

Immigrants and the Long Island Economy



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Executive Summary

Immigrants on Long Island contribute to the local economy in direct proportion to their share of the population. Immigrants make up 16 percent of the combined population of Nassau and Suffolk counties, and are responsible for 18 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. On Long Island, immigrants make up 22 percent of professionals such as doctors and engineers. And immigrants make up 26 percent of all registered nurses, pharmacists, and health therapists. In addition, 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 on Long Island make up 21 percent of the labor force—five 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.

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 Long Island.

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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 Long Island Economy

1. Immigrants contribute to the economy in proportion to their share of the Long Island population

On Long Island, immigrants¹ make up 16 percent of the population and are responsible for 18 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. On Long Island, the Immigrant Economic Contribution Ratio is 1.10—toward the high end of the range for the 25 metro areas, and matches almost exactly 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. Long Island is part of the New York City metro area. Long Island on its own is not fully comparable to other 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.

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, 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 that comprise 97 percent of the jobs held by immigrants on Long Island. 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. Three percent of jobs held by immigrants living on Long Island are in farming and forestry.² [See Figure 2.]

On Long Island, the majority of immigrants work in these first two broad occupational categories, with slightly less than half 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. Some 16 percent of executives, administrative, and managerial workers living on Long Island are immigrants—less than the immigrant share of the labor force, but not far out of line. [See Figure 3.]

3. Immigrants are concentrated in prime working age

Immigrants on Long Island 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.

On Long Island, immigrants make up 16 percent of the population, but 20 percent of the 16- to 64-year-old population, and 21 percent of the labor force.

This is the second major reason that immigrant economic contribution to the Long Island economy is so robust. [See Figure 4.]

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

4. Immigration and economic growth go hand in hand

The economic role of immigrants on Long Island 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 on Long Island?

Immigrants on Long Island are a very diverse group. No single country of origin dominates, or even comes close. The largest group is from El Salvador, making up 13 percent of the total, followed by India (seven percent), followed by Italy, the Dominican Republic and Jamaica (each with five percent). [See **Figure 5.**]

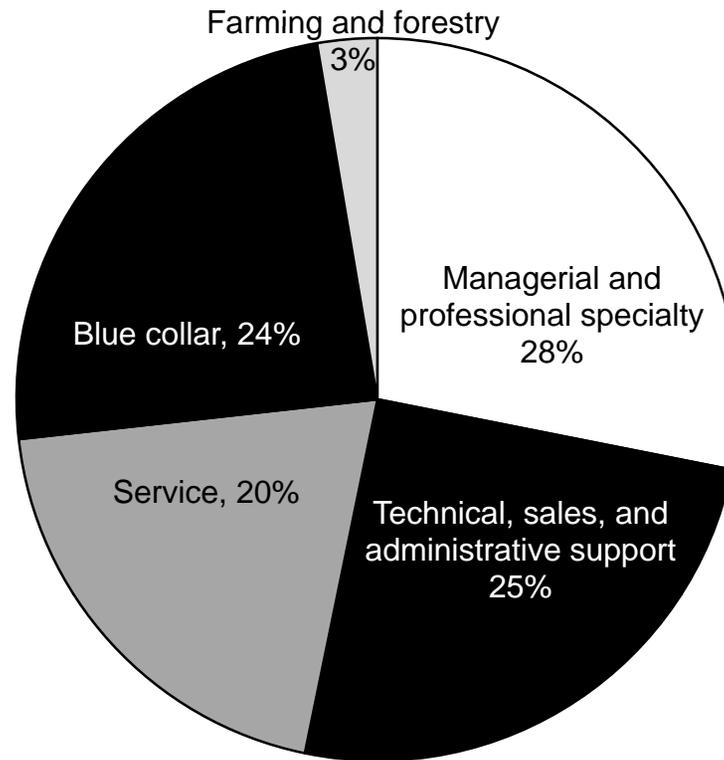
Immigrant Economic Contribution Ratio on Long Island a strong 1.10

	Foreign- born share of population	Foreign-born share of economic output	Immigrant Economic Contribution Ratio
New York City metro area and Long Island			
New York City metro area	28%	28%	1.00
Long Island	16%	18%	1.10
The 24 next largest metro areas, after New York City			
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

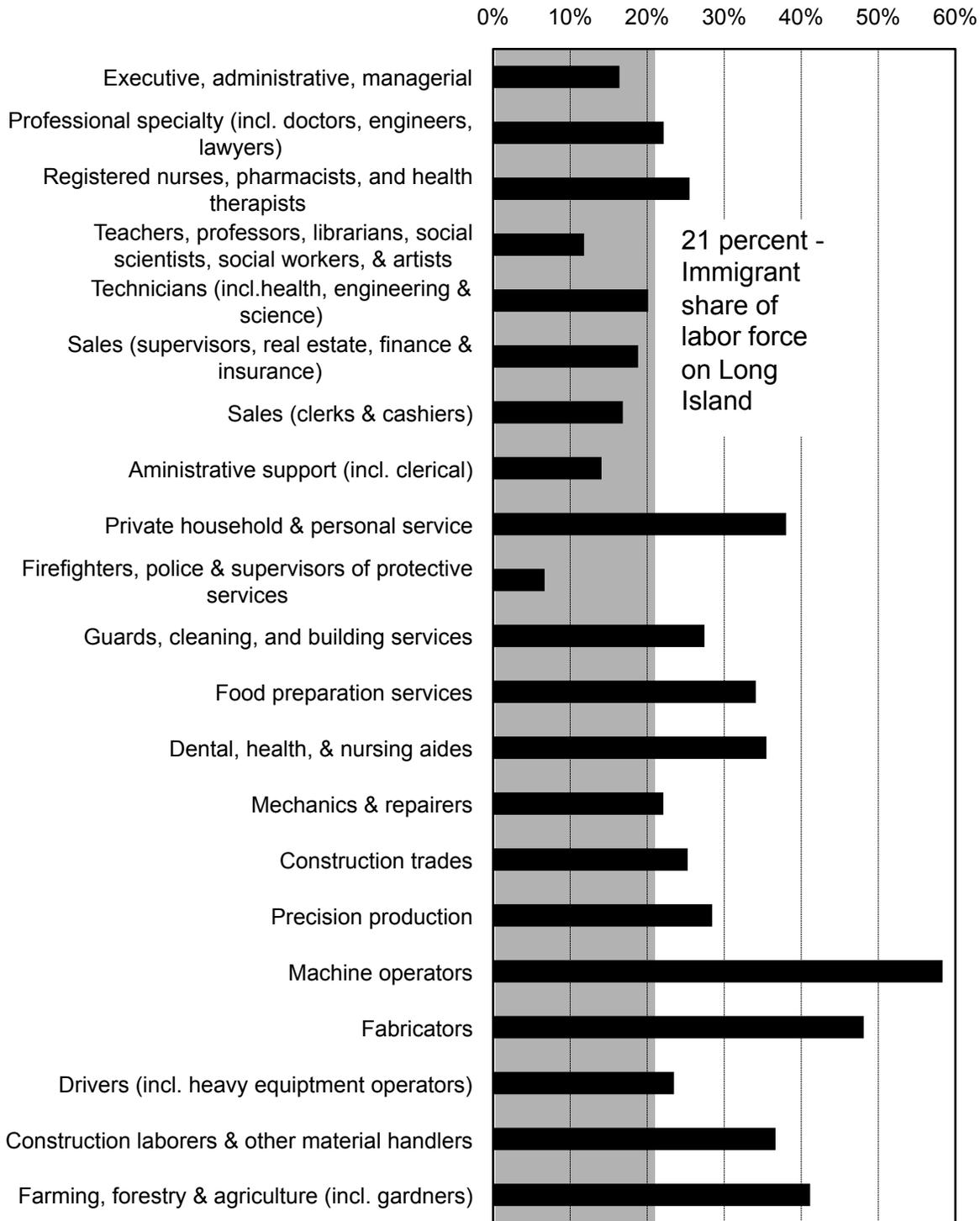
Note: New York City metro area includes Long Island.

Source: FPI analysis of 2005-07 ACS.

Broad occupational categories of immigrants on Long Island

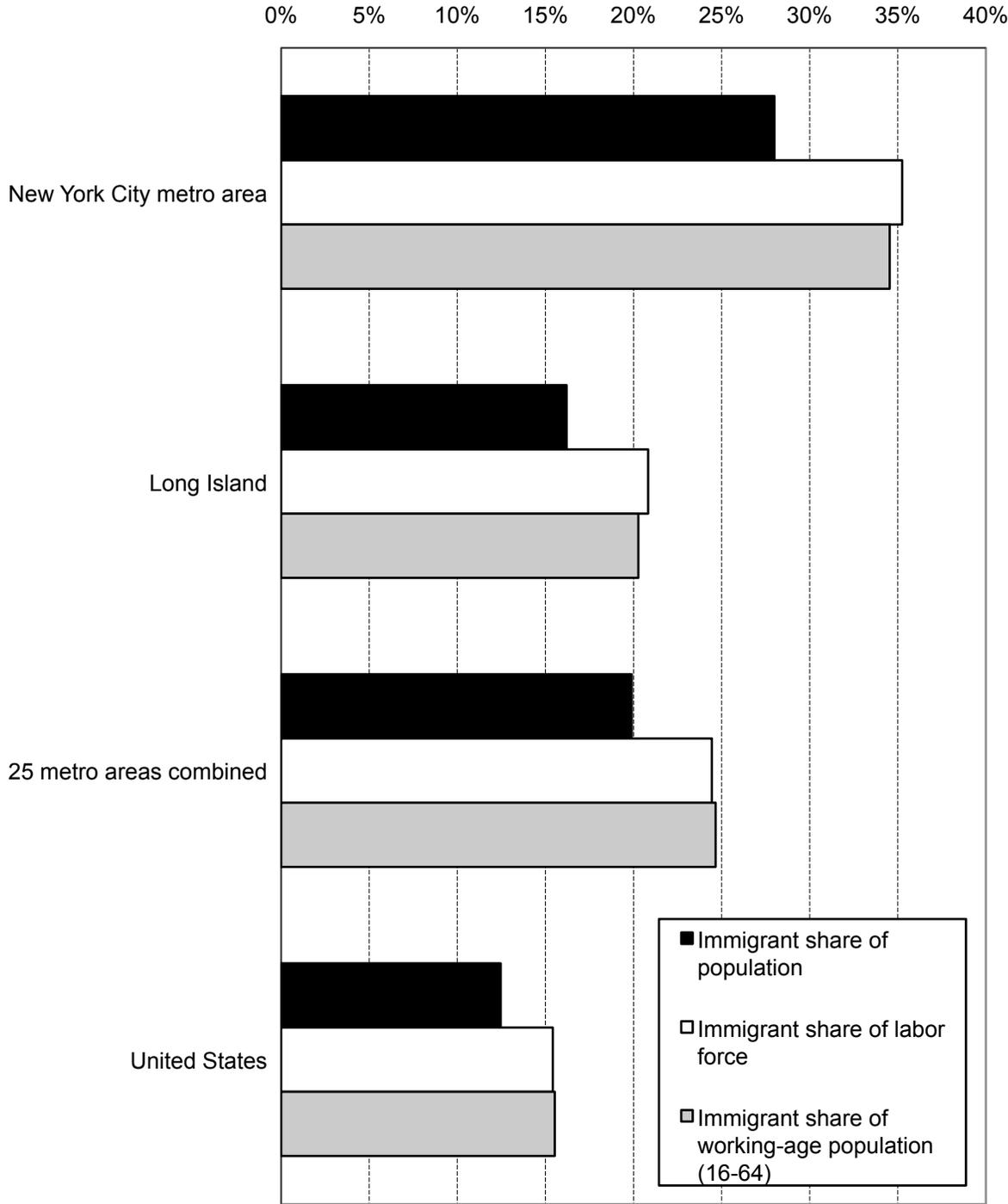


Immigrant share of occupations on Long Island



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 on Long Island, whether they work on Long Island 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 on Long Island

Country of birth	Frequency	Share of all immigrants
El Salvador	56,761	13%
India	29,746	7%
Italy	24,597	5%
Dominican Republic	21,540	5%
Jamaica	20,965	5%
Haiti	18,002	4%
Ecuador	13,721	3%
Philippines	13,410	3%
Colombia	12,920	3%
Korea	12,200	3%
Honduras	10,632	2%
Poland	10,480	2%
China	10,414	2%
Guatemala	10,289	2%
Pakistan	9,712	2%
Peru	9,098	2%
Germany	9,091	2%
Mexico	8,502	2%
Trinidad and Tobago	7,599	2%
Iran	7,294	2%
Other	132,039	71%
All immigrants	449,012	100%

Source: 2005-07 ACS 3-year data.



The Fiscal Policy Institute is a nonpartisan research and education organization that focuses on tax, budget, and economic issues that affect the quality of life and the economic well being of New York State residents.

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