EXECUTIVE SUMMARY

- Michigan has a lower concentration of foreign-born residents compared to the national average. In Michigan, foreign-born residents comprise 6.4 percent of the state’s total population compared to 13.2 percent nationally.
- The composition of the foreign-born population in Michigan differs from the national average in terms of country of origin. Compared to the national average, Michigan’s foreign-born residents are more likely to be from Asia and Europe and less likely to be from Latin America.
- Nearly one in four foreign-born Michiganders may face barriers to the labor market because of language proficiency. According to their own assessment, 23 percent of foreign-born residents say they speak no English or do not speak English well.
- Michigan’s foreign-born residents are more educated than the statewide average, and they hold a higher share of degrees in important Science, Technology, Engineering, and Math (STEM) fields.
- Unemployment rates for foreign-born residents with higher levels of education are on par with expectations for their education level, but their levels of underemployment may be lower than the average.
- Foreign born residents with lower levels of education see a lower jobless rate than the state average for those with the same level of education, but nonetheless face unique barriers to employment.
INTRODUCTION

Foreign-born residents\(^1\) are a unique asset for the state and its labor market, contributing not only diversity but also important new skills to the workforce and businesses. Although lower than the U.S. concentration (13.2 percent), foreign-born residents of Michigan make up 6.4 percent of the state’s total population (Figure 1).

However, the state’s foreign-born population may face certain barriers related to their move to become New Americans. For example, about one in four foreign-born residents may face employment barriers due to English language proficiency, a problem that is especially pronounced for less-educated foreign-born residents. Beyond language barriers, foreign-born residents may face education and training barriers as well as other common barriers related to transportation and child care.

Overall, barriers are not as common among highly-educated foreign-born residents. They are more likely to hold a STEM-related bachelor’s degree and earn more than the statewide median for the highly-educated. The foreign-born population with at least a bachelor’s degree also has a similar jobless rate and lower underemployment than the state’s average resident. This group compares favorably to the lower-educated foreign-born population, a group that sees lower earnings and more joblessness compared to the state’s residents overall.

![Figure 1. Foreign-Born Percentage of Total Population](image)

DEMOGRAPHICS AND EDUCATION

In the period from 2011-2015, there were an estimated 630,500 foreign-born residents in Michigan, accounting for 6.4 percent of the state’s nearly 10 million residents. This percentage is far lower than the U.S. average of 13.2 percent, and while Michigan’s share of foreign-born residents may be higher than most small states, it is still lower than most other large states such as New York, California, Texas, or Illinois. In fact, of the states with a higher population than Michigan, only Ohio has a lower percentage of foreign-born residents at 4.1 percent (Figure 2).

![Figure 2. Foreign-Born Population as a Percentage of Total Population](image)

\(^1\) For definition, see “About the Data”, page 10.
Michigan’s lower-than-average makeup of foreign-born residents is not a recent trend. While the foreign-born population in Michigan has increased since 1990 (both in numeric terms and as a percentage of total population), the growth in the state’s foreign-born population has been vastly outpaced by the growth in the foreign-born population nationally, translating to a much lower share of Michigan residents that were born in another country (Figure 1). What began as a 0.2 percentage point difference between the U.S. and Michigan in 1970 ballooned to a 6.8 percentage point gap by 2015. The Michigan increase in percentage of foreign-born population also began later than the increase seen in the U.S. The total U.S. percentage of foreign-born population began to increase between the 1970 and 1980 Census, rising from 4.7 to 6.2 percent of total population, while the same figure in Michigan was still sliding downward during that time, dropping from 4.9 to 4.5 percent.

In addition to Michigan’s differences from the U.S. in recent decades in terms of total immigration, the foreign-born residents arriving in the state follow a different distribution from the U.S. average in terms of world region of origin. Foreign-born Michigan residents were most commonly born in Asia, from where nearly half of the state’s foreign-born residents originate (Figure 3). In the U.S., residents born in Asia comprise about 29.7 percent of the total foreign-born population. Michigan’s next most-common region of origin, Europe, is where 22.1 percent of Michigan’s foreign-born originated, about twice that of the U.S. average of 11.5 percent. Just six percent of the foreign-born Michiganders originated from the Northern Americas (principally Canada), and four percent were born in Africa. Those born in Oceania comprised less than half of one percent of Michigan’s foreign-born population. The top five most common countries of origin for foreign-born Michigan residents are: Mexico, India, Iraq, Canada, and China.

The starkest difference between Michigan and the U.S. in terms of world region of origin can be seen in the Latin American population. In Michigan, 18.4 percent of the foreign-born population were born in Latin America. In the U.S., this group was responsible for 51.8 percent of the total foreign-born population. This 34-percentage point difference, along with other observed differences between the U.S. and Michigan distributions, are likely attributable to many factors. One key factor affecting this difference is Michigan’s proximity to (or rather, its distance from) the southern U.S. border, where, for practical reasons, it is more common to find foreign-born persons who were born in Latin American countries.

Differences also appear when comparing foreign-born Michigan residents who arrived in the U.S. before and after 2006. Michigan residents who arrived within the last 10 years are more likely to have been born in Asia than those who arrived more than 10 years ago; two-thirds of recently-arrived foreign-born Michigan residents are from Asia, while less than half of those who arrived more than a decade ago are originally from Asia. Additionally, those who recently immigrated to the U.S. are more likely to be from Africa. Recently-arrived foreign-born residents of Michigan are less likely to have been born in Latin America, Europe, and the Northern Americas, among other regions.

**AGE AND YEAR OF ARRIVAL**

Michigan’s foreign-born population is about the same age on average as its native-born population, with a median age of 42 years for all foreign-born residents versus 39 years for U.S.-born Michigan residents. Michigan’s recently-arrived foreign-born population is younger, however, having a median age of 28 years. This reflects that many foreign-born residents immigrate to the U.S. early in their lives and that many of the recently-arrived Michigan residents may only be residing in the state temporarily to receive an education, lowering the group’s median age significantly.

The clear majority of foreign-born Michigan residents have resided in the U.S. for less than 25 years as about 70 percent of all foreign-born Michiganders arrived after 1990. The remaining 30 percent arrived before the 1990s. Regardless of when they arrived, however, foreign-born residents of Michigan tend to arrive in the U.S. at the same point in their lives –their early-to-mid 20s.
The Michigan International Talent Solutions (MITS) program, administered by the Michigan Office for New Americans (MONA), is a job search training and coaching program designed to support highly skilled immigrants in Michigan seeking to return to their professional field. To qualify for the program, applicants must be able to speak English, and they must be permanently work-authorized (ex. Green card holder, refugee). Visas that do not meet this qualification are largely temporary work-based visas such as the H-1B or J visas, and F-1 student visas. This program is meant to assist new Michigan residents (those who have been in the U.S. for less than five years), who are unemployed or underemployed, have at least a bachelor’s degree, and are working in an occupation with a lower educational requirement than their former profession. For example, many within the highly-educated portion of the refugee population find themselves underemployed because when they arrive in the U.S., refugee resettlement programs typically focus on getting participants into any job as soon as possible. Often this is because of specific program funding requirements, and it can also be due to barriers that some refugees may face when trying to obtain employment within their profession.

The MITS program provides jobseekers with the tools they need to be successful in their job search. Some of these tools include resume revision assistance, mock job interviews, and overall job coaching. Additionally, MITS has recently launched a pilot program that will help jobseekers who meet certain requirements with either additional ESL instruction or with reskilling to update specific industry certifications. MITS also works closely with the Michigan Department of Licensing & Regulatory Affairs regarding occupational licensing for skilled immigrants.

There are 63 participants who are either active in or have completed the MITS program. About two thirds of these participants hold a bachelor’s degree while one third hold a graduate or professional degree. Of the program’s participants, 80 percent live in the Detroit-Warren-Dearborn Metropolitan Statistical Area (MSA).

Another way to observe the program is to examine the applicants who were not approved to participate. There were 67 of these denied individuals, 46 percent of whom held a bachelor’s degree, and 36 percent held a graduate or professional degree. In contrast to participants and completers, individuals who held an associate’s degree were also found in this population, which comprised 12 percent of denied applicants. The most frequent reasons for those who did not participate in the program was non-responsiveness followed by those who have resided in the U.S. too long to qualify for the program, and those who did not possess the appropriate type of visa.

About half of the program’s participants came to the U.S. as immigrants, while 20 percent came as refugees, 11 percent as asylum-seekers, and others on either special immigrant visas or types of temporary visas. Most participants came to the U.S. from countries in Asia, comprising 68 percent of the program population. About 13 percent of participants were from Africa, 10 percent from Europe, and 8 percent from Latin America.

Nearly 90 percent of MITS participants were originally employed in either Professional or Healthcare occupations prior to residing in the U.S. Of these, Architecture and engineering, Computer and mathematical, and Accounting were the most frequently-found major occupations among participants. This set of occupations were even more common among those who were unable to participate in the MITS program. Nearly 95 percent of this group was previously employed in either Professional or Healthcare occupations. The difficulties faced by this group resulting in their underemployment may have included obtaining a license to practice their profession, language-related difficulties such as vocational vocabulary, or other factors that generally stem from starting a new life away in a new country.
LANGUAGE SPOKEN AT HOME, ENGLISH PROFICIENCY

According to their own assessment, three-quarters of foreign-born Michigan residents speak English either well or very well. Six percent don’t speak English at all and 17 percent say they don’t speak English well, together a serious barrier to entry to the labor market for 23 percent of Michigan’s foreign-born residents. In addition to labor market barriers posed by limited English proficiency alone, this population is also less likely to be highly-educated than those who speak English very well. The combination of low education and limited English proficiency could result in difficulties finding good jobs. The most common non-English languages spoken at home among the foreign-born population are Spanish (19.7 percent of those who do not speak English at home), Arabic (16.7 percent), Chinese (5.8 percent), Syriac (3.6 percent), and Albanian (3.0 percent).

CITIZENSHIP STATUS

Roughly half of Michigan’s 630,500 foreign-born residents have become naturalized U.S. citizens. This number is much higher for those who arrived in the U.S. more than 10 years ago as two-thirds of these 163,200 persons are naturalized citizens. While just 12.3 percent of Michigan’s foreign-born residents who arrived less than a decade ago have become naturalized citizens, it is important to mention two large factors affecting that share of the population. First, to qualify to become a naturalized citizen, you must first have been a permanent U.S. resident for between three and five years, depending on various conditions. Second, many foreign-born Michigan residents who arrived less than 10 years ago may be residing in the state temporarily for either education or work. These two factors help to account for the vast divide in the proportion of Michigan’s foreign-born who have achieved the status of naturalized U.S. citizen.

EDUCATIONAL ATTAINMENT AND SCHOOL ENROLLMENT

The distribution of educational attainment among Michigan’s foreign-born residents is concentrated in two categories—very high and very low levels of education (Figure 4). First, a higher proportion of the state’s foreign-born residents, on average, hold a bachelor’s degree or higher than the state’s overall population. Of those 25 years of age or older, 34.2 percent hold at least a bachelor's degree, a significantly higher rate of attainment than the Michigan average of 26.9 percent. Additionally, foreign-born residents are more likely to have attained a graduate or professional degree, holding these degrees at a rate of 16.5 percent versus 10.5 percent for the state.

Among foreign-born residents in Michigan with a bachelor’s degree, there is a high likelihood of being educated in a Science, Technology, Engineering, and Math (STEM) field. Nearly two-thirds of the highly-educated foreign-born have a STEM-related degree, with an even higher percentage among these held by those who arrived in the U.S. after 2006 (67.1 percent among the recently-arrived persons versus 61.8 percent among those who arrived prior to 2006). For non-foreign-born Michigan residents, about 40 percent of those with a bachelor’s degree received it in a STEM field, more than 20 percentage points below the foreign-born population.

In Michigan, foreign-born residents with a bachelor’s degree most frequently completed their studies in engineering, with just over one third of this population holding a degree in the field. The second-most-common degree field of baccalaureate study was health, for which about 15 percent of highly-educated foreign-born have a degree. Life, physical, and social sciences were the next most common three fields of study, together comprising about one in four of the highly-educated foreign-born Michigan residents.

Foreign-born Michigan residents are also more frequently actively pursuing education than the population as a whole. To examine these differences, subsets of these populations between the ages of 18 and 24 are used to focus on college-age individuals. Among the total Michigan population, 45.5 percent of those in the prime college age are currently enrolled in school. Among the foreign-born population of the same age, 60.8 percent are currently enrolled in school, a difference of just
over 15 percentage points. A potential explanation for this difference is that many foreign-born residents in the 18-24 age range may emigrate from their country of origin specifically for education, raising the overall likelihood of this age group’s enrollment in school.

However, despite having a higher proportion of individuals holding at least a bachelor’s degree, as well as being enrolled in school at a higher rate, very low levels of education are the second-most common educational standing among Michigan’s foreign-born population. Only 10.4 percent of Michigan’s total population over the age of 25 holds less than a high school diploma, but 27.5 percent of Michigan’s foreign-born residents have not completed a high school education. This low level of educational attainment could reflect the migration of low-skilled workers seeking higher wages, confirming one frequent theme in the decision to immigrate to the U.S.

When viewing jobless rates by educational attainment, however, a more nuanced picture appears (Figure 5). The foreign-born population that had less than a bachelor’s degree fared better than their counterparts during this period; their jobless rates ranged from 0.6 to 7.5 percentage points lower than the statewide average, depending on individuals’ level of education. This difference is particularly notable because this less-educated population is often at a higher risk of unemployment during tough economic times (the tail end of such a period is captured by the 2011-2015 survey period). Since the less-educated foreign-born population had a lower instance of joblessness, particularly at the very-low levels of education, there may be structural differences between the two populations. Two examples of such structural differences between populations may include a willingness to accept lower wages for their labor and a higher willingness to move to find work.

Adding to the nuance, the population of foreign-born Michigan residents with at least a bachelor’s degree had a slightly higher jobless rate, measuring 4.5 percent versus the Michigan average of 3.9 percent for this group. These rates, however, are more alike than the jobless rates recorded among the less-educated individuals in the labor market, nearing the point where there may be very little actual difference between the two populations. With this small degree of variation, the sort of structural difference between total and foreign-born populations observed among less-educated persons does not appear to be present in the highly-educated populations.

**EMPLOYMENT BY OCCUPATION**

In general, the state’s foreign-born residents see an occupational employment distribution similar to the statewide average, but with a few notable exceptions. First, foreign-born residents are more likely to be employed in a Professional occupation than the statewide average (34.8 percent of foreign-born Michiganders work in this area versus 28.7 percent overall). Within Professional occupations, foreign-born residents are about twice as likely to be found in Computer and Mathematical and Architecture and Engineering occupations than the statewide average. Next, foreign-born residents are more frequently found in Healthcare Practitioners and Technical occupations and in Production occupations.

There are many occupations in which the foreign-born population is less concentrated. Foreign-born Michiganders are less likely to be employed in Office and Administrative Support, Construction and Repair, Service, and Sales and Related occupations. These differences are especially pronounced when
comparing foreign-born residents who arrived earlier than 2006. While 13.3 percent of all employed Michiganders work in an Office and Administrative Support position, only about half as many work in this set of occupations among long-time foreign-born population. A similar difference is seen for Service occupations, where 18.2 percent of all employed Michigan residents work versus 14.6 percent of employed foreign-born residents who arrived prior to 2006.

Additionally, important differences are apparent when comparing the foreign-born population who arrived before and after 2006. Those who arrived more recently are twice as likely to work in a Computer and Mathematical occupation, with about 8 percent of the more-recently arrived working in the field versus only 4 percent of the employed long-time residents. Those who arrived after 2006 are also more likely to be found in an Architecture and Engineering occupation. These occupations comprise 7.6 percent of occupational employment among those who arrived after 2006, while they make up 5.6 percent of the occupational employment for residents who arrived prior to 2006. One other notable trend is that foreign-born residents who arrived more recently are employed more often in Farming, Fishing, and Forestry occupations than those who arrived before 2006, and are employed 4.5 times as often in the occupational group than the Michigan average for all residents. The more-recently arrived Michiganders are less likely to work in the Healthcare field and Management occupations than those who arrived more than ten years ago. They are also less frequently employed in Construction than long-time residents.

While differences between the recently-arrived and long-time foreign-born residents such as these can seem relatively straightforward, they point to an interesting trend in the skills that Michigan’s foreign-born workforce brings to the labor market. Where Healthcare was once the most prevalent route to success, computer- and engineering-related occupations seem to be taking their place. Healthcare occupations, once seen about 1.5 times as often as the employed statewide population, are now only equally common among the more-recently arrived foreign-born versus all persons employed statewide. Employment in occupations that involve mathematics and computers is now more common among the inbound population; it is possible that they are now viewed as the preferred route to labor market success among foreign-born Michiganders.

**ANNUAL EARNINGS**

Michigan’s foreign-born population with earnings earned a median wage of $30,000 during 2011-2015, just 3.4 percent higher the total Michigan median wage of $29,000. This higher wage is mostly attributable to the fact that foreign-born Michiganders over the age of 25 and with at least a bachelor’s degree had a median wage that was 11.7 percent higher than the Michigan average for those with the same level of education (Figure 6). The foreign-born population with either a high school diploma or equivalent (-7.8 percent) or some college or an associate’s degree (-11.8 percent) earned less on average than the median for the respective group over the whole Michigan population. Earnings for those holding less than a high school diploma were roughly equal for the foreign-born and all Michiganders.

**UNDEREMPLOYMENT**

In addition to unemployment, another portion of labor market slack is represented by “underemployment.” For example, foreign-born residents who hold at least a bachelor’s degree but are employed in a job that requires less than a bachelor’s degree may be considered underemployed because their skills, knowledge, and abilities are not being fully utilized in the labor market.

One in four foreign-born Michiganders, amounting to 25.3 percent, are underemployed by this measure, having excess skills for their current job. This figure is slightly higher than average for those who arrived in the U.S. earlier than 2006, measuring 26.2 percent, and slightly lower for those who arrived after 2006, standing at 22.7 percent. While not insignificant, the percentage of underemployed foreign-born workers is lower than the Michigan average, which stands at 31.2 percent.
The most common scenario for foreign-born underemployment is to have a bachelor’s degree and work in a job that requires only a high school diploma. Half of the underemployed are found in Sales, Office and Administrative, or Production occupations. Those with a bachelor’s degree are underemployed far more frequently than those with a graduate or professional degree. About 38 percent of foreign-born residents with a bachelor’s degree are underemployed, while only 14 percent of those with a graduate or professional degree are underemployed. These figures are nearly equal to the Michigan average, with 41 percent of those holding a bachelor’s degree are underemployed while 14 percent of those with a graduate or professional degree are employed in an occupation that requires less than a bachelor’s degree.

CONCLUSION

While Michigan’s foreign-born population has grown both numerically and as a share of total residents between 1970 and 2015, it has not kept pace with growth seen nationally. During that span, the gap between the U.S. and Michigan in terms of foreign-born share of total population widened from practically zero to 6.8 percentage points.

Even though Michigan’s 6.4 percent share of total population being foreign-born is significantly below the U.S. average, its impact on the Michigan economy is important. This groups still accounts for a notable 630,000 residents, and registers a larger share of overall population than most of its neighboring states. Additionally, over 350,000 of Michigan’s total workforce was estimated to be foreign-born in 2015, and jobless rates for these persons were roughly at or below the statewide average across major educational attainment categories.

Regardless of when they immigrated to Michigan, foreign-born workers were also less likely to be underemployed, as measured by bachelor’s degree holders employed in occupations requiring less education than the state’s overall workforce. They are also more likely to have jobs in STEM- and healthcare-related occupations than the statewide average. Notably, these are occupations that are expected to experience well-above average job growth in coming years, suggesting a potentially important source of labor supply for expanding businesses that are faced with difficulties in finding skilled workers for such jobs.

While labor market outcomes for foreign-born residents appear to be generally positive, these individuals still face barriers to employment. Roughly one quarter of foreign-born residents in Michigan say they either don’t speak English at all or don’t speak it well, and many of those who are limited by their English language proficiency are less likely to be highly-educated, further constraining their employment prospects. And even though underemployment among the foreign-born is lower than the overall statewide average, it still suggests that a notable portion of these workers are employed in a job that does not fully utilize their skills.

Programs such as Michigan International Talent Solutions (MITS) provide job search training and coaching support for highly-skilled immigrants in Michigan and aim to remove some of these barriers. Programs like these can help by improving employment outcomes for the state’s foreign-born population and by helping to address labor supply issues faced by Michigan businesses. Because some key characteristics of the state’s foreign-born-population differentiate it from the U.S. overall and other states with large such populations – such as having a much higher ratio of Asian-born immigrants and a much lower share of individuals from Latin America, for instance – programs designed to assist Michigan’s foreign-born may potentially need to utilize different approaches than those used by other states or the U.S.

ABOUT THE DATA

According to the U.S. Census Bureau, foreign-born refers to people who are not U.S. citizens at birth, including naturalized U.S. citizens, lawful permanent residents (immigrants), temporary migrants (such as foreign students), humanitarian migrants (such as refugees and asylees), and persons illegally present in the U.S. This does not include persons who are born abroad or at sea who having at least one parent as a U.S. citizen.

Information presented in this report was created using the 2011-2015 5-year American Community Survey (ACS) Public Use Microdata Sample (PUMS) file from the U.S. Census Bureau. The ACS PUMS file is a set of data containing a sample of person- and household-level survey responses used to create tabulations of data that are not otherwise available through published ACS tables. Because information presented in this report was created using the ACS PUMS file, data that can also be found in this report that are also available through published Census tables may differ slightly from the published figures.
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