

Hiring foreign nurses does not hurt US nursing jobs, study shows

December 4 2020, by Marianne Stein



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An aging U.S. population is rapidly increasing the demand for nursing care. The number of U.S. citizens aged 65 and over is expected to almost double from 43.1 million in 2012 to 87.5 million by 2050, while the workforce is shrinking. The COVID-19 pandemic has further exacerbated the need for health care professionals.

One strategy to meet rising health care needs is to hire foreign nurses to

fill the gaps. The availability of immigrant visas for nurses has fluctuated considerably over the years with different policy approaches. Opponents of immigration have asserted that the influx of foreign nurses has resulted in unemployment and lower wages for domestic nurses. However, a new study from the University of Illinois found no such displacement effects.

"Our findings show relying on foreign-educated registered nurses to balance demand and supply in the U.S. healthcare workforce does not hurt the employment of U.S.-educated nurses," says Hyeran Chung, a doctoral student in the Department of Agricultural and Consumer Economics (ACE) at U of I and the lead author on the paper.

Chung and co-author Mary Arends-Kuenning, associate professor in ACE, analyzed data from the U.S. Census and the American Community Survey from 1980-2015. Their research measures the inflow of foreign-educated registered nurses per 1,000 people in commuting zones across the U.S.

Some studies have found foreign nurses displaced U.S. nurses, but Arends-Kuenning and Chung questioned those findings and wanted to do a deeper dive into the complex factors that influence the nursing labor market.

Their research differs in important ways from previous studies by other scientists. One major difference is their definition of foreign nurses as those who are foreign-educated rather than foreign-born.

"It really matters whether you're looking at nurses who were born in the United States versus nurses who were trained here. We believe the real issue is the foreign-educated nurses; it's bringing nurses from abroad to work in hospitals," Arends-Kuenning explains. "The difference between our results and those of previous studies is primarily driven by the use of

foreign-educated instead of foreign-born nurses."

A foreign-born nurse could have come to the U.S. as a child and obtained their education in this country, she notes. To adjust for this, the researchers assumed that a foreign-born registered nurse was educated in the U.S. if the nurse was younger than 25 when first arriving to live in the U.S.

Another distinct feature is that the research covers a large geographical area, including every commuting zone in the U.S. where registered nurses are employed.

"Many previous studies have used metropolitan statistical areas, which does make sense because many of the immigrant nurses settle down in bigger cities. But we wanted to include rural America, where the health care issues often have been severe," Chung says.

To further amplify the validity of their results, the researchers used several multiple variable techniques in their analyses, allowing them to capture separately the short- and long-term effects of foreign-educated nurses on the labor outcomes of native nurses. This also helped them take into account possible unobserved characteristics that might be affecting both immigration and other general hiring.

The researchers found no significant effect of foreign-educated nurses on the employment of native nurses in either the short or the long term. They found marginally significant displacement effects on the youngest native nurses in the long run, whereas highly educated natives were positively affected by the foreign-educated nurses in the short run.

They suggest these positive effects may be due to the higher skill level of immigrant nurses. To obtain a work visa, a foreign [nurse](#) must have at least a bachelor's degree and two years of work experience. Arends-

Kuenning says, "Hospitals might find that foreign-educated nurses are more productive when they work with highly educated native nurses, so they hire accordingly."

The researchers found that ten countries account for the majority of immigrant nurses. The largest group is from the Philippines, followed by India and Canada. The foreign nurses are more likely to be older and male. They are also more likely to earn more than their domestic counterparts, possibly because of their higher education level.

Overall, the study found no displacement effects of bringing in foreign-educated nurses. Hiring foreign-educated nurses does not lower U.S.-educated nurses' wages, either. Those findings have policy implications, Chung says.

"With an aging population and increasing health care needs, hiring foreign nurses might be a viable way to meet the high demand for nursing care," she concludes.

More information: Hyeran Chung et al, Do foreign-educated nurses displace native-educated nurses?, *IZA Journal of Labor Policy* (2020). DOI: [10.2478/izajolp-2020-0014](https://doi.org/10.2478/izajolp-2020-0014)

Provided by University of Illinois at Urbana-Champaign

Citation: Hiring foreign nurses does not hurt US nursing jobs, study shows (2020, December 4) retrieved 12 May 2024 from <https://phys.org/news/2020-12-hiring-foreign-nurses-nursing-jobs.html>

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