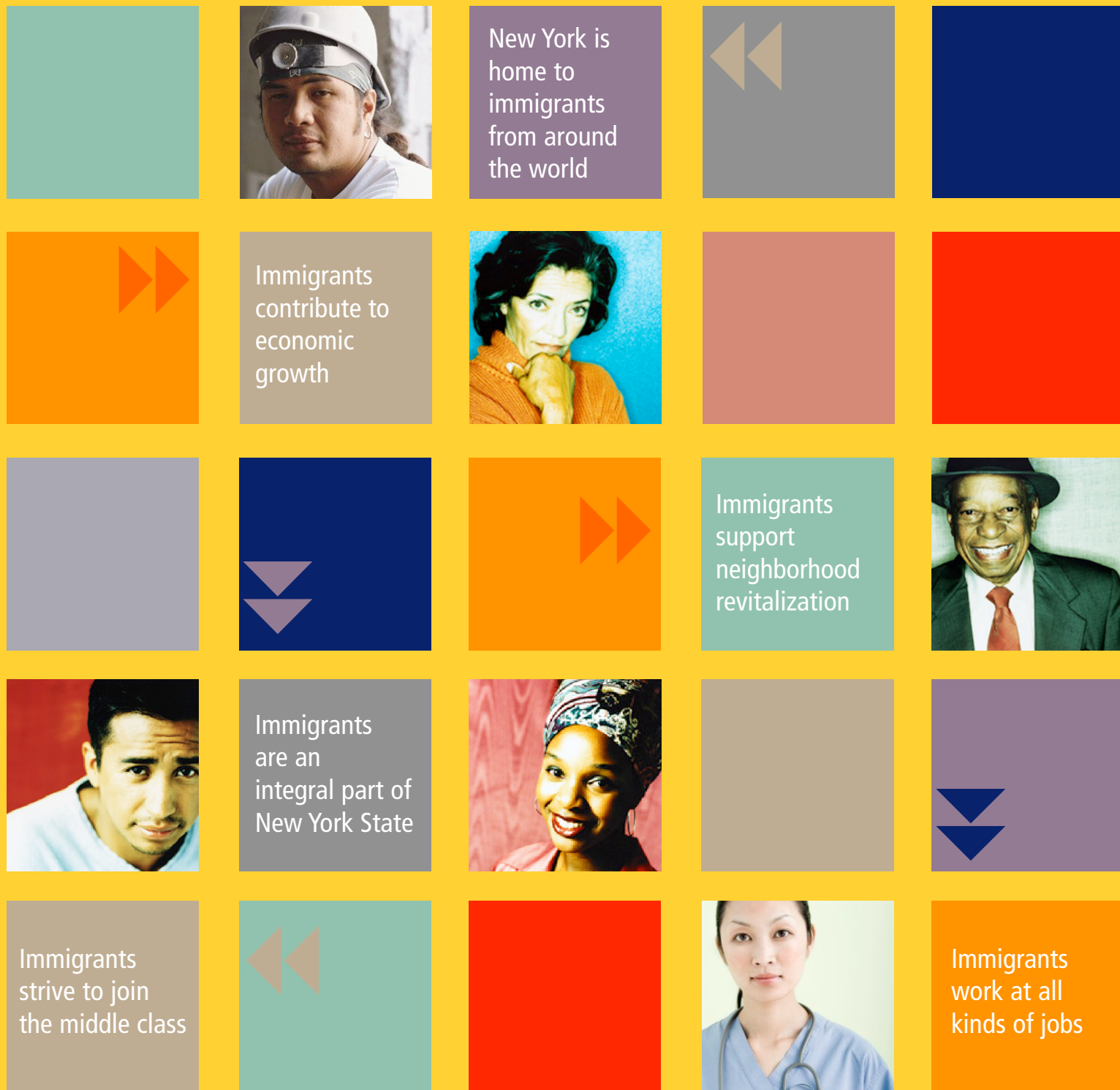


# WORKING FOR A BETTER LIFE



## A Profile of Immigrants in the New York State Economy

## *Executive Summary*

In the political frenzy around immigration policy, it is all too easy to lose perspective on the economic role that immigrants play in New York State. Immigrants make up 21 percent of the state population, and contribute to New York's economy in a wide variety of ways.

*Working for a Better Life* is an overall profile of immigrants in the New York State economy, looking at the entire spectrum of immigration, upstate and downstate, documented and undocumented, black, white, Hispanic and Asian.\*

Two major statewide themes emerge from this report.

### ***1. Immigrants contribute broadly to the New York economy.***

Immigrants in New York are by no means marginal to the economy. New York's immigrants are responsible for \$229 billion in economic output in New York State. That's 22.4 percent of the total New York State GDP, a share slightly larger than immigrants' share of population, and slightly smaller than their share of the workforce. Despite the common impression that immigrants work primarily in low-wage jobs, immigrants in New York State are entrepreneurs, managers, and workers in jobs at all levels of the economy, from the lowest-paid day laborers to the highest-paid investment bankers.

### ***2. Over time, immigrants become part of our communities.***

Immigrants gradually become part of our communities as they learn English, buy homes, start businesses, and raise American kids. At the same time, our communities change, as they become increasingly diverse and globally connected.

- Most immigrants in New York State speak English today, and their English gets significantly better over time.
- Hispanic- and Asian-owned businesses—one indication of immigrant entrepreneurship—have been growing rapidly, sharply increasing the number of employees.
- In upstate and the downstate suburbs, about two thirds of immigrants own their own homes.
- More than one third of children in New York State (34 percent) live in a family with at least one foreign-born adult. In New York City, that figure is 57 percent, in the downstate suburbs 31 percent, and upstate eight percent.

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\* This report defines "immigrants" as people residing in the United States who were born in another country. People born in Puerto Rico, the Virgin Islands, or other territories of the United States are U.S-born. (See sidebar on page 6.)

Each of the three regions of New York State examined in *Working for a Better Life* has a particular dynamic of immigration.

### ***New York City: Immigration fuels growth and builds the middle class***

One of the signs of New York City's celebrated revival over the last 25 years has been its population growth. Yet, without immigrants, population in the city would have declined rather than grown in recent years. Immigrants played a very important role in turning the declining neighborhoods of the 1970s into thriving communities today.

Today, 37 percent of the New York City population is foreign born. In a city where income polarization is one of the key concerns, immigrants are helping to expand the ranks of the middle class, with family income for people in immigrant families more likely to be in the middle ranges than for people in U.S.-born families.

And, New York City immigrants are found in jobs from the top to the bottom of the corporate pyramid in virtually every sector. Immigrants, for instance, make up a quarter of all CEOs, half of accountants, a third of office clerks, a third of receptionists, and half of building cleaners.

Immigrants are well represented among commuters, too. Of the 800,000 people who commute to work in New York City, 31 percent are immigrants. Immigrants make up 40 percent of commuters who work in service jobs, a third of commuters who work in the professional sector, and a quarter of those in management, business, and finance.

Immigrants are changing the face of New York, but less by expanding the ranks of different racial and ethnic groups than by diversifying the mix within each group. Blacks today are not only African American, but also Caribbean and African, adding new layers to what it means to be a black New Yorker. Whites are a quarter of all immigrants, from countries such as Ukraine, Russia, Poland, Greece, Israel, Romania and the former Yugoslavia. Hispanics in New York a generation ago were primarily Puerto Rican, but today they are increasingly Dominican, Mexican, Ecuadorian, Columbian, Peruvian, Salvadoran, and more. And Asians, once primarily Chinese, now also come from Vietnam, Korea, India, Bangladesh, Pakistan, Hong Kong, and Taiwan, as well as from parts of China that did not participate in earlier migrations.

### ***Downstate suburbs: Growing, and growing more diverse***

In the downstate suburbs of Nassau, Putnam, Rockland, Suffolk, and Westchester Counties, immigrants are generally doing quite well, though not quite as well as their often affluent neighbors. Overall, 18 percent of residents in the downstate suburbs are foreign-born. Families with at least one immigrant adult have a median income of \$71,000, compared to \$86,000 for families without a foreign-born adult. (By contrast, the median family income in

New York City is less than \$40,000 for both immigrants and native-born residents.)

Day laborers hired through shape-up sites have attracted a great deal of attention in some downstate suburbs, but they make up a tiny fraction of the overall immigrant population (probably less than half of one percent), and are in fact a small part of even the undocumented population. The occupation with the largest number of immigrants in the downstate suburbs is registered nurses. And, 41 percent of all physicians and surgeons in the downstate suburbs are foreign-born, as are 28 percent of college and university professors, 22 percent of accountants and auditors, and 19 percent of financial managers.

As immigrants change to fit into the suburbs, the suburbs are also changing in response to immigration. It is sometimes a bumpy road, but the downstate suburbs are gradually becoming more diverse and global. In 2005 about 30 percent of residents of the downstate suburbs were Hispanic, Asian or black. As recently as 1980, that figure was just 10 percent.

### ***Upstate New York: Immigrants as professionals and service workers***

In upstate New York—above Rockland and Putnam counties—immigrants are doing generally just as well as U.S.-born residents. The median family income in upstate New York is virtually the same for immigrants and U.S.-born residents. In fact, the share of people in families in the low-, middle-, and high-income brackets is the same for immigrants and U.S.-born families.

Five percent of the population is foreign-born, well below the average for New York State (21 percent) and for the nation (12 percent). Yet, immigrants play a significant role in the upstate economy, especially in certain areas of particular importance to upstate's future.

In universities, the pride of many upstate regions, 20 percent of professors are immigrants—four times their representation in the overall population. In health care, the fastest-growing sector in the upstate economy, immigrants make up 35 percent of physicians and surgeons. In scientific fields, related to upstate strength in research and development, immigrants make up 20 percent of computer software engineers. And in farming, an important part of upstate's cultural heritage and high quality of life, immigrants—both with visas and undocumented—make up an estimated 80 percent of the seasonal workers who pick the crops and keep the farms going.

Upstate is changing in relation to immigration, but perhaps not in the ways people generally think. Most immigrants upstate are white (52 percent), about a quarter are Asian or Pacific Islanders (23 percent), about one in seven are Hispanic (14 percent), and about one in ten are non-Hispanic blacks (9 percent). The three most common countries of origin for immigrants are Canada, India, and Germany. Mexico, the focus of so much public attention in the immigration debates, comes fourth.

## ***Conclusion***

Immigration debates sometimes focus narrowly on one particular part of the immigrant population or another. Some reports look at just undocumented workers, or just recent arrivals, or just Spanish-speaking immigrants. In looking at the whole range of immigrants in New York State, what stands out in one area after another is that immigrants are not dramatically different from other New Yorkers. Throughout the state, there are rich, poor, and middle-class immigrants, subject to the same economic trends as everyone else.

Because immigrants are a very large part of the New York economy, getting the immigration equation right is critical to the state's economic success. Improving conditions for everyone in the low-wage labor market is an important factor—through such measures as strong labor law enforcement, training oriented toward building a career, and economic development strategies that encourage firms to create and maintain good jobs. Particular importance should be paid to U.S.-born workers who are struggling in the low-wage labor market and those who are being squeezed out of the middle class. These U.S.-born workers face very real economic problems. Addressing these issues for U.S.-born workers is part of what it means to create a welcoming climate for immigrants.

By the same token, immigrants are such an important part of the New York economy that “cracking down” on immigrants clearly could have unintended consequences with significant negative impacts. “English only” policies, racial profiling, or a generally anti-immigrant atmosphere negatively affect a large number of people, families, and communities beyond the undocumented workers at whom the measures may purportedly be aimed.

At a time when the immigrant debate is being polarized into “pro” and “anti,” *Working for a Better Life* sets out to portray realistically the overall role of immigrants in the New York economy. At the Fiscal Policy Institute, we hope this report contributes to a richer and better-informed debate.



The Fiscal Policy Institute prepared this report as part of *The Truth about Immigrants*, a joint project with The New York Immigration Coalition.



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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