil Rights Project/Proyecto Derechos Civiles is co-directed by UCLA Research Professors Gary Orfield and Patricia Gándara. Founded in 1996 at Harvard University, CRP's mission is to create a new generation of research in social science and law on the critical issues of civil rights and equal opportunity for racial and ethnic groups in the U.S. CRP is a trusted source of segregation statistics, has commissioned more than 400 studies, published more than 25 books and issued numerous reports monitoring the success of American schools in equalizing opportunity. The U.S. Supreme Court, in its 2003 Grutter v. Bollinger decision upholding affirmative action, and in Justice Breyer's dissent (joined by three other Justices) to its 2007 Parents Involved decision, cited the Civil Rights Project's research. In June 2023 Justice Sotomayor cited CRP's research in her dissent to the court's decision banning affirmative action in SFFA v Harvard College.