

Macro Roundup Article

Headline: [Immigration and U.S. Labor Market Tightness: Is There a Link?](#)

Article Link: <https://www.stlouisfed.org/on-the-economy/2023/jun/immigration-labor-market-tightness-is-there-link>

Author(s)	Hannah Rubinton and Maggie Isaacson
Publication	Federal Reserve Bank of St. Louis
Publication Date	June 29, 2023

Tweet: [. @hannahrubinton @stlouisfed found only limited support for the hypothesis that the recent labor market tightness was driven by the shortfall in immigration.](#)

Summary: The U.S. was missing an average of about 1.39 million foreign workers in 2021 relative to the expected level based on the pre-pandemic trend. The number of foreign workers has recovered in 2023. The percentage point change in vacancy rates between 2019 and 2021 versus the number of missing workers as a share of employment for industries and states. In neither case is there a statistically significant relationship between the change in vacancy rates and the number of missing workers. (Though the line of best fit is upward sloping for the industries case, it is not statistically significant, meaning that, on average, the industries with more missing workers did not see larger increases in the vacancy rate.) Related: Immigration Playing a Key Role in the Labor Market and The Role of Immigration in U.S. Labor Market Tightness

Primary Topic: Immigration

Topics: Government/NGO, Immigration, Wages/Income, Workforce

Permalink: <https://www.edwardconard.com/macro-roundup/hannahrubinton-stlouisfed-found-only-limited-support-for-the-hypothesis-that-the-recent-labor-market-tightness-was-driven-by-the-shortfall-in-immigration?view=detail>

Featured Image

Link: <https://www.edwardconard.com/wp-content/uploads/2023/06/Immigration-Full-Circle-.png>