

New Americans in the City of Los Angeles

The Demographic and Economic Contributions of Immigrants in the City¹

DECEMBER 2021



New American Economy | State & Local

Population

1,446,700

immigrants lived in Los Angeles, California, in 2019.

Between 2014 and 2019, the total population in the city increased by



Immigrants made up



of the total population in the city in 2019.

The immigrant population decreased by



during the same time period.

Eric Garcetti
@MayorOfLA



Demographics



of immigrants in the city of Los Angeles have resided in the United States for longer than 5 years, meaning

In the city, immigrants are

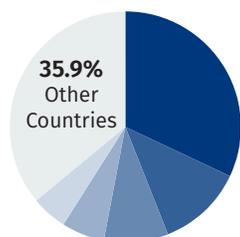
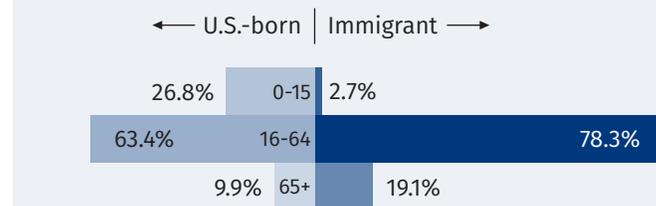


more likely to be of working-age than their U.S.-born counterparts, allowing them to actively participate in the labor force and contribute to the economy as taxpayers and consumers.²



of immigrants in the city are recent arrivals, with no more than 5 years of residency in the United States.

Shares of population by age groups:³



The top five countries of origin for immigrants living in the city:

- Mexico (31.7%)
- Guatemala (8.8%)
- Korea (5.2%)
- El Salvador (12%)
- Philippines (6.4%)

1 Unless otherwise specified, data comes from 1-year samples of the American Community Survey from 2014 and 2019 and figures refer to Los Angeles, California.

2 We define working age as 16-64 years of age.

3 Totals may not add up to 100 percent due to rounding.

Demographics *continued*

538,800

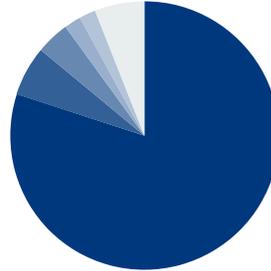
immigrants living in the city had limited English language proficiency, making up

37.4%

of the immigrant population.

The top languages spoken at home other than English were:

- Spanish (79.7%)
- Korean (5.9%)
- Armenian (3.5%)
- Chinese (1.9%)
- Persian, Iranian, Farsi (1.6%)
- Other Languages (7.4%)



Spending Power & Tax Contributions

Given their income, immigrants contributed significantly to taxes, including property, sales, and excise taxes levied by state and local governments.

In 2019, immigrant households in the city of Los Angeles earned

\$52.9 billion

\$9.6 billion

went to federal taxes⁴

\$5 billion went to state & local taxes⁵

\$38.3 billion was left in spending power

This means that foreign-born households held

39%

of all spending power in the city.

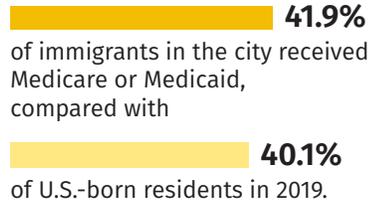
Immigrant Households	Total Household Income	Federal Taxes	State and Local Taxes	Spending Power	Median Household Income
White	\$15.6 billion	\$3.5 billion	\$1.5 billion	\$10.5 billion	\$103,000
Black or African American	\$1.5 billion	\$289 million	\$140 million	\$1.1 billion	\$64,000
Asian or Pacific Islander	\$13 billion	\$2.6 billion	\$1.2 billion	\$9.2 billion	\$98,000
Mixed or Other Race	\$1.1 billion	\$242 million	\$106 million	\$763 million	\$81,900
Hispanic	\$21.8 billion	\$3 billion	\$2 billion	\$16.8 billion	\$63,700

⁴ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

⁵ Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

Spending Power & Tax Contributions *continued*

Immigrants in the city also supported federal social programs. In 2019, they contributed



About **59.6%** of U.S.-born had private healthcare coverage, while **40.5%** had public healthcare coverage.⁶



About **43.7%** of immigrants had private healthcare coverage, while **42.1%** had public healthcare coverage.



Given their incomes,

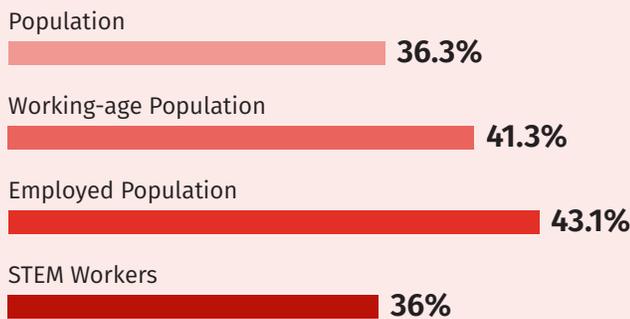


of immigrants live at or below 150% of the federal poverty threshold compared to **24.4%** of U.S.-born households.

Workforce

Although the foreign-born made up **36.3%** of the city's overall population, they represented **41.3%** of its working-age population, **43.1%** of its employed labor force, and **36%** of its STEM workers in 2019.⁷

Immigrant shares of the...



Immigrants in the city are

23.5%

more likely to be working age than their U.S.-born counterparts.

The immigrant working-age population was **50.9%** female and **49.1%** male.



The employed immigrant population was **44%** female and **56%** male.

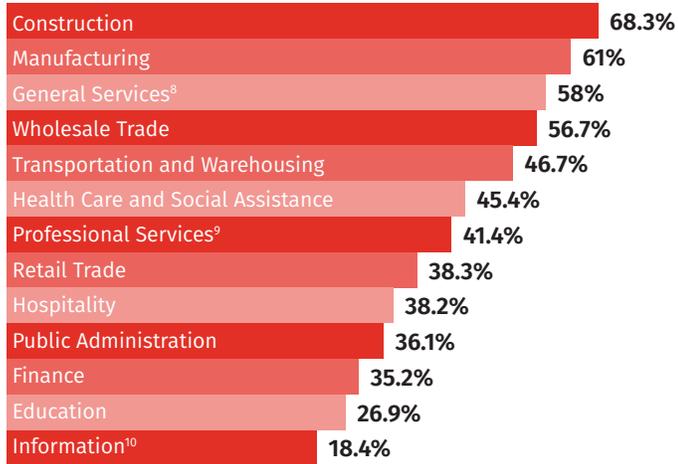


⁶ Including people who have both public and private healthcare coverage.

⁷ STEM refers to occupations that require background or expertise in Science, Technology, Engineering, and/or Math.

Workforce *continued*

Immigrants played a critical role in several key industries in the city. This included:



⁸ General services include personal services (e.g. laundry services, barber shops, and repair and maintenance), religious organizations, social services, and labor unions.

⁹ Professional services: Most of these industries include professions that require a degree or a license, such as legal services, accounting, scientific research, consulting services, etc.

¹⁰ Information refers to the technology, media, and telecommunications sector, including industries such as digital and web services, media publishing, and telecommunications.

¹¹ These include services essential for daily living, such as building cleaning, waste management, auto repair, and veterinary services.

SPOTLIGHT ON Immigrant Essential Workers

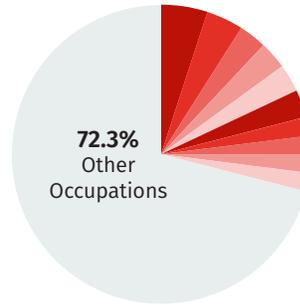
Immigrants have also been playing vital roles in critical industries that have kept the country functioning throughout the COVID-19 crisis. Immigrants in the city continue working in these frontline and essential industries:



Workforce *continued*

Immigrants tended to work in these occupations in the city in 2019:

- Maids and Housekeeping Cleaners (5%)
- Construction Laborers (3.9%)
- Cooks (3%)
- Personal Care Aides (2.8%)
- Janitors and Building Cleaners (2.8%)
- Driver/Sales Workers and Truck Drivers (2.7%)
- Other Managers (2.1%)
- Cashiers (2%)
- Registered Nurses (1.7%)
- Landscaping and Groundskeeping Workers (1.7%)



Top Occupations for Female Workers:

Maids and Housekeeping Cleaners	10.6%
Personal Care Aides	5.3%
Registered Nurses.....	3.1%

Top Occupations for Male Workers:

Construction Laborers.....	6.9%
Driver/Sales Workers and Truck Drivers.....	4.7%
Cooks	3.2%

Due to the role immigrants play in the workforce helping companies keep jobs on U.S. soil, we estimate that immigrants living in the city had helped create or preserve

66,500
manufacturing
jobs

that would have otherwise vanished or moved elsewhere by 2019.¹²

SPOTLIGHT ON Job Demand In the City In 2021

Not only are immigrants more likely to be of working age in the city, but they are also a crucial part of the city's economy, and could help us meet the needs of its fastest growing and most in-demand fields, especially as the need for bilingual and culturally competent public services and healthcare increases.

The top 5 industries with the highest demand for bilingual workers:¹³

- | | | |
|------------------------------------|------------------------|---|
| 1. Health Care & Social Assistance | 2. Finance & Insurance | 3. Professional, Scientific, and Technical Services |
| 4. Educational Services | 5. Retail Trade | |

¹² Vigdor, Jacob. 2013. "Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market." *New American Economy*.

¹³ Data is obtained from Burning Glass Technologies for the time period between April 1, 2020 and March 31, 2021.

Entrepreneurship

168,400

immigrant entrepreneurs generated

\$4.3 billion

in business income for the city of Los Angeles.

While **13.4%** of the U.S.-born population were entrepreneurs, **18.8%** of foreign-born residents worked for their own businesses.



U.S.-Born Foreign-Born

Despite making up **36.3%** of the population, immigrants made up



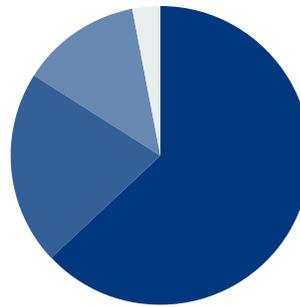
of the business owners in the city in 2019.

Immigrant entrepreneurs self-identified as **39.1%** female and **60.9%** male.

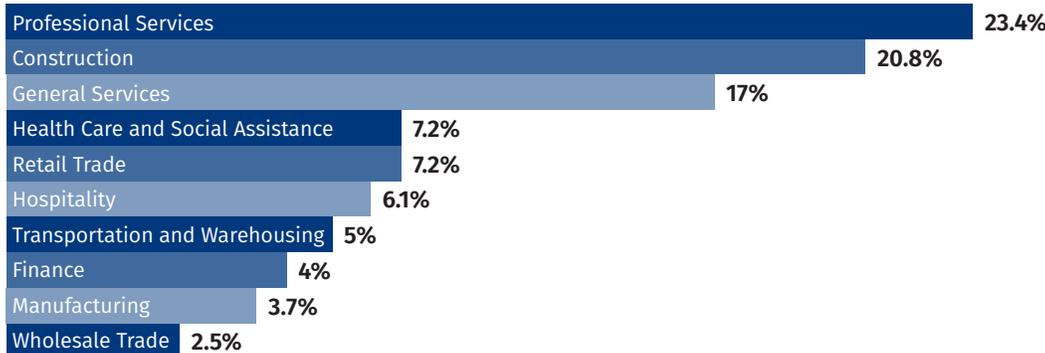


Immigrant entrepreneurs by race and ethnicity:

- Hispanic (**63.3%**)
- White (**20.9%**)
- Asian or Pacific Islander (**12.9%**)
- Other Groups¹⁴ (**2.9%**)



Immigrant entrepreneurs tended to work in these key industries:



¹⁴ Because of limitations with small sample size, we are unable to provide estimates for other racial and ethnic groups, including Black or African American, mixed race, and other races and ethnicities.

Entrepreneurship (continued)

SPOTLIGHT ON Small Business Recovery from the Pandemic

While all Americans are struggling to adapt to their new reality in a time of economic shutdown, entrepreneurs within particularly vulnerable industries in the city face severe challenges posed by the COVID-19 crisis.

Construction

Of the **48,900** entrepreneurs, immigrants made up



Manufacturing

Of the **8,900** entrepreneurs, immigrants made up



Hospitality

Of the **9,900** entrepreneurs, immigrants made up



General Services

Of the **42,600** entrepreneurs, immigrants made up



Retail Trade

Of the **21,600** entrepreneurs, immigrants made up



Professional and Business Services

Of the **75,500** entrepreneurs, immigrants made up



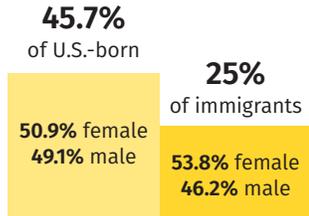
Healthcare

Of the **16,300** entrepreneurs, immigrants made up

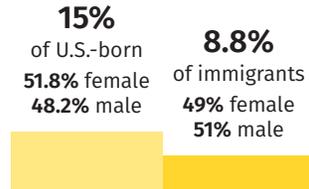


Education

Share of the city's population aged 25 or above that held a **bachelor's degree or higher** in 2019:



Share of the city's population aged 25 or above that held an **advanced degree** in 2019:



of K-12 students in the city were foreign-born in 2019.



of K-12 students in the city were children of immigrants in 2019.

SPOTLIGHT ON University Population

24,400

students enrolled in colleges and universities in the city of Los Angeles in fall 2019 were temporary residents.¹⁵

3,800

international students graduated with STEM degrees from colleges and universities in the city in the 2018-19 academic year.

International students supported

17,921

jobs and contributed

\$1.46 billion

million in the 2019-20 academic year.¹⁶

Housing

In 2019, **34.2%** of immigrant households in the city of Los Angeles owned their own homes, compared to **38.3%** of U.S.-born households.



The total property value of immigrant households was

\$178.1 billion



- Lived in Houses **259,800** or **41.4%**
- Lived in Apartments **363,800** or **58%**
- Lived in Other Types of Housing **0.6%**



of immigrant households were renters. Their total annual rent paid was

\$6.6 billion



of immigrant households had internet access in 2019.

78.6% of immigrant households in the city had access to broadband connection in their homes as compared to **86.4%** of U.S.-born households.



¹⁵ Data on total student enrollment in the city is derived from the Integrated Postsecondary Education Data System maintained by the National Center for Education Statistics. Temporary residents refer to people who are not U.S. citizens or permanent residents. Colleges and universities refer to public and private universities, as well as community colleges in the city.

¹⁶ Economic data is derived from the International Student Economic Value Tool maintained by NAFSA, the association of international educators.

SPOTLIGHT ON

Lizbeth Garcia

Teacher, Academia Avance High School

When Lizbeth Garcia was 8 years old, her older sister was diagnosed with a serious autoimmune disease. Unable to find treatment in Guerrero, Mexico, her parents decided to move the family to Los Angeles to get the medical help they needed.

Garcia's parents and sister entered the country first, and she was spirited across the border by family friends who dressed her up in American clothes — “like a mini MC Hammer outfit,” Garcia recalls — and made her pretend to sleep in the back of their car while they drove through the checkpoint.

To make ends meet, her mom worked long hours in sweatshops, and her dad worked in construction to keep food on the table. But her sister received medical care through Healthy Kids programs and later Medi-Cal. “That was the most important thing,” Garcia says. “Thankfully, she's still doing well.”

At first, Garcia learned English by watching SpongeBob, but her acculturation improved significantly when the public school assigned her an English tutor. The family also benefited from free school meals, summer programs at the public library, and other community resources. “The American Dream is real, but things are hard when you're undocumented,” Garcia says. “You need guidance and a support system.”

Her status also impacted her education. At first, Garcia struggled to find funding for college. But after getting DACA — which allowed her to work and access some scholarships — she transferred from Glendale Community College to Cal State LA. She graduated in 2017 with a bachelor's degree in English.

Today, Garcia teaches English at Academia Avance High School, a charter school serving a largely Latino community. She knows she benefited from city-run services including summer programs and English tutoring, and she wants to make sure the next generation of immigrants get help accessing the same kind of support. “I've come full circle,” Garcia says. “I didn't know English when I came, but I learned, and developed my skills, and went to college — and now I'm helping students who're in the same position I was in.”

Garcia invites community groups into her classroom to ensure immigrant families get the support they need, and she loves sharing her story with her students. “If they see someone with DACA being successful, it shows they can do it too,” she says.

SPOTLIGHT ON

Emanuel Noreza

Legal Assistant

Emanuel Noreza was little more than a baby when his parents left him with his grandmother in Honduras and came to the United States. “We lived in a run-down apartment with no running water and a rodent infestation,” Noreza recalls. “They worked really hard, but there wasn't enough money to survive — so they came to the U.S. to build a better life for me.”

Noreza's parents worked many different jobs — including construction, cleaning, and restaurants — before gaining lawful status in 1986 through the Reagan amnesty. That let them bring Noreza, then aged 12, to join them in Los Angeles. “This country saved my life,” Noreza recalls. “As I was getting older in Honduras, I was looking around and seeing gangs, and violence, and illness, and malnutrition. By coming here, I escaped all that.”

Gaining lawful status also allowed Noreza's parents to start their own business selling religious products such as candles, rosaries, and herbs. Their store thrived, and over the years they opened several other locations. “My parents paid their taxes, created jobs, and helped the economy,” Noreza says. “I'm so grateful for all they did for me.”

Noreza spoke no English when he first arrived, and as an Afro-Latino he encountered some racism. “Mostly, though, everyone was very accepting, and things were very positive — especially compared with what I'd left behind,” he says. Public education in LA was far better than his school in Honduras, too: Thanks to high school ESL classes, he quickly learned the language.

After high school, Noreza took premed courses at San Diego State, hoping to fulfill his parents' dream that he'd become a doctor. He didn't enjoy science, though, and wound up driving school buses before becoming a ticket clerk for Delta Airlines. In 2000, he gained U.S. citizenship, and spent a decade traveling to Australia, Italy, Thailand, and Brazil, and many other places, to support the airline's operations.

Since then, Noreza has completed his education at Glendale Community College, gaining three associate's degrees — in theater, communications, and foreign languages. He now works as a legal clerk helping other immigrants on their journey toward lawful status and citizenship. “My parents lived in the shadows when they came, and there was nobody to guide them,” he says. “That motivates me to help other immigrants.”

Naturalization



- **48.3%** Naturalized Citizens (698,500)
- **18.7%** Likely Eligible to Naturalize¹⁷ (270,300)
- **33%** Not Eligible to Naturalize (477,900)



Nationally, **48.7%** of immigrants are naturalized citizens, **15.9%** are likely eligible to naturalize, and **35.4%** are not yet eligible.



of households in the city of Los Angeles had at least one foreign-born resident.

If all immigrants who are eligible to naturalize became U.S. citizens, their earning potential would increase by

+8.9%¹⁸

Refugees

51,300

residents, or **3.5%** of the foreign-born population in the city of Los Angeles, were likely refugees.^{19, 20}



of refugees in the area were **naturalized U.S. citizens.**



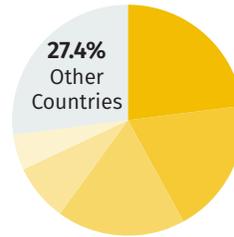
of refugees held at least a **bachelor's degree.**



of refugees held an **advanced degree.**

The top countries of origin for the refugee population living in the city:

- Vietnam (**23.2%**)
- Iran (**18.6%**)
- Armenia (**17.7%**)
- Afghanistan (**7.9%**)
- Ukraine (**5.2%**)



In 2019, refugee households in the city earned **\$3.2 billion**

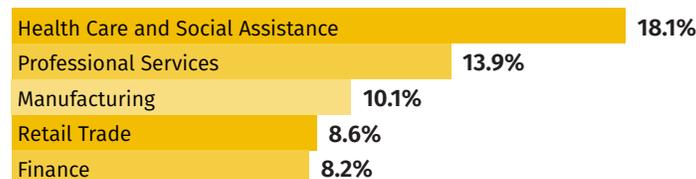
■ **\$706.7 million**

went to federal taxes²¹

■ **\$308.1 million** went to state & local taxes²²

■ **\$2.2 billion** was left in spending power

Refugees tended to work in these industries:



¹⁷ An immigrant is eligible to naturalize if they are documented, have resided in the United States for five years or more, and speak English well or fluently, as well as immigrants in military service who meet certain requirements such as speaking English well. Those who do not fit these criteria are deemed to be not eligible or currently ineligible to naturalize.

¹⁸ Enchautegui, Maria E. and Linda Giannarelli. 2015. "The Economic Impact of Naturalization on Immigrants and Cities." Urban Institute.

¹⁹ Refugees are identified through an imputation method, similar to the work of Kallick and Mathema, "Refugee Integration in the United States," and Capps, R. and Newland K., et al. "The Integration Outcomes of U.S. Refugees." More on our methodology here: <https://www.newamericaneconomy.org/methodology/>

²⁰ New American Economy. 2017. "From Struggle to Resilience: The Economic Impact of Refugees in America."

²¹ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

²² Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

DACA-Eligible Population

38,000

DACA-eligible²³ people lived in the city of Los Angeles in 2019.

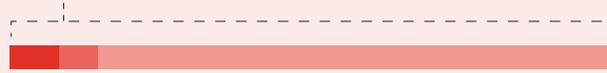
They made up



of the immigrant population.

In 2019, DACA-eligible households earned

\$1.1 billion



■ **\$136.3 million**

went to federal taxes²⁴

■ **\$101 million** went to state & local taxes²⁵

■ **\$813.8 million** was left in spending power

DACA-eligible people tended to work in these key industries:



Undocumented Immigrants

329,900

undocumented immigrants²⁶ in the city of Los Angeles, 2019.

They made up



of the immigrant population.

In 2019, undocumented immigrant households earned

\$8.4 billion



■ **\$643.6 million**

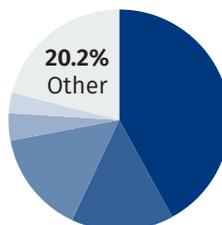
went to federal taxes²⁷

■ **\$387.9 million** went to state & local taxes²⁸

■ **\$7.4 billion** was left in spending power

Top countries of origin for the undocumented in the city:

- Mexico (42.3%)
- El Salvador (15.2%)
- Guatemala (14.9%)
- Korea (4.1%)
- Philippines (3.3%)



²³ DACA-eligible population are identified as a subset of the total undocumented population, we apply the guidelines for DACA from United States Citizenship and Immigration Services (USCIS) to determine the immigrants in Los Angeles who are eligible for DACA. More on our methodology here: <https://www.newamericaneconomy.org/methodology/>

²⁴ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

²⁵ Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

²⁶ Undocumented immigrants are identified through a methodological approach outlined by Harvard University economist George Borjas. More on our methodology here: <https://www.newamericaneconomy.org/methodology/>

²⁷ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

²⁸ Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

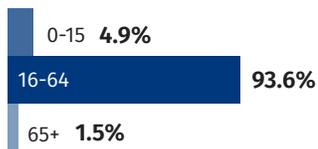
Undocumented Immigrants *(continued)*

Undocumented immigrants are highly active in the labor force.



are of working-age in the city.

Undocumented immigrants by age groups:



Undocumented immigrants played a critical role in several key industries in the city.

