BUILDING MAINE’S ECONOMY
How Maine Can Embrace Immigrants and Strengthen the Workforce

By Carla Dickstein, John Dorrer, Elizabeth Love and Tae Chong
About CEI

Coastal Enterprises, Inc. (CEI) is a mission-driven lender and investor specializing in rural economic development in Maine and throughout the U.S. CEI combines financing, advising services and policy leadership to help create economically and environmentally healthy communities in which all people, especially those with low incomes, can reach their full potential. Find out more at ceimaine.org.

As part of its advising services, CEI provides business and technical support, and acts as a labor intermediary to help low-income job seekers access employment. The organization also undertakes research and policy development to expand impact. This paper on immigrant integration in the workforce is one of a number of studies conducted based on CEI’s work as an economic development practitioner.

CEI’s StartSmartProgram, which began in 1997, provides business assistance and financing to immigrants. More recently in 2014, CEI has coordinated the Portland Jobs Alliance, a City of Portland Community Development Block Grant and John T. Gorman Foundation-funded partnership of service providers who are working to prepare 200 immigrants and other low to moderate-income job seekers for employment in growing Portland businesses over a two-year period.

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The findings and recommendations in this report are the views of the authors, and do not necessarily reflect the views of the Emanuel and Pauline A Lerner Foundation or the Broad Reach Fund.

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MAINE FACES EXTRAORDINARY DEMANDS to replace an aging and retiring workforce. At 4.0% unemployment in December 2015 (and 2.6% in Greater Portland), Maine is already at “full employment” making it increasingly difficult for employers to find and recruit qualified workers. New immigrants (foreign-born residents) from across the globe represent a growing and younger segment of Maine’s population and a critical source of talent and labor needed to replace Maine’s retiring workforce. They will also grow Maine’s economy through tax-base expansion, increased demand for goods, and business creation.

In 2014, Maine’s 47,000 immigrants (over 3% of the population) lived in all parts of the state. Of those who have arrived since 2010, almost two-thirds are from Asia (34%) and Africa (31%). In 2013, Portland had the largest concentration of immigrants—approximately 10,000 or nearly 15% of the population representing over 80 nationalities. The increase in the immigrant population since 2000 led to 3% growth for the city overall, while the native-born population decreased over the same period.

Recent immigrants, especially in the Portland region, are young and well educated. In addition, they are likely to pursue higher education and/or launch their own businesses. Despite their high education levels, however, immigrants in Portland are significantly more likely to be unemployed and live in poverty than native-born residents. With a concerted effort, Maine can meet the rapidly growing demand for labor in the state by tapping this underutilized resource, and thereby strengthen the economic future for all Mainers.

The purpose of this study is to understand how Maine can leverage the valuable human capital that immigrants bring to Maine. Immigrants are one of a number of groups of unemployed or underemployed Mainers who could contribute more to their communities if given an opportunity to work at their full potential. The study first reviews Maine’s demographic and labor trends, as well as the characteristics of Maine’s immigrant population.

EXECUTIVE SUMMARY

Maine can meet the rapidly growing demand for labor in the state by tapping this underutilized resource, and strengthen the economic future for all Mainers.
Through interviews and focus groups with immigrant job seekers, students, and labor intermediaries, the study identifies the following key employment barriers that immigrants must overcome to fully integrate into the workforce:

- Limited English skills or strong accent
- The U.S.-specific and technological, job application process
- Lack of prior U.S. work experience
- Credential recognition and recertification challenges
- Lack of transportation
- Difficulty transitioning from temporary to full-time work
- Higher-education financial challenges
- Racism and discrimination

While intermediaries in Maine are addressing some of these barriers, it is clear that programs of any scale will need additional resources and a cross-sector commitment to immigrant integration. A streamlined system of labor intermediaries, service providers, government agencies, and employers would improve employment outcomes and create a strong talent pipeline to replace retiring workers and help sustain Maine's economy.

The urgency of Maine’s demographics and tightening labor market require immediate action to proactively attract, support, and retain immigrants. Based on the experience both in Maine and in selected states and countries, the study recommends the following road map to develop a statewide economic-integration strategy for immigrants:

- **Develop a comprehensive strategic plan to proactively attract and retain immigrants by integrating them into Maine’s labor force and economy**
  
  The plan requires involvement of public, private, and nonprofit partners. One model that several regions across the country have used is to create an Office of New Americans to advocate for immigrants and coordinate services. Positioning the office within the Department of Labor would elevate immigrant attraction, integration, and retention as important components of Maine’s economic development strategy.

- **Raise awareness and commitment of private, public, and nonprofit employers**
  
  Key decision makers in Maine’s business, public, and nonprofit sectors need to recognize the gravity of current and projected labor shortages for Maine and elevate the potential of immigrants as part of the solution. Employers have tended to focus on addressing skill gaps rather than increasing the overall supply of labor. More outreach and education are needed to support and engage the private sector, and to incentivize employers to fund workforce integration services.

- **Engage the philanthropic sector**
  
  Maine’s philanthropic sector can play a unique and compelling role in developing a comprehensive plan. Their convening power along with their grant making capacity can accelerate action on immigrant integration and ensure that there is broad representation around the policy table regarding integration and labor force issues. Engaging their boards in these conversations can also help elevate the conversation among influential Mainers with a demonstrated commitment to Maine’s economic future.

- **Develop the labor-supply chain with upstream interventions that prepare young and new immigrants to enter the work force**
Maine’s demographic projections and labor force shortages are long-term challenges that require a strategy to develop Maine’s human capital over the long run. This includes making sure that immigrant children receive the training and skills to become productive workers and/or successful entrepreneurs. It also suggests that immigrant adults can play an instrumental role in the labor force, if given the skills and the information to secure employment opportunities.
INTRODUCTION

MAINE’S ECONOMIC FUTURE WILL DEPEND on its human capital—the sum of knowledge, skills, and ingenuity of the people who live here. An examination of current economic and demographic trends, however, suggests that Maine is in a precarious place and is confronting fundamental challenges to keep the its economy moving forward.

Although Maine’s demographic trends have been extensively publicized, the economic implications of these trends are not as well understood. A rapidly aging population combined with slow population growth means that Maine faces extraordinary demands to replace an aging and retiring workforce. Furthermore, the data also suggest that Maine’s prospects for economic growth will be severely constrained if it is unable to produce the number of workers with the right skills for the dynamic labor market that characterizes modern economies.

New immigrants represent a critical source of the talent, entrepreneurship, and labor needed to replace Maine’s retiring workforce. Because immigrants tend to have higher birth rates than native-born residents, they can be a dynamic component of the state’s labor force well into the future. From 1970-2013, not a single U.S. metro area grew without an increase in its immigrant population. Immigrants can also grow Maine’s economy through tax-base expansion, increased demand for goods, and business creation. Immigrants are more than twice as likely to start a business than their native-born counterparts. In 2011, immigrants started 28% of all new businesses despite accounting for only 13% of the total U.S. population. Immigrant attraction, integration, and retention are thus essential to Maine’s future economic prosperity.

As of 2014, 47,000 immigrants (over 3% of the population) lived in all parts of the state. Of those who have arrived since 2010, almost two-thirds are from Asia (34%) and Africa (31%). The rest have come from Latin, Northern America, Europe, and Oceania. In 2013, Portland had the largest concentration of immigrants—nearly 10,000 or 15% of the population representing 80 nationalities. The increase in the immigrant

population since 2000 led to 3% growth for the city overall, while the native-born population decreased over the same period.7

In the 1970s and 1980s, most immigrants to Portland came from Southeast Asia, Eastern Europe, Cuba, and the former Soviet Union.8 Maine’s 442 refugees who arrived in 2015 came from Iraq, Somalia, Congo, Afghanistan, Eritrea, and Iran.9

Largely due to a growing immigrant population, parts of Maine are already more diverse. Currently, approximately 42% of Portland’s and 40% of Lewiston’s public school students identify as non-Caucasian,10 as are nearly half of both cities’ children under age five.11 These statistics mirror national trends.12 In the next four years, the white population in the U.S. will begin to plateau while the multicultural population will continue to grow and surpass the white population in the early 2040s.13

A diverse population that includes immigrants as well as communities of color presents a valuable opportunity for Maine’s future by strengthening its labor force and economy, and improving the state’s ability to understand and do business with the rest of the world. However, in this 95% white state,14 “implicit,” and even explicit, bias exists and creates barriers to cultivating and embracing increased diversity. Affirmatively addressing racism and discrimination at the workplace, in schools, and in society as a whole will be an important part of any Maine effort to attract, integrate, and retain immigrants from around the world. Maine’s approach will ultimately define its competitive advantage (or disadvantage) in the U.S. and global economy.

The purpose of this study is to understand how Maine can better use the human capital that immigrants—one category of a diverse, multicultural population—bring to the state. Immigrants are one of a number of groups of unemployed or underemployed Mainers who could contribute more to their communities if given an opportunity to work at their full potential. The study first reviews Maine’s demographic and labor trends, as well as the characteristics of Maine’s immigrant population. It then looks at the potential for immigrants to meet some of the state’s labor needs over the long run, as well as the barriers that are preventing them from transferring their skill sets to the local labor market.

The term “immigrants” is used in this study interchangeably with “foreign-born individuals.”15 The research draws on first-hand experiences of immigrants, employers, and labor intermediary organizations16 to better understand persistent employment barriers. It focuses primarily on Portland with the largest immigrant

9 “Catholic Charities Refugee and Immigrant Services.” Powerpoint presentation to Biddeford Service Providers. Catholic Charities, Portland, ME, February, 2016. Other immigrants, such as asylum seekers, are not counted in this presentation.
11 U.S. Census 2015.
12 According to William Frey (2012) at the Brookings Institution, 35% of the nation's population is multicultural, 40% of the millennial population is multicultural, and 50% of the nation's children under the age of 5 are multicultural. http://brook.gs/1QUabxp.
15 According to the Migration Policy Institute, “The term 'foreign-born' refers to people residing in the United States at the time of the population survey who were not U.S. citizens at birth. The foreign-born population includes naturalized U.S. citizens, lawful permanent immigrants (or green-card holders), refugees and asylees, certain legal nonimmigrants (including those on student, work, or some other temporary visas), and persons residing in the country without authorization. Migration Policy Institute, "State Immigration Data Profiles," last accessed February 2016. http://bit.ly/1p16vUd.
16 These include employment case managers, staffing agencies, college counselors, and human resource (HR) recruiters. The intermediary groups either hired immigrants or provided services that related to their job-search and application process.
population of approximately 10,000 and an over 30-year history of refugee resettlement. The study also includes some investigation into Lewiston, which has a primarily Somali immigrant population. Based on these findings, along with selected literature on national and international best practices, the study offers recommendations to address employment barriers and to set up coordinated public/private state and local support systems that elevate immigrants as part of Maine’s economic development strategy and accelerate their integration into the workforce.
DEMOGRAPHIC AND LABOR MARKET CHALLENGES

POPULATION DYNAMICS, AN AGING POPULATION, skill requirements, and workforce demands are all key indicators of the state’s short and long term labor market challenges.

Low projected population growth

Maine has a small population, ranking 41st in the country in 2014 with 1.33 million people, and a growth rate of only 0.03 percent, one of the slowest in the country (48th of 50). The U.S. Census Bureau projects Maine’s population growth will peak in 2020 at 1.332 million, and then fall below 1.326 million.1 Maine’s population and economic core are concentrated in its three southern counties of Cumberland, York, and Sagadahoc, anchored by the Portland/South Portland/Biddeford metropolitan area.2

By 2020, nearly one in four Mainers will be age 65 and over.

Growing proportion of older adults

As of 2014, Maine had the oldest median age in the country at 44.1 years of age.1 The share of the population over age 65 has also grown over time. From 1980 to 2010, the share of Mainers over age 65 increased from over 12% to 16%,3 and by 2022 nearly 1 in 4 Mainers will be 65 and over (Figure 1, p. 12).4 Likewise, Maine has one of the lowest shares of the population under 18 (217%).5 According to data provided by the Maine Center for Disease Control, between 2011 and 2014, Maine experienced more deaths than births (Figure 2, p. 12), and with a growing proportion of older adults, this trend will not likely be reversed in the next two decades.6

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6 Mattingly and Schaefer, 4.
Lack of racial and ethnic diversity

Maine is the least racially diverse state in the country. Slightly over 95% of Maine’s population identifies as non-Hispanic white and 1.1% identifies as Black or African-American. Those of Hispanic or Latino origin (of any race) were estimated to be over 1% of Maine’s population in 2013, while Asians were estimated at 1%. These minority population groups represent the primary source of population and labor-force growth in the Southeast and Western United States. Similarly in Maine, foreign-born individuals represented over 3% of Maine’s population in 2013, a share that is growing as African and Iraqi immigrants are resettled as refugees or arrive as asylum seekers, primarily in Southern Maine.

In two decades, Maine will face a 109,000-person gap between labor force leavers and entrants.

Concerns about the loss of young people as they seek educational and employment opportunities out of state. For 2010 through 2014, the domestic migration data show that Maine had a net loss of 1,100 individuals. However, the data for foreign-born migration show a net gain of over 5,500 individuals entering Maine based on American Community Survey estimates.8

Projected drop in Maine’s labor force

The Center for Workforce Research and Information (CWRI) at Maine’s Department of Labor (DOL) points to 411,000 labor force “leavers”—residents age 45 to 64 in 2012 who will be retiring in the next two decades and leaving the workforce. At the other end of the spectrum, most of the 302,000 residents under age 20 during this period will be labor force “entrants.” CWRI analysts conclude that the 109,000-person gap between potential labor force leavers and entrants poses a significant challenge, particularly when Maine’s labor force totals just 700,000. Labor force projections for 2012 to 2022 indicate an overall 1% drop in Maine labor force numbers.9

Modest projected job growth but higher skill requirements

The Maine DOL projects that 14,000 payroll jobs will be added to the Maine economy between 2012 and 2022, a very modest increase at best. This period will continue to see the loss of manufacturing jobs while employment gains will occur in healthcare and social assistance (+13,000), professional and business services (+3,500), and leisure and hospitality (+2,400). Occupations expected to show net increases over the 10-year period include service occupations (+9,400), professional and related jobs (+6,700), and management, business, and financial occupations (+1,800). The education and training requirements to qualify for employment are also going to increase. Sixty percent of the jobs projected for 2022 will require an advanced degree — a bachelor’s degree, an associate’s degree or a professional certificate. In order to receive good pay and enjoy career advancement, Maine workers will need post-secondary credentials.

High replacement demand of the workforce

Even with modest job growth in the future, there will be increased demand for workers. Analysts expect that six out of seven job openings will be to fill replacement needs. Overall, 15,200 openings will be replacements.

and only 2,600 will be newly created positions. Critical industry sectors such as health care, professional, and business services, where jobs with high wages and career advancement potential are concentrated, tend to face considerable challenges when it comes to worker replacement. Maine’s growing health-care sector reports 26% of its workforce over the age of 55, and the professional, scientific, and technical sector has a quarter of its workforce over 55 years of age. For the professional, technical, and scientific sector, 500 to 1,000 workers over the age of 65 have separated from the industry on a quarterly basis over the last five years. This pace of separations will increase markedly during the years ahead as retirements step up significantly.10

**Labor shortages projected especially in southern Maine**

While 10-year projections might indicate that there is plenty of time to respond to Maine’s labor market challenges, to the contrary, current evidence suggests the need for more immediate responses. As of December 2015, Maine’s unemployment rate was 4% and has been steadily moving downward over the last year. In Cumberland and Androscoggin counties, the unemployment rate has moved to 2.7% and 3.4%, respectively. Such levels of unemployment are at what economists term “full employment.” This means jobs will be harder to fill, and complaints from employers about smaller, less qualified applicant pools will intensify. The Portland metropolitan region has reported exceptional job growth over the past couple of years including adding 3,900 jobs between June 2014 and June 2015. While much of rural Maine continues to struggle, the Portland metropolitan region is expected to realize steady economic growth and expansion of employment opportunities.

**Jobs and skills in demand**

One way to better gauge the nature of labor-market demand is to examine Internet job-postings data. (Most employers today use the Internet to post job vacancies and seek workers.) Aggregate job postings have increased from 19,000 to 34,000 between June through May 2012/2013 and June through May 2014/2015.11 At the high-skill end of the list are registered nurses, medical and health service managers, software developers, business-intelligence analysts, and computer-systems analysts. In the lower-to-middle-skills range, sales persons, customer-service representatives, food-service workers, nursing assistants, and laborers round out the list of top occupations for which employers are recruiting applicants. Among the desired skills that top the list within job postings are communication, problem solving, and self-management.

Bold and creative solutions will be required to grow the population and, in turn, add workers to the labor force if Maine is to fill the job opportunities that are opening up. The state will need to ensure that those preparing for work in Maine obtain the credentials to perform evolving job functions that demand higher skill levels. Maine’s small but growing immigrant population presents a labor pool that, if supported, could positively contribute to the state’s workforce and economy.

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Figure 1: Maine Population by Age Group

Maine Department of Labor, Center for Workforce Research and Information, *Maine Workforce 2012 to 2022.*

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2012</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;15 years</td>
<td>16%</td>
<td>17%</td>
</tr>
<tr>
<td>15 to 24</td>
<td>12%</td>
<td>15%</td>
</tr>
<tr>
<td>25 to 34</td>
<td>11%</td>
<td>16%</td>
</tr>
<tr>
<td>35 to 44</td>
<td>12%</td>
<td>12%</td>
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<tr>
<td>45 to 54</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>55 to 64</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>65 plus</td>
<td>12%</td>
<td>17%</td>
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Figure 2: Total Live Births and Deaths in Maine 2005–2014


Figure 3: Portland’s Demographic Changes 2000–2013

THE POTENTIAL OF MAINE’S GROWING IMMIGRANT POPULATION

OVER THE PAST DECADE, Maine has experienced significant growth in its foreign-born population. From 2000-2013, the foreign-born population increased by 23% to 45,285 residents, compared to under 4% growth within the native-born population. While foreign-born residents represent just over 3% of the population overall, they constitute approximately 15% of Portland’s population and 5% of Lewiston’s population.

Portland has attracted the majority of immigrants and refugees in the state due to its status as a federally designated refugee-resettlement center since the early 1980s. The most significant growth has occurred since 2000 with its foreign-born population doubling in size to over 9,902 residents in 2013. This increase resulted in 3% population growth for the city overall, while the native-born population decreased over the same period (Figure 3, p. 12).

More than 65% of immigrants arriving in Maine between 2010–2013 had a bachelor’s or master’s degree or college-level training.

Assets for economic growth
Recent immigrants to Maine are young, well educated, and motivated. Among immigrants who are not U.S. citizens, 49% are between the ages of 18-44 in comparison to 32% of Maine’s overall population. More than 65% of immigrants who have arrived in Maine between 2010 and 2013 have a bachelor’s degree, master’s degree or some college level training and their median age is 27. In addition, immigrants in Maine are more likely to attend language classes, college,

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3 U.S. Census Bureau, American Community Survey 2009-2013 Estimates.
or graduate school than the population as a whole. Over 43% of the foreign-born population is enrolled in college or graduate school compared to 27.5% of the native population. Over 1,700 immigrants were enrolled in an academic or English as a Second Language (ESL) class at Portland Adult Education (PAE) in 2014.

In addition to their strong professional skills, national data show that immigrants are also more than twice as likely to start a business. In Maine, CEI’s StartSmart program has assisted immigrants with business start-up and management since 1997, primarily in Portland and Lewiston. It has served 1,300 clients who have launched or expanded over 360 businesses and provided loans for startup or expansion capital to over 140 businesses.

**From 2009–2013, the foreign-born population in Portland was three times more likely to be unemployed compared to native born.**

unemployed and living in poverty. From 2009-2013, the foreign-born population in Portland was three times more likely to be unemployed compared to native born, and 40% of foreign-born families lived below the poverty level, compared to 10% of native-born families. The median household income for foreign-born residents was approximately half the income for native born, at $24,537 compared to $46,821 respectively. Among Limited English Proficiency students at PAE in 2014-2015, unemployment was as high as 38% for students who were seeking work. This discrepancy suggests that immigrants face specific challenges to entering and succeeding in Maine’s workforce.

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11 See http://www.ceimaine.org/consulting/business-counseling-development/startsmart/
13 Ibid.
14 Burt, 17.
OPPORTUNITIES AND BARRIERS TO IMMIGRANT WORKPLACE INTEGRATION

“How does Maine take advantage of this growing, highly educated and skilled immigrant population to fill the state’s labor shortages? If demand for workers is already high and increasing, what are the barriers preventing immigrants from integrating into Maine’s workforce? To address these issues, focus groups and interviews were conducted with immigrants in Portland and with labor intermediaries in both Portland and Lewiston. A literature search of selected national and international workforce integration programs and policies for immigrants also identified models for accelerating their integration. (See Appendices 1 and 2 for description of methodology and list of companies and institutions interviewed.)

Expectation and Aspirations: Voices of Portland Immigrants and Refugees

Immigrants bring a full spectrum of professional backgrounds, education levels, languages, cultures, and histories. It is impossible to singularize the immigrant experience. However, in this research with recently arrived adult learners at Portland Adult Education (PAE), and with students at University of Southern Maine (USM) and Southern Maine Community College (SMCC), some key themes emerged pertaining to expectations for life in Maine.

**Education is an important aspiration and perceived benefit of life in Maine.**

Both adult learners and college students viewed education as a pathway to opportunity. Adult learners’ comments focused heavily on the desire to learn English and on access to education for their children. One participant’s comments summarized this sentiment: “I want to say that...”
Maine is helping us. It’s helping us because I can say that in my country, to study is difficult, but I came to Maine and I now have the opportunity to study, and my daughter is studying too.” College students were focused on the importance of completing their degrees to develop their careers, as one student described, “Education is a bridge from where you are to the place where you want to be.”

Safety and a welcoming community in Maine are key reasons for attracting and retaining immigrants.

Several participants compared the quality of life in Maine to other states or their countries of origin: “Here it is a safe state. It’s different than Texas or something. Here I have kids. It’s safe for my kids. I want to stay here.” They spoke about their positive experiences within the community, indicating that Portlanders are particularly kind and friendly, the society feels relatively egalitarian, and that they appreciate how multicultural the population is at PAE and in Portland, factors that made them feel like they belong.

Support from mentors and tutors in Portland played a significant role in a student’s successful transition to college.

Almost all of the students in the focus groups at SMCC cited the important supportive role an individual mentor or program has played in achieving their educational goals. “I never thought college was possible,” said one student. Through the encouragement he received at PAE, he gained the confidence to work toward his goals, and earned a scholarship to enroll in SMCC. Positive experiences with mentors and supportive programs contributed to the overall perception of Portland as a safe, welcoming place for the immigrants in the focus groups.

Immigrants are committed to the community and desire to give back.

Several participants were determined to stay in Portland, even when job prospects were perceived as more limited than other regions. For example, one adult learner explained: “I was thinking of moving to another state, like I have seen guys move to Texas, and they call me within one week and say ‘Come work with us! What are you waiting for in Maine?’ But I see it as kind of an opportunity. Maine has received us first. I would say there’s assistance, everyone coming from Africa without enough means to survive in the United States has something to live on until they find work. And I’ve found it’s worth working for this state and contributing to the wellness of this state if we can.”

Yet, immigrants have difficulty integrating into the workforce.

While immigrant students were positive about their experiences in Maine overall, they expressed frustration and resignation surrounding
employment opportunities. Adult learners at PAE indicated the need to adjust their professional expectations in a new country. Many of the focus group participants had a bachelor's degree or above from another country, but they consistently spoke of the inability to find jobs in their profession and the need to start with entry-level positions. One woman described the dilemma she faces with her master's degree: “When you start looking for a job here, it’s confusing … I asked myself ‘how can I even get a job cleaning? I don’t have experience in cleaning or housekeeping.’ But, I really needed money … I have a masters, but I can’t show the employers that I have a master’s because they won’t hire me for that kind of job.”

While employment opportunities were challenging to navigate, adult learners and college students frequently mentioned individuals, programs, and organizations that were supportive in the job search process. One woman was surprised by how helpful people are, “I realized that people here are really friendly, kind and helpful—more than I’m used to in my country. That’s one thing that surprised me which I did not expect.” Clearly, recent immigrants rely on and appreciate individual acts of kindness, as well as the support of intermediaries to navigate employment opportunities in a new and unfamiliar market.

Labor Market Intermediaries: Preparing and Seeking Productive Workers

Labor intermediaries play a critical role in integrating immigrants into the workforce. These include employment programs, case managers, and college counselors who work directly with immigrants to prepare them for employment and help them access jobs, as well as staffing agencies and human-resource recruiters who are usually the first point of contact immigrants have with permanent employers. The findings below are based on a selection of representative intermediaries rather than a comprehensive study of the labor-intermediary system.

Nonprofit and public intermediaries connect immigrant job seekers to employer needs.

Services include, but are not limited to English and pronunciation classes, transcripts and credential evaluation, job-skills training, resume/cover letter preparation, culture and workplace norms, education/orientation, supportive services such as transportation and childcare, one-on-one case management, sector-based training internships, facilitation of network opportunities, college counseling, and referrals to job openings.

Many program managers develop relationships with employers and work to meet their hiring needs whether through training, internships, referrals, or inviting employers to participate in job-skills classes.
Employment case managers/trainers in focus groups mentioned cross-agency collaboration and seemed to be well networked with each other, although several participants brought up the need for more collaboration between nonprofits and USM and SMCC. A couple of grant-funded initiatives have been developed recently in Portland to strengthen inter-agency collaboration, such as the Portland Jobs Alliance and the Greater Portland Workforce Initiative. The Office of Multicultural Affairs is also working on a database of services to provide a one-stop access point.

Despite the good work of nonprofit and public agencies, their programs are often underfunded, and can have restrictive eligibility requirements. Employment case managers cited the lack of capacity and navigators required to refer clients to additional supportive services. Other programs have limited funding streams, and don't have the sustainability to maximize their impact.

**Staffing agencies play a key intermediary role for new arrivals seeking employment, although they do not work extensively with students or recent college graduates.**

For many immigrant job seekers, temporary positions provide their first American work experience. The staffing agencies primarily hire immigrants for entry-level, low-skilled jobs largely through foot traffic and word-of-mouth referrals from other immigrants and from Career Centers or other workforce intermediaries. While in the past some agencies have provided or brokered services to help immigrants integrate into the workforce, the agencies interviewed did not report they are doing so.

Staffing agencies do little work with immigrant college students. Employers tend to hire most students directly. Most of the staffing agencies do not have clients looking for professional workers. Nor have they been successful placing highly skilled immigrants in their profession and could not verify that immigrants' educational backgrounds met their clients' job requirements. At best they offer a position in production and hope that the immigrant can use the job to advance.

ProSearch in Portland, which specializes in professional jobs, has placed second-generation immigrants in entry-level skilled jobs but does not see many immigrants. The majority of immigrants that they have placed are contract technology workers. Demand for contract workers is high when the labor market is tight.

Some of the recruiters interviewed felt that their role was misunderstood. They are the employer; they fill orders for companies. However, applicants (both immigrants and millennials) tend to think of them as a social-service agency whose purpose is to get them a job. Others commented that they are not seen as real employers and that educational and service providers were not always aware of the role they played in the labor market, or “how to use the temp opportunity.”

**Human Resources (HR) recruiters generally are a candidate’s first contact when applying for a permanent job.**

In this study, more Portland employers participated in interviews and focus groups than did Lewiston.

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1 The Portland Jobs Alliance is supported by Portland's Community Development Block Grants www.portlandjobsalliance.org, and the Greater Portland Workforce Initiative, by the John T. Gorman Foundation.
employers, likely because of a longer history and experience with immigrants and a tighter labor market. The employers with the longest experience viewed immigrant workers as a valuable labor pool. They cited the outstanding work ethic, loyalty, motivation, and gratitude exhibited by their foreign-born employees. Other companies had mixed experiences recruiting and employing immigrants. One employer mentioned that they did not have many entry-level jobs suitable for the educational level of the immigrant-applicant pool, and two said that immigrants who had been hired in entry-level service jobs had difficulty keeping up with the fast pace of their jobs.

The recruiters at companies and staffing agencies who had worked with immigrants the longest were well connected to workforce intermediaries (groups such as adult education centers, Catholic Charities, Career Centers). Recruiters who were seeking workers with specific skills or at a higher level of entry developed relationships with USM, SMCC, University of Maine-Orono, and University of Maine-Farmington for their general hiring needs. Those who were just starting to think more proactively about hiring immigrants may have had a connection with one or two organizations, but were unaware of all of the intermediary agencies that existed.

Recruiters felt the intermediaries had been very helpful in setting up job fairs, providing networking opportunities for employers and immigrants to meet each other, as well as offering classes in ESL, workplace culture, and skill training to prepare immigrants for the workplace. Some recruiters participated regularly in workshops and classes at PAE. A couple of the recruiters cited difficulties working with some workforce intermediaries because they had high staff turnover or they did not place clients aggressively into available jobs.

Labor intermediaries are on the front line of Maine’s changing labor market. HR recruiters interviewed are feeling the labor shortages more acutely in the Portland area and have reached out more aggressively to intermediaries working with the immigrant population. Portland also has a bigger pool of educated and professional immigrants than in Lewiston.

Employers are looking creatively at new ways to cultivate immigrants. Some of their recommendations include more sector-specific training, internships, teaching immigrants to tailor interviews to a specific job, and a “reverse job fair” so that immigrants could understand the workplace. Employers could also develop their supply chain by working with immigrants and other young people early in local schools to show opportunities that could help keep them in Maine.

2 A number of HR directors contacted in Lewiston chose not to participate in a focus group because they did not have much experience employing immigrants or were just beginning to look at a more aggressive recruitment strategy.
Although recruiters deal with the labor market realities daily, their bosses are not necessarily as aware. Recruiters were asked in focus groups, “How do employers react to the demographics of Maine?” One recruiter answered, “But you assume companies know the demographics.” Others did not think employers and senior managers understood the degree of difficulty recruiting suitable candidates in the current labor market, and that managers don’t see the problem until they feel it directly. As one recruiter said, “Managers cannot understand how to work with people whose English is not good. It is not a race or ethnicity issue; they don’t understand how to communicate with them.” Employers need much more education about the impact of demographic trends on their firms and the opportunities that immigrants offer to their companies, as well as concrete examples of how other companies have learned to communicate with them.

Enduring and Cross-Cutting Employment Barriers

Immigrants are starting over in the United States despite their professional and educational backgrounds. They face multiple barriers to effective labor-market integration. Immigrant adult learners and college students, as well as labor intermediaries, cited the following barriers for seeking and retaining employment and moving from temporary to permanent work in the Portland and Lewiston areas. These problems are compounded for asylum seekers who do not initially have a work permit and face financial insecurity.

LIMITED ENGLISH PROFICIENCY

All stakeholders mentioned that limited English proficiency was the most significant employment barrier for immigrants, both skilled and unskilled.3

It affected every phase of the job application, hiring, and employment process. One adult learner expressed her desperation, “I have been here seven months, but I have difficulty with the English language. When I came I thought I could work here with my diploma from my country. When I apply, "We are judged as not qualified because we speak with an accent.”

“It’s a challenge for us because we see so many wonderful people coming through ... and because their English skills aren’t quite up to where they need to be.”

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3 Recent studies reinforce this finding. A 2012 evaluation of a collaborative employment/training program in Lewiston and Portland also found that “difficulty with English” was the number one barrier to employment that immigrants listed, despite high marks for the outcomes achieved in the program from vocational English and workforce training. Seattle found that immigrants must trade off time spent on education with time spent at work to earn a living, usually in low-wage jobs. See Peter J. Garland, New Mainers – Refugees Workforce Development Project, U.S.: Department of Labor and Training Administration, Final Evaluation Report, 2012. http://1.usa.gov/1Qeb1IU, and David Kaz. Investing in Effective Employment & Training Strategies for English Language Learners: Considerations for Seattle and Other Localities. Seattle Jobs Initiative. 2015. http://bit.ly/1LEoDrw.
and then they call me, I can't hear, and it's difficult, and my diploma doesn't work here. I don't know what to do.”

Even when English knowledge is relatively high, a strong accent or poor pronunciation can limit a candidate's prospects. Two college graduates, one with a bachelor's and another with a master's degree from USM, commented that language, specifically having an “accent,” was a barrier to employment. “We are judged as not qualified because we speak English with an accent.”

Overwhelmingly, HR recruiters and staffing agencies agreed that language was the primary barrier to employment and career advancement. Even entry-level jobs require immigrants to know English for safety reasons in a manufacturing plant, a health care facility, or even in a hotel if a hospitality worker needs to convey an event or an emergency.

One Portland-based HR Manager recognized the opportunity cost of limited English for otherwise qualified candidates. “It’s a challenge for us because we see so many wonderful people coming through … and because their English skills aren’t quite up to where they need to be, we have to defer them by saying ‘please come back in six months or so.’” Several companies that hire immigrants in entry-level positions were concerned that language skills often stagnate after an employee is hired, and limit advancement opportunities within the company: “One of the issues that comes up is that people sometimes come in with a certain English level, and then once they work, it sort of stagnates … We hire a lot into entry-level jobs, and we’d love to have more promotions.”

For higher level positions that require associate’s or bachelor’s degrees, English fluency is requisite, so some HR recruiters said they look to hire second-generation immigrants who are completely bilingual.

**Some students resist taking ESL in college.**

Many immigrants who enter college do not have proficient English and need ESL classes. Young students coming from U.S. high schools frequently feel a stigma of taking these classes on campus. For others, even though the courses may not be a stigma, they still resist taking them. One counselor said, “It is very hard to fully understand the range of language proficiency levels—and just how much mastery is required to participate in university level courses—particularly with respect to advanced academic language (reading and writing … which come in later than the spoken fluency aspects).”

Some counselors felt that students should be taking ESL courses in Adult Education programs at a fraction of the cost at either USM or SMCC, especially when they are non-credit courses. USM also offers rigorous, for-credit advanced courses to matriculated B.A. students to help them with future academic courses or to improve their English language skills for work.

**JOB APPLICATION PROCESS**

The job application process was the second-most frequently mentioned barrier for immigrant job seekers, staffing agencies, and HR recruiters.

The adult learners interviewed at PAE cited the U.S. job-search process, resume/cover letter preparation, online applications, and interviews as particularly challenging. One person who had good English proficiency and wanted to find a professional job had a difficult time understanding the local economy and what sectors and companies were good prospects to target for employment.

**Online-application systems have become increasingly popular among companies in the past decade and are now becoming institutionalized.**
In a CEI-led survey of 15 Cumberland County HR directors, 73% of respondents stated their company had an online-application system, or applicant-tracking system (ATS). Additional screening questions beyond a resume upload were required for 90% of the online applications, and 36% utilized assessments for knowledge and behavior. While employers overall expressed satisfaction with their ATS, the immigrant-user experience was less positive.

Many adult learners mentioned challenges with online applications because of limited computer literacy, U.S.-specific formatting, and idioms.

As one student commented, “The problem is with the format ... It is made for American standards ... and when you have the data from your own country, it can’t fit into the format, and I get stuck.” Longer applications can be complicated, especially for certain job specific idioms or jargon. One woman reflected on this experience saying, “Applying online is a lot of work, and a lot of questions. Sometimes you may be confused. There are some words they may use and you cannot understand what it means.” A couple of women laughed at the amount of time applications take them to complete: “One application can take two days! Yes, it’s stressful!”

Some employers have modified online applications.

They have simplified the online-application process, allowed applicants to have someone help them, or offered alternative methods, such as handwritten applications. One HR recruiter explained her company’s response: “I know that in the past we have had some candidates that had difficulty with the online application ... We have since eliminated our assessment piece of the application process. They are getting through the application process now, and it’s more the interview process where they’re unsuccessful.” At the same time, many employers consider online applications a basic pre-screening tool for computer literacy and consider it an important component of the hiring process.

Once through the application, immigrants find interviews challenging. In addition to language barriers, U.S. cultural norms around interview etiquette, behavioral questions, and self-promotion are unfamiliar.

Phone interviews are often the initial pre-screening method, and both immigrants and recruiters felt that English comprehension was difficult. In-person interviews can be challenging because of unfamiliarity with U.S. cultural norms/behavior or lack of comfort.

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4 Online survey developed and distributed by CEI to Human Resource Association of Southern Maine (HRASM) members, Spring 2015.
with self-promotion. Cultural nuances around eye contact, smiles, voice volume, and handshakes can make or break an interview.

USM immigrant students spoke about the cultural dissonance around self-promotion: “American students know how to sell themselves.” They said they were learning how to market themselves and be more assertive in pursuing opportunities. SMCC college students mentioned learning American cultural values that may be contradictory to their own (i.e., formality, focus on the individual, “pull-yourself-up-by-your-bootstraps” thinking, etc.). One participant stated, “I learned about the American Dream—when nobody can help me, I can help myself.”

Several HR recruiters observed this cultural difference and commented that immigrant candidates seemed less comfortable promoting themselves. Unless fellow recruiters ask probing questions about a candidate’s background in their home country, they may not realize the breadth of their experience and skill sets. One recruiter offered the following advice: “It’s all about asking the right questions and really listening to the answers. Selling yourself is always part of an interview process, and there is an art to sharing your accomplishments without over-doing it. The best candidates are the ones you discover through a conversation—a back and forth that creates a connection and a realization you need them on your team!”

Overall, the technical component of online job applications, as well as the language requirement and cultural nuances of interviews were considered significant barriers for immigrant workers by employers, intermediaries, and job seekers alike.

LACK OF US-BASED WORK EXPERIENCE AND EDUCATION

Many immigrants struggle to find their first job because of their lack of prior U.S. work experience.

One adult learner summarized this frustration: “Every employer asks, ‘Where have you worked before here in America?’ But the truth is—we are new here in America! ... It’s a challenge for us.” Another student expressed the unexpected challenge of finding his first job in the U.S. saying, “You might have experience from back in your country, but every time you want to apply for a position you need to have experience from the USA ... So it’s always challenging to find that first job here.”

International professional and educational experience may be undervalued.

One case manager who works with immigrant job seekers mentioned
concerns with employers’ cultural biases and the perceived undervaluation of international work experience. She felt that international work experience is not taken into consideration during the screening process. Another case manager described it as “American ego” and the perception that everything Americans do is better, and that if you have a degree or work experience from another country, it’s somehow not relevant or legitimate.

Human Resource recruiters agreed that lack of U.S. work experience can be a barrier. One recruiter said they consider international work history, but that it’s hard to find someone with the specific experience they’re seeking. In an effort to proactively recruit immigrant candidates, she encouraged her hiring managers to identify transferable skills. She tells her team, “Maybe the candidate can’t see how they’re transferrable, but can we bridge the gap?”

The lack of foreign credential recognition and certification in the U.S. is a major barrier for skilled immigrant professionals seeking to re-enter their field.

Even for less-skilled positions, the credentialing can be a barrier for newly arrived immigrants without the financial resources to enroll in a training program. For example, one adult learner who was a truck driver in his home country expressed frustration saying, “I would go to school to get a truck driver’s certification, but they want at least one year in Maine, and you have to pay $6,000 for a five-week training.” Another physical trainer explained why he couldn’t work in his field saying, “I don’t use my career here. For example, I’m a trainer. I had 10-years experience in aerobics, martial arts, kung fu, and I have a certificate. But here, I can’t get a job because I have to study one year to become a personal trainer. It’s a problem that we have, when you have a diploma from Africa, you can’t use it here.”

Several of the college students interviewed had degrees from their home country, but were surprised to realize that these degrees did not qualify them for jobs in the United States. Ultimately they decided to enroll in bachelor’s and master’s degree programs at University of Southern Maine. USM gets a lot of requests, particularly from African students, to have transcripts evaluated. Immigrants have difficulty paying the $150 cost of transcript evaluation. Their B.A. degrees are not recognized here. They come in with general elective credits that are not generally transferable, especially from Africa.

Very educated professionals also find they need more course work. With very limited scholarship money available, especially for asylum

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5 USM uses international transcript agencies to verify credentials. They usually fall short of an equivalent degree.
seekers, college counselors help them look at the least expensive path to getting a degree with the credentials that are transferable. They usually go for different degrees outside of their field such as Leadership and Organizational studies, which only requires 56 credits. USM will be tracking how well graduates do in the job market with their degrees starting in spring 2016.

HR recruiters also raised the issue of credentialing foreign degrees. The majority of companies said they don’t have a way to verify a candidate’s credentials. One of the larger companies said they hired an agency to look into verifying credentials, but they were the only company interviewed that was able to do that task. The recruiter added, however, that even if they had a verifiable degree, language is still often an issue.

**Immigrants have difficulty transitioning from temporary to full-time work.**

Many adult learners’ first experience working in the United States is in an entry-level job through a temporary staffing agency. One adult learner remarked on his experience with multiple part-time, temporary positions: “*Getting a job in Maine is not that easy. I spent three years looking for a job. But, of course, I was lucky. I could do some of the little jobs with a lot of agencies. But it’s very tiring to work with multiple agencies because one would give you one hour per week, two hours, three hours.*” An employment case manager who works with skilled immigrants commented on the difficulty of making the leap from a temporary to a regular employee position. Often, companies don’t provide references because the workers are technically employees of the staffing agency, “*so people get caught in that cycle, and it’s hard, and can be difficult to jump off from there into something else.*”

**LACK OF TRANSPORTATION TO WORK**

Transportation was identified as a key employment barrier by immigrant job seekers, staffing agencies, and employers alike.

Adult learners and college students mentioned their dependence on public transportation, which requires resources to purchase a pass, and also restricts access to employment opportunities if located outside of a bus route. One participant gave an example, “*Transportation is also an issue because some of the jobs have night shifts when the buses are not working, or the jobs are located in other cities like Saco, Windham, or Westbrook where no bus service is available.*” Other jobs, such as home care, aren’t usually feasible because they require a driver’s license and often a personal vehicle.

Staffing agencies said that a car is necessary for work unless the
company is directly on a bus line, which is rare. Public transportation can help, but the routes are limited and have restrictive schedules. Bus lines can also be difficult to navigate. One staffing agency member mentioned that a couple of companies encourage carpools, but if the driver becomes ill, then several people miss work.

Employment case managers confirmed that transportation is a persistent barrier for clients as well. At differing points in the past, cross-sector groups gathered to develop employee transport strategies, but unfortunately the issue apparently was not a high enough public priority. One case manager remembered that about 10 years ago some staffing agencies provided shuttles, but that no longer occurs. All of the case managers agreed that it would be helpful to galvanize energy around transportation moving forward.

HIGHER EDUCATION CHALLENGES

College counselors and employers both noted that some immigrants struggle with the work/life balance of juggling class schedules or work and family concerns.

Family comes first for many immigrants, and, if necessary, they miss class or work if a family member needs their assistance. Often times they are the only family member who can drive, so they are pulled in many directions to meet extended family demands.

For asylum-seeking college students, the number-one challenge is their legal status.

As an asylum seeker, they are not eligible for federal financial aid. Students noted that this was emotionally and psychologically challenging. One participant said, "Hearing all the other (students) saying, 'I'm going to college,' you start losing hope. You're full of dreams and now have to wait for something that might not happen."

When SMCC college students were asked what would make their dreams come true, they said, "Get my asylum." Having permanent legal status would, as many participants noted, allow them to attend any college and be more focused on their studies without worrying about an uncertain future.

Isolation was another challenge for asylum-seeking college students striving to achieve academic success.

More than a dozen students interviewed had come to the United States alone as teenagers and struggled to find their way. They mentioned that it is difficult to be so far away from friends and family, as well as dealing

"Hearing all the other students saying 'I’m going to college,’ you start losing hope. You’re full of dreams and now have to wait for something that might not happen.”

“What would make my dreams come true? To get my asylum.”
with the trauma that led them to flee their country. They all agreed that the uncertainty of seeing their families again, the adjustment to a new climate and culture, and the necessity of "growing up" quickly, all have posed significant challenges.

**The vulnerable financial situation of the adult learners and college students interviewed created a sense of fear and urgency.**

Asylum seekers were eager to get their work permit and be able to take any job they could to pay their bills and provide for their families. Students at SMCC were focused on the financial strains required to complete their degrees. The students interviewed were asylum seekers, which meant that they were not eligible for financial aid. General Assistance was a lifeline to them as they awaited their work permits, and remained so after its receipt, since it allowed them to spend more time studying rather than having to decide between work and school. Their ultimate goal is to achieve asylum status, so they know they have a permanent opportunity to pursue a career in the U.S., and would have the financial means to complete their degree.

Despite these concerns and uncertainties, students had a strong sense of determination, optimism, and resilience that they would find a way to overcome their obstacles and achieve their goals. As one participant stated, "I've always been an optimist and tried to have hope when I didn't know what would happen." Others acknowledged their faith helped them stay positive—"God will make a way when there is no way."

Several participants also noted they need help acquiring and/or accessing computers, textbooks, and other essential tools. "We're poor—we need school to get us out of poverty," one participant said, noting that they sometimes feel ashamed not to have the resources that seem so common among their American classmates. They mentioned that it was difficult to share information about themselves and their needs if they weren't sure the person could actually help them, and that these obstacles were "something we have to deal with ourselves."

**RACISM AND DISCRIMINATION**

A few immigrants and labor intermediaries independently cited racism and discrimination as a barrier.

Immigrants and labor intermediaries were asked what their challenges were in seeking employment or in employing immigrants. A few case managers and students independently brought up racism or distrust as a barrier.

Two USM graduates with a bachelor's and master's degree, respectively,
expressed the perception of discrimination in their job search. One shared that, out of frustration and curiosity after applying unsuccessfully for several internships, he changed his resume to a more American-sounding name and resubmitted it to one employer “just to see what would happen.” He got a call back from the company that had not responded to his original submission of the same resume with his real, foreign-sounding name. While he did not pursue the internship, it was an eye-opening moment for him.

Other adult learners alluded to the perception of not being trusted. One woman commented, “There are certain fields that we would like to work in, because we know we can do it. But if you apply for those, maybe we are not really trusted because we are just starting. So you have no choice but to take any job that you are offered.”

Other workforce intermediaries talked about racism and discrimination only when they were probed in the focus group or interview. Two case managers thought English was the barrier, not racism. Others had mixed opinions:

“Language is clearly the biggest determinant about what job people get. No one comes out and says it, but race is clearly an issue. The biggest thing I see is grouping everyone together as the same, with comments like, I tried someone before, but it didn’t work out or ‘I just get so many applications with African names that I don’t even look at them; they all seem the same.’ That’s someone that said it out loud. These are things that are so engrained in us, we may not even notice it as racism.”

“Well maybe it’s racism, but also it’s just people are different, and there’s not a willingness to accept that difference.”

“I think it’s just individuals with barriers. I talked to an employer about our programs, and they made a comment, ‘you’re not going to give me a homeless person are you?’ It’s breaking that mindset. Having one successful placement can sometimes change the mindset.”

Similarly, employers did not immediately identify racism as a key factor. When probed about racism, one employer thought the company’s clients generally welcomed diversity although some had reacted to Asian workers. Another answered that “We can have challenges with everyone once they are on the job,” and talked instead about other barriers such as lack of English competency, and cultural norms or religious practices that employers had to better understand.

While few immigrants or labor intermediaries raised racism and discrimination as barriers, they are the elephant in the room. Most of the immigrant adult learners interviewed arrived within the past couple of years and were preoccupied with immediate priorities to learn English and find employment. The U.S. provides tremendous opportunity, and they are grateful to do whatever they need to do to survive and prosper. Racism and discrimination may not sink in until they have a better understanding of the culture and the employment landscape as was the case with the two college graduates looking for jobs. Findings from a recent study of immigrant children in Portland schools provide some support for this view. Students reported that they faced racism and discrimination in all aspects of their lives, while parents focused more on the positive opportunities in the U.S., especially for their children.6

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6 The Hudson Foundation sponsored research in 2013 of 500 recently arrived immigrants in Greater Portland identified barriers facing immigrant, refugee, and asylee youth living in the area. They found that “students who participated in focus groups strongly indicated that racial bias is a major barrier for immigrant and refugee students.” p. 51. Immigrant parents focused more on the positive opportunities in the U.S. and on schools and education as a pathway for success, while recognizing that opportunities can be negatively impacted by racism. p. 52. See Learning Works, The Institute for Civic Leadership, and Steve Wessler, The Institute for Civic Leadership, and Steve Wessler. Breaking Down the Barriers for Immigrant Youth. Compiled for the Hudson Foundation, 2013. http://bit.ly/1Qvid5z.
Key Actions Needed to Address Employment Barriers

The key barriers identified by immigrants, employers, and counselors are likely well known to people who work with immigrants and are well documented in the literature on integrating immigrants into the workforce. Key actions needed include:

- Access to intensive pre-employment language programs as well as flexible English classes at workplaces or other locations
- Additional orientations to the cultural expectations of the labor-market process and U.S. work environments
- Increased education about the local economic and employment landscape, including key sectors and employers, to give immigrants more context for their job searches
- Additional opportunities for tutoring, mentoring, volunteering, internships, and apprenticeships that help immigrants integrate into the workforce
- Increased networking opportunities for immigrant job seekers and employers, as well as employers with workforce intermediaries
- Direct partnerships with Maine employers and workforce intermediaries
- Additional navigators to help skilled and unskilled immigrants access job development support and placement assistance
- Alignment of social services, income support, education, and employment services more effectively
- Access to affordable services for credential verification
- Access to targeted financial supports to enter educational and training programs
- Additional support programs at the secondary-education level to ensure success
- Additional sector-specific, job-training opportunities
- Simplified job-application process to remove unintended barriers
- Intercultural training for immigrants, employers, incumbent workers, and workforce intermediaries
- Training for employers, incumbent workers, and intermediaries to understand implicit racial, cultural, or religious biases that affect their interaction with immigrants and hiring decisions

It is beyond the scope of this study to recommend detailed program designs. This requires collaboration of workforce intermediaries, service providers, government agencies, as well as employers and immigrants. While some intermediaries in Maine are addressing these barriers, it is clear that programs of any scale will require additional resources and a cross-sector commitment to immigrant integration. Maine can build on the experience of other countries and states to create a strategy to support immigrant integration.

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A GROWING NUMBER OF CITIES, states, and countries across the United States and Europe recognize the need for immigrant economic integration to address labor-market shortages. They are creating strong coalitions, welcome centers, planning processes, strategies, and systems to attract immigrants and overcome the broad range of barriers to integration.

Many European Union member countries have developed comprehensive strategies for economic integration that address barriers similar to those experienced by Maine immigrants. The European Union, and specifically Denmark, Sweden, and Germany, all have advanced-integration strategies and delivery systems. In the United States, the majority of innovation is occurring at the local level. Some leading models include Dayton, Ohio, Detroit, Michigan and the State of Massachusetts. They demonstrate the need for extensive collaboration and coordination across stakeholders with aligned goals, core competencies, resources, strategies, and data collection around a common immigrant-integration agenda to obtain collective impact.

EUROPEAN MODELS

Over the past decade, European countries have been framing immigrant labor market integration as an economic priority. European countries are now placing programs to integrate immigrants into the workforce in their employment departments. In Sweden, integration policy was formerly managed by the Ministry of Integration and Gender Equity, but the Swedish government moved their integration programs into the Ministry of Employment, sending a clear signal regarding the economic significance of immigrants. The Swedish Public Employment Service now has full responsibility for new introduction plans outlining civil orientation, language classes, and labor-market orientation based upon the individual needs of each immigrant. It is expected that this new central coordination function will facilitate more effective integration with Sweden’s employment needs.¹

Denmark has prioritized integration through employment for the past 15 years. In 1998, they created the first Danish Act of Integration, and in 2001, they launched the Ministry of Refugees, Immigrants and Integration, 

with an emphasis on self-sufficiency. Labor market participation was viewed as both the means and the end of integration. In 2011, a change in political leadership resulted in a distribution of the functions of the Ministry of Refugees, Immigrants and Integration among multiple ministries that address issues affecting immigrants, as well as the general public, in a strategy called “mainstreaming.” Labor-market integration is now under the Ministry of Employment and is focused on increasing employment outcomes for immigrants.2

The Migration Policy Institute compared the policies and strategies for immigrant integration in a number of European countries.3 In the majority of European countries, integration funding is decided and coordinated at the national level. However, there is increasing participation from city and regional governments. In Germany for example, states are responsible for providing intensive integration programs for newcomers as well as overseeing broad areas such as education.4 Even with multi-layered government responsibilities, the German system relies on a well-funded, highly coordinated network of intermediaries to get results.

Countries with limited population growth, high performing economies, and tight labor markets have realized the value that immigrants bring in filling critical workforce needs. For this reason, they have organized their systems and services focused on effective immigrant integration. They use highly coordinated and well-funded, service-delivery systems and intermediaries to connect to broad national goals supported by accountability measures.

Over 2015 and early 2016, the overwhelming numbers of migrants seeking to enter Europe5 while fleeing war in the Middle East region have caused many European countries, including Denmark, Sweden, and Germany, to place new restrictions on migrants and asylum seekers.6 According to the Migration Policy Institute, “the unplanned, fast-changing, and unevenly distributed nature of the flows has caused serious difficulties for countries with highly organized immigration and integration systems, labor markets, and social services.”7 This in-migration far exceeds anything that the U.S has seen. The European nations’ high standards for integrating immigrants into their countries were not at fault, but could not adapt quickly enough to the unprecedented demand. Thus, their integration policies and systems should still be considered a model for Maine.

U.S. MODELS

Maine and other states have decades of experience providing services to immigrants. The funding sources and coordination, however, are not as streamlined as in Europe. In contrast to Europe, immigrant economic

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2 Martin Bak Jorgenson, Decentralizing Immigrant Integration: Denmark’s Mainstreaming Initiatives in Employment, Education and Social Affairs, (Migration Policy Institute, 2014), http://www.migrationpolicy.org/research/decentralising-immigrant-integration-denmarks-mainstreaming-initia-

3 Collett, Immigrant Integration in Europe.


7 Ibid.
development and labor-market integration initiatives in the U.S. often arise from the bottom up and are localized to particular cities and states. In the past five years, a growing body of research has emerged to demonstrate the net positive impact of immigrants on local U.S. economies. This awareness coupled with the economic threat of stagnant populations due to aging, has created significant momentum. A growing number of cities and states are pursuing local initiatives to attract and retain immigrants.

There are several nationwide networks supporting regional efforts, such as the Obama administration’s Task Force on New Americans, Welcoming America, the Network for Integrating New Americans (NINA), the WE Network, and the Partnership for the New American Economy. Most of the innovation, however, is happening on a local level where states, cities, and civic coalitions strive to meet the needs of their individual communities. Some states, including New York and Michigan, have designated Offices of New Americans. A growing number of towns have declared themselves “Welcoming Cities” and either created a designated office, or developed a comprehensive welcoming plan. In other cases, independent organizations have spearheaded development plans with support from a broad cross section of stakeholders at the public, private, nonprofit, and community level. Some examples of state, city, and civic initiatives include:

2. City Initiative: Welcome Dayton
3. Civic Initiative: Global Detroit

These initiatives were developed within the past five years, and documented outcomes are limited. However, they demonstrate three local models to attract and retain immigrant residents. This growing nation-wide momentum will create increased competition for international talent among local communities facing demographic challenges similar to Maine.

**State Initiative: New York’s Office for New Americans**

In 2013, the Governor of New York, Andrew Cuomo, launched the Office for New Americans with a sole focus to assist immigrants with economic integration. The cornerstone of the program is the development of 27 Opportunity Centers across the state to support English learning, citizenship preparation, business development, and job-skills training. In addition to the center, the office supports a New American hotline to provide a toll-free, multilingual information service, and also developed a website for New Americans.9

The Governor recognizes the economic contribution of immigrants. More than one in four New York State residents of working age is foreign-born, and 29% of all small businesses are immigrant-owned. New York exemplifies the innovative role that states can play in immigrant integration. In Governor Cuomo’s words: “When new New Yorkers prosper, we all prosper. When they succeed, we all succeed. We are not afraid of immigrants in New York—because we are immigrants, and children of immigrants, and we know how much they contribute to the State.”10

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City Initiative: Welcome Dayton

In 2010, the City Manager of Dayton, the Human Relations Commission Director, and two commissioners spearheaded the development of an Immigrant Friendly City initiative in response to a declining population and tax base. They invited local stakeholders to participate in a 90-day commitment to develop goals and objectives for a three-year plan. The partners divided into four committees: (1) Social and Health Services; (2) Local Government and Justice System; (3) Business and Economic Development; and (4) Community, Culture, Arts, and Education. Together they developed a comprehensive plan for Welcome Dayton in 2011.

The city is already experiencing the impact of their efforts. From 2009-2013, the foreign-born population grew by 59% compared to an 8.6% decrease in native-born residents, and as of 2013, the population is no longer in decline. In 2012, foreign-born households held more than $115 Million in spending power and contributed more than $15 Million in state and local taxes.11 The city has been recognized by the White House, the U.S. Chamber of Commerce, and the U.S. Conference of Mayors for their innovative work on integration.12 Since the Dayton initiative began, Ohio now has six regional immigrant-attraction initiatives and a statewide, international student attraction and retention effort.

Civic Initiative: Global Detroit

In 2010, a Global Detroit study explored the economic potential of attracting and retaining immigrants. The Regional Chamber of Commerce spearheaded the study with an advisory board of 35 businesses and new-economy, philanthropy, academic, ethnic chamber, labor, and community leaders. The recommendations in the study are focused around four strategic outcomes: 1) making the region welcoming to the international community and immigrants; 2) retaining international talent in the region; 3) attracting international investment and businesses that create jobs; and 4) cultivating immigrant and ethnic revitalization of neighborhoods.

Since June 2010, Global Detroit became an independent 501(c)(3) nonprofit and has mobilized $7 Million in funding to launch specific initiatives to implement the study’s recommendations.13 The state followed Global Detroit’s lead and developed an Office for New Americans in 2014 dedicated to attracting immigrants to the state to stimulate its economy.14

In summary, these examples describe three models for local immigrant economic-integration efforts. There are a growing number of other cities and states following suit: Chicago, Philadelphia, Minneapolis, Nashville, Louisville, Boston, and St. Louis, among many others, are actively trying to attract and retain immigrants to support their economies. They have developed comprehensive strategic plans that involve a broad range of stakeholders with specific shared goals and outcomes. As older and declining populations become a bigger issue for many communities across the country, competition for immigrant labor will increase.

Although Maine has been a resettlement city for over 30 years, it is not fully taking advantage of the immigrant opportunity.

12 http://www.welcomedayton.org/about/
13 http://www.globaldetroit.com
14 http://www.michigan.gov/ona/
CAPITALIZING ON MAINE’S IMMIGRANT POPULATION: PUBLIC POLICY AND SYSTEM CHANGE NEEDED

MAINE NEEDS TO ELEVATE IMMIGRANT ATTRACTION, integration, and retention into the economy as an important component of its economic development strategy. Portland has an advanced network of intermediaries working to connect immigrant workers to employer needs, but still requires additional resources to take their work to the next level and share their knowledge with other communities. Navigating this complex and confusing landscape can be challenging for immigrants and employers alike. Successful integration requires that immigrants who often lack any of their own resources are guided through this complex landscape and receive much more intensive support. For these programs to be understandable and consistent to both immigrants and employers, they require the state to develop a coordinated state/local, public/private initiative to invest in them.

Recommendations

1. Develop a comprehensive strategic plan to attract, integrate, and retain immigrants into Maine’s workforce and the economy

The strategic plan needs concrete goals and action steps that coordinate existing efforts and mobilize additional resources. Similar to other initiatives across the country, diverse stakeholders across the private, nonprofit, and public sectors should be involved in developing the plan. A state, city, or civic entity should spearhead implementation to ensure successful execution. Several regions throughout the country have created an Office of New Americans to attract and integrate foreign-born populations. One option is to place the office within the Department of Labor so that immigrant integration is aligned with the state’s labor and economic development strategies. The Office should have an advisory committee made up of other public agencies, private sector and community stakeholders. The role of the office would be to

- coordinate with labor needs of the business community and mobilize public sector resources to support workforce training and job placement;
- coordinate with the Department of Education and educational institutions to develop a supply of educated and trained labor;
- coordinate with the Department of Health and Human Services along with other social service and affordable-housing agencies at the state and local levels;
- require common metrics to evaluate outcomes as a basis for creating an integrated support system for immigrants.
A comprehensive plan for immigrant economic integration will enable the state to compete within the increasing demand for foreign-born talent across the country.

2. Raise awareness and commitment of private, public, and nonprofit employers

Key decision makers in Maine’s business, public, and nonprofit sectors need to recognize the gravity of current and projected labor shortages for Maine and elevate the potential of immigrants as part of the solution. Employers have tended to focus on addressing skill gaps rather than increasing the overall supply of labor. More outreach and education are needed to support and engage the private sector, and to incentivize employers to fund workforce-integration services.

- Convene discussions with CEOs and HR professionals about Maine’s demographics and the importance of immigrants and their integration into the workforce;
- Create partnerships with private-sector employers and their trade organizations to help fund integration services, such as contextualized, intensive English language classes at the workplace or to develop workforce training programs tailored to their industries;
- Engage employers and workers in intercultural and implicit-bias training.

3. Engage the philanthropic sector.

Maine’s philanthropic sector can play a unique and compelling role in developing the comprehensive plan. Their convening power along with their grant making capacity can accelerate action on immigrant integration and ensure that there is broad representation around the policy table regarding integration and labor-force issues. Engaging their boards in these conversations can also help elevate the conversation among influential Mainers with a demonstrated commitment to Maine’s economic future.

4. Develop the labor-supply chain with upstream interventions that prepare young and new immigrants to enter the work force.

Maine’s demographic projections and labor force shortages are long-term challenges that require a strategy to develop Maine’s human capital over the long run. This includes making sure immigrant children receive the training and skills to become productive workers and/or successful entrepreneurs. To ensure that immigrants are effectively prepared to compete and enter the employment opportunities available in Maine today and in the future, Maine must invest in developing the potential of the young, as well as adults. While this study did not address the K-12 education system, it is clear that it is a critical piece of any immigrant economic-integration strategy. Some key supports to consider for immigrant youth are to:

- provide access to early childhood education so that immigrant children are prepared to enter school with age-appropriate language skills;
- make parents full partners in the education and social development of their children with schools at the center of community development for immigrant families;
- train teachers, youth, and parents to understand implicit racial, cultural, or religious biases that affect their interaction with immigrant children;
- help immigrant children identify career goals and opportunities to motivate their learning and foster high achievement;
- expose high school students to employers, work, and career opportunities in Maine;
- provide more proactive and intense support to students who are completing post-secondary
programs to help them enter employment and to advance their careers, including gathering follow-up information from employers and students.

In conclusion, Maine should learn from the experience of cities, states, and countries and prioritize immigrant integration as an economic strategy to overcome population decline and fill labor market needs. This study suggests that on the local community level, effective integration will require significant coordination and resource allocation from both the private and public sectors to help employers and education and service providers address the many employment challenges immigrants face. They will need to bridge the needs of immigrants and employers, as well as develop a long-term focus on strengthening the labor-supply chain. Employers particularly stand much to gain, as they better educate themselves on the pending labor-market shortages and the nuances of integrating immigrant workers.

A streamlined, cross-sector approach that removes barriers to attracting, integrating, and retaining immigrant workers will create opportunities for Maine to develop a strong, competitive economy that will strengthen the talent pipeline for generations to come.


Enchautegui, Maria E. Engaging Employers in Immigrant Integration. Urban Institute, 2015. http://urbn.is/1RW5x6W.


Bibliography


———. *Local Employment Dynamics*. http://1.usa.gov/1Q43qZZ.


METHODOLOGY

The study draws on the following data sources:

- Secondary demographic and labor-market data, as well as findings from a selected literature search of best international and domestic practices of integrating immigrants into the labor market

- Qualitative data from a limited number of focus groups and semi-structured interviews with immigrants, staffing companies, recruiters for large, medium, and small businesses, and counselors, career-center workers and case managers collected from November 2014 through August 2015:
  
  - 25 immigrant adult learners in Portland  
  - 12 immigrant college students and 2 recent graduates of Southern Maine Community College (SMCC) and University of Southern Maine (USM) from focus groups conducted by Professor Paula Gerstenblatt at USM  
  - 13 HR Recruiters from medium and large-sized employers located in Greater Portland and Lewiston who had experience with either immigrant applicants, immigrant hires, or actively wanted to recruit immigrants  
  - 8 recruiters from 5 staffing agencies in Greater Portland and Lewiston  
  - 9 case managers and staff from 5 government agencies and nonprofits  
  - 5 college counselors and staff from USM and SMCC in Portland

The qualitative data were collected for the purpose of gaining better understanding of how immigrants and intermediaries experience the barriers of integrating immigrants into the workforce. The study did not attempt to include all organizations, agencies or businesses that work directly with immigrants or provide funding for immigrants.

- Quantitative data from a survey sent to the Human Resource Association of Southern Maine members in Greater Portland to learn more about their experiences using online applications with immigrants. The survey had 15 Cumberland County responses that reinforced the observations of other participants interviewed.

A content analysis of the interviews and focus groups in conjunction with the survey data was done to highlight key barriers for immigrants to integrate into Maine’s workforce.

The demographic and labor-force data, as well as the examples of what other states and countries have done to address immigrant attraction and workforce integration informed the recommendations for Maine to develop a systemic approach to supporting immigrants as an important economic development strategy.

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1 It was not possible to do additional focus groups in Lewiston because of limited funding for the research.
## Appendix II

LIST OF LABOR INTERMEDIARIES INTERVIEWED OR IN FOCUS GROUPS

### Employers Companies/Institutions:

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<th>Company/Institution</th>
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<tbody>
<tr>
<td>US Cellular</td>
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<td>Sigco</td>
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<td>Cintas</td>
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<tr>
<td>Idexx</td>
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<td>Inn By the Sea</td>
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<tr>
<td>Granite Bay Care</td>
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<tr>
<td>Town of Scarborough</td>
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<tr>
<td>UNUM</td>
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<tr>
<td>Mercy Hospital</td>
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<tr>
<td>Maine Medical Center</td>
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<tr>
<td>Community Health Options</td>
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<tr>
<td>Bates College</td>
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<tr>
<td>Central Maine Medical Center</td>
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### Staffing Agencies:

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<th>Agency</th>
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<tbody>
<tr>
<td>Manpower</td>
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<tr>
<td>ProSearch</td>
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<tr>
<td>Maine Staffing Group</td>
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<tr>
<td>Adecco</td>
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<td>Labor Ready</td>
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### Service Providers and Educational Institutions:

<table>
<thead>
<tr>
<th>Provider/Institution</th>
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<tbody>
<tr>
<td>Catholic Charities</td>
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<tr>
<td>Portland Adult Education and New Mainers Resource Center</td>
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<tr>
<td>Goodwill</td>
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<tr>
<td>Portland CareerCenter</td>
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<tr>
<td>Portland Refugee Services</td>
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<tr>
<td>University of Southern Maine</td>
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<tr>
<td>Southern Maine Community College</td>
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Carla engages in a range of research projects that help CEI launch new program and policy initiatives. Carla also oversees CEI’s state policy work, which includes developing CEI’s policy priorities and strategies for policy implementation through coalition building, public education and outreach, and advocacy.

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John is an economist and consultant focused on improving the performance of workforce development programs by applying innovative labor market research and outcomes-based program evaluation within a strategic planning framework. He currently serves as a senior advisor at Georgetown University’s Center on Education and the Workforce. John was Acting Commissioner and Director of the Center for Workforce Research and Information at the Maine Department of Labor. He also served as Deputy Director, Workforce Development Programs at the National Center on Education and the Economy in Washington D.C.

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Elizabeth develops and coordinates grant funded workforce projects at CEI. Elizabeth cultivates innovative public-private partnerships and job training programs to enhance employment opportunities for low-income residents across the state, particularly within CEI-financed companies. She currently manages business development and coordination of the Portland Job Alliance.

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Tae helps refugees and immigrants to start, strengthen, or expand their own small businesses. Tae has lived in Portland for 36 years, where he has been actively involved in local and state issues regarding immigrants and refugees. He served as co-chair of state refugee advisory board, co-founded a statewide language access program for immigrants and refugees, and is currently on the board of Portland Adult Education, which serves the majority of Maine’s population of refugees and asylum seekers with workforce preparation and ESL classes.