

IMMIGRANTS AND AMERICA'S LABOR FORCE GROWTH

EXECUTIVE SUMMARY

Immigrant workers are responsible for 88% of the labor force growth in America since 2019, according to a National Foundation for American Policy analysis. Over the last five years, only 479,000 U.S.-born workers were added to the U.S. labor force, compared to 3.6 million foreign-born workers.¹ This significant development was accelerated by immigration, the continued slowdown in the growth of the U.S.-born working-age population and pandemic-related deaths and retirements among U.S.-born workers. During his 2024 presidential election campaign, Donald Trump pledged to reduce the number of immigrants in the United States, including by deporting current foreign-born workers.

A country's economic growth relies on growth in the labor force and its productivity.² Labor force growth is crucial to economic growth, which advances a country's living standards. With the U.S.-born population aging and growing slower, immigrants have become an essential part of American labor force growth.

In each of the past three decades, the foreign born have accounted for more than half of America's labor force growth. The number of immigrants in the labor force grew by 19.1 million over the past 30 years, while the U.S. born in the labor force grew by only 16.8 million.

NFAP projects the total number of U.S. born in the labor force will reach its peak in 2052 at 146.7 million (only 8% more than in 2024).³ After 2052, immigrant workers will be the only source of U.S. labor force growth.

Even before then, we will see a peak in U.S. born between 25 and 54. Both the U.S.-born population and the U.S. born of prime working age (25-54) are projected to peak in 2042.

Immigrants and the children of immigrants are essential sources of population and labor force growth. Future workers are vital to servicing U.S. debt and other existing obligations.

Over the last ten years, the number of workers in the labor force who had U.S. parents grew by only 1.6 million, while immigrants and the children of immigrants in the labor force grew by 10.1 million. Over the last 20 years, immigrants and their children accounted for 77% of the labor force growth in the United States.⁴

¹ National Foundation for American Policy analysis of the Bureau of Labor Statistics Current Population Survey.

² <https://www.dallasfed.org/research/economics/2020/0409>.

³ This is based on the labor force participation rates for older workers in 2024, which are historically high but have been slowly increasing in recent years.

⁴ National Foundation for American Policy analysis of the Bureau of Labor Statistics Current Population Survey.

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U.S. labor force growth would have been nonexistent during the last five years without immigrants and their children. Between 2018 and 2024, the number of workers with U.S. parents declined by 1.3 million, while the number of immigrants and children of immigrants in the U.S. labor force grew by 5.4 million.⁵ In other words, instead of a decline in the labor force of over one million, with all the negative implications for inflation, growth, taxes and Social Security, because of immigrants and their children, the U.S. labor force grew by over four million.

The importance of immigrants to labor force growth will increase as the U.S. population ages and the U.S.-born population begins to decline. In 2024, according to U.S. Census Bureau projections, the population of U.S.-born 18–24-year-olds peaks.⁶

Among the other findings in the research:

- The foreign-born percentage of the U.S. labor force increased from 9.8% to 19.1% between 1994 and 2024.⁷
- Although the foreign born have provided workers to the U.S. economy across the skill spectrum, much of the immigrant flow has been highly educated. Over the last 20 years, between 1994 and 2024, the foreign-born percentage of the U.S. labor force with graduate degrees has nearly doubled, increasing from 11.1% in 1994 to 21.6% in 2024.⁸
- Immigrants as a percentage of doctorate holders in the U.S. labor force increased from 16.4% in 1994 to 25.8% in 2024.⁹ Most of the increase in foreign-born Ph.D.'s has been in high-demand science, technology, engineering and math (STEM) fields.
- Some have suggested the American labor force could have grown the same with U.S.-born workers alone. That is improbable since when controlling for age, the labor participation and employment rates of the U.S. born are at or near all-time highs. Prime-age employment rates for the U.S. born have been constant, starting at 80.2% in 1994 and reaching 81.5% in the first half of 2024. There was significant growth in the employment rate of older U.S. born, with nearly 10-percentage point increases in the employment rates of pre-seniors (55-64) and younger seniors (65-70) between 1994 and 2024.

⁵ Ibid.

⁶ NFAP analyses of future labor force trends make use of the population projections released by the U.S. Census Bureau in 2023 <https://www.census.gov/data/datasets/2023/demo/popproj/2023-popproj.html>.

⁷ Ibid.

⁸ Ibid. First six months of 2024.

⁹ Ibid. First six months of 2024.

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- Examining vital sectors and occupations of the U.S. economy demonstrates that the U.S. economy needs workers today and into the future. This can be seen in manufacturing, health care, construction, hospitality, finance and other areas.
- A 10-percentage point increase in the less-educated immigrant population in an area reduces by 29% the probability someone 65 years or older would live in a nursing home or other institutional setting, according to research by economists Kristin F. Butcher (Wellesley College), Kelsey Moran (MIT) and Tara Watson (Williams College).
- More physicians and nurses would improve Americans' health outcomes. States that increased the supply of foreign doctors with J-1 visas [improved the life expectancy](#) of their residents.
- Consumers pay for labor shortages with subpar service, including fewer hours and higher prices. A lack of workers has shuttered nursing homes in rural areas and impeded energy projects, home construction and remodeling. Pharmacies have limited hours due to a need for more pharmacists.
- "By 2030, manufacturers will need to fill 4 million jobs, 2.1 million of which could go unfilled if we do not inspire more people to pursue modern manufacturing careers," according to the Manufacturing Institute and Deloitte. According to Deloitte, failure to fill those jobs could cost \$1 trillion in 2030.
- U.S. lawmakers have pushed companies to produce more semiconductors on U.S. soil. However, fewer than 30% of full-time graduate students in electrical engineering at U.S. universities are U.S. students.
- The Association of American Medical Colleges (AAMC) forecasts a severe shortfall in doctors in America. "Physician demand will grow faster than supply, leading to a projected total physician shortage of between 37,800 and 124,000 physicians by 2034."¹⁰
- A 2023 national survey by AMN Healthcare states, "Nearly 9 in 10 nurses say the nursing shortage is worse than 5 years ago."

By 2052 or earlier, immigration will be the only source of U.S. labor force growth, according to NFAP estimates. The estimates are consistent with Congressional Budget Office projections that show net immigration will account for all population growth beginning in 2042. Increasing the supply of workers through immigration and temporary work visas will [reduce illegal immigration](#), enhance labor force growth and improve Americans' daily lives.

¹⁰ <https://www.aamc.org/media/54681/download>.

IMMIGRANTS AND LABOR FORCE GROWTH

Immigrant workers are responsible for 88% of the labor force growth in America since 2019. Over the last five years, only 479,000 U.S.-born workers were added to the U.S. labor force, compared to 3.6 million foreign-born workers. Key factors include the continued slowing in the growth of the U.S. born working-age population and pandemic-related deaths and retirements among U.S.-born workers.

Table 1
Greater Growth in Immigrants Than U.S. Born in U.S. Labor Force: 2019 to 2024

Period	Growth in the Number of U.S. Citizens at Birth in the U.S. Labor Force	Growth in the Number of Immigrants in the U.S. Labor Force	Percentage of Labor Force Growth Due to Immigrants
2019 to 2024	479,000	3,606,000	88.3%

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. Note: Based upon average labor force numbers over the 12 months of each calendar year. Data for 2024 is based upon the first six months. U.S. citizens at birth includes both those born inside the United States and those born abroad to U.S. citizens.

Labor force growth is a crucial part of the economic growth that advances a country's living standards and makes it easier to finance existing debts and obligations. With the U.S.-born population aging and growing at a slower rate, immigrants have become an essential part of American labor force growth.

In each of the three decades since the Bureau of Labor Statistics started keeping separate labor force statistics for immigrants, the foreign born accounted for more than half of American labor force growth. Over the past 30 years, the number of immigrants in the labor force grew by 19.1 million, while the U.S. born grew by only 16.8 million.

Table 2
Greater Growth in Immigrants Than U.S. Born in U.S. Labor Force: 1994 to 2024

Period	Growth in the Number of U.S. Citizens at Birth in the U.S. Labor Force	Growth in the Number of Immigrants in the U.S. Labor Force	Percentage of Labor Force Growth Due to Immigrants
1994-2004	7,090,000	8,527,000	54.6%
2004-2014	4,241,000	4,280,000	50.2%
2014 to 2024	5,443,000	6,258,000	53.5%
30 Years (1994-2024)	16,774,000	19,065,000	53.2%

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. Note: Based upon average labor force numbers over the 12 months of each calendar year. Data for 2024 is based upon the first six months. U.S. citizens at birth includes both those born inside the United States and those born abroad to U.S. citizens.

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The children of immigrants are also an essential source of population and labor force growth. As future workers, they are vital to servicing U.S. debt and other existing obligations. Examining how much the children of immigrants have added to labor force growth in recent years illustrates their importance.

Between 1994 and 2024, immigrants and their children accounted for 77% of the labor force growth in the United States.¹¹ Over the last ten years, the number of workers in the labor force who had U.S. parents grew by only 1.6 million, while immigrants and the children of immigrants in the labor force grew by 10.1 million.¹²

Table 3
Growth in Immigrants and the Children of Immigrants in U.S. Labor Force: 1994 to 2024

Time Period	Growth in the Number of U.S.-Born with U.S.-born Parents in U.S. Labor Force	Growth in the Number of Immigrants and Children of Immigrants in U.S. Labor Force	Share of Growth in U.S. Labor Force Due to Immigrants and the Children of Immigrants
1994-2004	5,643,000	9,974,000	63.9%
2004-2014	1,005,000	7,516,000	88.2%
2014-2024	1,643,000	10,058,000	86.0%
30 Years (1994-2024)	8,483,000	27,548,000	76.9%

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. Note: Based upon average labor force numbers over the 12 months of each calendar year. Half of those with one foreign-born and one U.S.-born parent are assigned to each category. Data for 2024 is based upon the first six months.

U.S. labor force issues would have been especially problematic the last five years without immigrants and their children. Between 2018 and 2024, the number of workers with U.S. parents declined by 1.3 million, while the number of immigrants and children of immigrants in the U.S. labor force grew by 5.4 million.¹³ Instead of a decline in the labor force of over one million, with all the negative implications for inflation, growth, taxes and Social Security, the U.S. labor force grew by over four million because of immigrants and their children.

¹¹ National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. BLS data allows for examining the nativity of a worker’s parents. When both parents are foreign, we count that worker as a child of immigrants. When only one parent is foreign, we add only half of a person to our count of children of immigrants. In the most recent full-year measurement, 2022 to 2023, the U.S. labor force grew by 2.8 million, with 46.1% due to immigrants and another 33.3% due to the children of immigrants, a combined contribution of 79.4%.

¹² When the Bureau of Labor Statistics started to ask about citizenship status in its labor force surveys, it also inquired about the nativity of each worker’s parents.

¹³ National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey.

Table 4
Growth in Immigrants and the Children of Immigrants in U.S. Labor Force: 2019 to 2024

Time Period	Growth in the Number of U.S.-Born with U.S.-born Parents in U.S. Labor Force	Growth in the Number of Immigrants and Children of Immigrants in U.S. Labor Force
2019-2024	(1,343,000)	5,427,000

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. Note: Based upon average labor force numbers over the 12 months of each calendar year. Half of those with one foreign-born and one U.S.-born parent are assigned to each category. Data for 2024 is based upon the first six months.

Some have suggested that the growth in the American labor force could have been achieved with U.S.-born workers alone. This is improbable since when controlling for age, the labor participation and employment rates of the U.S. born are at or near all-time highs. (BLS data has included data on the nativity of the labor force since 1994.) Prime-age employment rates for the U.S. born have been constant, starting at 80.2% in 1994 and reaching 81.5% in the first half of 2024. There was significant growth in the employment rate of older U.S. born, with nearly 10-percentage point increases in the employment rates of pre-seniors (55-64) and younger seniors (65-70) between 1994 and 2024.

Table 5
Employment Rate of U.S.-Born Population

Key Years	Youth (18-24)	Prime Age (25-54)	Pre-Seniors (55-64)	Younger Seniors (65-70)	Older Seniors (71+)
1994 (Earliest data on U.S. Born)	65.9%	80.2%	54.8%	20.2%	6.8%
2007 (Pre-Great Recession)	62.7%	80.5%	61.7%	26.8%	8.7%
2019 (Pre-Covid)	61.1%	80.7%	63.2%	31.3%	11.3%
2024 (1st 6 months)	60.4%	81.5%	63.3%	30.0%	10.4%

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. Note: Based upon average employment numbers over the 12 months of each calendar year.

Youth (age 18 to 24) is the only U.S.-born age group showing a notable decline in their employment rate over the last 30 years is youth, declining from 65.9% employed in 1994 to 60.4% in 2024. Some might argue that immigrants offer the most competition with the U.S. born for entry-level jobs, and this would most affect young workers. However, there is an alternate explanation for the decline—the proportion of U.S.-born youth who were either employed or in-school increased over this period. In other words, it is likely more young people are attending school.

Table 6
U.S.-Born Population Aged 18-24: Employed or In School

Key Years	Youth (18-24)
1994 (Earliest data on U.S. Born)	82.1%
2007 (Pre-Great Recession)	84.4%
2019 (Pre-Covid)	85.6%
2024 (1st 6 months)	84.8%

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey. Note: Based upon average employment and in-school numbers over the 12 months of each calendar year.

The importance of immigration to labor force growth will increase as the U.S. population continues to age and the U.S.-born population begins to decline. According to the U.S. Census Bureau projections the population of U.S.-born 18–24-year-olds peaks in 2024.¹⁴

Table 7
The Growing Immigrant Percentage of the U.S. Labor Force: 1994 to 2024

Year	Immigrant Percentage of U.S. Labor Force	Year	Immigrant Percentage of U.S. Labor Force
1994	9.8%	2010	15.8%
1995	9.8%	2011	15.9%
1996	10.7%	2012	16.1%
1997	11.3%	2013	16.3%
1998	11.7%	2014	16.5%
1999	11.9%	2015	16.7%
2000	13.3%	2016	16.9%
2001	13.7%	2017	17.1%
2002	14.0%	2018	17.4%
2003	14.4%	2019	17.3%
2004	14.5%	2020	17.0%
2005	14.8%	2021	17.3%
2006	15.3%	2022	18.1%
2007	15.7%	2023	18.6%
2008	15.6%	2024 (1st 6 months)	19.1%
2009	15.5%		

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey.

¹⁴ NFAP analyses of future labor force trends make use of the population projections released by the U.S. Census Bureau in 2023 <https://www.census.gov/data/datasets/2023/demo/popproj/2023-popproj.html>.

Immigrants and America’s Labor Force Growth

The U.S.-born population and the U.S. born of prime working age (25-54) are projected to peak in 2042. NFAP projects the total U.S.-born labor force will peak in 2052 at 146.7 million (only 8% more than in 2024).¹⁵ After 2052, immigrant workers will be the only source of U.S. labor force growth.

Immigration and the slow growth of the U.S.-born working-age population have boosted the foreign-born proportion of the workforce. The immigrant percentage of the U.S. labor force increased from 9.8% to 19.1% between 1994 and 2024.¹⁶

Table 8
Immigrants as a Percentage of Graduate Degree Holders in U.S. Labor Force: 1994 to 2024

Year	Immigrants As Percentage of Graduate Degree Holders in U.S. Labor Force	Year	Immigrants As Percentage of Graduate Degree Holders in U.S. Labor Force
1994	11.1%	2010	16.9%
1995	11.1%	2011	17.3%
1996	12.4%	2012	18.0%
1997	13.3%	2013	18.3%
1998	13.7%	2014	18.5%
1999	14.5%	2015	18.3%
2000	15.6%	2016	19.4%
2001	16.1%	2017	19.6%
2002	15.9%	2018	19.7%
2003	16.1%	2019	20.2%
2004	16.4%	2020	20.0%
2005	16.4%	2021	20.6%
2006	17.1%	2022	21.2%
2007	17.2%	2023	21.3%
2008	17.0%	2024 (1 st 6 months)	21.6%
2009	17.0%		

Source: National Foundation for American Policy tabulation and analysis of the Bureau of Labor Statistics Current Population Survey.

¹⁵ This is based on the labor force participation rates for older workers in 2024, which are historically high but slowly increasing in recent years.

¹⁶ Ibid.

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Much of the immigrant flow has been highly educated. Over the last 20 years, between 1994 and 2024, the foreign-born percentage of the U.S. labor force with graduate degrees has nearly doubled, increasing from 11.1% in 1994 to 21.6% in 2024.¹⁷ This is evidence immigrants are providing labor to the U.S. economy across the skill spectrum.

Immigrants as a percentage of doctorate holders in the U.S. labor force increased from 16.4% in 1994 to 25.8% in 2024.¹⁸ Most of the increase in foreign-born Ph.D.'s has been in high-demand science, technology, engineering and math fields.

NEGATIVE ECONOMIC IMPACT OF LOWER IMMIGRATION LEVELS

The lower number of immigrants and temporary visa holders admitted during the Trump administration, combined with the impact of Covid-19, caused significant economic harm to the U.S. economy. University of North Florida Professor Madeline Zavodny found that slower growth in the working-age foreign-born population between 2016 and 2022 “reduced U.S. real GDP growth by an estimate of up to 1.3 percentage points in 2022,” according to an NFAP [study](#). “U.S. real GDP would have risen by up to an estimated 3.2 percentage points in 2022 if the working-age foreign-born population had continued to grow at the same rate it did during the first half of the 2010s.” Instead, U.S. real GDP rose by only 1.9 percentage points in 2022.¹⁹ Zavodny found if America had more immigrants and temporary visa holders in recent years, it would likely have boosted economic growth.

Significant evidence has emerged that the shortfall of workers contributed to inflation, and the increase in workers following the end of the Trump administration's policies and the Covid-19 pandemic helped the economic recovery. “Immigrants are driving the U.S. economic boom,” [wrote](#) the *Washington Post's* Catherine Rampell in April 2024. “That is: The United States has escaped recession, hiring growth has exceeded expectation, and inflation has cooled faster than predicted—all largely because [immigration](#) has boosted the size of the [U.S. labor force](#). Don't just take my word for it; ask the [Federal Reserve chair](#) or [Wall Street economists](#).”²⁰

Immigrants can help control inflation by expanding the labor supply. “Increasing our ability to produce by increasing the supply of labor is the least painful way to control inflation,” according to Mark Regets, a labor economist and a senior fellow at the National Foundation for American Policy. George Mason University Professor Justin Gest writes in the *Wall Street Journal*, “Our discovery of the link between migration and inflation highlights the way that immigrants also help labor markets be more responsive to local changes in demand and supply.”²¹

¹⁷ Ibid. First six months of 2024.

¹⁸ Ibid. First six months of 2024.

¹⁹ Madeline Zavodny, *The Importance of Growth in the Foreign-Born Population to Economic Growth*, NFAP Policy Brief, National Foundation for American Policy, March 2024.

²⁰ Catherine Rampell, “You don't want immigrants? Then tell grandma she can never retire,” *Washington Post*, April 23, 2024.

²¹ Stuart Anderson, “Immigrants Raise Wages And Boost Employment Of U.S.-Born Workers,” *Forbes*, May 1, 2024.

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During his convention speech, Donald Trump said that more than 100% of new jobs during the Biden presidency were “taken by illegal aliens.” That is not an accurate figure. The data show that 59% of employment growth under Biden was for U.S.-born workers, according to an NFAP analysis. Government data do not measure how many did not have legal status.²²

OCCUPATION AND SECTOR ANALYSIS

Examining important sectors in the U.S. economy demonstrates that the U.S. economy needs workers today, not only years from now, and that admitting more workers into the United States would benefit Americans. This can be seen in health care, manufacturing, construction, hospitality, finance and other areas.

NURSING HOMES AND HOME HEALTH AIDES FOR SENIORS

The foreign born represent 40% of home health aides and 28% of personal care aides, according to the Bureau of Labor Statistics.²³ Whether immigrants live in a senior's area helps determine if the senior can remain at home.

According to economists Kristin F. Butcher (Wellesley College), Kelsey Moran (MIT) and Tara Watson (Williams College), [immigrants help older Americans live independently](#) at home, allowing them to avoid living in a nursing home if that is their choice. The [research](#) published by the National Bureau of Economic Research (NBER) found a 10-percentage point increase in the less-educated immigrant population in an area reduces by 29% the probability someone 65 years or older would live in a nursing home or other institutional setting. For people 80 years or older, a 10-percentage point increase in the less-educated immigrant population in an area reduces the probability of institutionalization by 26%.²⁴

Canadian provinces allow caregivers to be part of their sponsorship programs for permanent residence.²⁵ There is no temporary visa category for caregivers in the U.S. immigration system.

A separate but related problem: a lack of staff has contributed to the closing of nursing homes nationwide, with staffing shortages most likely affecting rural areas. “In Iowa, 13 of the 15 nursing homes that closed in 2022 were in rural areas, according to the Iowa Health Care Association. ‘In more sparsely populated areas, it’s harder and

²² Stuart Anderson, “Employment Grew More Under Biden And Immigrants Did Not Get Most Jobs,” *Forbes*, July 21, 2024. A *Washington Post* fact check reached a similar conclusion: <https://www.washingtonpost.com/politics/2024/07/19/fact-check-trump-mc-republican-convention/>.

²³ <https://www.bls.gov/spotlight/2023/healthcare-occupations-in-2022/#:~:text=In%202022%2C%2034%20percent%20of,home%20health%20aides%20were%20Black>.

²⁴ As cited in Stuart Anderson, “Another Study Concludes Immigration Critics Are Wrong,” *Forbes*, October 26, 2022.

²⁵ Ibid.

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harder to staff those facilities,' said Brent Willett, the association's president," reported NBC News. "He noted that many rural areas have dwindling numbers of working-age adults."²⁶

DOCTORS AND NURSES

Allowing more doctors and nurses to work in America can save lives. "An extensive review of the medical literature finds that a shortage of nurses at U.S. hospitals is leading to increased death and illness for Americans," an NFAP study concluded.²⁷ A *Journal of the American Medical Association* (JAMA) study on general, orthopedic and vascular surgery patients at hospitals implied "the odds of patient mortality increased 7 percent for every additional patient in the average nurse's workload in the hospital." According to the research, increasing a nurse's workload from 4 to 8 patients would be accompanied by a 31 percent increase in patient mortality, concluding, "These effects imply that, all else being equal, substantial decreases in mortality rates could result from increasing registered nurse staffing, especially for patients who develop complications."²⁸

Fueled by factors like [employee burnout](#), an aging population and a dearth of training, states across the country are facing a familiar and common problem: [a nursing shortage](#)," reports *U.S. News & World Report*.²⁹

According to a 2023 national survey by AMN Healthcare:

- "Nearly 9 in 10 nurses say the nursing shortage is worse than 5 years ago – a 37-point increase from 2019;
- "94% of respondents agree there is a severe or moderate shortage of nurses in their area, with half of nurses saying the shortage is severe;
- "80% of nurses expect the shortage to get much worse or somewhat worse in the next five years, with half of nurses saying the shortage will get much worse."³⁰

The immigration system exacerbates the problem. There is no temporary visa for foreign nurses. Employers can use TN visas for Canadians and Mexican nurses, and an H-1B visa, when available, for some categories of nurses. Employers typically must rely on sponsoring nurses for employment-based green cards. The significant length of time such sponsorship requires—currently two to three years due to the lack of green cards—testifies to the demand for nurses. Outside of the nursing field, few employers would consider waiting years for an employee to begin working.³¹

²⁶ <https://www.nbcnews.com/health/aging/nursing-homes-small-towns-closing-staff-shortages-rcna66779>.

²⁷ Stuart Anderson, *Deadly Consequences: The Hidden Impact of America's Nursing Shortage*, NFAP Policy Brief, September 2007.

²⁸ Ibid.; Linda H. Aiken, Sean P. Clarke, Douglas M. Sloane, Julie Sochalski and Jeffrey H. Silber, (2002). "Hospital Nurse Staffing and Patient Mortality, Nurse Burnout, and Job Dissatisfaction," *JAMA*, 2002, 288: 1987-1993.

²⁹ <https://www.usnews.com/news/health-news/articles/2022-11-01/the-state-of-the-nations-nursing-shortage>.

³⁰ <https://www.amnhealthcare.com/siteassets/amn-insights/surveys/amn-rnsurvey-2023-final.pdf>.

³¹ <https://www.marketplace.org/2024/06/24/amid-shortage-nurses-abroad-wait-longer-for-visas/>.

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There is an acute need for specialists in many parts of the United States. “Researchers at Brigham and Women’s Hospital in Boston looked at all 3,143 U.S. counties and found that just over 46% had no cardiologist,” reports the [Washington Post](#). “The lack of cardiologists in many counties places a greater burden on primary care doctors. But those same counties with a dearth of cardiologists also tend to have fewer primary care physicians,” according to the study’s chief researcher Haider J. Warraich.³²

More physicians, including foreign doctors, would improve Americans’ health outcomes. Congress allows foreign physicians to remain in the United States pass their two-year limit on J-1 visas if they work in an underserved area. The first law on J-1 physicians limited the waivers to 20 per state each year. In 2002, Congress expanded the waivers to 20 a year, which allowed researchers to determine that admitting more doctors helped residents and did not harm the job prospects of U.S. physicians.

“We find that states that took advantage of the cap expansion of the program have 0.04 more IMGs per thousand habitants than states that did not take advantage of the cap expansion in 2001,” write Breno Braga, Gaurav Khanna and Sarah Turner. “Using simple calculations based . . . we estimate that this increase in supply of doctors was associated with a 20.6-day increase in life expectancy in states taking advantage of the cap increase in 2001.”³³

Due to the aging of the physician workforce and the U.S. population, the Association of American Medical Colleges (AAMC) forecasts a severe shortfall in doctors in America. “Physician demand will grow faster than supply, leading to a projected total physician shortage of between 37,800 and 124,000 physicians by 2034.”³⁴

AAMC projects “A primary care physician shortage of between 17,800 and 48,000 is projected by 2034 [and] a shortage of non-primary care specialty physicians of between 21,000 and 77,100.” The organization also estimates a shortfall of between 15,800 and 30,200 for Surgical Specialties.³⁵

The lack of primary care physicians is a particular problem in rural areas. “More than 100 million people, or nearly one-third of the nation, have trouble accessing primary care, according to [a recent study](#) published by the National Association of Community Health Centers,” reports KFF Health News. “This number has nearly doubled since 2014.”³⁶

³² Mark Johnson, “Counties most in need of cardiologists are the most likely to have none,” *Washington Post*, July 29, 2024.

³³ Breno Braga, Gaurav Khanna, and Sarah Turner, *Migration Policy and the Supply of Foreign Physicians: Evidence from the Conrad 30 Waiver Program*, NBER Working Paper No. 32005, December 2023. Braga is affiliated with the Urban Institute, Khanna with the University of California, San Diego and Turner with the University of Virginia.

³⁴ <https://www.aamc.org/media/54681/download>.

³⁵ *Ibid.*

³⁶ <https://kffhealthnews.org/news/article/doctor-shortages-rural-residency-programs-elko-nevada/>.

MANUFACTURING AND SEMICONDUCTOR ENGINEERS

Many elected officials desire to increase the production of semiconductors in the United States. However, providing opportunities for more foreign-born engineers to immigrate was not part of the CHIPS and Science Act passed by Congress in 2022. Sen. Charles Grassley (R-IA) blocked including in the legislation exemptions from U.S. green card limits for Ph.D.'s in STEM fields and master's degree holders in "critical industries," such as semiconductors.³⁷

At U.S. universities, international students account for 71% of full-time graduate students in computer and information sciences and 73% in electrical and computer engineering.³⁸ Among doctorate holders (Ph.D.'s) in the U.S. performing research and development (R&D) as a major work activity, 83% in computer and information sciences and 80% in electrical and computer engineering are foreign-born, according to an NFAP analysis.³⁹

The Semiconductor Industry Association (SIA) has [warned](#) that "the United States faces a significant shortage of technicians, computer scientists, and engineers."⁴⁰

A recent *Bloomberg* editorial argued for a special visa for semiconductors and broader immigration reform. "The U.S. should increase the overall number of visas for high-skilled immigrants, prioritizing applicants with in-demand STEM skills and exempting foreign graduates of U.S. schools with advanced STEM degrees from green-card caps. That last group, by itself, could provide enough workers to meet most of the need for semiconductor engineers."⁴¹

The *Washington Post* profiled the broader problems in the electronics industry. "Computer chips are the brains that power all [modern electronics](#), from smartphones to fighter jets," notes the *Washington Post*. "Engineer shortages have long plagued the U.S. tech sector, with Google, Apple and others complaining that immigration restrictions make it difficult to find employees. They've spent years pushing for an expansion of the H-1B visa program for highly skilled foreign workers, to little avail."⁴²

Evidence indicates the U.S. labor force cannot provide enough workers to manufacturers. "By 2030, manufacturers will need to fill 4 million jobs, 2.1 million of which could go unfilled if we do not inspire more people to pursue modern

³⁷ Stuart Anderson, "What Happened To The Bills On Employment-Based Immigration?," *Forbes*, August 22, 2022.

³⁸ National Science Foundation, National Center for Science and Engineering Statistics, Survey of Graduate Students and Postdoctorates in Science and Engineering, 2021; National Foundation for American Policy.

³⁹ National Foundation for American Policy tabulation and analysis of the National Science Foundation National Survey of College Graduates 2021.

⁴⁰ "America Faces Significant Shortage of Tech Workers in Semiconductor Industry and Throughout U.S. Economy," News Release, Semiconductor Industry Association, July 25, 2023.

⁴¹ Editorial Board, "U.S. Chip Dreams Will Fade Without More Immigrants," *Bloomberg*, June 28, 2024.

⁴² <https://www.washingtonpost.com/technology/2022/10/23/engineer-shortage-us-chips/>.

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manufacturing careers,” according to the Manufacturing Institute and Deloitte. “The cost to not filling those opportunities can be significant, preventing manufacturers from taking on new work and expanding their offerings.” According to Deloitte, failure to fill those could cost \$1 trillion in 2030.⁴³

ACCOUNTANTS

A market economy needs accountants. However, businesses and accounting professionals say, at a time of growing demand, there are not enough accountants in the United States. “Capitalism can’t function without a healthy system of accounting,” notes Bloomberg’s Adrian Woolridge. “We should pay attention to the cry that has been coming from America’s accountants for years: that the profession is suffering from a talent shortage. Bloomberg Tax calculates that the number of accountants and auditors employed fell by 17% between 2019 and 2021.”⁴⁴

Eighty-seven percent of company managers say in response to a Robert Half survey “they find it increasingly hard to secure the talent they need for general accounting, financial reporting and financial planning and analysis,” reported the *Wall Street Journal*.⁴⁵ “Companies’ accounting and finance departments, which are crucial for managing financial operations, internal controls and financial reporting, have suffered from a lack of personnel. Fewer people are pursuing degrees in accounting and starting new jobs in this area, resulting in more open positions for related roles and searches that take longer to complete. And digitization and automation aren’t expected to fill the gap.”⁴⁶ Experts say automation and digitization will not solve U.S. accounting shortages.⁴⁷

PHARMACISTS

Pharmacists are another specialty where individuals are in short supply. Consumers pay for labor shortages with subpar service, including fewer hours and higher prices. “An apparent shortage of pharmacists is forcing CVS and Walmart to reduce the hours of its pharmacies, as they close earlier in thousands of locations,” reported CNN. “Beginning in March, both retailers will either cut or shift the hours that their pharmacies operate in response to [staffing shortages](#) and waning consumer demand as the height of the Covid-19 pandemic recedes.”⁴⁸

⁴³ The Manufacturing Institute. <https://www.themanufacturinginstitute.org/research/creating-pathways-for-tomorrows-workforce-today-beyond-reskilling-in-manufacturing/#:~:text=By%202030,%20manufacturers%20will%20need,work%20and%20expanding%20their%20offerings.https://thehill.com/opinion/congress-blog/3759695-its-simple-math-we-need-immigration-reform-now/>.

⁴⁴ https://www.washingtonpost.com/business/the-accountant-shortage-threatens-capitalisms-future/2022/11/01/3e760160-59ab-11ed-bc40-b5a130f95ee7_story.html.

⁴⁵ <https://www.wsj.com/articles/struggling-to-find-accountants-businesses-boost-salary-offers-hire-temporary-workers-11671221526>.

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ <https://www.cnn.com/2023/01/27/business/cvs-walmart-pharmacy-hours/index.html>.

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The staffing problems are more acute in rural areas, according to reports in South Dakota, and include the pharmacy technicians who perform much of the preparatory work that pharmacists need to fulfill customer prescriptions.⁴⁹

ELECTRICIANS, CONTRACTORS AND CONSTRUCTION WORKERS

The aging of the U.S. labor force affects occupations that require physical labor. Expertise is lost when individuals retire and the lack of workers can affect energy projects, home construction and remodeling.

“Electricians, the essential workers in the transition to renewable energy, are in increasingly short supply,” reports the *Wall Street Journal*. “They are needed to install the electric-car chargers, heat pumps and other gear [deemed essential](#) to address climate change. Electricians say they are booked several months out and struggling to find enough workers to keep up with demand.”⁵⁰

“The scarcity is part of a [nationwide labor shortage](#) and most acute in the Northeast and California, where demand for green-energy products is highest, in part due to state incentives. Some economists expect the pinch to spread across the country as incentives from the new federal law known as the Inflation Reduction Act kick in.”⁵¹

At times, contractors and construction workers have been in short supply. “A surge of home renovations in recent years combined with a shortage of contractors is turning more repairs and remodels into never-ending nightmares,” according to the *Wall Street Journal*. “New homeowners and those renovating always expect projects to require more time and money than their contractor estimates. But for many, the costs have become so high and the waits so long that some are now abandoning projects midway . . . A renovation now takes 79 days on average, up 259% from 22 days in 2019, according to Jobber, an operations-management company whose software is used by home-service professionals.”⁵²

“Those renovations and repairs can’t happen quickly [without an influx of qualified workers](#). The construction industry will need to attract more than a half-million additional workers on top of the normal pace of hiring in 2023 to meet the demand for labor, according to Associated Builders and Contractors, a trade organization.”⁵³

Immigration restrictions during the Trump administration decreased the availability of construction workers. “Nationally, foreign-born people make up [30% of construction workers](#), data from the Census Bureau shows, making

⁴⁹ <https://www.dakotanewsnow.com/2023/01/23/pharmacist-technician-shortage-threatens-access-health-care/>.

⁵⁰ <https://www.wsj.com/articles/america-is-trying-to-electrify-there-arent-enough-electricians-4260d05b>.

⁵¹ Ibid.

⁵² <https://www.wsj.com/articles/home-renovation-delays-plumbers-electricians-a9e3d8e?st=2h5u6k6f41ypa0d>.

⁵³ Ibid.

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immigrants a key part of the home building puzzle,” reports NBC News. “But against a backdrop of tightened immigration policies instituted during the Trump administration and exacerbated during the pandemic, the number of foreign workers entering the construction industry has almost fallen in half. There were more than 67,000 new workers in 2016, compared to 38,900 in 2020. The lack of immigrant workers has led to a construction shortage, even as supply-chain stoppages and material costs have eased.”⁵⁴

SCHOOL BUS DRIVERS AND RESTAURANT WORKERS

Schools in America have experienced a lack of bus drivers, which has affected when or whether students can attend classes. “The school bus driver shortage in Maryland has been so bad, at the beginning of the calendar year, Montgomery County requested help from the National Guard,” reported ABC 7 News in October 2022. “The request was denied and the school year started with 90 canceled bus routes. Just about two months into the school year, even though that number is not as high, the situation hasn’t gotten much better.”⁵⁵

“Nearly three years since the [coronavirus](#) pandemic upended the labor market, restaurants, bars, hotels and casinos remain short-staffed, with nearly 2 million unfilled openings,” reported the *Washington Post* (February 2023). “The leisure and hospitality industry, which before the pandemic accounted for much of the country’s job growth, is still short roughly 500,000 employees from 2020 levels, even as many other sectors have recovered.”⁵⁶

CONCLUSION

By 2052 or earlier, immigration will be the only source of U.S. labor force growth, according to NFAP estimates. The estimates are consistent with Congressional Budget Office projections that show net immigration will account for all population growth beginning in 2042. Increasing the supply of workers through immigration and temporary work visas will [reduce illegal immigration](#), enhance labor force growth and improve Americans’ daily lives and living standards.

⁵⁴ <https://www.nbcnews.com/data-graphics/tough-immigration-laws-construction-workers-home-builders-rcna82540>.

⁵⁵ <https://wjla.com/news/local/montgomery-county-public-schools-bus-canceled-routes-uncovered-no-drivers-mcps-electric-buses-transportation-students-parents-frustrated-concerned-driver-shortage-maryland>.

⁵⁶ <https://www.washingtonpost.com/business/2023/02/03/worker-shortage-restaurants-hotels-economy/>.

ABOUT THE NATIONAL FOUNDATION FOR AMERICAN POLICY

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia, focusing on trade, immigration and related issues. Advisory Board members include Columbia University economist Jagdish Bhagwati, Cornell Law School professor Stephen W. Yale-Loehr, Ohio University economist Richard Vedder and former INS Commissioner James Ziglar. Over the past 24 months, NFAP's research has been written about in the *Wall Street Journal*, the *New York Times*, the *Washington Post*, and other major media outlets. The organization's reports can be found at www.nfap.com.
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