

Job and Immigration Trends in New York's Largest Borough: The Foreign-born Female Labor Force of Queens, 1996–2009

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The Great Recession of 2008–2009 entered the autumn season showing more hopeful signs that its pace was slackening.¹ But by September, it had still driven up unemployment in the New York City metropolitan area to levels not seen in a quarter-century. With over 408,000 jobseekers, New York City's official unemployment rate this September was 10.2% – compared to just 5.9% only twelve months earlier.² The citywide average masks sizeable differences among its five boroughs. In the Bronx, 13.3% of the labor force was officially unemployed, up sharply from the 8% rate in September 2008. Brooklyn ranked second with an 11% rate. In contrast, Manhattan (9.2%), Queens (9.1%) and Staten Island (8.9%) were at least one percentage point below the citywide average, though all experienced sharp jumps in their unemployment rates over the past year. And inclusion of thousands of discouraged former jobseekers would result in far higher underemployment rates.

At 1.15 million, the Queens labor force is more numerous than that of any other borough. Its size and impacts on the city's economy have for years been increasingly determined by waves of new immigration from a rich variety of countries. By a number of measures, the current recession has had a disproportionate negative effect on the employment and income of the foreign born.³ The borough of Queens hosts more than a third of the city's immigrants, making nearly half (48.3%) of its population foreign born. The majority of them are women. In this article, we profile the demographic, socio-economic and labor market characteristics of the immigrant women of Queens for the years 1996 to 2008. We utilize the latest data from the Outgoing Rotation Group (ORG) Files of the Current Population Survey for the years 1996-2008. The sample includes all women in Queens over the age of 16.

Demographic Trends

New York City attracts approximately a quarter of a million new residents each year from within the U.S., but loses an even larger number to its suburbs and other states. The net outflow of residents is more than offset by foreign in-migration, so the resulting increase in New York's population is heavily based on inflows from abroad, along with the natural growth rate of the City's population.⁴ In the 1990s, 1.2 million foreign immigrants came to the city while more than 1.3 million of its residents out-migrated⁵. Interestingly, the majority of the incoming migrants were female (52 percent), signifying the occupational shifts in the service

sector towards health services and child care that employ large numbers of women. These statistics challenge the outdated notion of the typical new immigrant to the city being a young male⁶.

After a surge in the percentage of Queens women who were foreign born in the late 1990s (See Figure 1), this number has fluctuated in the range of 49% to 55% in this decade. In 2008, the last year for which such information is available, this number stood at 54.6%, the largest ratio on record for Queens. This decade's relative stability of the immigrant-to-total female population should not de-emphasize the significant increase in this ratio from 1996⁷, the beginning of our sample, when this number stood at less than 39%.

Breaking down the immigrant female population by country of birth, we find two striking changes over the period 1996-2008; i) China has replaced the Dominican Republic over the last 12 years as the largest source of the immigrant female population of Queens and ii) The Bangladeshi female population has had a tremendous surge during this period, increasing more than three-fold in twelve years (See Figure 2).

While our sample begins in 1996, the Dominican Republic had consistently been the largest source of immigration to the city in the 1970s, 1980s and 1990s. From 1990 to 1996, there were 150,000 legal entries from the Dominican Republic (as well as substantial immigration from other Caribbean countries)⁸ while China contributed 83,540 entries during the same period, coming in third behind countries in the former USSR. It is also interesting to note the distinct settlement patterns of different immigrant groups in the City's boroughs. While immigrants from the Dominican Republic settle primarily in Manhattan and the Bronx with Queens a distant third destination area, Chinese immigrants split somewhat evenly between the boroughs of Manhattan and Queens⁹.

The rise of Bangladesh as a prominent country of origin for Queens women is starkly evident in Figure 2. In the years 1996 -1999, Bangladesh ranked 21st in the size of its immigrant population contribution; from 2006-2008, this rank had moved up to 6th, as this population has more than tripled in size.

The Ethnic/Racial composition of the Queens female population broken down by immigrant or native status is provided in Figure 3 for the years 1996-1998 and 2006-2008. The eight main subpopulations we consider are divided into two broad categories, native-born and foreign-born. Each of these two categories is further divided into four subgroups: non-Hispanic whites, non-Hispanic blacks, Asians and Hispanics. For example, the label "NBH" and "FBH" in Figure 3 correspond to the population of native-born Hispanics and foreign-born Hispanics, respectively¹⁰.

The most pronounced trend we find over the last 13 years is the decline in the native born populations, except that of Asians. The outmigration of native-born whites from the City to the suburbs as well as other states has been well documented over the decades, and zooming in on the female population of Queens, we recognize the same pattern in this demographic. The decline in numbers of native-born blacks in the city and in their employment is a relatively more recent phenomenon, starting around the mid-1990s.¹¹ Native-born Hispanics have experienced a similar dwindling of their numbers. The notable rise in the foreign-born Asian

and black populations, with other immigrant groups holding steady over this time all tell us a story of a “churning” borough in an even more dynamic city.

Labor Force Participation Rates

A look at the Labor Force Participation Rates of Queens women reveal some interesting contrasts between native and foreign-born women. We use the data for the three years spanning 2006 to 2008 to approximate the most recent conditions with an adequately large sample size. Interestingly, the difference between the labor force participation rates between the two populations (with native-born women participating at higher rates) is not highly significant in the overall picture. However, a closer look at this comparison by age group reveals a large gap between participation rates for women aged between 25 and 44 (see Figure 4).

Since it is this age group that exhibits a large chasm in participation rates, we take a closer look at the trend in this difference as well as its possible sources. As Figure 5 illustrates, the difference in participation rates has become considerably more pronounced over the last 13 years.

While the participation rate for immigrant women has decreased by 4 percent over the last 13 years, the corresponding rate for native-born women has increased by 8 percent. This divergent labor market behavior has more than doubled the difference in participation rates (from 8 to 20 percent) between the two groups over our period of analysis.

An individual’s choice to participate in the labor market is ultimately a household decision, and family dynamics along with demand side factors determine the likelihood and attractiveness of seeking employment. While traditional gender based roles in time allocation between work and family have slowly shifted to become more gender even, family considerations still substantially impact female labor supply decisions. Economists often attempt to estimate a “child-penalty” for women, the percentage point drop in the probability of being in the labor force due specifically to having a child. While we do not find a significant difference in the *proportion* of women with children under 18 across the two groups, we do find that immigrant women of Queens in this age-group have *more* children on average. Since the cost of child care rises with the number of children, it makes working a relatively less attractive option. Though statistically significant, the difference in the average number of children between the groups is by no means large (1.51 for immigrants and 1.36 for native-born).

Recent evidence suggests that the “child-penalty” story may not be quite so simple; and that there exists a complex interaction between the presence of young children and marital status. The presence of young children has had an increasingly positive impact on the labor force participation rates of single mothers, while this penalty has remained more or less stable for married women with young children over the last two decades¹². We find that our groups differ remarkably when it comes to marital status. 66 percent of Queens’ immigrant women aged 25 to 44 are married with a spouse present in the household, while this number stands at

42 percent for native born women. To further explore the relationship between marital status and participation rates, we break down each of these variables by the eight race-ethnicity-nativity subpopulations. Figure 6 presents the labor force participation rates for each sub-category.

Foreign-Born black women have the highest participation rates followed by native-born Hispanics and native-born blacks. What is interesting to note is that participation patterns emerge more clearly along race and ethnicity lines than they do along immigration status. For instance, both foreign-born and native born black women in Queens have high participation rates in their respective cohorts (total immigrant and native-born women), while non-Hispanic white women have relatively lower participation rates in both categories. We observe a similar type of distribution when looking at marital status.

Figure 7 illustrates that overall, immigrant women are more likely to be married with a spouse present in the household. However, within the foreign-born and native-born groups, a familiar profile of marital status by race and ethnicity emerges, though with the exception of Asian women. Black women in Queens, whether immigrant or native, are much less likely to be married as compared to their white or Hispanic counterparts. Interestingly, these numbers diverge significantly for the Asian women; the native-born are much less likely to be married than immigrants. It is perhaps in this cohort that one would find the largest generational shifts in social attitudes, even though the participation rates of these two groups are nearly identical.

Wages, Industry of Employment, Education and Unionization Rates

For the thirteen years in our study, an hourly wage was calculated for all workers based on the following. If a valid hourly wage was available it was used in the analysis. An hourly wage was estimated for salaried workers who typically report a weekly wage by dividing it by their hours worked in the week¹³. Since weekly earnings are top-coded in the CPS, using the top-codes as wage estimates leads to a downward bias in the average wage. To alleviate this bias, Pareto imputed mean wages were estimated used instead of the CPS provided top-codes¹⁴. The estimated hourly wage earnings have been converted to 2008 dollars by using CPI-U for New York, Northern New Jersey and Long Island.

We do not observe a significant difference in wages of immigrant and native-born women in Queens for the years 2006-2008. In fact, the approximate two dollar difference between the native and the immigrant wage (that is statistically significant at the one percent level) has since vanished. We even find the immigrant wage to be slightly higher than the native wage for the years 2006-2008 (See Table 1), though this difference is statistically unimportant.

This is a significant finding that attests to Queens thriving as an immigrant receiving center; the difference between immigrant and native populations in this borough is the blurriest in the city as newer immigrant groups are seamlessly folded into its evolving fabric, without any evident tension. It should also be noted that the disappearance of this not remarkably large wage gap is a quite recent phenomenon. Figure 8 presents the trend in the two wage series of interest over the last thirteen years; we see evidence of significant

co-movement in the two wages, with the wage gap averaging approximately two dollars (in 2008 units) for the period 1996 - 2005. The recent closing of this gap is as much due to a fall in the native wage as the rise in the immigrant wage, and could be related to the migration of more skilled native workers out of the borough. It is still too early to gauge whether these recent trends portend longer term shifts in the wage structure in Queens.

With a few minor exceptions, we find a similar evenness (between the native and the foreign born) in the distribution of women across the largest sectors of employment. Educational and Health Services, by far the largest sector, provides employment to 37 percent of Queens' female workforce and employs immigrant and native born women at near equal rates. Professional and business services (10 percent of employment) and Public administration (less than 5 percent of employment), are skewed towards native workers, while manufacturing (5.4 percent of employment) is skewed towards immigrant workers. These results are unsurprising, given the skill requirements of these sectors.

An increasing number of Queens women have a four-year college degree as compared to thirteen years ago. In the last three years of the 1990s, 21 percent of women in Queens had a four-year college degree; this number had risen to 28 percent for 2006 to 2008. The educational gains over this time have, however, not been very equal. While there was no significant difference in educational attainment of native and immigrant women in the late nineties, lower-skilled immigration to Queens has opened up a small educational gap; native women are 6 percent more likely to have a four-year college degree as immigrant women.

Finally, a look at unionization trends in the borough suggest an increase in membership and coverage density among its women, both immigrant and native born. This density is measured by the fraction of employed women who report either being members of a labor union, or are covered by a union or an employee association (similar to a union) contract. This movement towards higher unionization rates bucks the general trend over the last few decades in the city, and indeed the nation. There has been, however, a subtle shift occurring within in the demographic profile of newer union members in the city over the last fifteen years. While both rates are lower than they were a few decades ago, the unionization density among women now exceeds men in the city, and has held steady since the latter half of the 1990s, in large part due to immigrant women. (See DeFreitas and Sengupta, "State of New York Unions 2007," *Regional Labor Review*.) Table 2 presents the raw estimates for total employment, total number of union members (or non-members covered by union contracts) among Queens women and the estimated density rates for the years 1996 – 2008.

Conclusion

The borough of Queens, much like the entire city, experiences large labor turnovers from one decade to the next, with newer immigrants being folded into its population at slightly higher rates than native-born residents leaving for nearby suburbs and other states. We looked at the demographic and labor market profile of the immigrant female population of Queens from the years 1996 to 2008. Over the last thirteen years, China

has replaced the Dominican Republic as the largest source of immigration within the borough's foreign-born female population. However, the most remarkable growth of an immigrant female population by country of birth has been from Bangladesh, which has more than tripled in size during the same period, moving up from 21st to the 6th largest immigrant group in the county. We also find that racial and ethnic demographics produce more recognizable patterns in the labor force participation rates of women as compared to the immigrant-nonimmigrant demarcation, which can further be traced to differences in marital status and presence of children. Finally, we find the slight differences in educational attainment and occupational distribution between native and immigrant women are not intense enough to produce any significant difference in wages for the two groups.

Figure 1: Foreign Born as Percentage of Total for Queens Women, 1996 – 2008

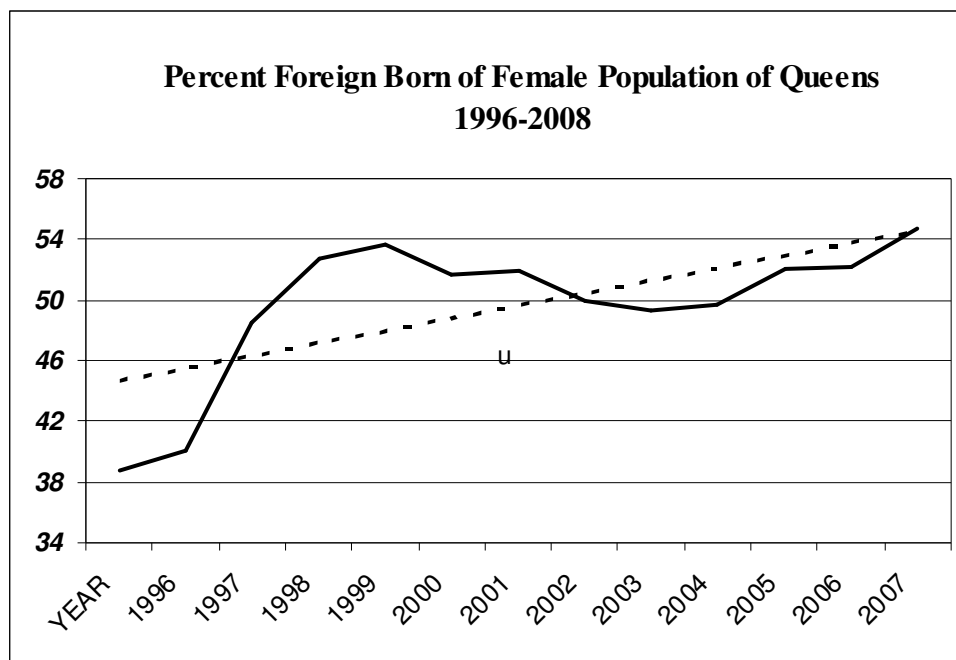


Figure 2: Foreign Born Women by Country of Birth, 1996 – 2008

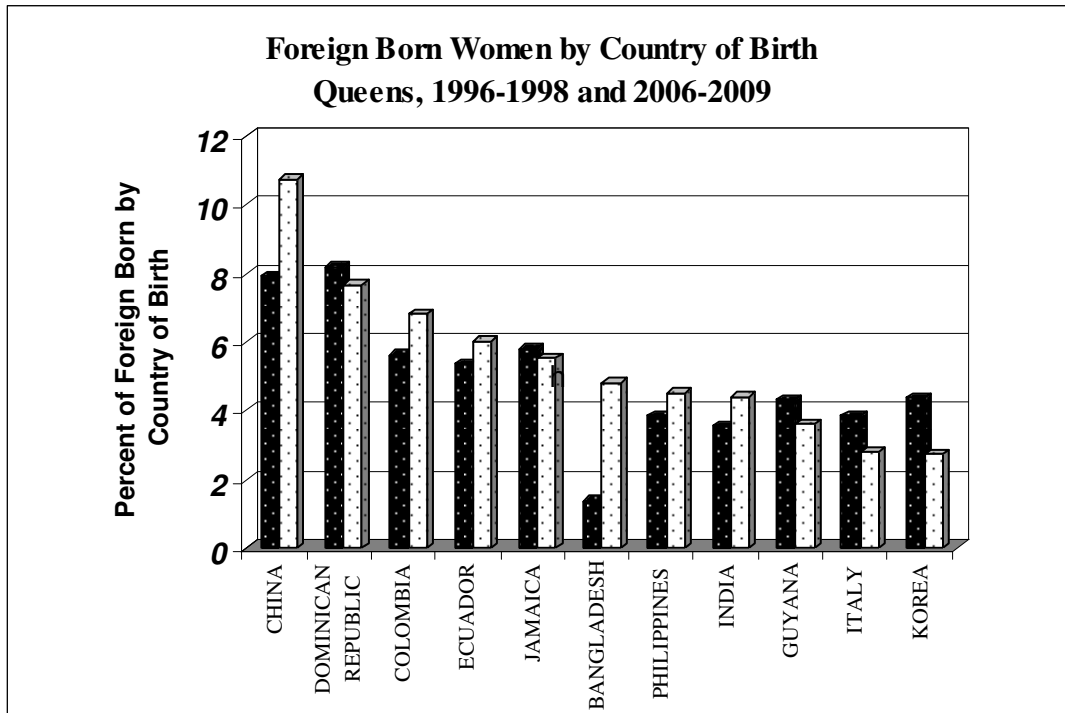


Figure 3: Foreign Born as Percentage of Total Queens Women, 1996 – 2008

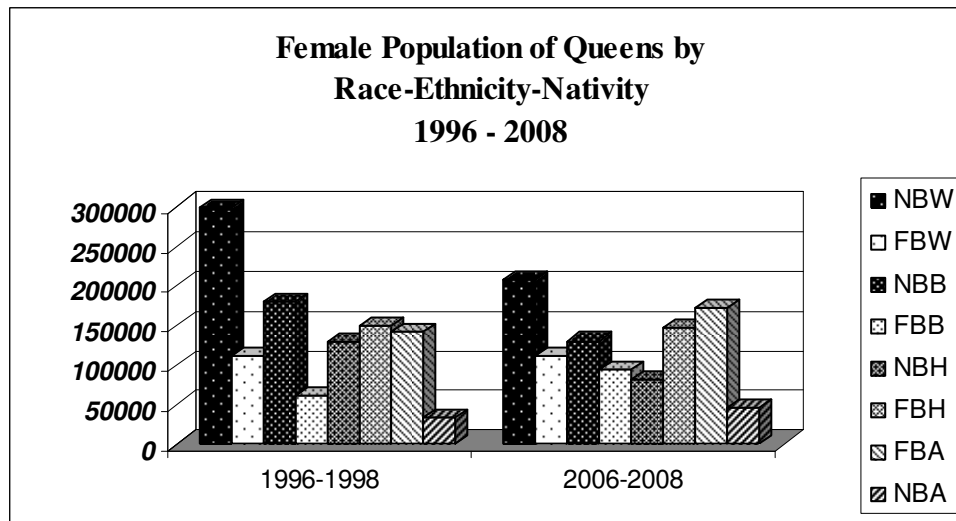


Figure 4: Labor Force Participation Rates by Age and Nativity, 2006 - 2008

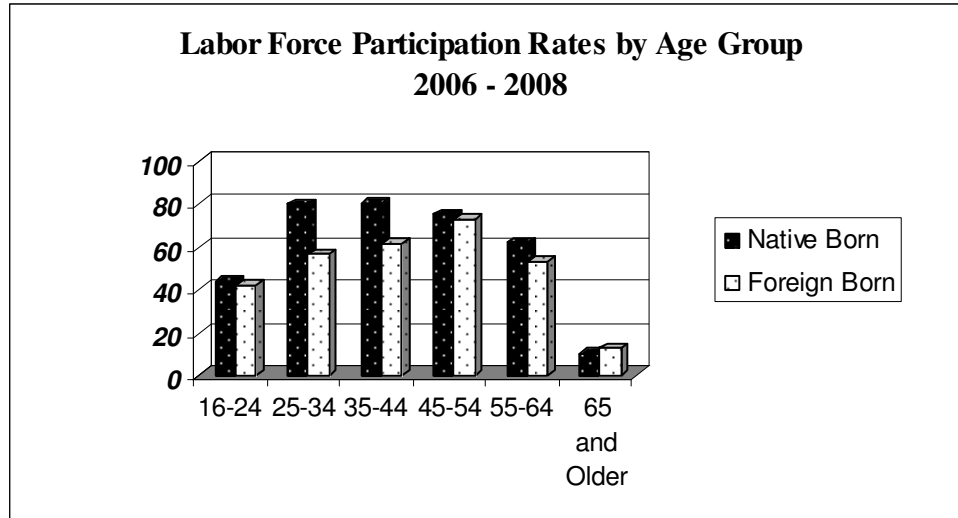


Figure 5: Labor Force Participation Rates by Nativity for Ages 25 - 44, 1996 to 2008

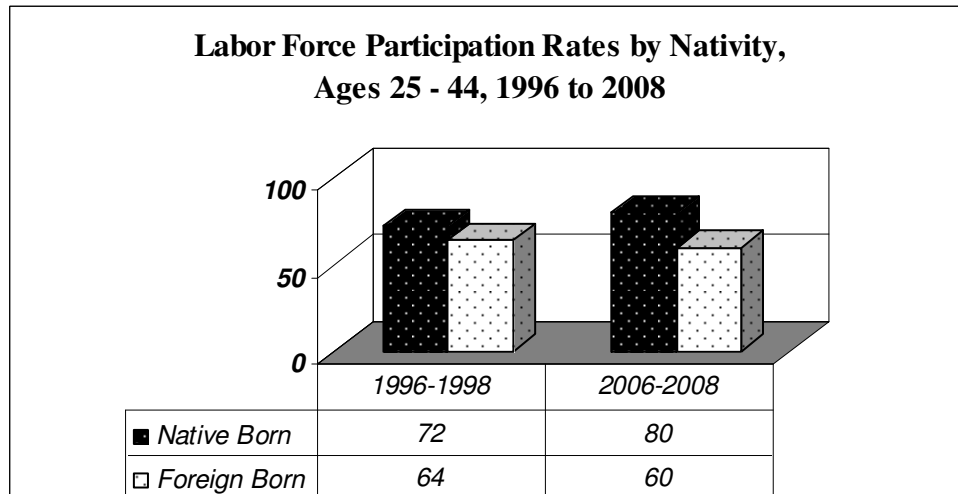


Figure 6: Labor Force Participation Rates by Race, Ethnicity and Nativity, 2006-2008

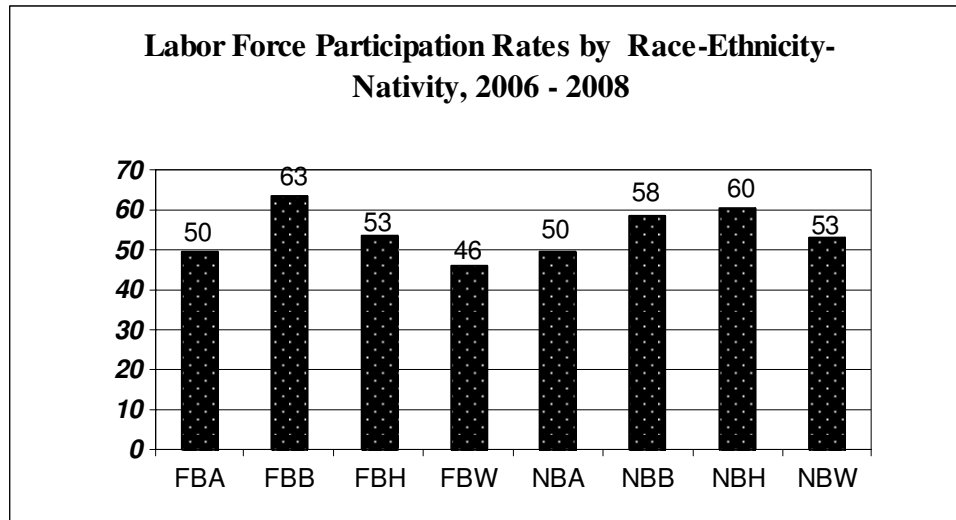


Figure 7: Marital Status by Race, Ethnicity and Nativity, 2006-2008

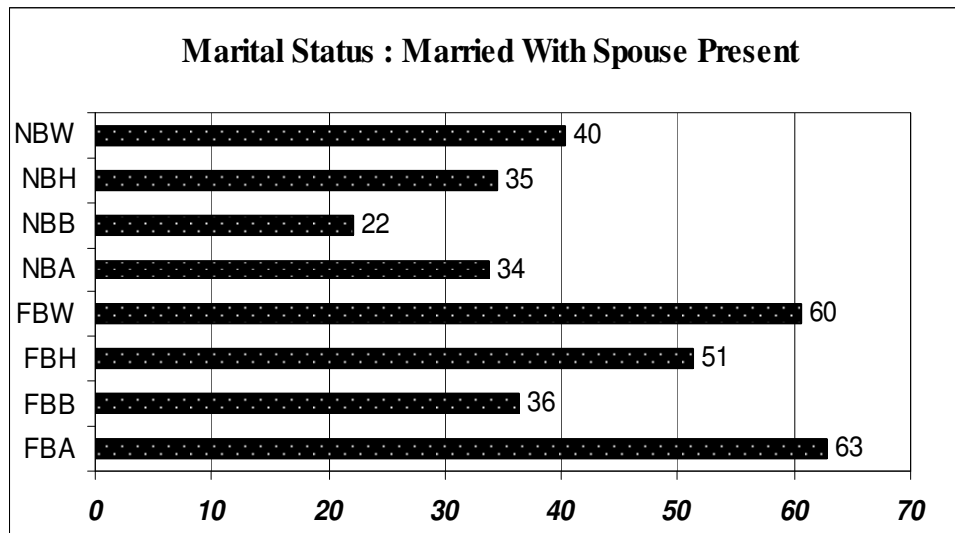


Figure 8: Hourly Wage for Native Born and Immigrant Women, 2008 dollars, 1996 – 2008

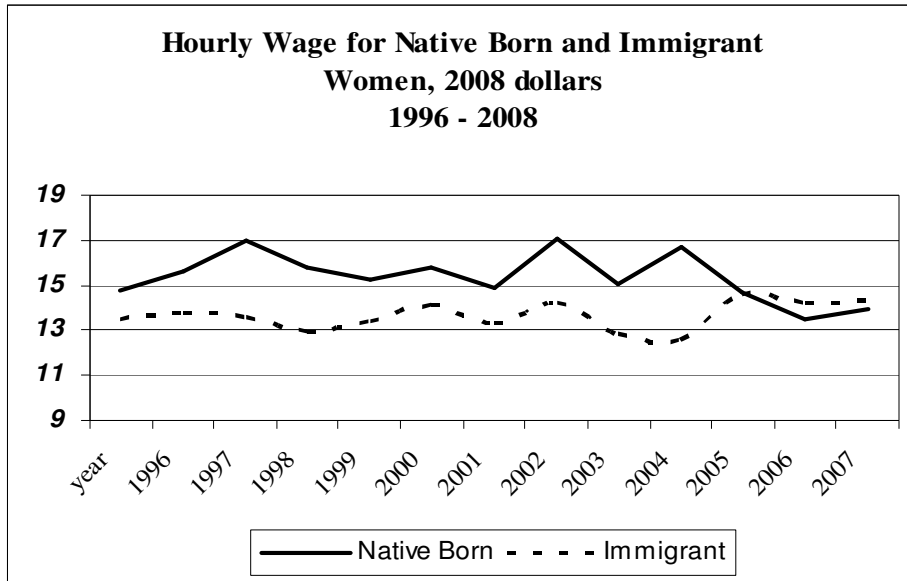


Table 1

Hourly Wage Earnings for Native and Foreign Born Women, 1996 - 2008

	1996 - 1998			2006-2008		
	Native Born	Immigrant	Difference	Native Born	Immigrant	Difference
Hourly Wage in 2008 Dollars	15.77	13.62	2.15	14.00	14.36	-0.36

Note: Hourly earnings have been converted to 2008 dollars by using CPI-U for New York, New Jersey and Long Island.

Table 2

Trends in Union Membership by Nativity, 1996-2008

	Union Membership or Coverage	Employment	Density
1996-1998			
Native Born	64,802	221,764	0.29
Foreign Born	52,997	207,450	0.26
2006-2008			
Native Born	73,737	237,437	0.31
Foreign Born	66,988	243,582	0.28

NOTES

¹ Office of the NYC Comptroller, “New York City Recession Moderates,” *Economic Notes*, July 2009.

² NY State Dept. of Labor, Oct. 2009. These rates are not seasonally adjusted.

³ Dougherty, Conor and Miriam Jordan, “Recession Hits Immigrants Hard,” *Wall Street Journal*, 9/22/2009.

⁴ All estimates from Rosen, Wieler and Pereira, “New York city Immigrants: The 1990s Wave”, *Current Issues in Economics and Finance*, Federal Reserve Bank of New York, June 2005

⁵ See 2005 – 2007 American Community Survey Estimates, U.S. Census Bureau

⁶ See Rosen, Wieler and Pereira, “New York city Immigrants: The 1990s Wave”.

⁷ Though the 1990s experienced overall job growth in New York City, the growth in employment starting in 1996 was much more dramatic than the earlier half of the decade. See Wright and Ellis, “Immigrants, the Native-Born, and the Changing Division of Labor in New York City” in “*New Immigrants in New York*”, Nancy Foner, Editor.

⁸ INS Statistics provided by the New York City Planning Office.

⁹ For a thorough discussion of settlement patterns from 1990 -1996 in New York City for the largest immigrant groups by country of birth See Kraly and Miyares, “Immigration to New York: Policy, Population and Patterns” in “*New Immigrants in New York*”.

¹⁰ Since the term “Native-Born” refers to those born in the U.S. and its territories, a person born in Puerto Rico is considered to be Native-Born Hispanic (NBH).

¹¹ See Wright and Ellis, “Immigrants, the Native-Born, and the Changing Division of Labor in New York City” in “*New Immigrants in New York*”.

¹² The hourly wage does not include overtime, tips and commission (OTTC) and can thus lead to an undercount of the actual hourly earnings. However, earlier studies at the national level find that imputing a wage for these workers by dividing weekly earnings by hours worked result in implausible negative estimates of OTTC (See *State of Working America 2005*, Economic Policy Institute 2005). We found this to be the case for regional level data as well.

¹³ Values of the Pareto imputed means and the STATA code to estimate them generally are available on request from the author.

¹⁴ See Hoffman, “The changing impact of marriage and children on women’s labor force participation”, *Women in the Labor Force*, *Monthly Labor Review*, March 2009.

Figure 1: Foreign Born as Percentage of Total for Queens Women, 1996 – 2008

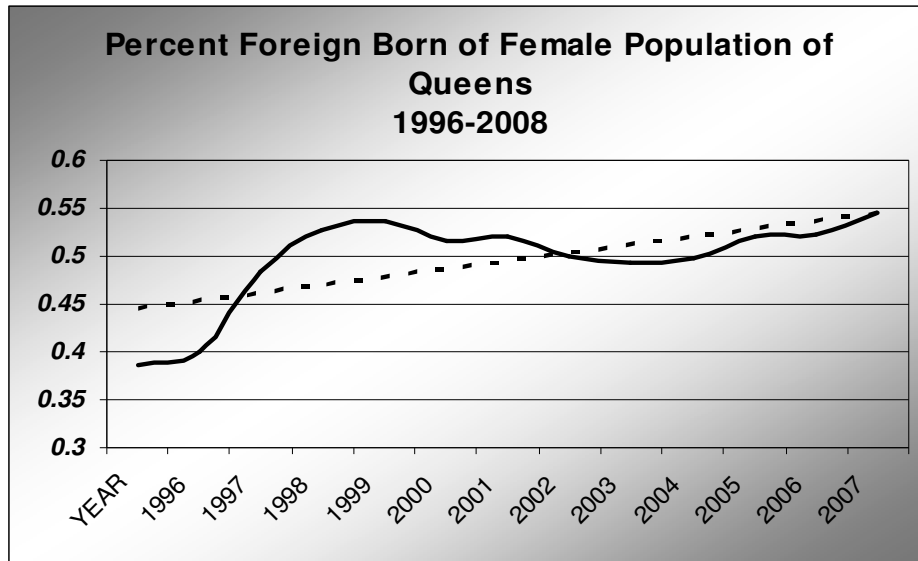


Figure 2: Foreign Born Women by Country of Birth, 1996 – 2008



Figure 3: Foreign Born as Percentage of Total Queens Women, 1996 – 2008

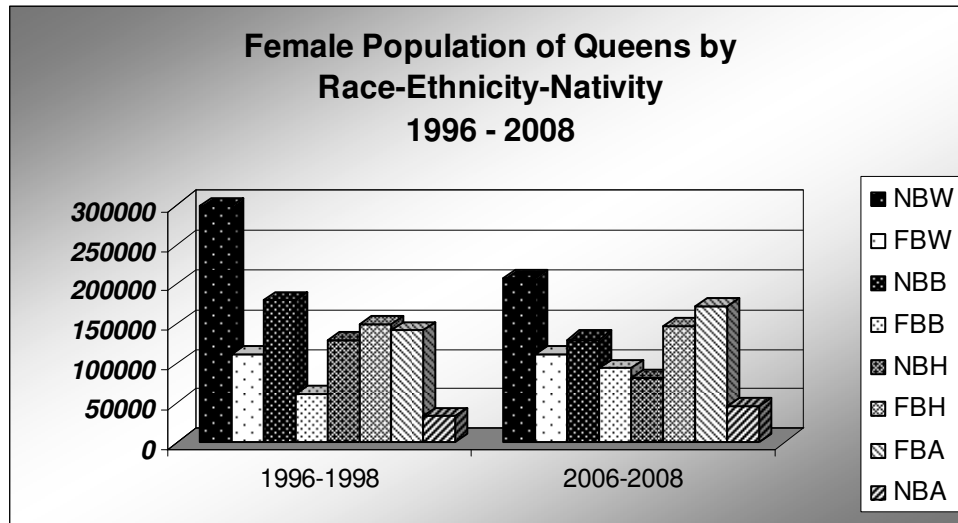


Figure 4: Labor Force Participation Rates by Age and Nativity, 2006 - 2008

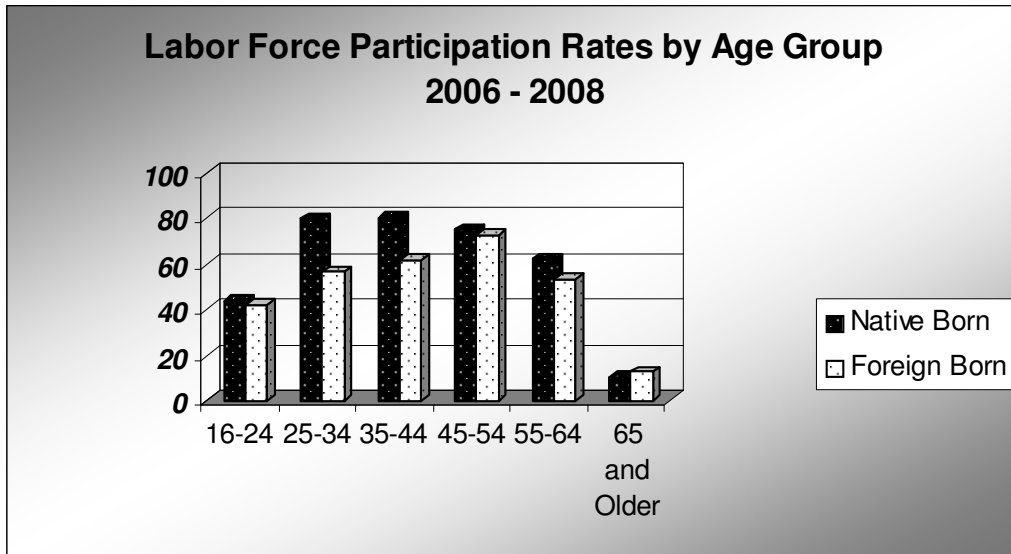


Figure 5: Labor Force Participation Rates by Nativity for Ages 25 - 44, 1996 to 2008

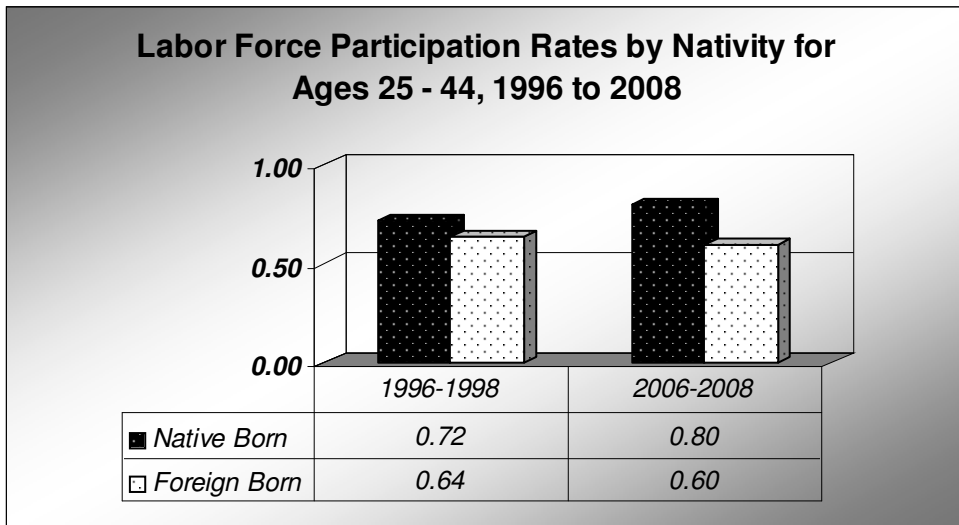


Figure 6: Labor Force Participation Rates by Race, Ethnicity and Nativity, 2006-2008

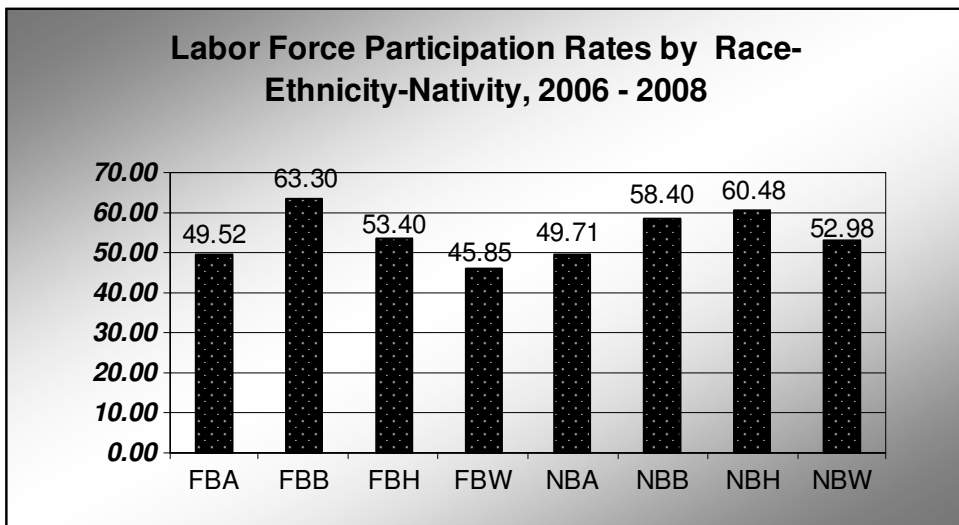


Figure 7: Marital Status by Race, Age and Nativity, 2006-2008

