

Labor Market Outcomes of Family Migrants in the United States:

New Evidence from the New Immigrant Survey

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In reforming or designing an immigration system, criteria need to be established for who will be admitted.

An important principle of U.S. immigration law is the creation, unification and re-unification of families.

Family kinship can be defined narrowly - spouse, children - or more broadly - parents, siblings, cousins.

Choosing among the criteria should be informed by how well groups defined by immigration criteria, and specifically by kinship criteria, fare in the U.S. labor market.

In my talk I will use data from the two rounds of the NIS to describe the labor market outcomes of “family” immigrants and, as benchmarks, immigrants chosen by skill or by lottery.

Who are family migrants defined by U.S. immigration law?

There are two broad classes of “family” visas:

1. Visas so that U.S. citizens and permanent resident aliens can sponsor foreign-born relatives. Among these are:

A. A spouse

B. An adult child

C. A parent

D. A sibling

2. Visas for the accompanying foreign-born immediate (children of a certain age and spouse) family members of immigrants admitted on the basis of non-family criteria.

In 2012 of the visas allocated for the “employment” category, more than half (54.2%) were allocated to the children and spouses of those admitted by employment criteria; over 40% of the adults in this category were spouses of the employment principal

Among the questions we address here by specific visa categories are:

1. What human capital attributes do family (and non-family) migrants bring to the United States (at admission)?

This informs us about the selectivity of family-based immigration criteria.

2. Which of these attributes are important, and by how much, for US earnings?

3. What are at-admission employment and unemployment rates?

4. How do the rates change over time for the different groups?

5. How important is self-employment and job creation?

6. What are the earnings of the immigrants at admission and then after 4-6 years?

7. How fast do earnings grow?

The New Immigrant Survey (NIS)

NIS-2003 Round 1.

The sampling frame:

All new LPRs whose records were compiled in the 7-month period May-November 2003. *These include new arrivals and visa adjustees (49.2%).*

On average, interviews were conducted approximately four months after admission to LPR (95 languages (of choice)).

The analyses reported today are based on the Adult Sample of NIS-2003, a probability sample from among all adults (age 18 and older) admitted to LPR during the sampling period.

N= 8,573 sampled adults, for a response rate of 68.6 percent

And 4,334 spouses on immigrants.

Key features: *visa category* (from the administrative records), employment, earnings histories, schooling, migration histories, country of origin earnings.

NIS sampling design feature useful for comparing immigration criteria:

Oversampled two *non-family* immigrant groups that are a small part of legal immigration flows:

A. Employment visa principals - those immigrants admitted to permanent residence status by dint of their skills or having a job offer

Less than 5% of regular legal flows, but 16% of the adult NIS sample

B. Lottery visa principals - those immigrants admitted from pre-specified countries with at least a high school education based on a random lottery

Less than 5% of regular legal flows but 14.4% of the adult NIS sample

Gives us a benchmark to compare to family migrants, who make up the large majority of immigrants.

NIS-2003 Round 2.

Respondents were re-interviewed in 2007-2009.

N= 3,903 adult sampled immigrants.

Also 1,555 spouses.

Adjusting for the 69 deceased and 48 incapacitated main respondents, the response rate is 46.2 percent.

Lower than anticipated: *we were unable to use address reports filed by the respondents because of a new government ruling*

However, the attrition does not appear to be selective on observed attributes: for example, proportionate by visa category and country of origin, human capital characteristics.

The NIS thus allows us to observe initial and post-immigration labor market outcomes by type of visa: at immigration and then 4-6 years later.

Table 1
 Visa-Category Selectivity of NIS Second Round

Class of Admission	Round 1	Round 2
Spouse of U.S. citizen	34.1	33.9
Parent of U.S. citizen	11.9	10.2
Minor child of U.S. citizen	3.38	2.72
Adult single child of U.S. citizen	3.28	3.33
Adult married child of U.S. citizen	1.72	1.75
Spouse of adult child of U.S. cit.	1.51	1.50
Sibling of U.S. citizen	3.94	3.92
Spouse of sibling of U.S. citizen	2.49	2.75
Spouse of LPR	2.44	2.76
Child of LPR	2.81	3.39
<i>Employment principal</i>	6.02	6.23
Employment spouse	3.63	3.25
<i>Diversity principal</i>	5.53	5.68
Diversity spouse	2.58	2.98
Refugee/asylee/parolee principal	5.35	5.11
Refugee/asylee/parolee spouse	1.22	1.23
Legalization principal	7.98	9.22
Other	.05	.04
Number of Immigrants	8,573	3,903

Table 2
Country-of-Origin Selectivity of NIS Second Round

Round 1	Round 2
Mexico 17.5	Mexico 18.8
India 7.30	El Salvador 6.87
El Salvador 6.11	India 6.60
Philippines 5.47	Philippines 5.17
China 5.27	China 4.73
Vietnam 3.08	Vietnam 3.24
Guatemala 2.43	Guatemala 2.94
Dominican Republic 2.27	Dominican Republic 2.56
Colombia 2.08	Poland 2.19
Haiti 2.04	Colombia 2.01
<i>N</i> = 8,573	<i>N</i> = 3,903

There are four “family migrant” visa categories we focus on here:

Two family-sponsored visa categories:

1. Spouses of U.S. citizens (over 1/3 of all adult immigrants).
2. Siblings of U.S. citizens.

Two accompanying family visa categories:

3. Spouses of employment-visa immigrant principals
4. Spouses of lottery visa immigrant principals.

Note although immigrants in these visa categories were not over-sampled, because the NIS interviewed all spouses and over-sampled the principal immigrants in these categories, these two family immigrant groups are also over-sampled.

There are two “non-family” immigrant categories we compare as benchmarks:

1. Employment visa principals:

People of “extraordinary” ability, and of “exceptional ability” with advanced degrees, skilled workers, professionals, “investors.”

2. Winners of the diversity lottery.

Human capital requirements in this category also:

Minimum schooling of twelve years (or the equivalent in job experience)

Country restriction:

Limited to persons from countries with historically under-represented immigrants (over 1/3 from Sub-Saharan Africa).

What might we expect to see in terms of labor market outcomes?

A. The group selected especially for the U.S. labor market should do very well right from admission (employment-visa principals).

B. The family migrants have one advantage - they have U.S. sponsors who can help them find jobs and who provide (by law) financial help if needed.

This may prolong (financial backing) or shorten (job assistance) unemployment.

C. The accompanying lottery-winner spouses have no resident family in the United States to assist; they are least likely to have been in the United States prior to admission (and no human capital requirements).

They are likely to initially have a difficult time at admission.

D. Lottery-winner principals, while having no resident family, may have a higher average education than other family migrants (schooling requirement).

They may do less well initially, but may do better over time.

Table 3
At-Admission Characteristics of Immigrants, by Visa Category

At entry characteristic/visa	Spouse of Citizen	Sibling of Citizen	Employment Principal	Employment Family	Lottery Principal	Lottery Family
Age (years)	32.7	46.6	36.8	35.6	32.5	35.3
Schooling (years)	13.0	11.5	15.6	15.4	14.5	13.9
% Female	62.8	51.9	32.4	77.9	40.9	50.7
Prior years in the United States	5.8	1.6	7.0	5.5	1.6	1.3
PPP \$ Origin Country GDP/L	\$18,954	\$10,643	\$17,203	\$15,463	\$10,261	\$10,820
Sample size	1,397	482	1,341	969	1,220	651

Table 4
Determinants of the Log Hourly Wage, by Survey Round

Variable/round	First Round (At Admission)	Second Round
Schooling	.0847 (19.6)	.0912 (14.9)
Age	.0654 (4.84)	.0624 (3.06)
Age squared	-.000879 (4.94)	-.000820 (3.40)
Female	-.215 (7.31)	-.208 (5.07)
Years in the United States	.0668 (11.7)	.0801 (5.96)
Years in the US squared	-.00191 (7.34)	-.00220 (4.42)
Log of PPP\$ GDP per worker	.0619 (3.69)	.0530 (2.27)
N	2,895	1,581

Absolute value of *t*-ratio in parentheses.

Figure 1. Percent Males Employed, by Visa Category and Round

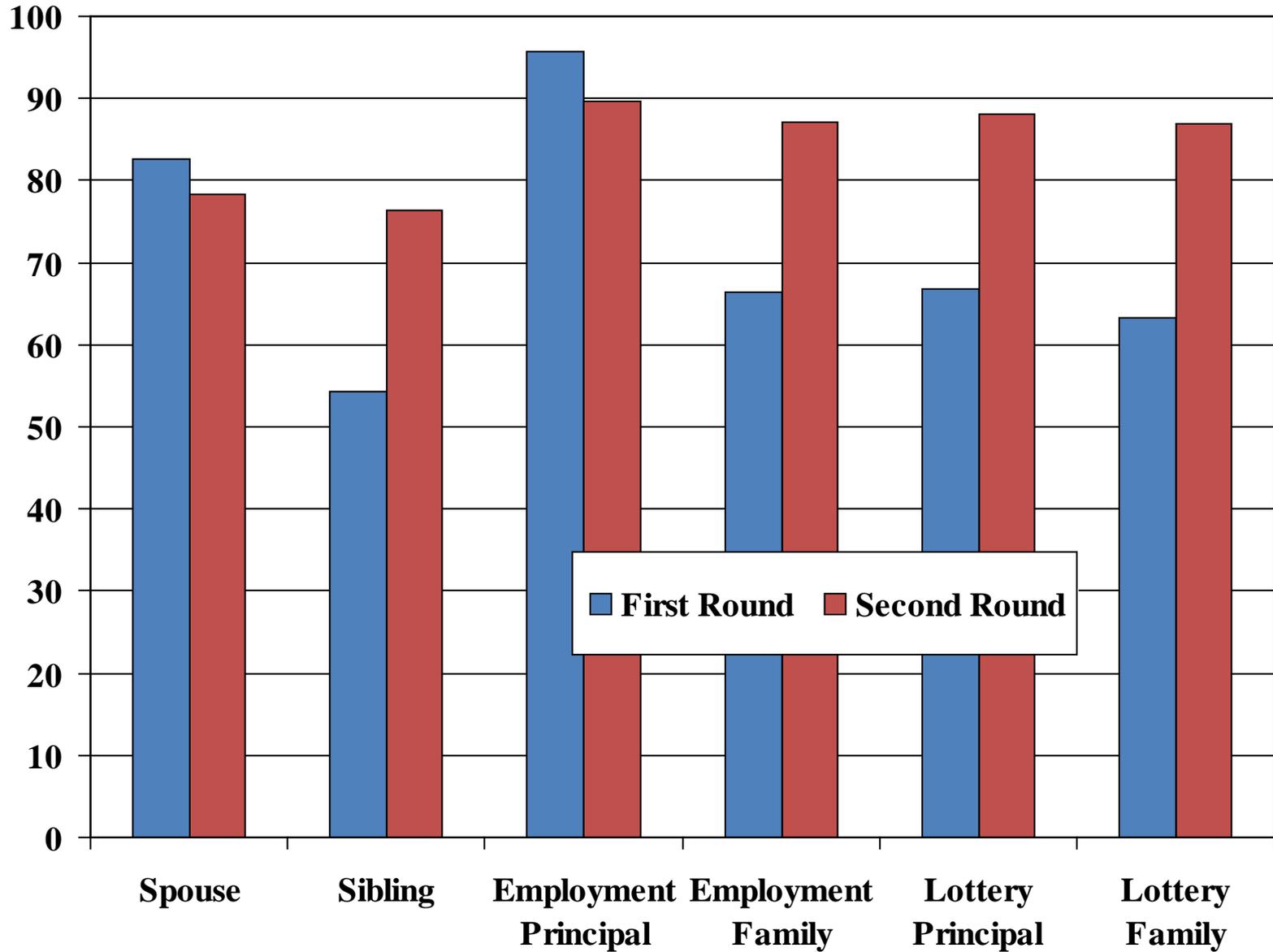


Figure 2. Percent Females Employed, by Visa Category and Round

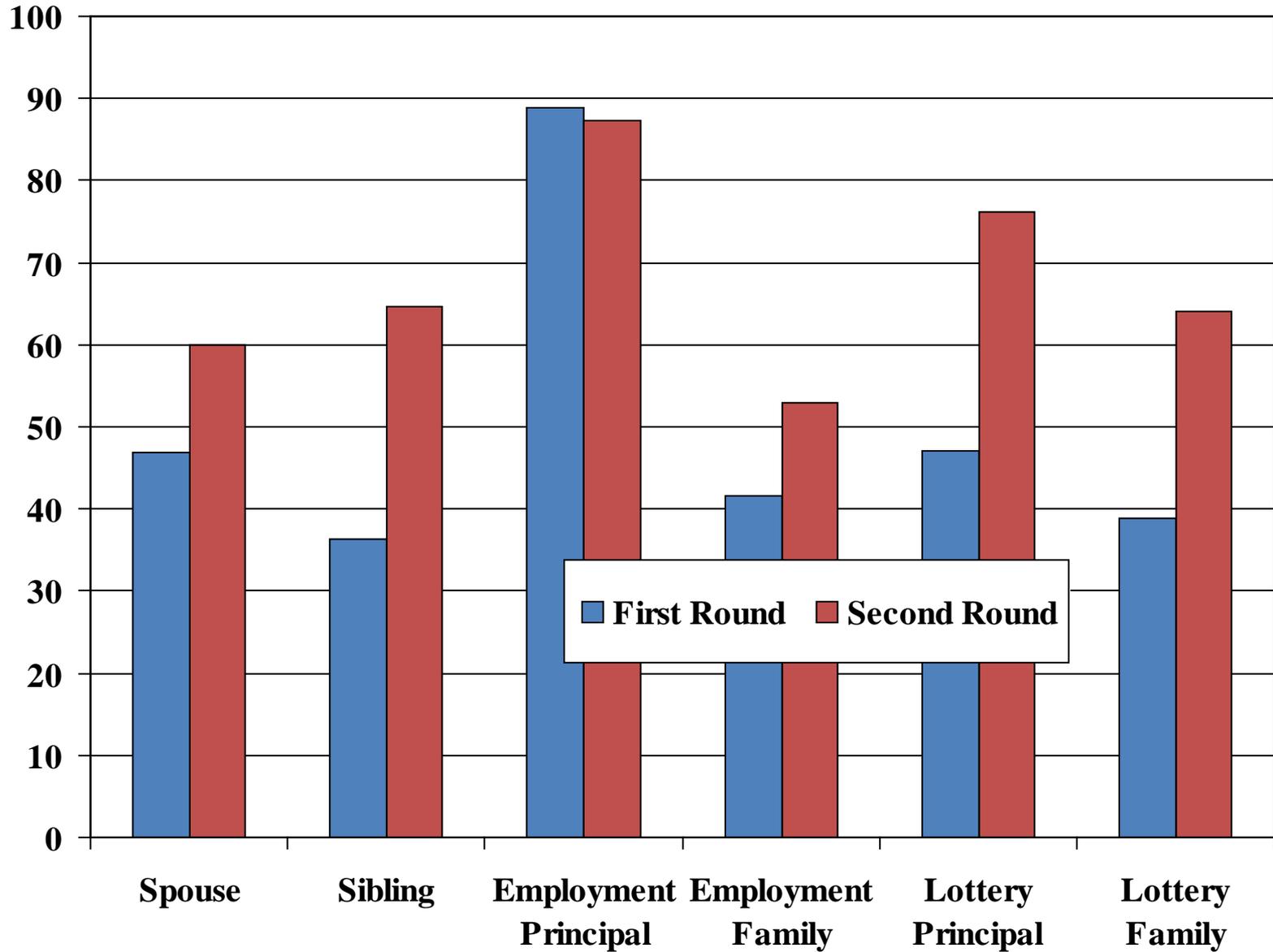


Figure 3. Percent Unemployed, by Visa Category and Round

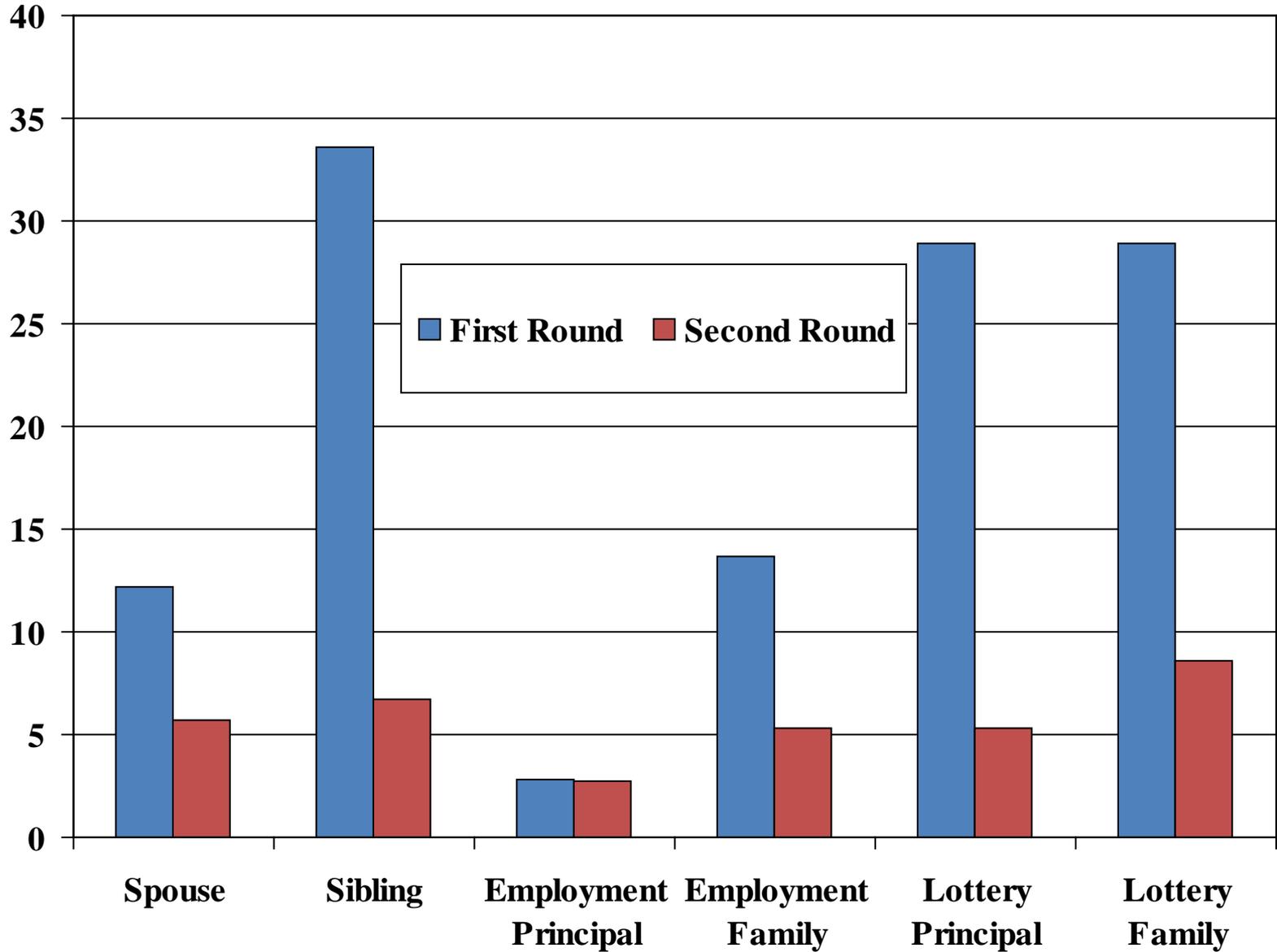


Figure 4. Percent Getting Job Via Relative in the Second Round, by Visa Category

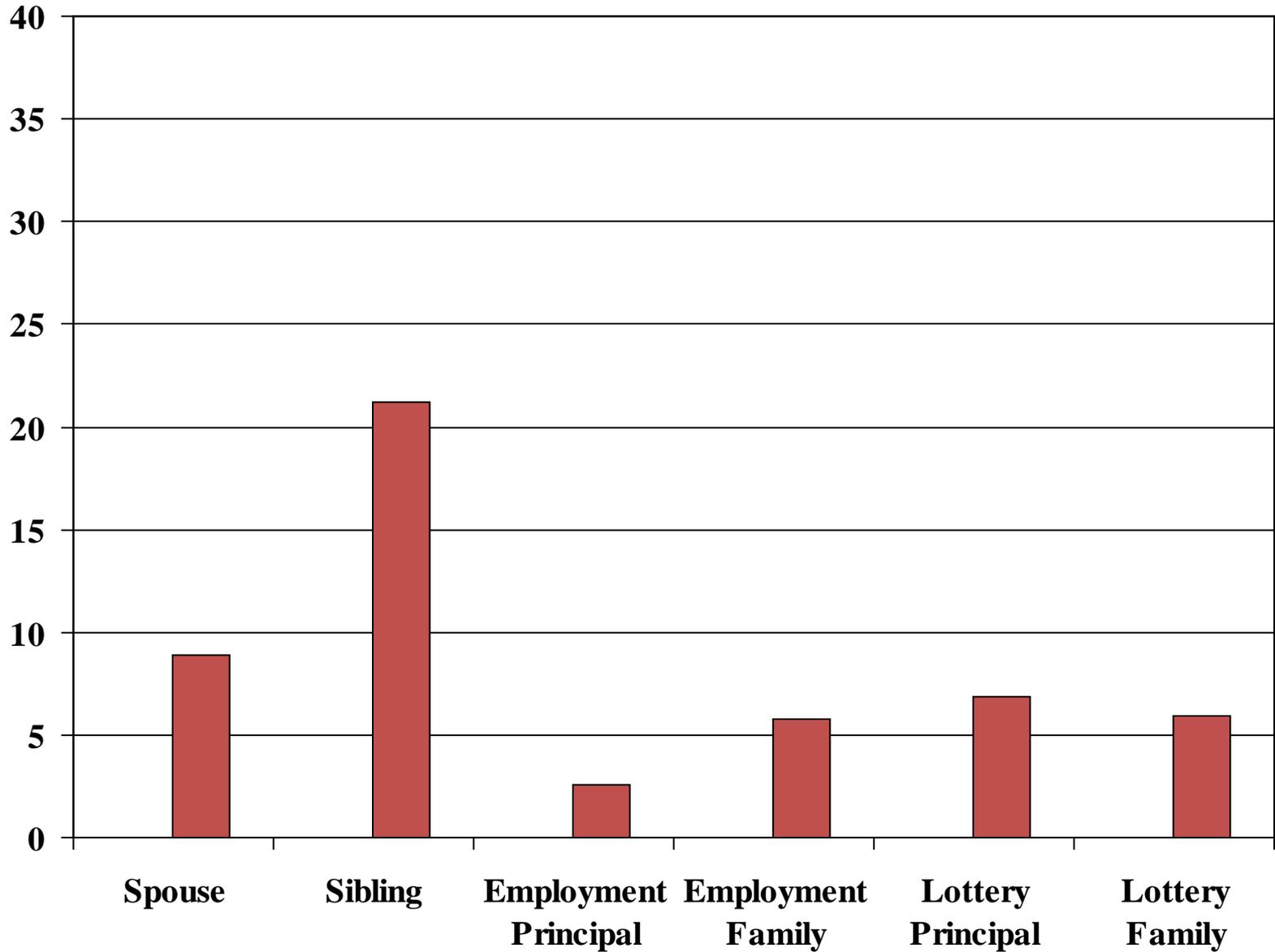


Figure 5. Percent Self-Employed Among the Employed, by Visa Category and Round

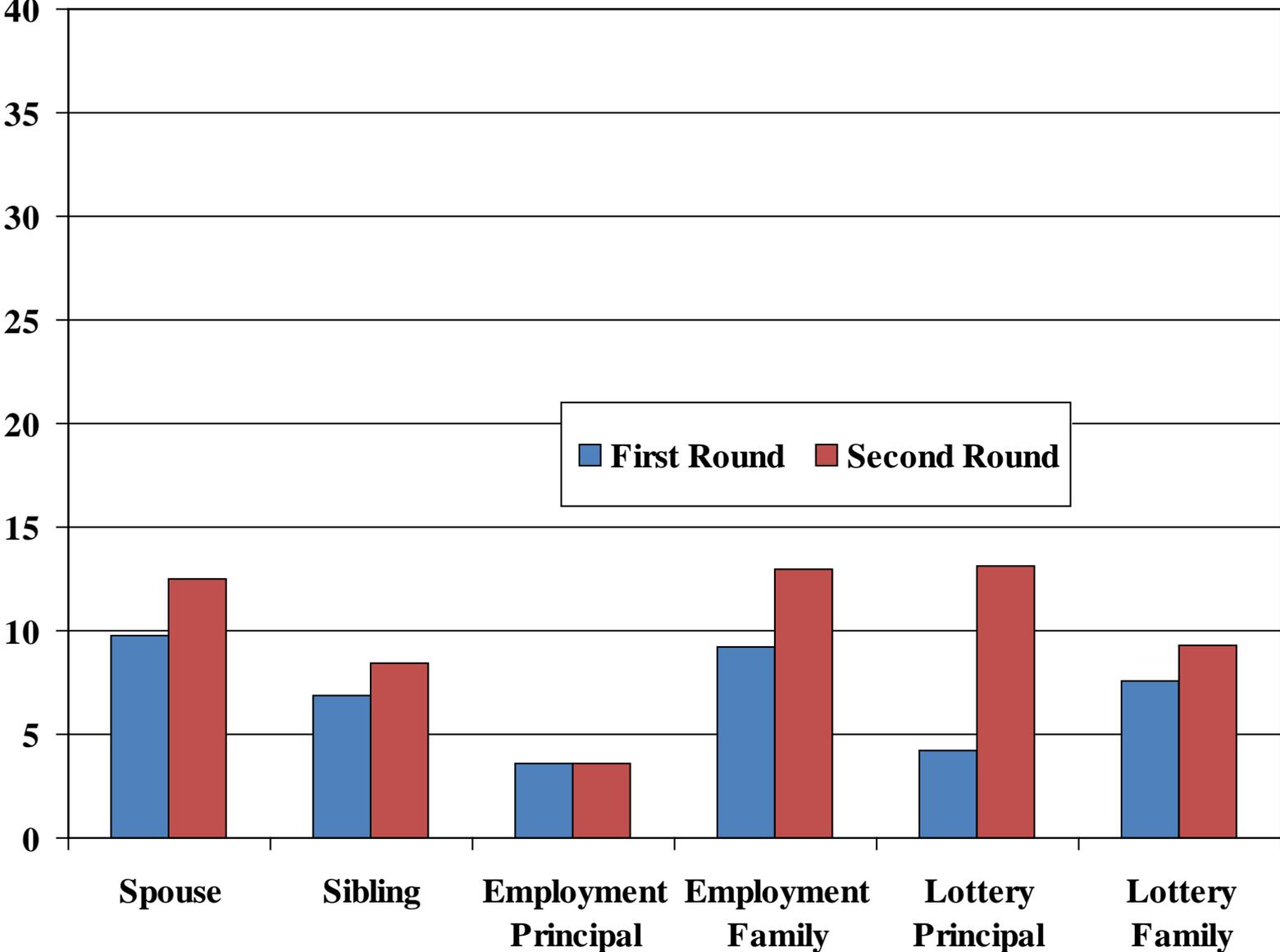


Figure 6. Number of Employees Working for the Self-Employed in the Second Round, by Visa Category

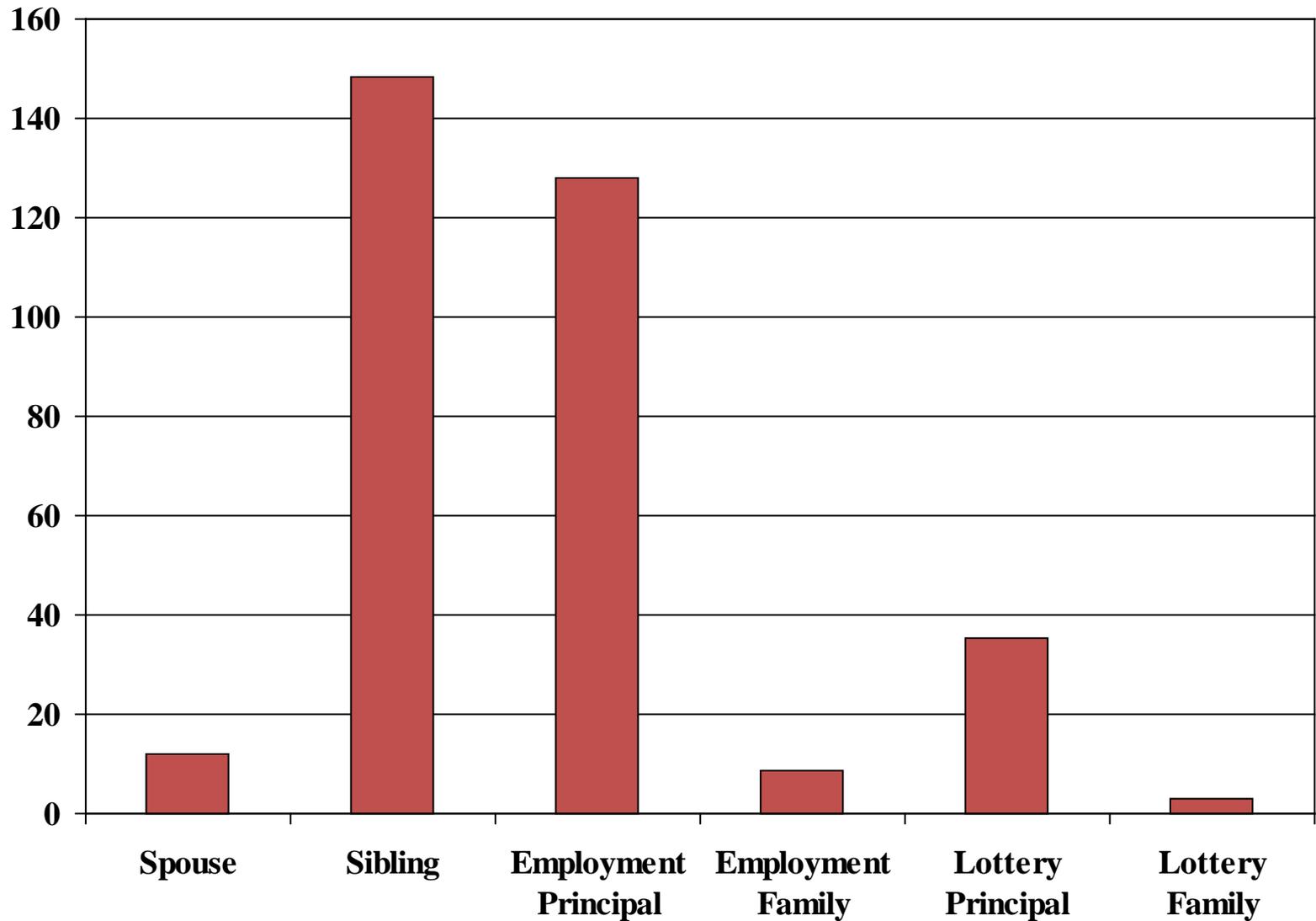


Figure 7. Real (2003 \$) Hourly Earnings, by Visa Category and Round

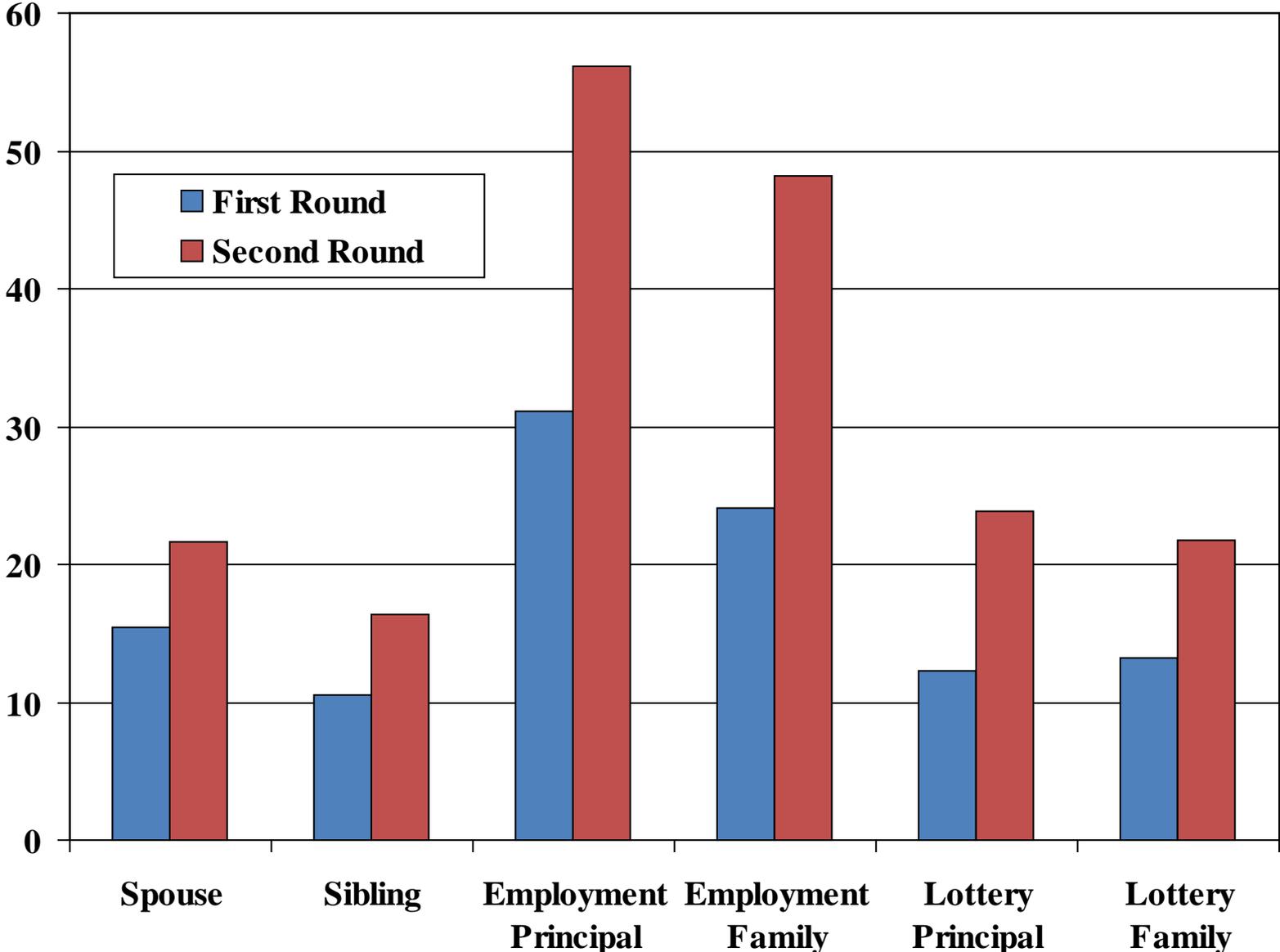


Figure 8. Percent Growth in Real Hourly Wages, for Earners in Both Rounds, by Visa Category

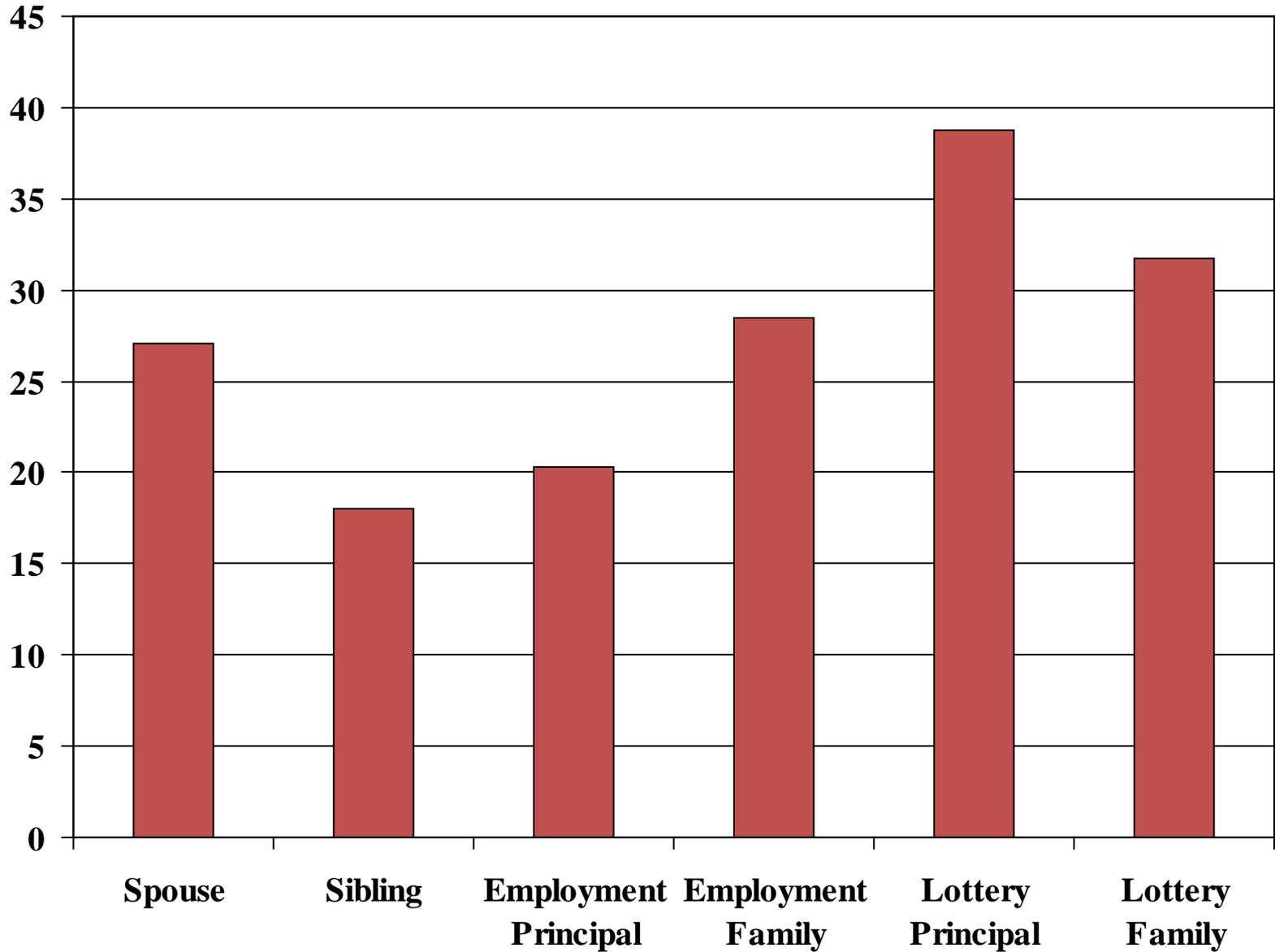
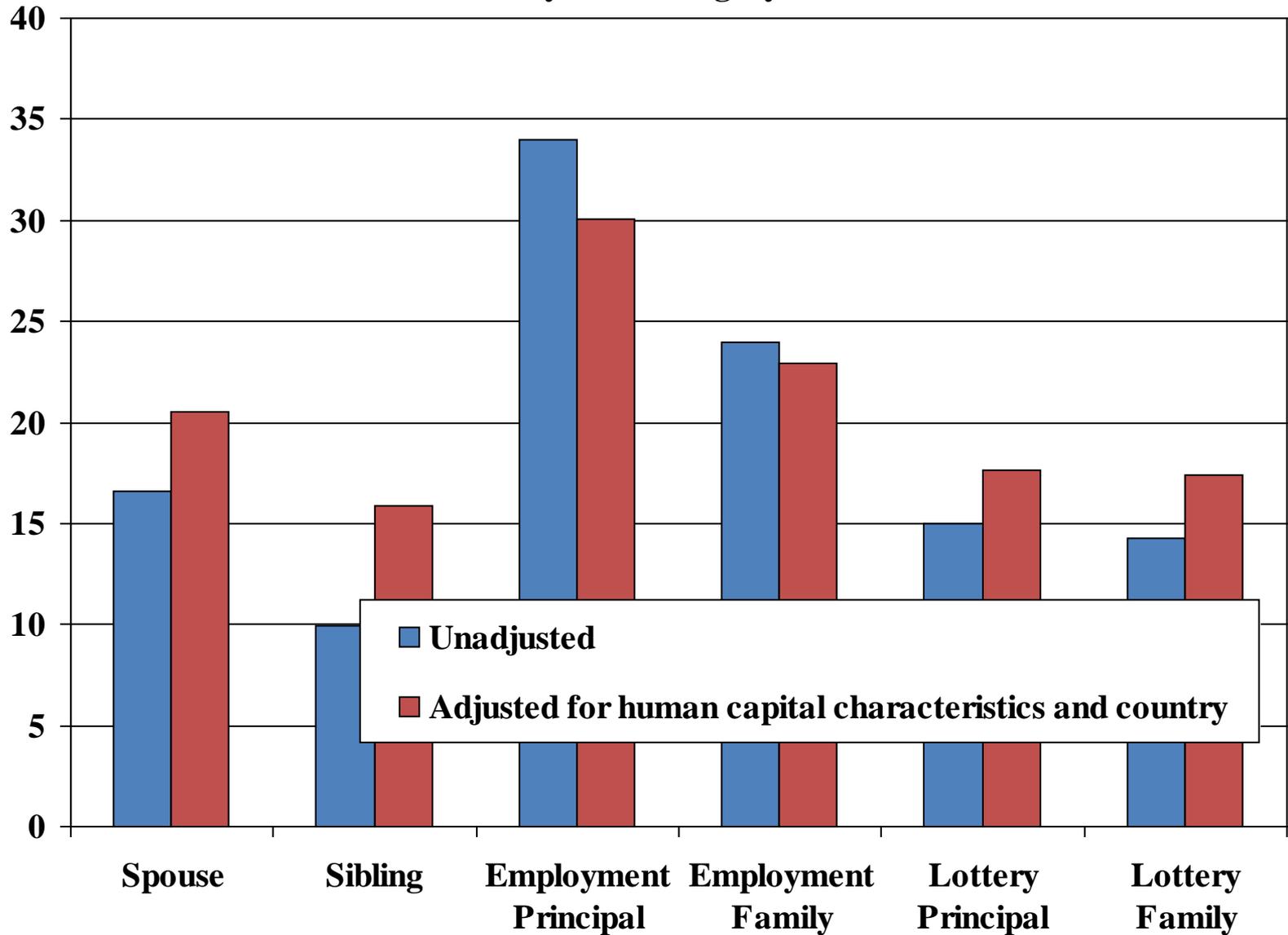


Figure 9. Unadjusted and Adjusted Second-Round Hourly Earnings (Geometric Means), by Visa Category



Conclusion

1. While unemployment rates are very high (and employment rates) relatively low for family migrants at admission, after 4-6 years unemployment rates are low for all immigrant groups.
2. All visa groups experience high rates of growth in earnings after admission.
3. Largest percent gains are for lottery winner principals - they struggle at admission (high unemployment and low wages) but experience the highest rates of growth.
4. All immigrant groups have relatively high rates of *self*-employment (head businesses that employ, including family migrants).
5. The sibling visa category immigrants have lower earnings compared to other family migrants at admission *and* after 4-6 years - no catch up.
6. A large part of the reason sibling immigrants do less well is that they have less good human capital attributes at admission (they have less schooling and US experience, are older and come from poorer countries).

7. But measured human capital attributes do not account for all of the differences in labor market outcomes by visa category.

There is selection by unobserved (to us) characteristics that matter in the labor markets.

8. Who are selectors? - U.S. Citizens and PRA's bringing in relatives, marrying the foreign-born

Almost all immigrants are *sponsored* by US residents (not lottery).

Need to understand sponsorship behavior to understand more fully the labor market outcomes of family and non-family migrants as well as future numbers of immigrants.

Sponsorship behavior in the NIS - see sponsorship at work after admission

Among the questions: Who are the eligible kin of immigrants?

Who among the eligibles are sponsored?

Figure 10. Percent of Respondents Who Had Petitioned for Relatives by Round 2, by Visa Category

