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Mexican-Born Persons in the US Civilian Labor Force

The United States and Mexico have close economic ties by virtue of being each other's main trade partners and forming, along with Canada, the world's largest free trade zone. However, US-Mexico economic integration goes further than the movement of capital and goods. The United States is the primary destination for many legal and even more unauthorized Mexicans who are attracted by the opportunities presented by the US economy.

MPI estimates that 9.4 percent of all persons born in Mexico lived in the United States in 2005.³ In the same year, 14 percent of Mexican workers were engaged in the US labor force compared to 2.5 percent of Canadian workers.⁴ According to Inter-American Development Bank estimates, remittances sent in 2001 by Mexicans working abroad totaled \$8.9 billion. By 2005, this amount more than doubled and reached more than \$20 billion, a lion's share of which came from the United States.⁵ Mexico remains the largest recipient of remittances among all Latin American countries, accounting for nearly 40 percent of the total \$53.6 billion sent to Latin America. In 2005, remittances equaled to 2.8 percent of Mexico's Gross Domestic Product (GDP).⁶

Using the data from the 2006 Current Population Survey, this Fact Sheet examines demographic and labor market characteristics of Mexican-born workers and compares them to those of all foreign-born as well as native-born workers. The Fact Sheet focuses

¹ For both Mexico and Canada, the United States is the number one trading partner: Each country sends at least 85 percent of their exports to the United States. Similarly, Mexico and Canada are important trading partners for the United States. For instance, Canada is the top destination for US exports while Mexico is the third (http://www.migrationpolicy.org/pubs/US_Canada_Mexico_1005.pdf).

² Jeffrey Passel at Pew Hispanic Center estimates that 6.2 million unauthorized Mexican migrants accounted for 56 percent of all unauthorized migrants living in the United States in 2005. Furthermore, among recently arrived Mexican migrants, 80 to 85 percent are unauthorized. See "Size and Characteristics of the Unauthorized Migrant Population in the U.S.: Estimates Based on the March 2005 Current Population Survey" (https://pewhispanic.org/files/reports/61.pdf).

³ UN Population Division, 2006, *Trends in Total Migrant Stock: The 2005 Revision*. POP/DB/MIG/Rev.2005; and US Census Bureau Current Population Survey, 2005 Annual Social and Economic (ASEC) Supplement.

⁴ US Census Bureau Current Population Survey, 2005 ASEC Supplement; National Institute of Geographic Statistics and Computing, Mexico; Statistics Canada.

⁵ Inter-American Development Bank: Remittances to select Latin American countries. The data are available at http://www.iadb.org/Mif/remittances/index.cfm.

⁶ Inter-American Development Bank, 2006. *Remittances 2005: Promoting Financial Democracy*. Available at http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=697487.

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on workers age 16 and over who participated in the US civilian labor force in 2006, unless otherwise noted (see glossary for the definition of terms used in the Fact Sheet).

The Mexican foreign born made up almost 5 percent of the total civilian labor force. There were more than 7 million foreign-born workers from Mexico in the US civilian labor force age 16 years and older in 2006. They accounted for 4.7 percent of the 149.7 million total civilian

The Mexican foreign born accounted for nearly a third of all foreign-born workers. In 2006, 22.6 million foreign-born workers were engaged in the US civilian labor force. Of them, 31 percent were foreign born from Mexico.

Demographic characteristics

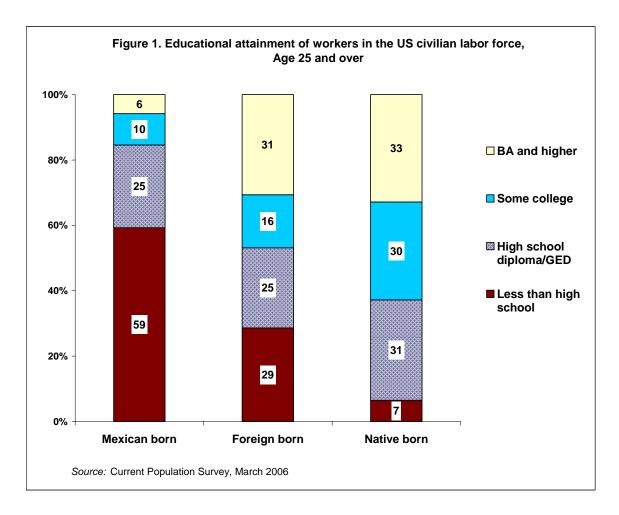
labor force.

The Mexican-born workforce tends to be younger and male-dominated.

Mexican foreign-born workers are younger than either foreign-born or native-born workers. In 2006, about 77 percent of Mexican workers were under age 45 compared to 66 percent of the foreign-born workers overall and 59 percent of native workers. Men made up a larger proportion among the Mexican foreign-born workers (70.3 percent) than among all foreign-born workers (60.2 percent) and among native-born workers (52.5 percent).

Nearly 60 percent of adult foreign-born workers from Mexico had not completed high school in 2006.

Of the Mexican-born workers 25 years of age and older, 59.3 percent reported not having a high school degree compared to 28.6 percent of the total foreign born and 6.5 percent of the native workers (see Figure 1). Only 5.8 percent of Mexican workers had a bachelor's degree and higher, whereas 30.6 percent of all foreign-born workers and 32.8 percent of native-born workers were college educated.

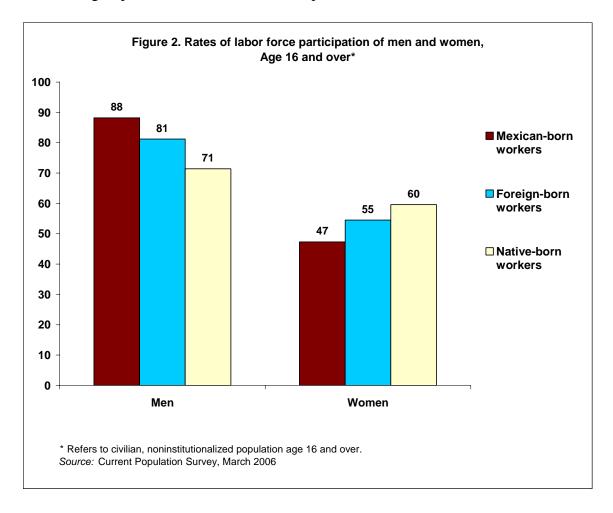


Labor force participation

Of all Mexican foreign born age 16 and over, 70 percent were in the labor force.

Of the 9.9 million Mexican foreign born age 16 and over, 7 million or 70.2 percent were in the civilian labor force. This includes both employed and unemployed workers. Labor force participation rates of the native born was 65.3 percent and that of the foreign born was 67.9 percent in 2006.

As Figure 2 further shows, Mexican foreign-born men had the highest labor force participation rates of all groups, while their female counterparts had the lowest.



Unemployment rate

The unemployment rate of the Mexican born was lower than that of the native born in 2006.

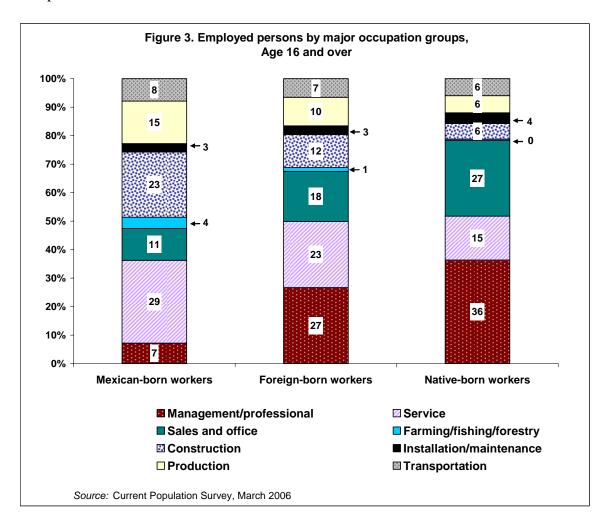
Of the total 7 million Mexican workers in the civilian labor force, 348,817 or 4.9 percent were unemployed. The unemployment rate for the Mexican foreign born was slightly higher than that of the total foreign-born population (4.4 percent), but lower than that of native workers (5.1 percent).

Occupation

Over half of all employed Mexican-born persons worked in service and construction occupations.

Of the 6.7 million employed Mexican foreign born in 2006, 29.1 percent worked in service occupations such as food preparation and cleaning and maintenance occupations (see Figure 3; see Table 1 for more details by nativity and gender). Another 22.9 percent of Mexican workers

were employed in construction and extraction occupations. Combined, these two occupation groups accounted for 52 percent of all Mexican employed persons. In contrast, only a third of all foreign-born and a fifth of native-born workers were employed in service and construction occupations.



Compared with employed Mexican persons, both the native- and the total foreign-born workers were much more likely to be employed in management, professional, and related occupations.

For the 120.6 million employed native born, the most common occupation categories were management, professional, and related occupations (36.3 percent); sales and office occupations (26.6 percent); and service occupations (15.4 percent) (see Figure 3).

For the 21.6 million employed foreign born, the top three occupation groups in 2006 were management, professional, and related occupations (26.7 percent), service occupations (23.1 percent), and sales and office support (17.6 percent).

In contrast, only 7.2 percent of Mexican-born employed workers were in management, professional, and related occupations (for details by nativity and gender, see Table 1).

Table 1. Workers employed in major occupation and industry groups by nativity and

gender, 2006

| | Mexican born | | <u>For</u> | Foreign born | | Native born | | | |
|------------------------------------|--------------|-------|------------|--------------|--------|-------------|---------|--------|--------|
| | Total | Men | Women | Total | Men | Women | Total | Men | Women |
| Total employed (thousands) | 6,661 | 4,721 | 1,940 | 21,591 | 13,029 | 8,562 | 120,556 | 62,951 | 57,605 |
| OCCUPATIONS | | | | | | | | | |
| Percent | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Management/financial | 3.6 | 3.4 | 4.0 | 9.7 | 9.6 | 9.9 | 15.5 | 17.1 | 13.8 |
| Professional and related | 3.6 | 2.2 | 7.0 | 17.0 | 14.9 | 20.2 | 20.8 | 16.5 | 25.6 |
| Service occupations | 29.1 | 24.9 | 39.1 | 23.1 | 18.5 | 30.2 | 15.4 | 12.2 | 18.9 |
| Sales and related | 5.9 | 3.6 | 11.6 | 9.2 | 7.6 | 11.7 | 12.0 | 11.6 | 12.4 |
| Office and administrative support | 5.2 | 2.7 | 11.3 | 8.4 | 4.7 | 13.9 | 14.6 | 6.6 | 23.3 |
| Farming/fishing/forestry | 4.0 | 4.5 | 2.7 | 1.4 | 1.9 | 0.8 | 0.5 | 0.7 | 0.2 |
| Construction | 22.9 | 31.8 | 1.0 | 11.5 | 18.7 | 0.6 | 5.5 | 10.4 | 0.3 |
| Installation/maintenance/repair | 3.0 | 4.1 | 0.2 | 3.1 | 4.9 | 0.3 | 3.7 | 6.9 | 0.3 |
| Production occupations | 14.9 | 13.6 | 18.1 | 10.0 | 10.4 | 9.5 | 6.0 | 8.3 | 3.5 |
| Transportation | 7.9 | 9.1 | 4.9 | 6.5 | 9.0 | 2.8 | 6.0 | 9.8 | 1.8 |
| <u>INDUSTRIES</u> | | | | | | | | | |
| Percent | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Agriculture/forestry | 4.3 | 4.9 | 2.8 | 1.7 | 2.2 | 0.9 | 1.4 | 2.0 | 0.7 |
| Mining | 0.3 | 0.4 | 0.0 | 0.2 | 0.3 | 0.1 | 0.5 | 0.9 | 0.1 |
| Construction | 22.8 | 31.6 | 1.4 | 12.2 | 19.3 | 1.3 | 7.1 | 12.1 | 1.6 |
| Manufacturing | 16.9 | 16.6 | 17.5 | 13.8 | 15.3 | 11.5 | 11.1 | 15.1 | 6.8 |
| Wholesale and retail trade | 10.4 | 8.7 | 14.4 | 12.9 | 12.6 | 13.5 | 15.3 | 16.1 | 14.5 |
| Transportation and utilities | 3.0 | 3.6 | 1.7 | 4.4 | 5.7 | 2.3 | 5.2 | 7.5 | 2.7 |
| Information | 0.4 | 0.4 | 0.4 | 1.5 | 1.7 | 1.4 | 2.6 | 2.7 | 2.4 |
| Financial activities | 2.6 | 1.7 | 4.9 | 5.5 | 4.7 | 6.8 | 7.5 | 6.2 | 8.9 |
| Professional and business services | 10.3 | 10.9 | 8.9 | 11.5 | 12.2 | 10.4 | 9.9 | 10.6 | 9.2 |
| Educational and health services | 6.5 | 2.0 | 17.7 | 16.4 | 8.3 | 28.7 | 22.0 | 10.4 | 34.8 |
| Leisure and hospitality | 16.4 | 15.2 | 19.3 | 12.2 | 11.7 | 12.8 | 7.7 | 6.8 | 8.6 |
| Other services | 5.3 | 3.6 | 9.5 | 5.9 | 4.4 | 8.1 | 4.7 | 4.4 | 5.1 |
| Public administration | 0.8 | 0.5 | 1.5 | 2.0 | 1.7 | 2.4 | 5.0 | 5.3 | 4.7 |

Source: Current Population Survey, March 2006

Industry

More than one in every five employed Mexican persons worked in the construction industry.

Nearly 23 percent of Mexican-born persons were employed in the construction industry in 2006, more than twice the percentage of all foreign-born workers (12.2 percent) and three times that of native workers (7.1 percent). Employed Mexican workers were also more likely to work in manufacturing and leisure and hospitality industries than their foreign-born or native-born counterparts (for details by nativity and gender, see Table 1).

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Compared with employed Mexicans, native- and foreign-born workers were more likely to work in the educational and health services industries.

The most common industries for native employed workers were education and health services (22 percent), wholesale and retail trade (15.3 percent), and manufacturing (11.1 percent). Foreign-born workers in general were most likely to be employed in education and health services industries (16.4 percent) and manufacturing (13.8 percent).

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Data

Current Population Survey, 2005 Annual Social and Economic (ASEC) Supplement (formerly known as CPS March Supplement). The CPS, which is conducted by the US Census Bureau for the Bureau of Labor Statistics (BLS), is a monthly survey of about 60,000 households that provides information on the labor force status, demographics, and other characteristics of the nation's civilian noninstitutional population age 16 and over. Available through the CPS main page at http://www.bls.census.gov.

Resources

Grieco, E. and B. Ray (2004). Mexican Immigrants in the US Labor Force (from Census 2000). Available at http://www.migrationinformation.org/USFocus/display.cfm?ID=206.

Acknowledgements

The author would like to express her gratitude to MPI staff for their valuable insights and help with this Fact Sheet.

GLOSSARY

Defining foreign born

The US Census Bureau uses the term foreign born to refer to anyone who is not a US citizen at birth. This includes naturalized US citizens, lawful permanent residents (immigrants), temporary migrants (such as foreign students), humanitarian migrants (such as refugees), and people illegally present in the United States.

By comparison, the term *native* refers to people residing in the United States who are United States citizens in one of three categories: (1) people born in one of the 50 states and the District of Columbia; (2) people born in US Insular Areas such as Puerto Rico or Guam; or (3) people who were born abroad to at least one parent who was a United States citizen.

Defining the civilian labor force

The *civilian labor force* includes all civilians 16 years and over who were classified as *employed* or *unemployed* during the reference week of the survey.

The term *employed* refers to either (1) all civilians (age 16 and above) who, during the survey week did any work, at all as paid employees or in their own business or profession, or on their own farm, or who work 15 hours or more as unpaid workers on a farm or a business operated by a member of the family; and (2) all those (age 16 and above) who have jobs but who are not working because of illness, bad weather, vacation, or labor management dispute, or because they are taking time off for personal reasons, whether or not they are seeking other jobs.

The term *unemployed* refers to all civilians 16 years old and over who, during the survey week, have no employment but are available for work, and (1) have engaged in any specific job-seeking activity within the past four weeks such as registering at a public or private employment office, meeting with prospective employers, checking with friends or relatives, placing or answering advertisements, writing letters of application, or being on a union or professional register; (2) are waiting to be called back to a job from which they had been laid off; or (3) are waiting to report to a new wage or salary job within 30 days.

Not in labor force refers to all civilian noninstitutional persons 16 years old and over who are neither employed nor unemployed. Information is collected on their desire for and availability to take a job at the time of the CPS interview, job search activity in the prior year, and reason for not looking in the four-week period prior to the survey week. This group includes discouraged workers, defined as persons not in the labor force who want and are available for a job and who have looked for work sometime in the past 12 months (or since the end of their last job if they held one within the past 12 months), but who are not currently looking because they believe there are no jobs available or there are none for which they would qualify.

The term *labor force* includes all people classified in the civilian labor force (i.e., "employed" and "unemployed" people), plus members of the US Armed Forces (people on active duty with the United States Army, Air Force, Navy, Marine Corps, or Coast Guard).

Labor force participation rate is the labor force as a percentage of the population.

This information was compiled by MPI Policy Analyst Jeanne Batalova.

For questions or to arrange an interview with an MPI expert on immigration, please contact Colleen Coffey, Director of Communications, at (202) 266-1910 or ccoffey@migrationpolicy.org. Please visit us at www.migrationpolicy.org.

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