

## Industries with critical labor shortages added 1.1 million workers through immigration parole

Humanitarian parole likely accounted for about a third of the reduction in labor shortages

More houses were built, supply chains were reestablished, and the tourist industry was able to keep up with demand in 2023 largely because of the **estimated 1.1 million individuals who have entered the U.S. with immigration parole since the start of the Biden administration, and are now working in industries with labor shortages,** according to estimates from FWD.us. With labor demand at all-time highs coming out of the COVID-19 pandemic, paroled immigrants have made a sizable difference toward closing labor gaps. And, with still two open positions for every unemployed person in the U.S., these individuals are meeting an economic need that will likely persist for years.

## INDIVIDUALS GRANTED PAROLE CONTRIBUTING TO INDUSTRIES WITH WORKER SHORTAGES

Estimated number of paroled immigrant adults 2021 to 2023, by likely industry of employment

Industries with recent labor shortages	Estimated number of workers granted parole 2021-2023
Construction	250,000
Transportation, warehousing, utilities	170,000
Accommodation and food services	150,000
Professional and business services	120,000
Manufacturing	120,000
Retail trade	110,000
Healthcare and social assistance	70,000
Other services	50,000
Other industries with worker shortages	60,000
TOTAL	1,100,000

By the end of 2023, paroled immigrants had contributed, on the aggregate, to a third of the decrease in total job openings for shorthanded industries since their peak in early 2022. Although a direct link between the filling of job vacancies by paroled adults and more tempered inflation rates cannot be made, it is likely that newly arrived individuals helped to <u>ease inflation</u> through workforce expansion in these industries challenged by labor shortages.

Immigration parole authorizes government officials to allow individuals to temporarily enter and remain in the U.S. Some paroled immigrants are eligible to apply for work authorization. Immigration parole is a timely, legal immigration tool that has let the U.S. extend urgent humanitarian relief to individuals fleeing some of the world's most dangerous situations Examples of parole policies used by the Biden administration include Operation Allies Welcome for Afghans, Uniting for Ukraine, the Cuba-Haiti-Nicaragua-Venezuela (CHNV) policy, and the CBP One app process at the southern border.

Parole provides relief to people seeking safety while also benefiting the U.S., as these new arrivals bring an array of talents and skills. Thousands of carpenters, medical workers, and manufacturing workers, among many other skilled individuals, have been admitted into the U.S. through immigration parole in recent months. With work authorizations available through immigration parole, they can contribute those skills to U.S. communities.

Humanitarian parole has proven very successful for paroled individuals and the U.S. alike. **Congress** should not limit the parole powers of the executive branch that have existed in law for decades. The administration should also not abandon its successful efforts to expand legal pathways and alleviate pressure at the border. Doing so would only create more disorder and chaos.

## Methodology

Population totals for paroled groups were drawn from various sources, all as of September 30, 2023. The total Afghanistan paroled population is from the <u>Department of Homeland Security</u>, and distributed into age and gender categories as listed in this <u>news article</u>. The total Ukrainian-paroled population is drawn from this <u>news article</u>, with age and gender categories for Ukraine drawn from the distribution of similar refugees in Europe drawn from <u>United Nations High Commissioner for Refugees</u> data. Populations for CHNV and CBP One app processes are drawn from <u>this Customs and Border Protection (CBP) report</u>. The total population paroled via the U.S. southwestern border is based on <u>Title 8 entry data</u> from CBP for ports of entry and between ports of entry by nationality for calendar years 2021 and 2022. Publicly available <u>micro-level data</u> from CBP and U.S. Border Patrol for fiscal 2021 permitted a breakdown of parole and release rates by nationality and demographic group for all Title 8 encounters.

Labor force participation rates in selected industries with labor shortages were drawn from immigrants who entered the U.S. between 2017 and 2021, according to the 2021 American Community Survey. These rates were calculated for each nationality and gender group of adults to estimate the total adult population that is likely working in industries with labor shortages. The estimates operate under the assumption that newly arrived paroled immigrants will work at the same rate and in the same industries as co-nationals entering in recent years.

Industries with labor shortages are drawn from the <u>Bureau of Labor Statistics</u> and reflect industry-level estimates for March 2022 with a 5% or higher job openings rate. March 2022 was the peak month of total job openings in the U.S. The comparative time frame is about a year and a half later, in October 2023, and was the lowest level of job openings since the 2022 peak.