

Immigrants and the Hudson Valley Economy



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Executive Summary

Immigrants in New York's Hudson Valley contribute to the local economy in direct proportion to their share of the population. In the 15-county Hudson Valley region, immigrants make up 13 percent of the population, and are responsible for 16 percent of total economic output.

The reason for this robust economic contribution is two-fold.

First, immigrants work in a much wider range of occupations than is commonly understood. Although it is true that immigrants are more likely than U.S.-born workers to be in lower-wage occupations, that is far from the whole story. In the Hudson Valley, immigrants make up 19 percent of professionals such as doctors and engineers, and 18 percent of all registered nurses, pharmacists, and health therapists. Immigrants make up 14 percent of residents working in executive, managerial, and administrative positions. And, immigrants also play a significant role as entrepreneurs and business owners.

Second, immigrants are more likely than U.S.-born workers to be in prime working age. Immigrants in the Hudson Valley make up 16 percent of the labor force—three percentage points more than their share of the population.

This report looks at all immigrants—from all countries, documented and undocumented, recent arrivals, long-term residents, and naturalized citizens. Although we cannot separate undocumented immigrants in this data, it is estimated that roughly one in five immigrants in the downstate suburbs (including Long Island and Westchester) are undocumented, as are about 16 percent of immigrants statewide.

The proxy used to estimate the immigrant share of economic output is wage and salary earnings plus proprietors' earnings for U.S.- and foreign-born residents of the Hudson Valley.

Hudson Valley is defined in this report as the 15-county area comprised of Albany, Columbia, Dutchess, Greene, Orange, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Sullivan, Ulster, Warren, Washington, and Westchester counties

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The Immigration Research Initiative is guided by an expert advisory panel, listed on FPI's web site. David Dyssegaard Kallick is the Immigration Research Initiative's project director and can be reached at 212-721-7164, ddkallick@fiscalpolicy.org. Learn more at www.fiscalpolicy.org/immigration.html.

Immigrants and the Hudson Valley Economy

1. Immigrants contribute to the economy in proportion to their share of the Hudson Valley Population

In the Hudson Valley, immigrants¹ make up 13 percent of the population and are responsible for 16 percent of economic output.

That strong economic contribution is in line with findings for metropolitan areas across the United States, and for the country as a whole. In a study released on November 30, the Fiscal Policy Institute found that in the 25 largest metro areas of the United States, the immigrant share of population broadly matches the immigrant share of economic output. That finding holds true, with slight variation, from metro Pittsburgh, where immigrant share of population is 3 percent and immigrant economic output is 4 percent, to metro Miami, where immigrant share of population is 37 percent and immigrant share of economic contribution is 38 percent.

The Immigrant Economic Contribution Ratio is a measure of this relationship. A contribution ratio of 1.00 would indicate immigrants contribute to the economy in exact proportion to their share of the population. In the Hudson Valley, the Immigrant Economic Contribution Ratio is a strong 1.21—toward the high end of the range for the 25 metro areas, and above the ratio for the country as a whole. [See Figure 1.]

It is important to note that metropolitan areas—as defined by the Census Bureau—are labor markets that include both cities and their surrounding areas. Parts of the Hudson Valley are included in both the New York City and the Albany metro areas. The Hudson Valley on its own is not fully comparable to metro areas around the country.

Immigrant share of economic output is gauged using the proxy of total earnings—wage and salary earnings plus proprietors’ earnings—for U.S.-born and foreign-born residents. These are the same two factors used by the Bureau of Economic Analysis as a proxy for metro area Gross Domestic Product.

The strong immigrant contribution takes into account all immigrants, both documented and undocumented, recent arrivals and long-term residents. The data does not allow us to distinguish documented from undocumented immigrants. Separate analysis by the Pew Hispanic Center has estimated that undocumented immigrants make up roughly one in five of all immigrants in the downstate suburbs, an area that includes Nassau, Suffolk, and Westchester Counties, and about 16 percent of the foreign-born population statewide.

¹ This report, as is standard for the economics literature, uses the terms “immigrant” and “foreign-born” interchangeably. People residing in the United States who were born in another country are defined as “immigrants,” whether or not they have become U.S. citizens and regardless of their legal status. People born in the United States, including people born in U.S. territories such as Puerto Rico and the Virgin Islands, and children born abroad of U.S. citizen parents, all are defined as U.S.-born.

2. Immigrants work in jobs across the economic spectrum

One of the main explanations for the strong economic contribution of immigrants is the range of jobs immigrants hold.

Four broad occupational categories comprise 96 percent of the jobs held by immigrants in the Hudson Valley. Managerial and professional specialty jobs are reasonably well-paid jobs including executives, doctors, and teachers. Technical, sales and administrative support includes a mix of better-paying jobs such as technicians and sales supervisors, but also includes less well-paid jobs such as sales clerks and administrative support. Services are almost all poorly paid jobs, including building services, food services, and dental and health aides. Blue-collar jobs are related to production or construction. Four percent of jobs held by immigrants living in the Hudson Valley are in farming and forestry.² [See Figure 2.]

In the Hudson Valley, the majority of immigrants (51 percent) work in these first two broad occupational categories, with slightly less than half (45 percent) in service and blue-collar jobs combined.

A look at the detailed occupations held by immigrants shows that immigrants are well represented in a number of job categories. Immigrants are far more likely than U.S.-born workers to be machine operators, fabricators, or construction laborers; and they are considerably more likely to work as guards, cleaning and building services workers and food preparation workers.

But immigrants are also more likely than U.S.-born workers to be in professional specialties (including doctors and engineers), or as registered nurses, pharmacists and health therapists. In the Hudson Valley, immigrants make up 19 percent of professionals such as doctors and engineers, and 18 percent of all registered nurses, pharmacists, and health therapists—more than the immigrant share of the overall labor force. Immigrants make up 14 percent of residents working in executive, managerial, and administrative positions. And, immigrants also play a significant role as entrepreneurs and business owners. [See Figure 3.]

3. Immigrants are concentrated in prime working age

Immigrants in the Hudson Valley are considerably more likely than U.S.-born residents to be in prime working age (16 to 64). As the U.S.-born population of baby boomers gets older, one of the important economic contributions of immigrants is that they come in their prime working years.

² It is worth noting that the Census of Agriculture is a better source of data about farm workers than the American Community Survey.

In the Hudson Valley, immigrants make up 13 percent of the population, but 16 percent of the 16- to 64-year-old population, and 16 percent of the labor force. [See Figure 4.]

This is the second major reason that immigrant economic contribution to the Hudson Valley economy is so robust.

4. Immigration and economic growth go hand in hand

The economic role of immigrants in the Hudson Valley is particularly worth noting, since economic growth and growth in the share of immigrants in the labor force go hand in hand.

Looking at the 25 largest metro areas of the United States, *Immigrants and the Economy* found that between 1990 and 2006, where there was immigration there was growth, and where there was growth there was immigration.

The three fastest-growing metro area economies were Phoenix, Denver, and Atlanta; these were metro areas with well above average growth in immigrant share of the labor force. By contrast, the three slowest-growing metro areas—Cleveland, Pittsburgh, and Detroit—had among the three slowest growing immigrant shares of the labor force.

Economic growth does not guarantee that pay and other conditions of employment improve significantly for all workers. And, the correlation does not suggest that immigration *causes* economic growth—it simply suggest that economic growth and immigration go hand in hand.

5. Who are immigrants in the Hudson Valley?

Immigrants in the Hudson Valley are a very diverse group. No single country of origin dominates, or even comes close. The largest group is from Mexico, making up nine percent of all immigrants. It is followed by Italy and Jamaica (six percent each), India and the Dominican Republic (five percent), Guatemala (four percent), and Ecuador and Haiti (three percent). [See Figure 5.]

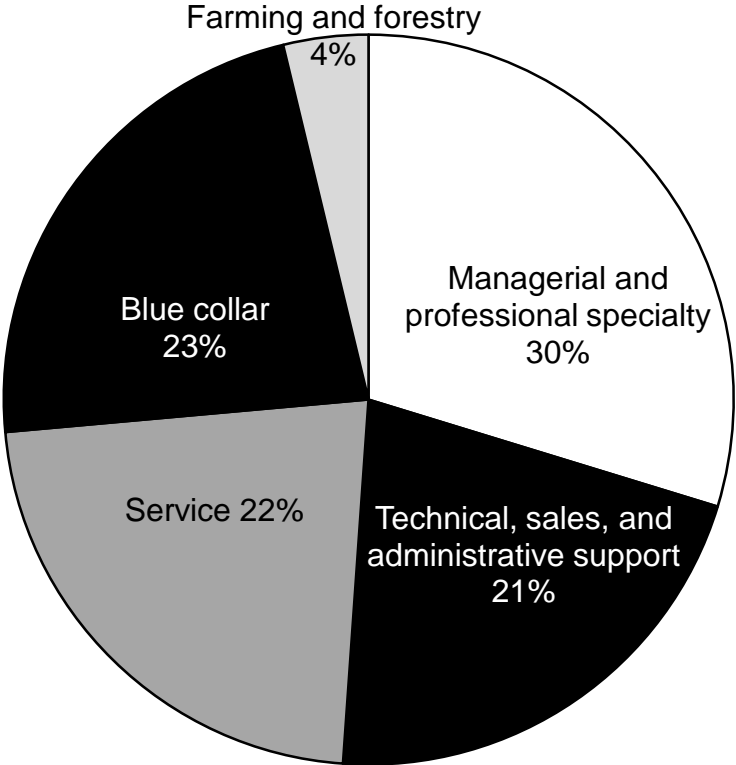
Immigrant Economic Contribution Ratio in the Hudson Valley a strong 1.21

	Foreign-born share of population	Foreign-born share of economic output	Immigrant Economic Contribution Ratio
Regions of New York State			
New York City metro area	28%	28%	1.00
Albany metro area	6%	8%	1.22
Hudson Valley	13%	16%	1.21
The 24 next largest metro areas, after the New York City area			
Los Angeles	35%	34%	1.00
Chicago	18%	18%	1.02
Dallas	18%	16%	0.91
Philadelphia	9%	10%	1.11
Houston	21%	21%	0.99
Miami	37%	38%	1.03
Washington	20%	20%	0.98
Atlanta	13%	13%	1.03
Detroit	9%	11%	1.30
Boston	16%	16%	0.99
San Francisco	30%	29%	0.98
Phoenix	17%	15%	0.89
Riverside	22%	25%	1.15
Seattle	15%	16%	1.02
Minneapolis	9%	8%	0.88
San Diego	23%	23%	0.98
St. Louis	4%	5%	1.22
Tampa	12%	13%	1.08
Baltimore	8%	9%	1.24
Denver	13%	10%	0.82
Pittsburgh	3%	4%	1.47
Portland	12%	12%	0.98
Cincinnati	3%	5%	1.39
Cleveland	6%	7%	1.26
25 metro areas combined	20%	20%	1.02
United States	12%	14%	1.12

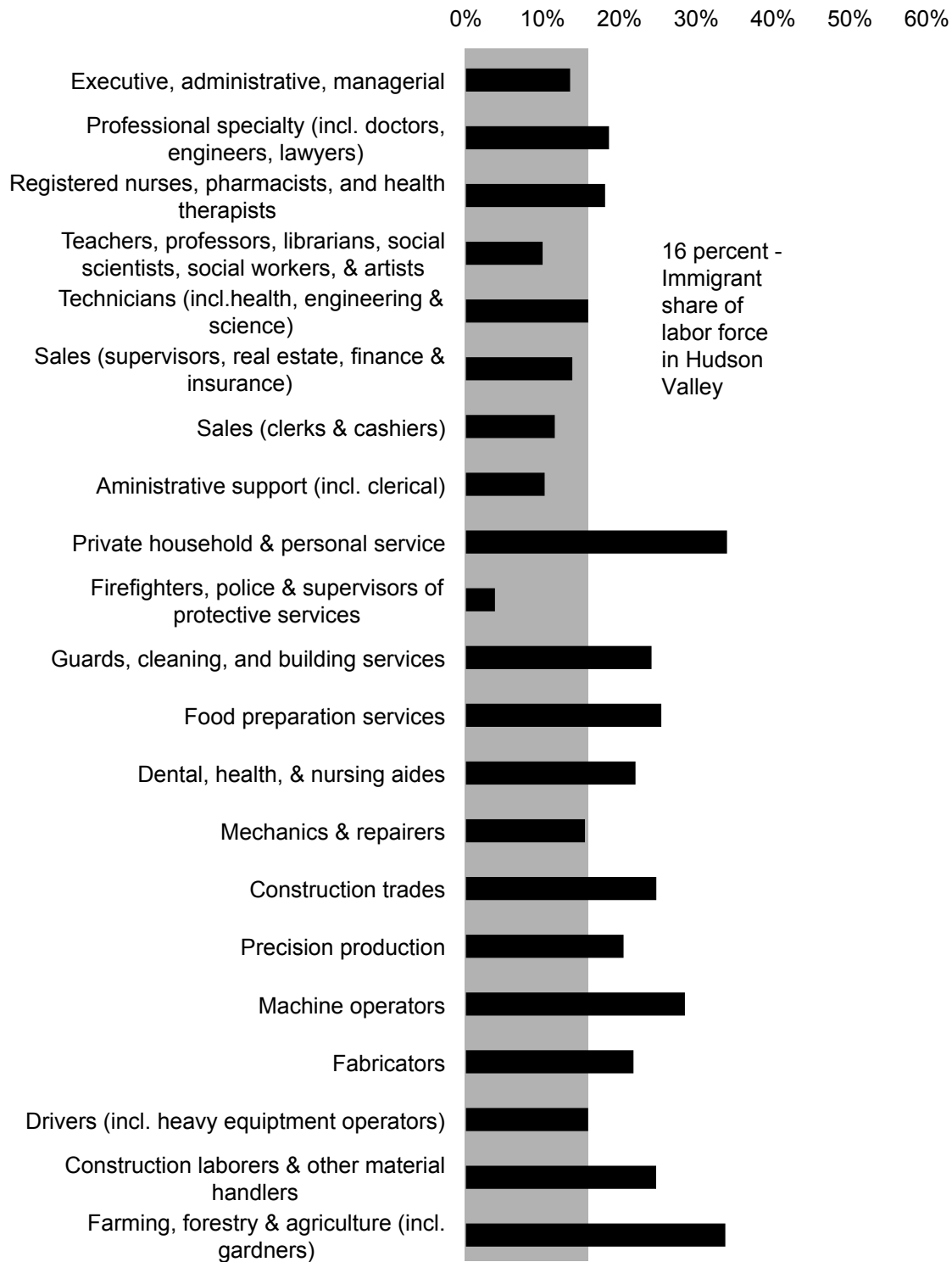
Note: New York City and Albany metro areas each include part of the Hudson Valley.

Source: FPI analysis of 2005-07 ACS.

Broad occupational categories of immigrants in the Hudson Valley

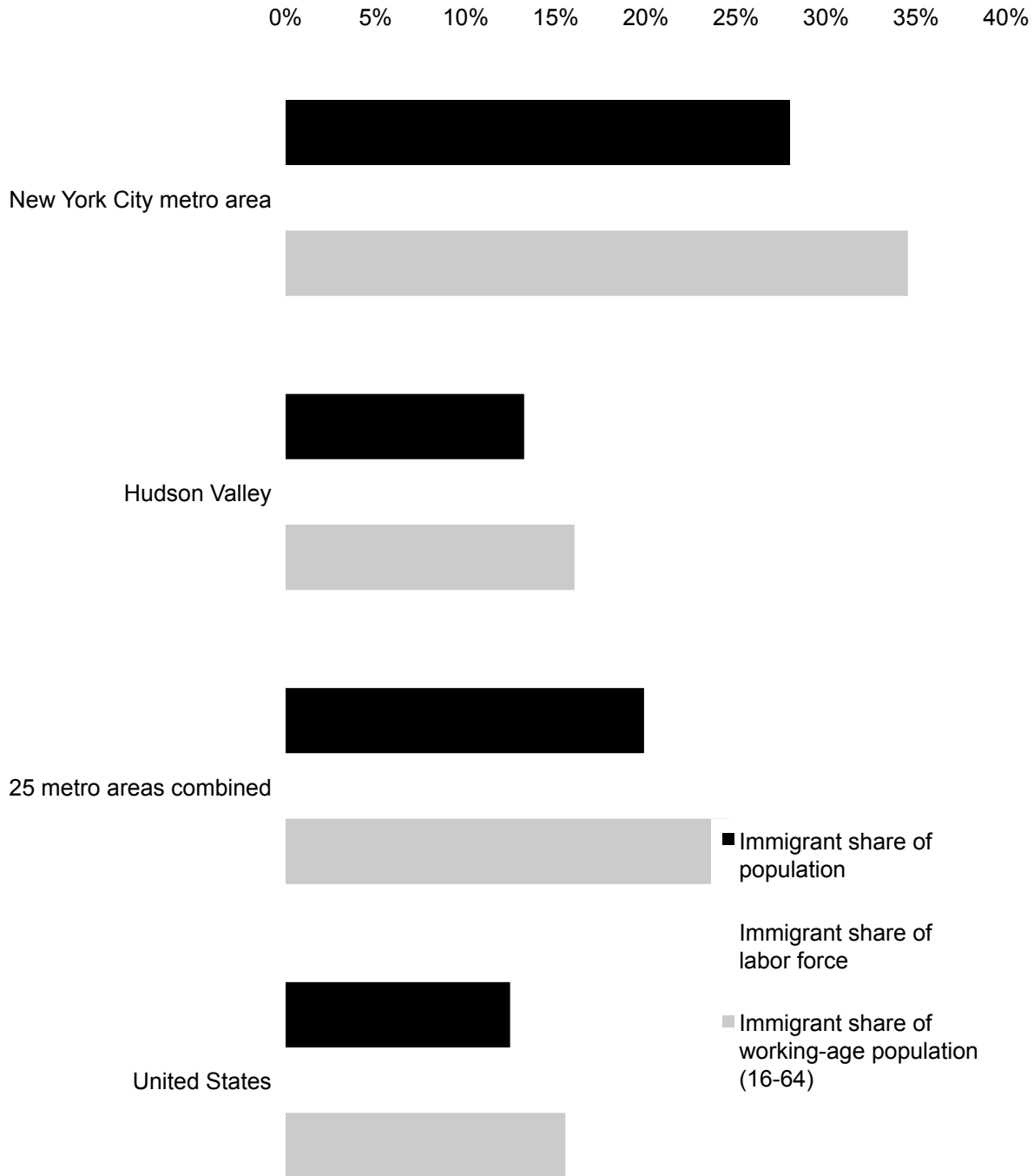


Immigrant share of occupations in the Hudson Valley



Source: FPI analysis of ACS 3-year data, 2005-07. Universe: people 16 years of age or older, who were employed in the civilian labor force. Occupations are for people who live in Hudson Valley, whether they work in the Hudson Valley or elsewhere.

Immigrant share of population, labor force, working age population



Source: FPI analysis of ACS 3-year data, 2005-07. Labor force is 16 years of age and older, in the civilian labor force. Prime working age is 16-64.

Top Countries of Birth for Immigrants in the Hudson Valley

Country of birth	Frequency	Share of all immigrants
Mexico	40,258	9%
Italy	24,809	6%
Jamaica	24,646	6%
India	23,527	5%
Dominican Republic	20,624	5%
Guatemala	15,570	4%
Ecuador	14,956	3%
Haiti	13,248	3%
China	11,648	3%
Philippines	11,585	3%
Korea	11,333	3%
Peru	11,124	3%
Germany	11,097	3%
Ireland	9,829	2%
Colombia	9,629	2%
Poland	9,422	2%
Brazil	7,935	2%
Guyana/British Guiana	7,862	2%
Canada	7,732	2%
El Salvador	7,214	2%
other	146,417	33%
All immigrants	440,465	100%

Source: 2005-07 ACS 3-year data.

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Hudson Valley 2005-2007	total population	U.S.-born	Foreign-born	foreign-born share of county population
Albany	299,268	277,953	21,315	7%
Columbia	62,632	59,512	3,120	5%
Dutchess	292,322	263,841	28,481	10%
Greene	49,203	46,452	2,751	6%
Orange	374,066	332,760	41,306	11%
Putnam	99,405	88,663	10,742	11%
Rensselaer	154,719	146,902	7,817	5%
Rockland	295,682	234,515	61,167	21%
Saratoga	214,608	206,740	7,868	4%
Schenectady	149,921	137,310	12,611	8%
Sullivan	75,817	69,563	6,254	8%
Ulster	181,755	168,898	12,857	7%
Warren	65,840	64,080	1,760	3%
Washington	62,439	61,460	979	2%
Westchester	949,041	720,433	228,608	24%
Total	3,326,718	2,879,082	447,636	13%

Source: Fiscal Policy Institute analysis of 2005-2007 American Community Survey/American Factfinder.

Westchester share of Hudson Valley	
total population	29%
immigrants	51%