Report: Immigrants Account for 17% of Long Island Economy

Nearly a quarter of small business owners are immigrants

October 26, 2011. Tomorrow, the Fiscal Policy Institute will release a comprehensive report about the economic role of immigrants on Long Island. The report finds that immigrants make up 16 percent of Long Island’s population and 17 percent of its economic output.

Half of immigrants (54 percent) work in white-collar jobs, the study finds, with great variation among immigrants from different countries of origin, adding up to a surprisingly balanced overall occupational mix.

Nearly a quarter (22 percent) of small businesses on Long Island are owned by immigrants, including nearly half (44 percent) of all individually owned restaurants.

And, immigrants are more likely than U.S.-born Long Islanders to be in prime working age, adding to their overall economic contribution.

“I think it’s time to turn the page on the immigration debate on Long Island,” says David Dyssegaard Kallick. “Too often, people assume that they know all they need to know about immigration by driving by a shape-up site for day laborers. There are 462,000 immigrants on Long Island, of which the few dozen men standing on scattered street corners are a tiny fraction.”

Other key findings:

- Three quarters (75 percent) of immigrants on Long Island are homeowners. And, a third of immigrant home-owners (32 percent) pay more than $10,000 a year in property taxes.
- Long Island is an affluent suburban area, and the immigrants who live there are also comparatively affluent. Over half of immigrants live in families with an annual income of more than $80,000.
Undocumented immigrants are estimated to pay $2,000 per family in New York State and local taxes, according to an analysis done by the Institute on Taxation and Economic Policy.

Immigrants on average earn a quarter less than U.S.-born workers, but close the gap between U.S.-born and immigrant family income by having more workers per family.

The report gives the first detailed look at immigrants’ economic role in Long Island towns (with the East End towns grouped together). Among the findings: The biggest increase in the number of immigrants between 2000 and 2009 is in Hempstead/Long Beach, while the fastest percent growth in immigration is in the East End.

The report also shows data about Long Island in national context, comparing Nassau and Suffolk with the 50 most affluent suburban counties in the country. Nassau and Suffolk are neither at the top nor the bottom of any of several measures of immigration. Among the 50 most affluent suburbs in the country, Nassau ranks 9th and Suffolk 34th highest median family income. In terms of immigrant share of population, Nassau ranks 11th and Suffolk 21st.

“There are both exciting changes and also challenges associated with immigration,” says Kallick. “We should celebrate the positives, and be pragmatic about addressing the problems. But one thing we don’t want to do is follow the economically destructive path of places like Arizona and Alabama, which seem intent on driving away immigrants at a high cost to their social fabric and to their economies.”

The report will be available at www.fiscalpolicy.org/immigration.html at 8:00 am on Thursday, October 27.

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.

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