



# *News from the* Fiscal Policy Institute

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New report from FPI: [www.fiscalspolicy.org/immigration.html](http://www.fiscalspolicy.org/immigration.html)

## Immigrant unemployment rates up less than for U.S.-born

In its continuing work to understand the impact of the Great Recession on New York City, the Fiscal Policy Institute today released data examining how immigrants are faring in the economic downturn.

Immigrants, who make up nearly half of the New York City labor force, have an unemployment rate that is slightly lower than for U.S.-born workers.

Unemployment rates shot up for all workers between the first five months of 2008—just before the recession—and the first five months of 2010. But, for immigrants the unemployment rate is consistently a little below the rate for U.S.-born workers. The immigrant unemployment rate jumped from 4.0 percent in 2008 to 8.8 percent in 2010, while for U.S.-born workers the rates went from 5.3 percent to 10.9 percent.

“There are two main explanations for the lower unemployment rates,” said David Dyssegaard Kallick, director of FPI's Immigration Research Initiative. “First, immigration is generally sensitive to labor market demand—immigrants go where the jobs are, and when there aren't any jobs, immigration slows in response. And, second, there is less of a safety net for immigrants, so they are more likely to work at whatever jobs they can get, while U.S.-born workers may be able to wait to find jobs that better match their skill level.”

“The New York City economy looks like it may have turned a corner,” said James Parrott, chief economist of the Fiscal Policy Institute. “Since the low point in December the city has gained 50,000 jobs. But even if the city continues to gain jobs, we still have a long way to go before unemployment rates go back to pre-recession levels. And until they do this will be a tough time for immigrants and U.S.-born workers alike.”

*The Fiscal Policy Institute ([www.fiscalspolicy.org](http://www.fiscalspolicy.org)) is a nonpartisan research and education organization that focuses on tax, budget, and economic public policy issues, particularly issues that affect the quality of life and the economic well being of New York State residents.*