Immigrants in the Massachusetts Economy

A crucial – and growing – part of our workforce

• **1 in 5 workers** in Massachusetts is foreign-born: more than 728,000 people across all skill levels. In Boston, the share of immigrant workers is even higher: 3 in 10.ii

• Immigrants are a major part of the workforce in several sectors, including services to buildings and dwellings (58.5%), taxi and limousine services (50.8%), traveler accommodation (40.8%), and electrical component manufacturing (39.0%).iii

• Immigrants play a key role at all levels of our economy. They make up 70.9% of housekeeping employees, 48.2% of packers and packagers, and 44.0% of chefs and cooks, and they hold 28% of science, technology, engineering and medicine (STEM) jobs.

• Indeed, 52.4% of our medical and life scientists are foreign-born, as are 14.1% of nurses and 39.6% of health aides.3

• A breakdown of Boston’s foreign-born resident workers shows they’re a very diverse population: 29.6% come from the Caribbean, 22% from Asia and the Pacific, 15.2% from North and Central America, 12.2% from Europe, 11.8% from Africa and 9.2% from South America.2

• Almost 44% of all foreign-born labor force participants in Boston arrived in the U.S. since 2000, and more than 71% since 1990; 46% are U.S. citizens, and 52% are English-proficient. 30% have a bachelor’s degree or higher, compared with 53% of native-born workers; 21% lack a high school diploma, vs. 5% of the native-born.2

• Low English skills limit job options. In Boston, foreign-born workers who lack proficiency are clustered in building maintenance (26%), food services (21%), production and transportation (14%), and personal care (14%).2

• A 2018 analysis ranked Massachusetts fourth in the nation, after New York, California and New Jersey, for the economic impact of immigrants, with particularly great benefits noted from hosting international students.iv

• Undocumented immigrants made up 4% of the state’s workforce in 2014.1

**Entrepreneurs from Fortune 500 to Main Street**

• Immigrants are likelier to start businesses than native-born U.S. citizens. One in 5 entrepreneurs in Massachusetts is foreign-born, even though they make up only 16.8% of the population.3

• Massachusetts is home to about 65,000 immigrant entrepreneurs, who employ almost 169,000 people and have $27.6 billion in annual sales. About 7,300 are undocumented.3

• 58% of Fortune 500 companies in Massachusetts were founded by immigrants or their children.3

• Immigrants also play a vital role in “Main Street” economies across Massachusetts. Boston alone is home to some 8,800 immigrant-owned small businesses that generate almost $3.7 billion in annual sales.9
Major consumers and taxpayers – but lagging native-born residents

- Immigrant households in Massachusetts earn $46.9 billion per year and have $33.6 billion in spending power. They pay $9.4 billion per year in federal and $3.8 billion in local and state taxes, plus payroll taxes.\(^3\)
- Undocumented households earn $4.9 billion per year and have $4.3 billion in spending power. They pay an estimated $459.7 million in federal taxes and $207.9 million in state and local taxes.\(^3\)
- About 234,000 immigrants in Massachusetts are homeowners, with $116.8 billion in housing wealth. Immigrant-led households that don’t own homes pay $3.7 billion in rent.\(^3\)
- In Boston, immigrants at all educational levels earn less than their native-born counterparts. The median annual income for foreign-born Boston resident workers is $40,961, vs. $57,346 for native-born workers.\(^2\) The gap is most pronounced among those with bachelor’s degrees, with a median wage of $45,000 vs. $60,000.\(^6\)

Labor market outcome indicators: foreign-born vs. native-born, Boston

![Graph showing labor market outcome indicators](image)

Source: Adapted from BPDA, 2018, *Boston’s Immigrant Labor Force*.

DACA and TPS are important for Massachusetts’ economy

- About 19,000 Massachusetts residents are eligible for Deferred Action for Childhood Arrivals (DACA); more than 8,000 have successfully applied, but only 5,900 remained in the program as of September 2017.\(^v\) DACA-eligible households earn $456.4 million per year and pay about $86.7 million in federal, state and local taxes.\(^3\)
- Official figures show more than 12,000 people with Temporary Protected Status (TPS) in our state, though current enrollment is likely lower.\(^vii\) About 4,800 workers are Salvadoran TPS holders, in the U.S. for an average of 22 years; 2,300 are Haitians with TPS, with an average of 15 years in the U.S.\(^viii\)

This factsheet was written by Marion Davis. It was last updated on November 5, 2019.

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\(^v\) Enrollment data from U.S. Citizenship & Immigration Services (USCIS).

\(^vii\) See MIRA’s TPS factsheet at http://www.miracoalition.org/tps.