



Immigrant Small Businesses in New York City

October 3, 2011

For additional information on the economic contribution of immigrants and related issues, contact David Dyssegaard Kallick, director of FPI's Immigration Research Initiative, at ddkallick@fiscalpolicy.org or 212-721-7164.

In a city where immigrants make up more than a third of the total population, it is no surprise that immigrant businesses play an important role in the city's economy. But it is perhaps surprising the extent: immigrants make up almost half of all small business owners in New York City. There are 69,000 immigrant small business owners living in the city, making up 48 percent of the total, according to a new Fiscal Policy Institute analysis of 2009 five-year American Community Survey data (a multi-year sample from 2005-2009).

Small business owners are defined here as people who have an incorporated business and are self-employed. The numbers in this report refer to small business owners who live in New York City and have a business in the New York metro area. Immigrants are all people born in another country and living in the United States.

This means that immigrants are contributing substantially to the city's entrepreneurial base. Immigrants in general contribute broadly to the economy: Over the same period, people born in another country represented 36 percent of the population, 44 percent of the working age (16-64) population, and 46 percent of the civilian labor force. That is to say: immigrants are concentrated in prime working age, making them considerably more likely than U.S.-born workers to be in the labor force. And, immigrants in the labor force are somewhat more likely than U.S.-born workers to own small businesses.

Small business owners in New York City

	Number of small business owners	Share of all small business owners
U.S.-born	75,263	52%
Foreign-born	69,411	48%
NYC total	144,674	100%

Fiscal Policy Institute analysis of 2005-2009 American Community Survey. "Small business owners" are people who live in New York City and have an incorporated business in the New York metro area.

Country of birth for New York City immigrant small business owners

Country of birth	Number of small business owners	Share of immigrant small business owners
China	6,563	9%
Dominican Republic	5,035	7%
Korea	4,937	7%
India	2,932	4%
Italy	2,087	3%
Greece	2,071	3%
Colombia	1,999	3%
Former Soviet Union	1,980	3%
Israel (includes Palestinian territories)	1,934	3%
Jamaica	1,816	3%
Top 10 countries combined	31,354	45%
All other	38,057	55%
All immigrants	69,411	100%

Fiscal Policy Institute analysis of 2005-2009 American Community Survey. "Small business owners" are people who live in New York City and have an incorporated business in the New York metro area.

Immigrant Small Businesses in New York City

Immigrant small business owners are an extremely diverse group, with no single group dominating. The largest number of small business owners are from China—6,500, or 9 percent of all immigrant small business owners. After Chinese, the top 10 countries of birth for immigrant small business owners are the Dominican Republic (5,000), Korea (5,000), India (3,000) Italy (2,000), Greece (2,000), Colombia (2,000), the countries of the former Soviet Union (2,000), Israel—including the Palestinian Territories (2,000), and Jamaica (2,000). Yet, the range of immigrant groups in New York is such that all of the top ten groups together still make up just 45 percent of the total number of immigrant small business owners. The remaining 55 percent come from around the world, each individual country making up less than three percent of the total.

The businesses immigrants own range across all sectors of the economy. Retail trade is the broad industry with the largest number of immigrant small business owners—there are 12,000 immigrants with a retail business, making up 64 percent of all self-employed and incorporated retail business owners in the city. The broad industry most dominated by immigrants is transportation and warehousing, primarily due to strong immigrant concentrations in taxi and limousine services and truck transportation. Yet, there is only one sector with less than a 20 percent immigrant share (Information and Communications, at 19 percent).

Small business owners in New York City

Broad Industry	Foreign-born business owners	All small business owners (U.S. & Foreign-born)	Percent of small business owners who are foreign-born
Construction	8,089	13,059	62%
Manufacturing	3,284	6,178	53%
Wholesale Trade	4,733	8,732	54%
Retail Trade	12,145	18,877	64%
Transportation and Warehousing	5,802	7,190	81%
Information and Communications	1,040	5,555	19%
Finance, Insurance, Real Estate, and Rental and Leasing	4,867	13,969	35%
Professional, Scientific, Management, Administrative, and Waste Management	9,497	31,891	30%
Educational, Health and Social Services	6,564	13,971	47%
Arts, Entertainment, Recreation, Accommodations, and Food Services	7,582	16,421	46%
Other Services	5,685	8,677	66%
Total	69,411	144,674	48%

Fiscal Policy Institute analysis of 2005-2009 American Community Survey. "Small business owners" are people who live in New York City and have an incorporated business in the New York metro area. Small numbers of Mining and Agriculture, and Forestry, Fishing, and Hunting businesses that are below the threshold of statistical significance are included in the total.

Immigrant Small Businesses in New York City

Looking below the level of broad industry to detailed categories shows that immigrants are particularly prominent in certain types of business. Immigrants make up 90 percent of all dry cleaning and laundry small business owners, and the same commanding share of all taxi and limousine service owners. Immigrants make up 84 percent of all grocery store owners, 75 percent of all child daycare business owners, 70 percent of all beauty salon owners, and 69 percent of all restaurant owners. At the higher end of the economic ladder, immigrants are prominent among computer system design businesses (40 percent), architectural and engineering firms (40 percent), real estate businesses (39 percent), doctors who own their own office (35 percent) and the very high-earning businesses in securities, commodities, funds, trusts, and other financial investments (28 percent).

Small business owners in New York City

Type of business (ranked by immigrant concentration in industry)	Foreign-born business owners	All small business owners (U.S. & foreign- born)	Percent of small business owners who are foreign- born
Dry cleaning and laundry services	1,381	1,536	90%
Taxi and limousine service	3,777	4,214	90%
Grocery stores	1,544	1,831	84%
Child day care services	2,162	2,876	75%
Beauty salons	1,475	2,097	70%
Restaurants and other food services	5,574	8,032	69%
Truck transportation	1,076	1,659	65%
Clothing stores	1,370	2,162	63%
Construction	8,089	13,059	62%
Computer systems design	1,533	3,790	40%
Architectural, engineering, and related services	1,046	2,635	40%
Real estate	2,970	7,700	39%
Offices of physicians	1,202	3,428	35%
Specialized design services	1,375	4,209	33%
Securities, commodities, funds, trusts, and other financial investments	1,105	3,975	28%
Management, scientific, and technical consulting services	1,375	5,615	24%
Independent artists, performing arts, and spectator sports	1,310	6,363	21%
All other	31,047	69,493	45%
Total	69,411	144,674	48%

Fiscal Policy Institute analysis of 2005-2009 American Community Survey. "Small business owners" are people who live in New York City and have an incorporated business in the New York metro area. Sectors with fewer than 1,000 small business owners are excluded from the analysis due to small sample size.

The Fiscal Policy Institute (www.fiscalspolicy.org) is an independent, nonpartisan, nonprofit research and education organization committed to improving policies and practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared.