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Immigrants in the Oregon Economy: Overcoming Hurdles, Yet Still Facing Barriers

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There are 421,000 immigrants living in Oregon. Making up 10 percent of the state's population, immigrants are a vital part of the social, economic, and cultural life of all American communities.¹

The economic role of immigrants has frequently been misunderstood. On the one hand, immigrants are a big and important part of the economy. On the other hand, immigrants are disproportionately concentrated in low-wage jobs. Both things are true at the same time.

- Immigrants account for 13 percent of Oregon's economic output (GDP), even higher than their share of the population. Oregon has a \$256 billion economy, according to the Bureau of Economic Analysis 2022 statistics, which means immigrants are conservatively responsible for \$33 billion of economic output.²
- A key reason for this high share of economic output is that immigrants are concentrated in prime working age. In Oregon, while immigrants make up 10 percent of the population, they make up 13 percent of the working-age population (ages 16 to 64), and a corresponding 13 percent of the labor force.
- Immigrants work in jobs across the economic spectrum. A common misperception is that when we talk about immigrants we are talking mostly about people in low-wage work. Yet, looking at all immigrant workers—documented and undocumented—67 percent of those with full-time jobs earn at least \$38,000 per year, which is a middle-wage earning level for full-time work.
- While most immigrants are in middle- or upper-wage jobs, immigrants are at the same time disproportionately likely to be in low-wage jobs. In all, 33 percent of immigrants are in jobs paying less than \$38,000, compared to 24 percent of U.S.-born workers.
- Race and gender are as much a factor as nativity in wage outcomes for workers. Men
 have higher wages than women, and white people have considerably higher wages than
 Black or Latinx workers, whether they are U.S.-born or immigrants.
- In low-wage occupations, 43 percent work in service occupations, such as building cleaners, cooks, or landscaping workers. The pandemic highlighted the importance of many of these jobs to America's daily life that can often seem underappreciated or invisible. There is little doubt that the 108,000³ undocumented immigrants estimated to be in Oregon's labor force are overwhelmingly in these low-wage occupations.

- Among middle-wage occupations, immigrants are spread across every sector of the
 economy. Significant numbers of immigrants work as nurses, computer programmers,
 educators, architects, logistics specialists, emergency services staff, and much more.
- Among upper wage occupations, immigrants are highly concentrated in a few fields.
 Fully 84 percent of immigrants in upper-wage occupations work either in computer occupations, or in management and finance occupations. Most are either software developers or CEOs.

1. Immigrants Work in Jobs Across the Economic Spectrum

For this report, low-wage includes individuals earning less than two-thirds the overall median— in Oregon, that means under \$38,000. Middle wage workers earn between two thirds of the median and double the median, \$38,000 to \$115,000. And upper wage earners make more than double the median, over \$115,000.

The IRI analysis shows that 67 percent of immigrants in Oregon earn at least a middle wage—50 percent in middle wage range and an additional 17 percent in the upper-wage bracket of \$114,000 or more. Among U.S.-born workers, 76 percent earn at least a middle wage. A smaller share of U.S.-born workers are in low-wage jobs, and a larger share are in middle-wage jobs.

The share of immigrants and U.S.-born workers in upper-wage jobs is nearly the same with 17 percent of immigrants earing an upper wage compared to 16 percent of U.S.-born workers. Indeed, the immigrant share continues to match the U.S.-born share even looking at the top five percent and the top one percent of wage earners—in fact, it is slightly higher for immigrants.

Most workers in Oregon's economy are in jobs that pay over the low-wage level of \$38,000 per year. By definition, there will always be some workers in bottom rungs of the economy, but it is not necessary for there to be some workers below a certain percentage of the median. Around the world, two thirds of the median is often considered the poverty wage level, and in some countries very few full-time workers fall below that level.



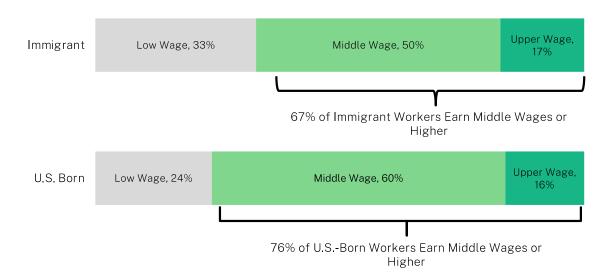


Fig. 1 Immigration Research Initiative analysis of 2022 American Community Survey 5-year data, looking at annual earnings for full-time, year-round workers. "Low wage" is people earning under 2/3 of the median—that is, under \$38,000, "middle wage" is from 2/3 to double the median, \$38,000 to \$114,000, and "upper wage" is earning above \$114,000.

In Oregon, 24 percent of U.S.-born workers and 33 percent of immigrant workers make under two thirds of the median wage. The immigrants who make up a disproportionate share of this group face numerous barriers in the labor market, from language to educational attainment, recognition of credentials, immigration status or discrimination in the workplace. Of the 280,000 Oregonians in lowwage jobs, 50,000 are immigrants and just over 227,000 are U.S.-born.

2. Race and Gender Are a Big Factor in Economic Outcomes

Immigrants and U.S.-born residents work in jobs across the economic spectrum, and so do people in all race and gender groups. However, workers are not spread evenly.

Figure 1 shows that race and gender⁵ are significant factors in determining economic outcomes. White men, both U.S.-born (81 percent) and immigrants (88 percent), are the most likely to earn middle and upper wages. U.S.-born Black workers are far less likely to earn a decent wage for full-time work. The same is true for foreign-born Black women, though not as much for foreign-born Black men.

Hispanic/Latinx⁶ immigrants are the group that faces the greatest hardship. The number of Latinx immigrants making low wages highlights the economic struggles of a group of Americans who are often the target of hateful anti-immigrant rhetoric, actions of the U.S. deportation regime, and workplace abuses, as well as barriers they may face due to level of formal education or English language ability. Just 59 percent of Latinx men and a strikingly low 43 percent of Latinx women born outside the United States make more than the low-wage threshold of \$38,000.

Latinx Americans who are U.S. citizens by birth have about the same degree of middle- to upperwage earnings as U.S.-born Black Americans—far below that of white and Asian workers, but higher than foreign-born Latinx workers. Among U.S.-born Latinx men, 65 percent make more than \$38,000 per year, as do 58 percent of women.

Among Asian American and Pacific Islanders, U.S.-born women fair extremely well in the economy (77 percent) compared to men (81 percent) among those who earn middle- and upper-wages. Eighty-one percent of immigrant AAPI men are in these categories, as are 61 percent of immigrant AAPI women.

SHARE OF WORKERS IN MIDDLE- AND UPPER-WAGE IOBS COMBINED



Fig 1. Immigration Research Initiative analysis of 2022 American Community Survey 5-year data. Full-time workers earning over \$38,000, that is: more than 2/3 of the median for full-time workers.

Also notable is the large gap in earnings between white men and white women. The share of workers making middle- or upper-wages is 15 percentage points higher for immigrant men and 7 percentage points for U.S.-born men. This gendered gap in wages is echoed among immigrant Latinx men and women (15 percentage points) and immigrant Black men and women (26 percentage points).

The Divisions Are Starkest in Upper-Wage Occupations

Figure 1 looks at all workers who earned at least \$38,000—combining the middle- and upper-wage categories. Figure 2 zooms in to look just at those workers in the upper-wage range, people who earned at least \$114,000 between 2017 and 2022.

The economic disparities in the share of people earning upper wages are even starker. White and AAPI men stand out most significantly, particularly those who are immigrants. Among U.S.-born workers, about a fifth of white (21 percent) and AAPI (31 percent) men make more than \$114,000. Among immigrants, the rates are even higher, with 37 percent of foreign-born white men and 35 percent of foreign-born AAPI men earning upper wages. No other groups in our analysis approach this level of concentration in upper-wage jobs.

Foreign-born AAPI women come closest at 21 percent, followed by immigrant white women (20 percent), U.S.-born Asian women (17 percent), U.S.-born white women (12 percent), and immigrant Black men (21 percent). Less than 11 percent of workers in all other groups earn high wages, including 11 percent of U.S.-born Black women, 5 percent of Native American women, and 4 percent of immigrant Latinx women who are at the intersection of racial and gender bias, and have the worst economic outcomes overall on in the American economy.

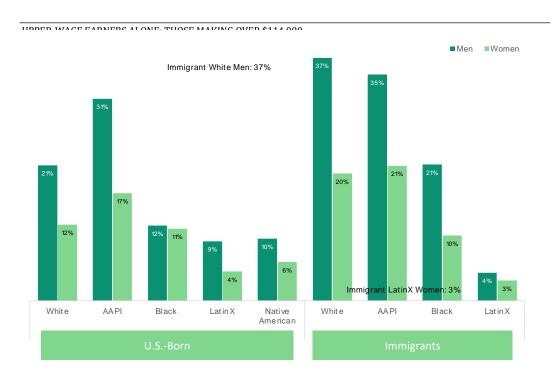


Fig 2. Immigration Research Initiative analysis of 2022 American Community Survey 5-year data. Full-time workers earning over \$114,000, that is: more than double the national median for full-time workers.

Black and Latinx Workers Trapped in Low-Wages Jobs

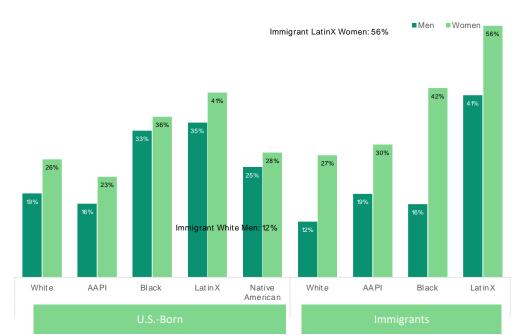
Working full time and earning under \$38,000 per year leaves many workers in every demographic group struggling to make ends meet. There are, however, clear race, gender, and immigration components that contribute to who is mostly likely to be in these low-wage jobs in the Oregon.

Foreign-born white men (16 percent) are the least likely to be trapped in low-wage work. Among white people in the U.S., whether immigrants or U.S.-born, the share in middle-wage jobs is similar across gender and nativity. The share of people in middle-wage jobs for white men and women, U.S.-born and immigrants, is between 47 and 60 percent (not shown in charts). The significant difference among white Americans is that far fewer white women earn upper wages, and far more earn low wages.

The economic disparities in favor of white men are even more drastic when we consider race as a variable. The percentage of men of color who earn less than \$38,000 annually in Oregon is much closer to that of immigrant workers than U.S.-born workers. For example, 33 percent of U.S.-born Black men earn low wages, as do 35 percent of U.S.-born Latinx men.

Women of color face even more economic struggles than their male counterparts (Figure 3). Black and Latinx women are all more likely to earn low wages and less likely to fall into the upper-wage category. Only 11 percent of U.S.-born Black women and 4 percent of Latinx women are in upper-wage jobs.

More than one in four of all Native Americans who worked full-time jobs earned low wages, 66 percent earned middle wages, and 8 percent earned upper wages.



LOW WAGE WORKERS: GETTING BY ON UNDER \$38,000 PER YEAR

Fig 3. Immigration Research Initiative analysis of 2022 American Community Survey 5-year data. Full-time workers earning under \$38,000, that is: less than 2/3 the median for full-time workers.

Overall, most workers in the U.S. are in jobs where they make middle wages- and upper-wages, but there are stark differences among diverse groups. Race, gender, and nativity all stand out as significant factors impacting individuals' economic outcomes in Oregon, as around the United States. U.S.-born Black and Latinx workers, as well as Latinx immigrants, are significantly less likely to earn middle- and upper-wages than other workers. Women are also much less likely than men to make a decent wage—in many cases strikingly so. These findings highlight what many Americans, especially women and Black and Indigenous People of Color, already know to be true from their own experiences. What is important to note is that the impacts systemic racism, class inequality, misogyny, and nativism are clearly quantifiable and create very real disparities regarding individuals' ability to succeed in the economy.

3. What Low-, Middle-, and Upper-Wage Occupations Look Like

For this analysis we categorize each *occupation* as either low, middle, or upper-wage using the same criteria as in the previous analysis: low-wage jobs have a median wage for immigrants that is less than \$38,000 per year (2/3 of the median), middle-wage jobs have a median wage between \$38,000 to \$114,000 (double the median), and upper-wage jobs have a median wage higher than \$114,000.⁷ Occupations are categorized as low, middle, or upper-wage based on the median wage for immigrants in that occupation.

Low-Wage Work in Oregon

Among low-age occupations, by far the most common for immigrants are in service occupations. Some 3,000 work as janitors and building cleaners, with a median wage of \$32,000, and 2,000 as house cleaners, with a median wage of \$31,000. Many others work in restaurants, including 5,000 cooks, with a median wage of \$27,000, 166,000 waiters earning a median wage of \$33,000, and 1,000 food preparation workers, with a median wage of \$28,000 per year.

Many immigrants in Oregon work in low-wage care professions, including 3,000 personal care aides who earn a median wage of \$33,000.

In all, 23,000 immigrants working full-time, year-round are in service occupations, as are 76,000 U.S.-born workers.

Immigrants make up roughly 1 in 4 service workers in Oregon, well higher than immigrants' 13 percent share of the labor force overall.

IRI's Earning Ranges

Immigration Research Initiative used data from American Community Survey's 2022, 5-year data set to establish our earnings ranges about the median earnings in Oregon of \$57,000.

Occupations where the median wage for immigrants was less than \$38,000 were defined as low wage. When the median wage for immigrants was more than \$114,000, we defined the job as upper wage.

We defined all jobs with a median wage between \$38,000 and \$114,000 as middle wage.

Immigrants also account for most agricultural workers in Oregon. More than 6,000 immigrants in the state work in agricultural fields, according to our analysis of ACS data. Immigrants make up 60 percent of Oregon's full-time farm labor force and earn a median wage of \$33,000 per year for that work.

There are also many immigrants working in production occupations, including more than 2,000 assemblers and fabricators, accounting for 34 percent of all workers in that profession. Oregonian immigrants also make up 27 percent of food production workers and 43 percent of textile and garment workers.

There are 5,000 immigrants working in transportation occupations, most often as laborers and movers or as packers and packagers. This suggests that immigrants paly an important role in moving vital resources and consumer products throughout Oregon.

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¹ The ACS is not the most accurate measure of agricultural workers in the United States, yet the data clearly showed farm work as the second most common broad occupational category for Oregon's immigrants.

Finding Space in the Middle

Immigrants in middle-wage occupations work in a wide array of positions: nurses, computer programmers, educators, architects, logistics specialists, emergency services staff, and more.

The single most common occupation for immigrants in this middle-wage category is managers. There are 12,000 immigrants in Oregon who work as managers in a broad range of fields. In fact, 10 percent of all managers in the state are immigrants. Some common managerial jobs for immigrants include financial (median wage of \$60,000), general operations managers (median wage of \$53,000), and food service managers (median wage of \$51,000).

Many immigrants in Oregon also hold middle-wage jobs in production, including as production supervisors, who make a median wage of \$56,000. Foreign-born Oregonians account for 20 percent of all production supervisors in the state.

Other occupational fields where immigrants find success in Oregon include computer, engineering, and science occupations, where they account for 14 percent of all workers in the broad occupational category. More specifically, there are more than 1,000 computer support specialists who are immigrants in Oregon, making up 17 percent of all Oregonians in that job.

Eight percent of all educators in Oregon are immigrants, with more than 3,000 immigrants working that field. Of those, 1,300 are post-secondary teachers, making up 15 percent of all college educators in the state. The median wage for immigrants who teach at the college level and beyond in Oregon is \$92,000.

There are also 2,000 immigrants working as retail supervisors in Oregon, earning a median wage of \$48,000 as well as 1,000 sales supervisors earning \$92,000 on average.

Immigrants in Upper-Wage Jobs

In Oregon, upper-wage occupations are those with a median income for immigrants of \$114,000 or higher, more than double the overall median wage for full-time workers.

Of the 19,000 immigrants working in upper-wage occupations, 12,000 (63 percent) work in computer and science occupations. In fact, immigrants make up 30 percent of all upper-wage computer jobs, including 7,000 architects and engineers (34 percent of the total) with a median wage of \$140,000. There are also 5,000 software developers (26 percent) for whom the median is \$118,000.

There are also a significant number of immigrants in high-wage healthcare professions, most often as physicians. Immigrants are, in fact, disproportionately likely to be doctors: 20 percent of the 8,000 physicians in Oregon are immigrants, contributing to the overall wellbeing of all Americans.

Another 4,000 foreign-born Oregonians work upper-wage jobs in management, business, and finance. That includes 2,000 chief executives and legislators, accounting for 13 percent of workers in

that job category. Hundreds of immigrants work upper-wage jobs as sales managers and computer systems managers.

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Notes

- ⁵ While IRI recognizes that gender is not binary and that not all Americans are either men or women, the American Community Survey and U.S. Census Bureau only account for two genders.
- ⁶ In this analysis, white refers to non-Hispanic white, Black to non-Hispanic Black, Asian to non-Hispanic Asian American and Pacific Islanders—sometimes shortened to AAPI or to "Asian," and Hispanic or Latinx refers to people of any race who respond to the Census Bureau that they of Hispanic, Latino, or Spanish origin.
- ⁷ Note that this analysis considers the median wage for each occupation and then looks at which workers are in these occupations. This correlates closely with, but is not exactly the same as, looking at the median wages for groups of workers.

¹ All data in this report are Immigration Research Initiative analysis based on the 2022 American Community Survey 5-year data. Immigrants here are defined as people born in another country and living in the United States, whatever their immigration status. "Immigrants" includes refugees, asylees, people with green cards, naturalized citizens, people with temporary visas, and immigrants who are undocumented.

² We measure economic output as the immigrant share of total earnings, on the assumption that people are paid in proportion to their economic contribution. In the case of immigrants, and indeed for most workers, this is a conservative estimate since workers are often paid less than a fair share of economic output. Bureau or Economic Analysis shows <u>Oregon GDP to be \$256 Billion in 2022</u>.

³ Estimate from the Center for Migration Studies.

⁴ These wage brackets are based on full-time (at least 35 hours/week), year-round (at least 50 weeks/year) wage and salary earnings, or farm or business income. The threshold for middle-earners is extrapolated from the common practice of defining middle class as between two-thirds and twice the median household or family income. See, for instance, the middle-class calculator of the <u>Pew Research Center</u>. To get a better picture of individual workers, IRI looks at a worker's earnings rather than household or family income.