

Macro Roundup Article

Headline: [The Role of Immigration in U.S. Labor Market Tightness](#)

Article Link: <https://www.frbsf.org/economic-research/publications/economic-letter/2023/february/role-of-immigration-in-us-labor-market-tightness/>

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Tweet: A strong rebound in immigration in 2022 helped offset tight U.S. labor markets, contributing to a 6-percentage point reduction in the ratio of job vacancies to unemployed workers. @sffed

Summary: Immigration flows into the United States slowed significantly following immigration policy changes from 2017 to 2020 and the onset of the COVID-19 pandemic. Analysis of state-level data shows that this migration slowdown tightened local labor markets modestly, raising the ratio of job vacancies to unemployed workers (V-U) 5.5 percentage points between 2017 and 2021. More recent data show immigration has rebounded strongly, helping to close the shortfall in foreign-born labor and ease tight labor markets. Data for 2022 show a strong rebound in immigration that has helped offset tight U.S. labor markets by contributing a 6-percentage point reduction in the V-U ratio.

Primary Topic: Immigration

Topics: Database, Factoid, Government/NGO, Immigration, Weekly

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