



Do immigrants give or take more in New York and the Capital Region?

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At the crux of the immigration debate are hot button questions – how much do immigrants give and how much do they take? Do immigrants cost the government more in public benefits and social services than they pay in taxes? And do they take jobs from native-born Americans?

Immigrants are socioeconomically diverse, just like U.S. citizens. They're all required to pay taxes and want to work if they can. They can also use public services like schools, libraries, and hospitals. Some, including refugees and immigrants with green cards, can get welfare benefits.

So what do the numbers show? When it comes to the politically charged issue of immigration, data differs – and must be critically examined to see who runs it, funds it, and could profit from it.

The New American Economy, a research organization founded by former New York City mayor Michael Bloomberg, bills itself as bipartisan although Andrew Lim, director of quantitative research, said the organization was "progressive on immigration."

The organization's most recent study defines an immigrant as anyone born outside the country to non-U.S. citizen parents who now lives in the U.S. By that definition there are more than 64,000 immigrants — seven percent of the population — in the Albany metro area, which includes Albany, Rensselaer, Schenectady, Schoharie, and Saratoga counties, according to American Community Survey census data from 2016.

These immigrants pay \$647 million in taxes and have a spending power of \$1.4 billion, the study reported. They could spend that money locally for housing, transportation, consumer goods and education, or send funds to support family back home.

In New York state, immigrants gave more than they took, the same study said. When spending power is balanced with costs for public benefits and social services received, the report says the net economic benefit of immigrants in the state was \$18 billion in 2017. Data on net economic benefit wasn't available for the Capital Region.

When Hassan Shawa came to the U.S. from Syria to start his medical residency 12 years ago, he and his family were more than \$22,000 in debt. Today, he's a physician at Albany Medical Center earning \$160,000 a year and this year paid more than \$24,000 in taxes.

He sends at least \$30,000 a year back home to his family and friends in Aleppo. The rest of his income he saves or uses to support his wife and two sons, the oldest who attends the Montessori Magnet public school.

He moved to Albany in 2013 and now owns two homes, paying property taxes on both and earning another \$24,000 a year in rental income on one. A green card holder, he's preparing to apply for citizenship this year.

Shawa is successful but not necessarily unusual in the Capital Region. The area's universities, medical centers and tech companies often recruit immigrants who on average have more education than other parts of New York. But he also sees immigrants who are less fortunate than him – and less able to contribute economically.

Other studies look at how much the state earns from immigrants versus pays for them. The Economic and Fiscal Consequences of Immigration, a 2016 publication, reported that New York earned more from immigrants over the course of three generations than it spent.

In the first generation, the state spent on average \$1,500 more on an immigrant. In the second generation, the state earned \$4,400. By the third generation, it had balanced out to a profit of \$2,600.

The research also tracked how many social services immigrants receive. Only refugees and immigrants who have green cards are eligible to get federal public benefits.

Welfare use for households with children in New York from 2011 to 2013 was 64 percent for immigrants and 42 percent for natives, the book reported. Cash assistance was almost the same, both at less than 8 percent.

The most likely immigrants to receive welfare are refugees who often arrive with nothing. Shawa volunteers with local non-profit New York for Syrian Refugees, which has welcomed hundreds of Syrian war refugees in recent years. More than 4,000 refugees have arrived in the Albany area since 2005.

Refugees immediately start paying taxes but also receive a certain amount of cash support from the government in their first three months, which goes mostly to getting basic necessities. They're eligible immediately to apply for benefits from the Department of Social Services (DSS).

"At the beginning they all receive support from DSS as far as rent for the apartment and food stamps and a little bit of cash," Shawa said. "Then a few months later, it depends on case by case, DSS will start cutting down on their monthly rent help."

Within two years, most refugees are able to pay for at least 80 percent of their rent, although they may still receive food stamps, he said.

The main hurdle on the road to self-sufficiency is learning English and getting a job, Shawa said.

"At the end of the day language is the basics here. If people don't know how to speak or don't understand, their opportunities will be very limited to do things that don't require much conversation — washing dishes, cleaning up, housework," Shawa said.

Many men were professional painters or restaurateurs at home, he added, but are unable to practice their trades here without English proficiency.

But national research shows that over time, the government earns more from refugees than it pays. A report by the National Bureau for Economic Research in 2017 calculated that the average adult refugee pays \$21,324 more in taxes than is received in relocation costs and social benefits in the refugee's first 20 years in the U.S.

Nationally, immigrants are less likely to get welfare than native-born Americans and when they do, generally consume a lower dollar value of benefits, according to a 2018 study by the Cato Institute, a public policy think tank.

Steven Camarota from the conservative research organization Center for Immigration Studies, who has testified before the U.S. Senate Joint Economic Committee, reported that less educated, lower-income immigrants are a net fiscal drain while more educated, higher-income immigrants are a net fiscal benefit. The biggest factor in economic contributions for both immigrants and the native-born was education.

In the 2011 Current Population Survey, he reported, almost 60 percent of households headed by an immigrant who had not graduated high school accessed welfare programs compared to almost 50 percent of native-born. In contrast, only 16 percent of households headed by an immigrant with a bachelor's degree or more accessed welfare, compared to 9 percent of native-born households.

Public benefits immigrants receive aren't just welfare, though.

Sam Raj, an information technology consultant who emigrated from India 13 years ago, is now a U.S. citizen who owns a home in Schenectady. He makes a six-figure salary, pays income and property taxes, and while he's never received welfare, uses public services like roads, parks and the local library.

"Living in the U.S., I receive public benefits," Raj said. "I feel I get more than I pay for."

But beyond the cost/benefit analysis of immigration economics is perhaps a bigger question: whether immigrants take jobs away from native-born workers.

On the national stage, research by leading immigration economists like Harvard professor George Borjas shows that immigrant workers grow the U.S. economy but lower wages for low-educated workers, especially African-Americans and Hispanics.

But in the Capital Region, where immigrants are more highly educated and unemployment is low, newcomers frequently fill niche jobs.

In the Albany metro area, unemployment hit an 18-year low — 3.9 percent — for February this year. The heads of the Capital Region Workforce Development Institute and the Center for Economic Growth told the Times Union that the local labor force is shrinking — and companies are more willing to make accommodations and diversify their workforce. Other studies by New American Economy report that immigrants fill job shortages in industries like STEM, rural medicine, and home healthcare in states bordering the Great Lakes, including upstate New York.

Shawa sees that firsthand. As a specialist at Albany Medical Center in endocrinology treating hormonal diseases including diabetes, he also oversees a fellowship program where at least 50 percent of the fellows are foreigners. He said that's because of the high demand for doctors and the low pay for endocrinology compared to other specializations, like surgery, which attract more American students.

The Capital Region has a high number of highly-educated immigrants – 24.2 percent have at least a graduate degree – while among native-born residents, the figure is 15.3 percent, New American Economy's most recent study said.

More than 76 percent of the region's immigrant population are working age, compared to 65 percent of the citizen population. The top industries that employ immigrants are manufacturing at 15 percent, followed by general services and professional, scientific and technical services, both at 10 percent.

There are nearly 3,000 entrepreneurs among immigrants. More than 825,000 New York state residents are employed at immigrant-owned companies.

Raj, who works in the competitive and foreigner-saturated tech world, said he doesn't feel that he and other immigrants are taking jobs away from native-born Americans. One reason he gave is the willingness of immigrants to move wherever jobs are available.

"Immigrants are not tied to a city or a state. People from America don't pick up and move everything to where the job is. That may be a deciding factor as to whether jobs are being stolen," he said. "If you're qualified, then you should do it."