## New Americans in Los Angeles

A Snapshot of the Demographic and Economic Contributions of Immigrants in Los Angeles County and the City of Los Angeles<sup>1</sup>

### **POPULATION GROWTH**

#### LA COUNTY CITY OF LA Between 2010 and 2014, the Between 2010 and 2014, the foreign-born population grew by foreign-born population grew by 11,110 22,301 2.9% 3.7% Overall population growth: Overall population growth: 3,794,818 → **3,934,229** 9,828,277 → **10,117,992** 0.6% 0.8% Immigrant Immigrant population growth: population growth: 3,478,345 → **3,500,646** 1,476,531 → **1,487,641** 2010 2010 2014 2014

Growth in the foreign-born population accounted for this share of overall population growth:

7.7% in LA County





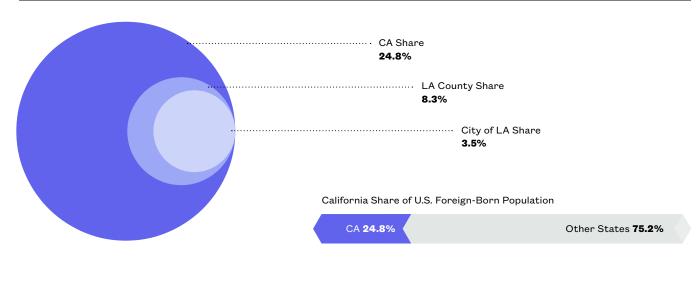




The share of the total population that was foreign-born in 2014 was **34.6%** in LA County and **37.8%** in the City of LA, a slight decrease from 2010.<sup>2</sup>

Los Angeles and California are home to a disproportionate share of U.S. foreign-born individuals: **one in four** of the nation's immigrants resides in California and **one in twelve** lives in LA County.

#### CALIFORNIA AND LA SHARES OF U.S. FOREIGN-BORN POPULATION

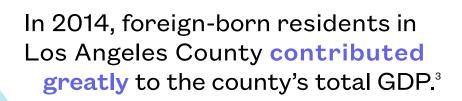


LANGUAGE

Share of Los Angeles residents speaking a language other than **English** at home in 2014:



#### **GDP CONTRIBUTIONS**



**\$81.7B** came from Asian immigrants...

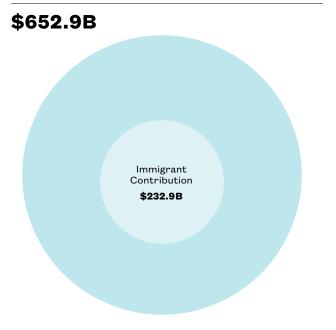
**\$95.3B** came from Hispanic immigrants...

...and **\$55.9B** came from other foreignborn groups, for a total contribution of

## **\$232.9B**

or **35.7%** of the county's total GDP.

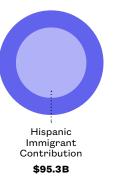
TOTAL GDP OF LA COUNTY



HISPANIC CONTRIBUTION TO GDP OF LA COUNTY ASIAN CONTRIBUTION TO GDP OF LA COUNTY

\$194B

\$112.4B



Asian Immigrant Contribution \$81.7B

#### **SPENDING POWER**

## In 2014, the foreign-born population held **\$70.7B** in spending power in LA County and **\$28.8B** in the City of LA.<sup>4</sup>

Sub-Group	County	City	SHARES OF FOREIGN-BORN SPENDING POWER
All Foreign-Born	\$70.7B	\$28.8B	COUNTY
All Hispanic	\$54.1B	\$19.4B	36.8%
— Hispanic U.SBorn	\$23.8B	\$6.7B	
— Hispanic Immigrant	\$30.3B	\$12.7B	
— Mexican Immigrant	\$20.6B	\$7.3B	63.2%
— Central American Immigrant	\$7.5B	\$4.4B	CITY
All Asian	\$31.8B	\$10.1B	38.1%
— Asian U.SBorn	\$7.8B	\$2.7B	
— Asian Immigrant	\$24.0B	\$7.4B	
— Filipino Immigrant	\$6.4B	\$2.3B	61.9%
— Chinese Immigrant	\$3.1B	\$671M	Foreign-Born Spending Power
— Korean Immigrant	\$3.7B	\$1.8B	
Iranian Immigrant	\$3B	\$1.8B	

### **TAX CONTRIBUTIONS**

# In 2014, foreign-born residents contributed \$17.3B in federal taxes in LA County / 6.9B in the City of LA,<sup>5</sup> and 7.9B in state and local taxes in LA County / 3.2B in the City of LA.<sup>6</sup>

Sub-Group	<b>County</b> Federal	<b>County</b> State & Local	<b>City</b> Federal	<b>City</b> State & Local
All Foreign-Born	\$17.3B	\$7.9B	\$6.9B	\$3.2B
Hispanic U.SBorn	\$5.7B	\$2.6B	\$1.5B	\$731M
Hispanic Immigrant	\$5.8B	\$3.3B	\$2.3B	\$1.4B
— Mexican Immigrant	\$3.8B	\$2.2B	\$1.3B	\$795M
— Central American Immigrant	\$1.4B	\$810M	\$772M	\$474M
Asian U.SBorn	\$2.3B	\$879M	\$801M	\$307M
Asian Immigrant	\$6.6B	\$2.7B	\$1.9B	\$819M
— Filipino Immigrant	\$1.8B	\$710M	\$659M	\$260M
— Chinese Immigrant	\$808M	\$356M	\$171M	\$76M
— Korean Immigrant	\$953B	\$416M	\$393M	\$193M

#### **SOCIAL SECURITY & MEDICARE CONTRIBUTIONS**

Foreign-born households supported federal social programs in 2014. \$9.2B went to Social Security in LA County / \$3.8B in the City of LA, and \$2.4B went to Medicare in LA County / \$983M in the City of LA.

Sub-Group	<b>County</b> Social Security	<b>County</b> Medicare	<b>City</b> Social Security	<b>City</b> Medicare
All Foreign-Born	\$9.2B	\$2.4B	\$3.8B	\$983M
Hispanic U.SBorn	\$4.1B	\$1B	\$1.2B	\$306M
Hispanic Immigrant	\$4.1B	\$982M	\$1.7B	\$419M
— Mexican Immigrant	\$2.7B	\$652M	\$989M	\$234M
— Central American Immigrant	\$1.1B	\$261M	\$650M	\$154M
Asian U.SBorn	\$1.2B	\$317M	\$404M	\$111M
Asian Immigrant	\$3.2B	\$831M	\$974M	\$252M
Asian Immigrant — Filipino Immigrant	<b>\$3.2B</b> \$903M	<b>\$831M</b> \$224M	<b>\$974M</b> \$315M	<b>\$252M</b> \$80M
		•		·
— Filipino Immigrant	\$903M	\$224M	\$315M	\$80M

### **POPULATION DIVERSITY**

Sub-Group	County	Share of County Population	City	Share of City Population
All Foreign-Born	3,500,646	<b>34.6</b> %	1,487,641	37.8%
All Hispanic	4,898,272	48.4%	1,907,727	48.6%
— Hispanic U.SBorn	2,911,393	28.8%	1,017,564	25.9%
— Hispanic Immigrant	1,986,879	<b>19.6</b> %	890,163	22.7%
— Mexican Immigrant	1,392,898	13.8%	542,328	13.8%
— Central American Immigrant	507,884	5.0%	314,326	8.0%
All Asian	1,483,535	14.7%	464,693	11.8%
— Asian U.SBorn	519,193	5.1%	154,414	3.9%
— Asian Immigrant	964,342	9.5%	310,279	7.9%
			-	
— Filipino Immigrant	241,206	2.4%	88,332	2.2%
— Filipino Immigrant — Chinese Immigrant	241,206 172,934	2.4% 1.7%	88,332 37,201	2.2% 0.9%

#### MIGRATION

In 2014, a vast majority of the foreign-born in Los Angeles had lived in U.S. for more than 10 years: **80.7%** of the foreign-born in the county and **79.3%** in the city.<sup>7</sup>

#### COUNTY

**2.8%** of foreign-born residents were recent arrivals to Los Angeles County.<sup>8</sup> Of these...

60.2% came from abroad....

22.2%

came from within California...

And **17.6%** 

came from other U.S. states.

#### СІТҮ

**2.7%** of foreign-born residents were recent arrivals to the City of Los Angeles. Of these...

came from abroad....

19.8% came from within California...

And **18.2%** 

came from other U.S. states.

#### **ENTREPRENEURSHIP**



Hispanic

Immigrant

— Mexican

— Central

Immigrant

— Filipino

— Chinese Immigrant

— Korean

Iranian

Immigrant

Immigrant

Immigrant

Asian

Immigrant

American Immigrant

**51.5%** 

of Los Angeles County's self-employed individuals were immigrants in 2014.

Their businesses generated **\$7.2B** or 41.7%—of all self-employed income in the county. СІТҮ

## **53.6%**

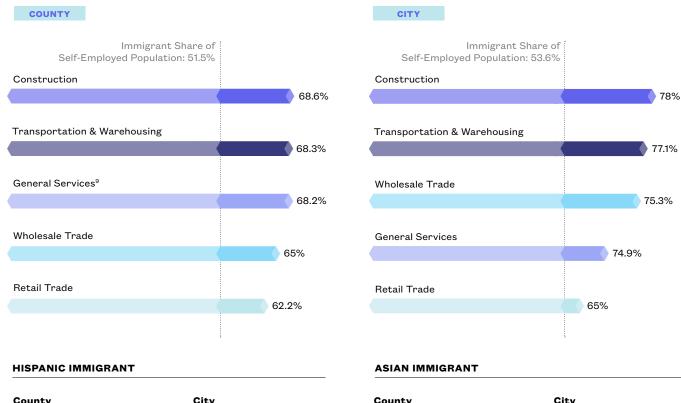
of the City of Los Angeles' self-employed individuals were immigrants in 2014.

Their businesses generated **\$3.5B** or 45.6%—of all self-employed income in the city.

Share of All Entrepreneurs	Income		Share of All Entrepreneurs	Income
28.4%	\$3.1B	Hispanic Immigrant	30.5%	\$1.5B
18.4%	\$2B	— Mexican Immigrant	16.9%	\$801M
8.3%	\$911M	— Central American Immigrant	12%	\$631M
11.3%	\$1.7B	Asian Immigrant	7.8%	\$560M
1.4%	\$217M	— Filipino Immigrant	1.5%	\$131M
1.8%	\$143M	— Chinese Immigrant	0.4%	\$15M
3.2%	\$517M	— Korean Immigrant	3.3%	\$260M
3%	\$516M	Iranian Immigrant	3.7%	\$322M

#### **ENTREPRENEURSHIP BY INDUSTRY**

Immigrant entrepreneurs are overrepresented in key industries in Los Angeles, comprising a larger share in those industries than in the total population of self-employed immigrants:



County	City
Construction: 51.6%	Construction: 60.3%
General Services: 48.7%	General Services: 55.9%
	Professional Services: 28.7% <sup>10</sup>

County	City
Wholesale Trade: 25.9%	N/A
Retail Trade: 20.8%	
Healthcare & Social Assistance: 14.2%	

#### **MEXICAN IMMIGRANT**

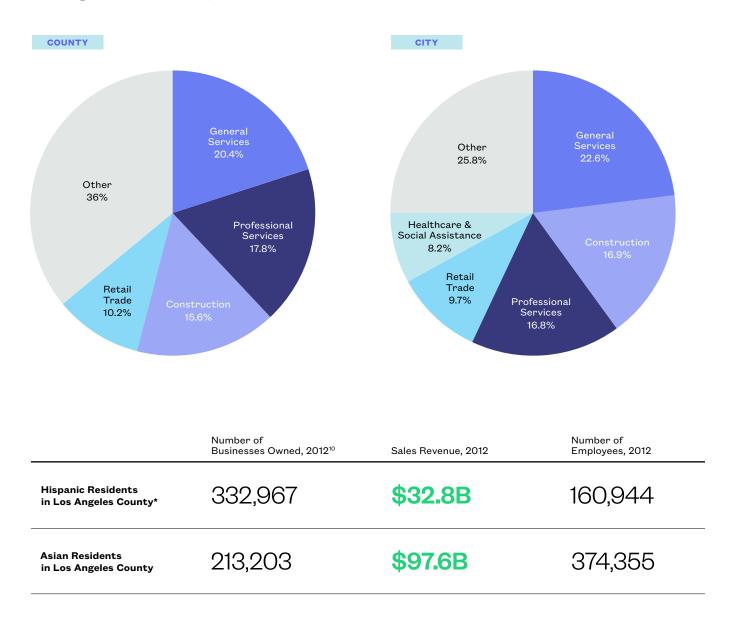
County	City
Construction: 36.9%	Construction: 37.3%
General Services: 26.4%	General Services: 25.4%
Provessional Services: 19%	Professional Services: 17.9%

#### **CENTRAL AMERICAN IMMIGRANT**

County	City
General Services: 19.7%	General Services: 28.5%
Construction: 14%	Construction: 22.1%

#### FOREIGN-BORN ENTREPRENEURSHIP

### Foreign-born entrepreneurs are concentrated in certain industries:



\* Although Hispanic business owners were more numerous, they were largely one-person businesses and did not employ other workers. This explains both the difference in sales receipts and number of employees employed.

#### **FORTUNE 500**

In 2015, **6 of the 13 Fortune 500** companies in Los Angeles County were founded by immigrants or the children of immigrants.

## That's **46%** of the Fortune **500** companies in Los Angeles County.

Number of	Combined	Number of
Companies, 2015	Revenue, 2015	Employees, 2015
6	\$98B+	351.000

#### HOUSING WEALTH



Between 2010 and 2014, immigration to Los Angeles increased total housing value by **\$8.9B in the county** and **\$1.8B in the city**.<sup>11</sup>

#### LABOR FORCE

COUNTY	CITY	
In 2014, immigrants made up <b>34.6%</b> of the population in Los Angeles County	In 2014, immigrants made up <b>37.8%</b> of the population in the City of Los Angeles	
41.1% of the area's working-age population	<b>44.8%</b> of the area's <b>working-age population</b>	
And <b>43.2%</b> of the employed labor force.	And <b>46.7%</b> of the employed labor force.	

#### LABOR FORCE

Sub-Group	<b>County</b> Share of Working- Age Population	<b>County</b> Share of Employed Population	<b>City</b> Share of Working- Age Population	<b>City</b> Share of Employed Population
All Foreign-Born	<b>41.1%</b>	43.2%	<b>44.8</b> %	<b>46.7</b> %
Hispanic U.SBorn	23.4%	20.8%	19.4%	16.8%
Hispanic Immigrant	24.6%	<b>25.6</b> %	28.3%	<b>29.3</b> %
— Mexican Immigrant	17.4%	17.6%	17.4%	17.4%
— Central American Immigrant	6.3%	6.9%	10%	10.8%
Asian U.SBorn	4.4%	4.1%	3.6%	3.5%
Asian Immigrant	10.8%	11.4%	8.8%	9%
— Filipino Immigrant	2.7%	3.2%	2.6%	2.9%
— Chinese Immigrant	1.8%	1.7%	1%	0.9%
— Korean Immigrant	1.7%	1.7%	2.2%	2.2%
Iranian Immigrant	1.2%	1.2%	1.5%	1.7%

#### LABOR FORCE BY INDUSTRY

## Immigrants are overrepresented in key industries in Los Angeles, comprising a larger share in those industries than in the total workforce:

COUNTY		CITY	
Agriculture	Immigrant Share of Employed Population: 43.2%	Construction	Immigrant Share of Employed Population: 46.7% 70.2%
	04.078		10.278
Construction		Agriculture	
	59.5%		68.1%
Manufacturing		Manufacturing	
	57.6%		66.3%
General Services		General Services	
	57.5%		62.8%
Wholesale Trade		Wholesale Trade	
	55.2%		58.2%
Transportation & Warehousing		Transportation & Warehousing	
	47.4%		52%
Healthcare & Social Assistance			
	43.8%		

#### LABOR FORCE BY GROUP AND INDUSTRY

#### **HISPANIC U.S.-BORN**

#### СІТҮ

Transportation &

Recreation & Accomodation: 19.1%

Warehousing: 20%

Retail Trade: 23.2%

Education Services: 20.6%

Retail Trade: 28.6%

Public Administration & Government: 25.5%

Utilities: 25.0%

COUNTY

Agriculture: 25.0%

Education Services: 23.5%

#### ASIAN U.S.-BORN

#### COUNTY

### Education Services: 6.0%

Healthcare & Social Assistance: 5.5%

Public Administration: 4.8%

Finance & Real Estate: 4.7%

Information & Communications: 4.6%

CITY

### Education Services: 5.3%

Healthcare & Social Assistance: 4.8%

Public Administration: 4.7%

Information & Communications: 4.2%

#### HISPANIC IMMIGRANT

#### COUNTY

Agriculture: 57.8% Construction: 49.5% Manufacturing: 42.6% General Services: 38.8%

#### ASIAN IMMIGRANT

Wholesale Trade: 31.7%

#### COUNTY

#### Wholesale Trade: 18.6%

Healthcare & Social

Assistance: 18.4% Finance & Real Estate: 14.3%

Public Administration: 12.0%

Utilities: 11.7%

#### Manufacturing: 52.5%

Agriculture: 63.9%

Construction: 60.5%

СІТҮ

General Services: 42.9%

Wholesale Trade: 37.7%

#### СІТҮ

#### Healthcare & Social Assistance: 15.9%

Finance & Real Estate: 12.8%

Wholesale Trade: 12.6%

Public Administration: 11.8%

#### LABOR FORCE BY SUB-GROUP AND INDUSTRY

Sub-Group	County	City		
	Agriculture: 39.2%	Construction: 36.5%		
	Construction: 34.6%	Manufacturing: 33.9%		
Mexican Immigrant	Manufacturing: 32.1%	Wholesale Trade: 25.1%		
	Wholesale Trade: 23.9%	General Services: 23%		
	General Services: 23.8%			
	Agriculture: 17.7%	Construction: 22.5%		
	Construction: 13.7%	General Services: 18.5%		
Central American Immigrant	General Services: 13.4%	Manufacturing: 17.2%		
U	Manufacturing: 9.2%	Transportation & Warehousing: 11.8%		
	Transportation & Warehousing: 8.5%			
	Healthcare & Social Assistance: 10.3%	Healthcare & Social Assistance: 10.5%		
Filipino Immigrant	Public Administration: 4.5%	General Services: 3.0%		
i inpino ininigi and	Finance & Real Estate: 3.2%	Finance & Real Estate: 2.7%		
Chinese Immigrant	Wholesale Trade: 2.8% Recreation & Accomodation: 2.3% Finance & Real Estate: 1.9%	N/A		
Korean Immigrant	Wholesale Trade: 3.6% Finance & Real Estate: 2.8% Retail Trade: 2.3% General Services: 2.2%	Finance & Real Estate: 4.1% Retail Trade: 3.2		
Iranian Immigrant	Retail Trade: 2.3% Professional Services: 1.9% Healthcare & Social Assistance: 1.3%	N/A		

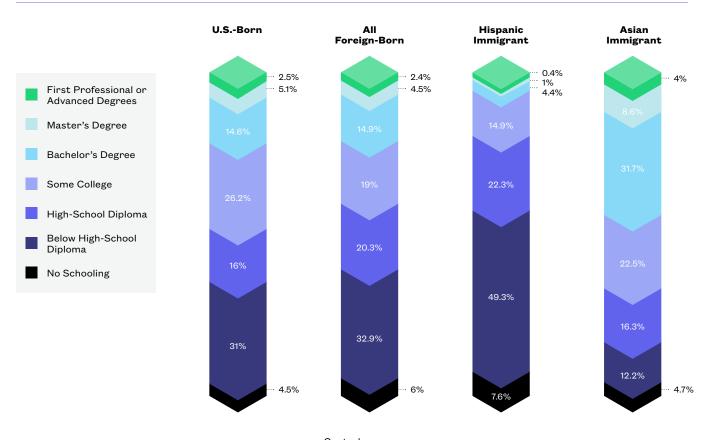
#### EDUCATIONAL ATTAINMENT

In 2014, foreign-born residents of Los Angeles had slightly lower levels of educational attainment overall than the U.S.-born population, but some immigrant groups had higher education levels than U.S. natives.\*

COUNTY		CITY	
ACHELOR'S DEGREE	OR HIGHER		
oreign-Born		Foreign-Born	
	21.8%		21.2%
J.SBorn		U.SBorn	
	22.2%		25.5%
ADVANCED DEGREE			
ADVANCED DEGREE		Foreign-Born	
		Foreign-Born <b>6.6%</b>	

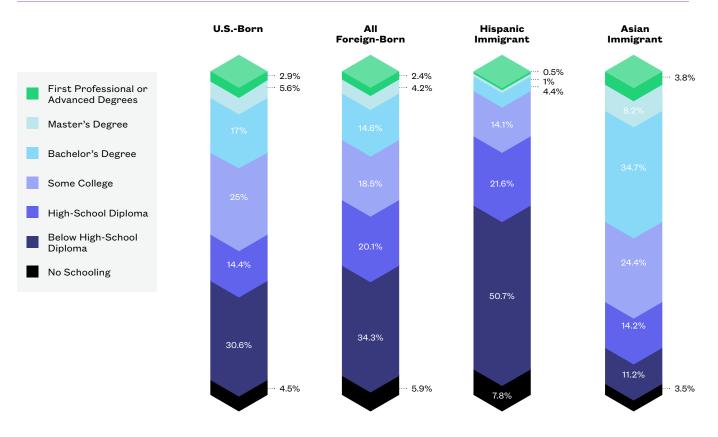
### Foreign-born share of all degree holders:

Level of Degree	County	City
Bachelor's Degree	<b>36.4</b> %	35.7%
Master's Degree	32.7%	32.6%
First Professional Degree	31.0%	29.2%
Doctorate Degree	39.9%	43.8%



#### EDUCATIONAL ATTAINMENT IN LOS ANGELES COUNTY

Educational Attainment	Mexican Immigrant	Central American Immigrant	Filipino Immigrant	Chinese Immigrant	Korean Immigrant	Iranian Immigrant
No Schooling	7.5%	8.4%	1.3%	7.7%	2.1%	4.5%
Below High-School Diploma	53.1%	44.4%	8.1%	18.6%	8.4%	13.6%
High-School Diploma	21.9%	23.5%	11.7%	21.2%	19.2%	22.9%
Some College	13.1%	17.3%	29.7%	17.1%	24.2%	25.0%
Bachelor's Degree	3.3%	5.2%	41.9%	22.2%	34.1%	20.1%
Master's Degree	0.7%	0.9%	4.2%	8.3%	7.7%	6.9%
First Professional Degree	0.2%	0.2%	2.5%	1.8%	2.6%	3.5%
Doctorate Degree	0.1%	0.1%	0.5%	3.1%	1.5%	3.5%



#### EDUCATIONAL ATTAINMENT IN THE CITY OF LOS ANGELES

Educational Attainment	Mexican Immigrant	Central American Immigrant	Filipino Immigrant	Chinese Immigrant	Korean Immigrant	Iranian Immigrant
No Schooling	7.3%	8.9%	1.6%	6.7%	2.2%	3.7%
Below High-School Diploma	55.2%	47.1%	7.0%	19.6%	9.9%	9.5%
High-School Diploma	21.2%	22.8%	9.8%	13.2%	20.0%	22.0%
Some College	11.8%	16.1%	31.0%	19.1%	23.9%	21.4%
Bachelor's Degree	3.7%	3.9%	44.1%	22.0%	33.7%	25.3%
Master's Degree	0.5%	0.9%	3.9%	10.8%	6.8%	7.9%
First Professional Degree	0.1%	0.1%	2.3%	2.6%	2.0%	5.0%
Doctorate Degree	0.1%	0.1%	0.3%	6.0%	1.4%	5.3%

#### LONG-TERM ECONOMIC IMPACTS OF EDUCATIONAL ATTAINMENT

**42,313** Number of students with temporary resident visas in the county enrolled in higher education during fall of 2014.<sup>12</sup> 19,635





If the county could increase its population of international students by **10%**, the number of university patents granted would be expected to rise by **16**, or **5.3%**, to **318 patents**.<sup>1415</sup>

If Los Angeles County retains one-half of its international students after graduation with bachelor's degrees or higher, **6,527 local jobs** will be created within six years,<sup>16</sup> boosting the county's real GDP by nearly **\$1.8B** in 2014 terms within the next 30 years,<sup>17</sup> and increasing its population by **52,637** people within the next 50 years.<sup>18</sup>

## Endnotes

- Unless otherwise specified, data comes from one-year samples of the American Community Survey from 2010 and 2014 and figures refer to Los Angeles County and the City of Los Angeles.
- 2 The share of the total population that was foreign-born in 2010 was 35.4% in LA County and 38.9% in the City of LA
- 3 These figures derive from our calculations based on immigrants' share of wage income and self-employment income in the five-year ACS sample from 2014 and the statistics of GDP by the National Association of Counties. Retrieved from: http://explorer.naco.org/
- 4 Estimates are based on federal tax rates from the U.S. Congressional Budget Office, and state and local tax rates from the Institute on Taxation and Economic Policy.
- 5 U.S. Congressional Budget Office. 2014. "The Distribution of Household Income and Federal Taxes, 2011." Retrieved from: https://www.cbo.gov/sites/default/files/113th-congress-2013-2014/reports/49440-Distribution-of-Income-and-Taxes-2.pdf
- 6 Institute on Taxation and Economic Policy. 2015. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States." Retrieved from: http://www.itep.org/ whopays/states/california.php
- 7 In 2014, a vast majority of the foreign-born in Los Angeles had lived in U.S. for more than five years: 91.1% of foreign-born in the county and 90.8% in the city.
- 8 Recent refers to residents of LA County or The City of LA that indicated that they moved to the area (county or city, respectively) in the last year prior to the time the data was collected in 2014.

- **9** General services include personal services (e.g. laundry services, barber shops, and repair and maintenance), religious organizations, social services, labor unions, etc.
- 10 2012 Survey of Business Owners, U.S. Census Bureau. Retrieved from: http://factfinder.census.gov/faces/ tableservices/jsf/pages/productview.xhtml?pid=S-BO\_2012\_00CSA01&prodType=table
- 11 Vigdor, Jacob. 2013. "Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market." Partnership for a New American Economy. Retrieved from: http://www. as-coa.org/sites/default/files/ImmigrationUSRevivalReport.pdf Our estimates of the increase in total housing value as a result of the rising immigrant population use the methodology in this report, which found that each immigrant moving in a county increased the value of each housing unit in that county by 11.6 cents. We apply this multiplier to the change in the foreign-born population between 2010 and 2014 to produce our estimates.
- 12 Data on total student enrollment in the county is derived from the Integrated Postsecondary Education Data System maintained by the National Center for Education Statistics. Retrieved from: https://ncsesdata.nsf.gov/webcaspar/
- 13 Economic data is derived from the International Student Economic Value Tool maintained by NAFSA, the association of international educators. Retrieved from: http://www.nafsa.org/Policy\_and\_Advocacy/Policy\_Resources/Policy\_Trends\_and\_Data/NAFSA\_International\_Student\_Economic\_Value\_Tool/
- 14 To derive the patent counts, we used the data on patent assignees available from Patent Full-Text and Image Database maintained by the US Patent and Trademark Office. Retrieved from: http://patft.uspto. gov/netahtml/PTO/search-adv.htm

- 15 Chellaraj, Gnanaraj, Keith E. Maskus, and Aaditya Mattoo. 2005. "The Contribution of Skilled Immigration and International Graduate Students to US Innovation." World Bank Policy Research Working Paper (3588). Retrieved from: http://elibrary.worldbank.org/doi/abs/10.1596/1813-9450-3588
- 16 Curtis Simon. 1998. "Human Capital and Metropolitan Employment Growth." Journal of Urban Economics 43. Retrieved from: http://www.sciencedirect.com/science/ article/pii/S0094119097920489
- 17 Rita Ray. 2014. "Effect of Education on Gross Domestic Product: A Case Study from US 'Mid-West'." International Review of Business Research Papers, Vol. 10-1. Retrieved from: http://www.irbrp.com/static/documents/March/2014/1.%20Rita.pdf
- Edward L. Glaeser, Giacomo A. M. Ponzetto, and Kristina Tobio. 2014. "Cities, Skills and Regional Change." Regional Studies, Vol. 48-1. Retrieved from: http://www.tandfonline.com/doi/abs/10.1080/00343404.2012.674637

#### Want more information about this region?

See our state report:

## The Contributions of New Americans in California

