Equal Work, Unequal Pay?
Analyzing the Immigrant-Native Wage Gap in the U.S.
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Immigrants in the Labor Force
The share of immigrants in the labor force is increasing. Are they paid equally?

1970 2015
5% 17%

Immigrant + Naturalized citizen = US population
Noncitizen + Native

Evidence of the Gap

For each 1 dollar earned by a US citizen, a naturalized citizen earned 96 cents, and a noncitizen earned 74 cents in 2015.

Data Analysis
- IPUMS-USA in U.S. Census American Community Survey, a 1-in-100 national random sample of the population, containing at least 100,000 persons.
- Data for 1990, 2000, 2005, 2010 and 2015 to generate variables of wage, citizen status, sex, age, education, years in the U.S., country of origin, industries and race.

Immigration Policy Timeline
During the same time period, federal immigration laws have changed how immigrants can participate in the workforce.

- Immigration Reform and Control Act: Made it illegal for employers to hire or recruit workers without proper work authorization
- Immigration Act: Limited the annual number of immigrants, emphasized family reunification and employment-related immigration
- Secure Fence Act: Implemented border security measures; Congress failed to continue to fund the project in 2012
- Executive Order 13769: Lowered the number of refugees to be admitted, and suspended the entry of people from certain countries

These policies establish formal preferences for different types of immigrants by country, family status, type of work, and other characteristics, suggesting the possibility for an immigrant-native wage gap.

Future Research
More research is needed in three areas to provide better understanding of the causes of the wage gap.
1. Whether the application fee and time spent for a work visa may be a reason for wage gap
2. Whether discrimination on races, accents, languages, and cultural background may contribute to the wage gap
3. Investigate the effect of the wage gap on the economy and further understand the role of noncitizen workers in the US labor market