



The Role of Immigrants in the New York City Economy

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Highlights

- Between 1970 and 2008, the foreign-born population in New York City more than doubled to 3 million, while the native-born population declined by more than 1 million.
- Immigrants represented 36.4 percent of the City's population in 2008 (twice the 1970 share) and 43 percent of the workforce.
- More than 1.9 million foreign-born workers are employed in New York City, including 285,000 commuters. Foreign-born individuals account for 30 percent of the workers who commute to the City.
- In 2008, immigrants accounted for \$215 billion in economic activity in New York City, which represented about 32 percent of the gross city product.
- The ten neighborhoods with the highest concentration of foreign-born residents had stronger economic growth than the rest of New York City between 2000 and 2007.
- The median household income of New York City's foreign-born population nearly doubled from \$23,900 in 1990 to \$45,000 in 2007, increasing faster than inflation.
- The number of immigrants owning homes in New York City doubled between 1991 and 2008. Foreign-born residents accounted for 60 percent of all home owners in 2008.
- Foreign-born workers make up 72 percent of nursing, psychiatric, and home health aides; more than half of licensed practical, vocational, and registered nurses; 46 percent of physicians and surgeons; 40 percent of accountants and auditors; 27 percent of chief executives; and 21 percent of elementary and middle school teachers.

New York City has always been a gateway to opportunity for people from around the world. Successive waves of immigration created a melting pot of cultures that left its mark on the City's history and its neighborhoods.

Immigrant workers helped build the City and its infrastructure, filled many of the jobs that kept it running, and created businesses that grew into major corporations. Today, immigrants account for 43 percent of the City's workforce and occupy a wide range of positions.

Since the 1970s, immigration has helped fuel the rebound in the City's economy. Increases in the immigrant population have more than offset declines in the native-born population, pushing the City's total population to record levels. New arrivals have helped revitalize neighborhoods across the City.

Neighborhoods such as Chinatown, Flushing, Washington Heights, Coney Island, Elmhurst, and Corona all display a vitality fueled by their immigrant residents, many of whom are creating businesses and jobs as they seek to meet their communities' needs. As their incomes have risen, many immigrants have become home owners, further strengthening their ties to the City.

Immigrants have been a major factor in New York City's recent economic growth. Between 2000 and 2008, the number of immigrant workers in the City grew by 68 percent, their wages increased by nearly 39 percent, and their contribution to the gross city product rose by 61 percent. These increases all exceed comparable figures for the City's native-born workforce.

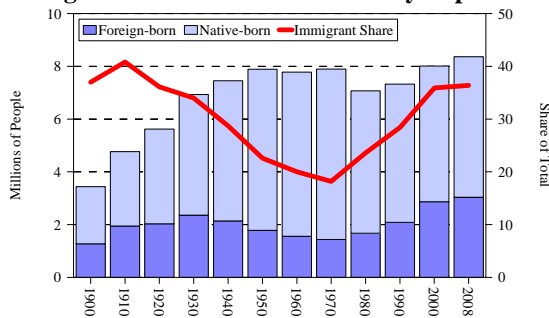
New York City's future economic growth will remain intertwined with immigration. At the same time, immigration presents new challenges to the City as it seeks to deliver services equitably and to foster cooperation and understanding between cultural groups striving for economic progress.

Population Trends

For centuries, immigrants from all over the world have shaped the economy, culture, and politics of New York City. During the 20th century, immigrants' share of the City's population peaked at 41 percent in 1910. By 1970, immigrants represented only 18 percent of the population. Although the City's overall population declined during the 1970s, its immigrant population again began to rise—setting the stage for the City's subsequent population rebound.

Between 1970 and 2008, the immigrant population more than doubled, to 3 million, while the native-born population declined by more than 1 million. As a result, immigrants represented 36.4 percent of the City's population in 2008—which was twice the 1970 share (see Figure 1).¹

Figure 1
Immigrants' Share of New York City Population



Note: People born in Puerto Rico, U.S.-outlying areas, or to U.S. parents abroad are considered native-born by the U.S. Census Bureau.

Sources: NYC Department of City Planning; U.S. Census Bureau; OSDC analysis

Most of the growth occurred from 1990 to 2000, when the number of foreign-born residents grew by nearly 38 percent and the number of native-born residents declined by 2 percent. By 2008, more than 3 million immigrants lived in New York City, and an additional 285,000 immigrants commuted to New York City for work.

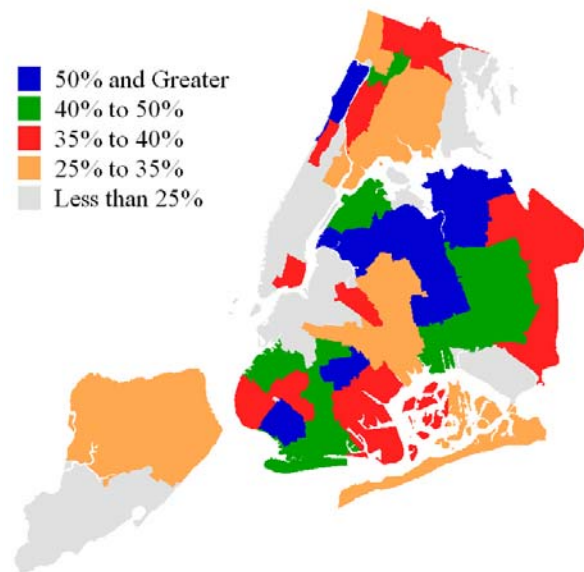
Immigrants in the City are from 148 different countries—although 52 percent of them are from just ten countries. The Dominican Republic supplies the most immigrants, followed by China, Jamaica, Mexico, Guyana, Ecuador, Haiti, Trinidad and Tobago, Russia, and Korea.

¹ According to the U.S. Census Bureau, people born in the United States, Puerto Rico, or other outlying U.S. areas, or born to U.S. parents abroad, are U.S. citizens. People born in all other locations are foreign-born. This report considers all foreign-born people who live in New York City to be immigrants.

Living and Working

New York City has always been a city of neighborhoods—with their unique characteristics defined by the similarities and differences of the people who live and work there. Of the 55 City neighborhoods defined by the U.S. Census Bureau, nine have immigrant populations that exceed 50 percent of the neighborhood's total population. In another ten, immigrants account for between 40 percent and 50 percent of the total population. Figure 2 shows the geographic concentration of the City's immigrant population.

Figure 2
Geographic Concentration of New York City's Immigrant Population



Sources: U.S. Census Bureau; OSDC analysis

Overall, the boroughs of Queens and Brooklyn have the highest concentrations of immigrant residents (47 percent and 37 percent, respectively). All but one of the ten City neighborhoods with the greatest concentration of immigrants are located in these two boroughs (see Figure 3). The immigrants in these ten neighborhoods hail primarily from Central and South America, the Caribbean, Russia, China, and other parts of Asia.

From 2000 to 2007, these ten neighborhoods had stronger economic growth than the rest of the City (see Figure 4). In these neighborhoods, the number of businesses grew by 14.8 percent, far faster than in the rest of the City (3.3 percent). Most of the growth was concentrated in small firms with fewer than 20 employees.

Figure 3
Ten Neighborhoods with the Highest Concentration of Immigrants

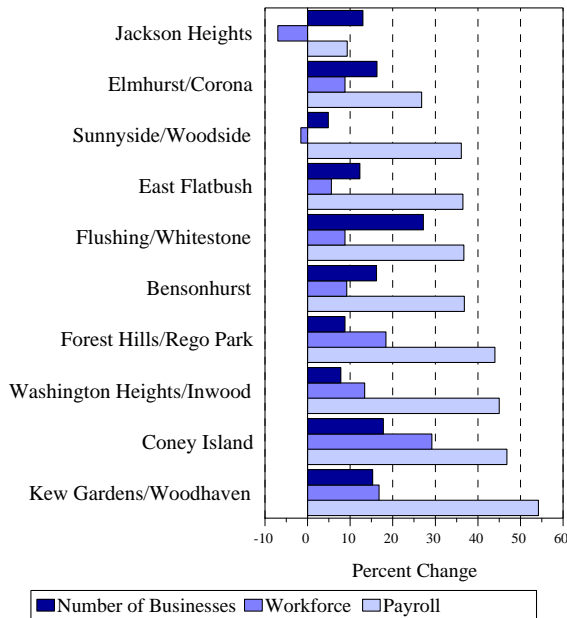
| Neighborhood | Share | Top 3 Countries of Origin |
|---------------------------|-------|-------------------------------------|
| Elmhurst/Corona | 68% | Ecuador, China, Mexico |
| Jackson Heights | 64% | Ecuador, Mexico, Dominican Republic |
| Sunnyside/Woodside | 59% | Ecuador, China, Bangladesh |
| East Flatbush | 57% | Jamaica, Haiti, Trinidad & Tobago |
| Flushing/Whitestone | 52% | China, Korea, Colombia |
| Forest Hills/Rego Park | 51% | Russia, China, India |
| Bensonhurst | 51% | China, Russia, Italy |
| Washington Heights/Inwood | 51% | Dominican Republic, Mexico, Ecuador |
| Kew Gardens/Woodhaven | 50% | Guyana, India, Dominican Republic |
| Coney Island | 47% | Ukraine, Russia, China |

Source: U.S. Census Bureau

During the same period, the total number of paid workers in these top ten neighborhoods grew by 8.2 percent, while the paid workforce in the rest of the City increased by 0.9 percent. The total annual payroll amount in the ten neighborhoods increased by 36.3 percent, which was faster than in the rest of the City (32.8 percent), even though immigrants tend to have lower-paying jobs than native-born residents.

Figure 4

Economic Growth in Neighborhoods with the Highest Concentration of Immigrants



Note: Change is from 2000 to 2007.

Sources: U.S. Census Bureau; OSDC analysis

Industries and Occupations

More than 1.9 million immigrants work in New York City (43 percent of the total workforce), making up the majority of workers in many industries—including personal services, construction, leisure and hospitality, manufacturing—and representing half of the workers in health and social services (see Figure 5).

Figure 5

Immigrants' Share of Industry Workforce

| Industry | Share |
|---|------------|
| Personal Services (e.g., nail salons, dry cleaning) | 68% |
| Repair Services and Community Organizations | 56% |
| Construction | 56% |
| Leisure and Hospitality | 55% |
| Manufacturing | 53% |
| Health and Social Services | 50% |
| Transportation | 47% |
| Retail and Wholesale Trade | 47% |
| All Industries | 43% |
| Financial Activities | 36% |
| Professional and Business Services | 34% |
| Educational Services | 27% |
| Government | 27% |
| Information | 21% |
| Utilities | 19% |

Source: U.S. Census Bureau

In Queens, immigrants make up more than half the workforce—a greater share than in any other borough. Immigrants form the majority of workers in most industries in Queens, with the lowest representation in government and utilities.

In Brooklyn, immigrants make up nearly half (48 percent) of the workforce. Moreover, they constitute the majority of workers in personal services, manufacturing, leisure and hospitality, and health and social services.

In the Bronx, immigrants make up 80 percent of the personal services businesses—the highest concentration in any industry among the boroughs. Overall, immigrants account for the majority of workers in leisure and hospitality, retail and wholesale trade, manufacturing, construction, transportation, and health and social services.

In Manhattan, immigrants make up the majority of the workers in personal services, leisure and hospitality, and construction. In Staten Island, immigrants make up one quarter of the total workforce and do not make up the majority of workers in any industry.

Immigrants who work in New York City are engaged in a broad range of occupations. The five occupations with the most foreign-born workers are nursing, psychiatric, and home health aides; janitors and building cleaners; maids and housekeepers; construction laborers; and registered nurses. Immigrant workers also represent a large share of the workers in a number of different occupations. Figure 6 shows the 25 occupations with the greatest number of immigrant workers, sorted in descending order by the percentage of jobs held by immigrants.

Figure 6
Concentration of Immigrant Workers in Top 25 Immigrant Occupations

| Occupation | Immigrant Concentration |
|--|-------------------------|
| Taxi Drivers and Chauffeurs | 87% |
| Maids and Housekeepers | 83% |
| Food Preparation Workers | 79% |
| Cooks | 77% |
| Personal and Home Care Aides | 75% |
| Chefs and Head Cooks | 74% |
| Construction Laborers | 73% |
| Nursing, Psychiatric, and Home Health Aides | 72% |
| Child Care Workers | 64% |
| Waiters and Waitresses | 64% |
| Janitors and Building Cleaners | 64% |
| Drivers/Sales Workers and Truck Drivers | 64% |
| Registered Nurses | 55% |
| Cashiers | 55% |
| Supervisors/Managers of Retail Workers | 47% |
| Physicians and Surgeons | 46% |
| Total NYC Workforce | 43% |
| Security Guards/Gaming Surveillance Officers | 42% |
| Office Clerks | 41% |
| Accountants and Auditors | 40% |
| Retail Salespeople | 40% |
| Customer Service Representatives | 36% |
| Miscellaneous Managers | 32% |
| Financial Managers | 32% |
| Secretaries and Administrative Assistants | 26% |
| Elementary and Middle School Teachers | 21% |

Source: U.S. Census Bureau

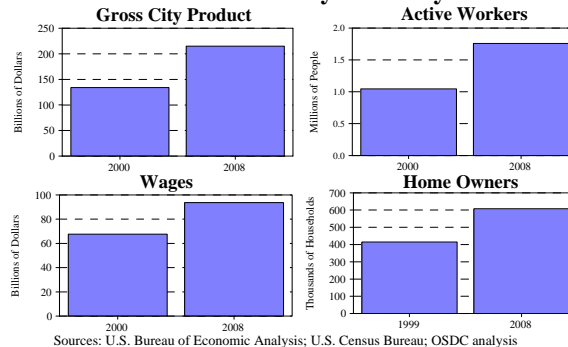
While many immigrants are employed in lower-paying occupations, they are also well represented in higher-paying and more highly skilled occupations. Among those who responded to the Census survey in 2008, for example, foreign-born workers in the City made up 100 percent of chemical engineers, 71 percent of biomedical and agricultural engineers, 40 percent of accountants and auditors, 27 percent of chief executives and legislators, and 21 percent of elementary and middle school teachers.

Many foreign-born workers are employed in medical occupations. For example, immigrants made up 72 percent of nursing, psychiatric, and home health aides, 56 percent of licensed practical and vocational nurses, 55 percent of registered nurses, and 46 percent of physicians and surgeons.

Economic Activity

In total, immigrants accounted for \$215 billion in economic activity in 2008, about 32 percent of New York's gross city product (GCP). Moreover, immigrants' contribution to the GCP has been growing—increasing by 61 percent from 2000 to 2008—reflecting the increase in the immigrant workforce, a high workforce participation rate, and growth in wages (see Figure 7).

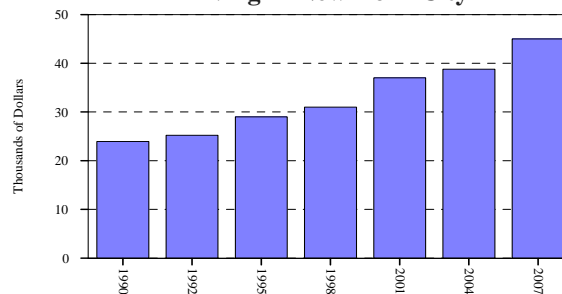
Figure 7
Immigrants' Contribution to the New York City Economy



Sources: U.S. Bureau of Economic Analysis; U.S. Census Bureau; OSDC analysis

Immigrant median household income nearly doubled from \$23,900 in 1990 to \$45,000 in 2007, which exceeded the rate of inflation by nearly 15 percent (see Figure 8). This growth permitted increasing numbers of immigrants to own homes. The number of immigrants owning homes doubled between 1991 and 2008, and increased by almost 50 percent between 1999 and 2008.

Figure 8
Median Household Income of Immigrants Living in New York City



Sources: U.S. Census Bureau (NYC Housing and Vacancy Survey); OSDC analysis

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