



News from the Fiscal Policy Institute

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New from FPI: www.fiscalspolicy.org/immigration.html

New Study: Immigrants Make up Half of All Small Business Owners in New York City

Immigrant small business owners are a strikingly high share of all business owners in New York, according to a new report by the Fiscal Policy Institute. Immigrants make up 48 percent of all business owners living in New York City, and an even bigger share of some kinds of businesses that are central to daily life in the city.

Among small businesses owners in the city, immigrants make up 84 percent of small grocery store owners, 69 percent of restaurant owners, and 63 percent of clothing store owners.

Immigrants are also 62 percent of all small business owners in construction, 40 percent of those in architectural and engineering services, and 39 percent of those in real estate, and 33 percent of those in specialized design services.

Immigrants are particularly prominent in some sectors where earnings are low and working conditions frequently very tough, but that are services taken for granted as part of daily life in New York City—such as dry cleaning and laundry services (90 percent immigrant share of small business owners) and taxi and limousine service (90 percent), child day care services (75 percent), and beauty salons (70 percent).

Immigrant share of small business owners is high, but so is immigrant share of the labor force in general. Immigrants make up 36 percent of the city's population, and 46 percent of the labor force. The immigrant share of the labor force is proportionately high, the report notes, is primarily because immigrants are concentrated among adults in prime working age—44 percent of all people 16 to 64 years old are immigrants, well above their share of the overall population.

“New York benefits enormously from the rich array of small business owners who are immigrants,” says David Dyssegaard Kallick, director of the Fiscal Policy Institute's Immigration Research Initiative. “I would say to states like Arizona or Alabama that are creating

an environment that is increasingly hostile to immigration: look what you're giving up. Immigrants can be an important part of a healthy and diverse economy.”

In New York City, the top 10 countries of birth for immigrant small business owners are China, Dominican Republic, Korea, India, Italy, Greece, Colombia, countries of the former Soviet Union, Israel (including Palestinian Territories) and Jamaica. No single group dominates: immigrants from China make up 9 percent of all immigrant small business owners, and the top ten countries of origin combined make up 45 percent—that is to say, 55 percent of immigrant small business owners come from countries that are not on this top 10 list.

FPI regularly prepares analyses of the New York economy and labor market. The report is based on a five-year sample of data from the American Community Survey, 2005-2009, the most recent five-year sample available. The report defines small business owners as people who are self-employed and have an incorporated business.

The Fiscal Policy Institute (www.fiscalpolicy.org) is a nonpartisan research and education organization that focuses on tax, budget, and economic public policy issues, particularly issues that affect the quality of life and the economic well being of New York State residents.