NEW AMERICANS IN SAN JOSE AND SANTA CLARA COUNTY

A SNAPSHOT OF THE DEMOGRAPHIC AND ECONOMIC CONTRIBUTIONS OF IMMIGRANTS

POPULATION GROWTH

In 2014, the population of **San José** reached more than

one million people

for the first time. The immigrant population also reached an all-time high — more than

38%

of the population

are immigrants.

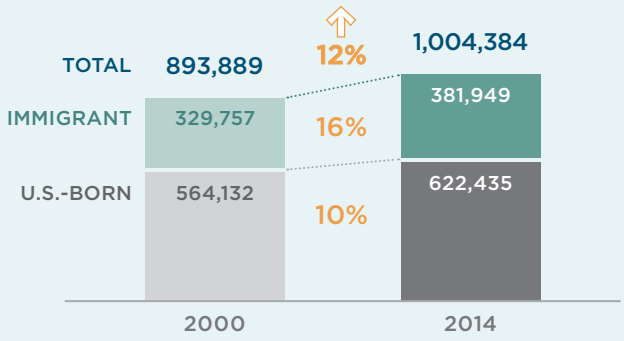
In **Santa Clara County**, the overall population reached close to

two million people

in 2014, with immigrant residents making up

38%

of the population.



Overall, **San José's** population grew by 12.4% between 2000 and 2014, from almost 894,000 to 1 million. **Immigrants were responsible for 47.2% of this growth.** During this period, the immigrant population of San José grew by 15.8%, from just under 330,000 to almost 382,000. Meanwhile, the U.S.-born population of the city grew less, by 10.3% between 2000 and 2014.

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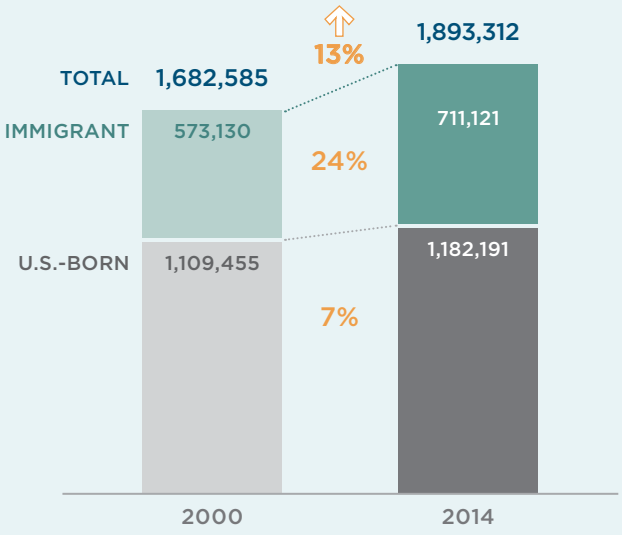
POPULATION GROWTH, CONTINUED

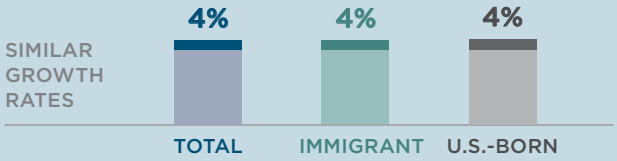
As a result of the increase in immigrants between 2000 and 2014, we estimate that 56,896 U.S.-born people were drawn to Santa Clara County.

Between 2000 and 2014, **Santa Clara County** grew by 12.5%, from 1.68 million to more than 1.89 million people, with the **immigrant population accounting for 65.5% of this growth.** During this period, the immigrant population of Santa Clara County grew by 24.1%, from 573,000 to more than 711,000. Meanwhile, the U.S.-born population grew by only 6.6%, from 1.11 million to 1.18 million between 2000 and 2014.

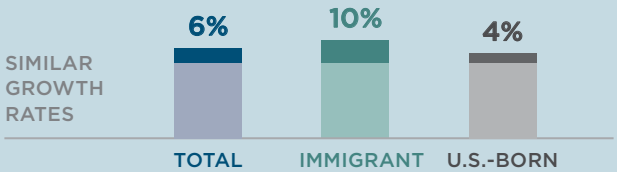


POPULATION GROWTH (2009–2014)

San José grew by 4% between 2009 and 2014, from 965,000 to 1 million, with immigrants responsible for **35.9% of this growth**. The immigrant population increased by 3.9%, from 367,000 to almost 382,000 in 2014. Meanwhile, the U.S.-born population of San José also increased at a similar rate, growing by 4.3%, from almost 597,000 to more than 622,000 in 2014.



Santa Clara County's overall population increased by 6.1%, from 1.78 million in 2009 to 1.89 million in 2014, with immigrants accounting for **62.8% of this growth.**[1] During this period, the immigrant population in Santa Clara County grew by more than 10%, from just under 643,000 in 2009 to more than 711,000 in 2014. This far outpaced growth in the U.S.-born population, which increased by 3.5% between 2009 and 2014.



[1] Population growth includes any new residents from outside of Santa Clara County.

MIGRATION AND COUNTRIES OF ORIGIN

TOP 10 COUNTRIES OF ORIGIN OF IMMIGRANTS IN SANTA CLARA CO.

Mexico 139,831 (19.7% of all immigrants)

India 110,121 (15.5%)

Vietnam 99,691 (14%)

China (incl. Hong Kong) 77,358 (10.9%)

Philippines 59,758 (8.4%)

Taiwan 27,637 (3.9%)

Korea 17,406 (2.4%)

Iran 14,091 (2%)

Japan 11,256 (1.6%)

Russia 10,188 (1.4%)

Of the almost 19,000 immigrant residents of Santa Clara County that moved to the area in the past year, more than **51% came from India** (9,753 residents), **27.8% from China** (incl. Hong Kong and Macau), and **7.8% from Japan**. Canada (7.7%) and Mexico (5%) were also popular countries of origin for recent arrivals.

ECONOMIC CONTRIBUTIONS

In 2014, immigrants in Santa Clara County contributed an estimated

$77 billion

to the county's economy

through their consumption and tax contributions.

The immigrant population in Santa Clara County wields considerable economic power. In 2014, immigrants held

$27 billion

in spending power

46.4% of the county's total spending power.[2]

Given their income, we estimate that the immigrant population of Santa Clara County contributed almost

$3 billion in state and local taxes

in 2014, including property, income, sales, and excise taxes levied by either the State of California or by municipal governments.[3] Immigrant households also contributed

$7 billion in federal taxes,

as well as

$5 billion

to Social Security and

$1 billion

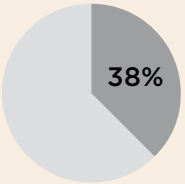
to Medicare.

[2] Based on tax rates from Institute on Taxation and Economic Policy (2015) "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

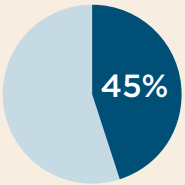
[3] Based on tax rates from Institute on Taxation and Economic Policy (2015) "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

LABOR MARKET

While immigrants make up 37.6% of Santa Clara County's population, they make up an even larger share of the working age population. Immigrants make up 45% of all people ages 25 to 65.



OF TOTAL POPULATION



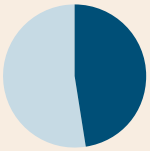
OF WORKING AGE POPULATION

Immigrants also make up a disproportionate share of the labor force in the county:

47%

of all employed people are immigrants.

Immigrants are overrepresented among the self-employed, making up



48% of all self-employed people in the county.

They are also slightly more likely than the U.S.-born to be entrepreneurs, with 8.9% of all immigrant workers running their own business, compared to 8.5% of all U.S.-born workers.

Immigrants play a critical role in some of California's most important industries that continue to look for talented workers. In the top 5 industries in Santa Clara County by number of workers — Manufacturing, Professional and Technical Services, Healthcare and Social Assistance, Retail, and Arts and Hospitality — immigrants make up significant numbers, if not the majority share, of workers.

Manufacturing 59.4%

Professional/Scientific/Technical Services 55.6%

Arts, Entertainment, & Recreation 44%

Healthcare & Social Assistance 43%

Retail Trade 37.2%

In 2014, **unemployment levels** for workers in these key industries were around or lower than California's overall unemployment rate of 7.1%. They were:

Arts, Entertainment, & Recreation 7.4%

Retail Trade 6.8%

Accommodation & Food Services 6.8%

Manufacturing 5.5%

Construction 4.4%

Professional, Scientific, & Technical Services 4.1%

Healthcare and Social Assistance 2.9%

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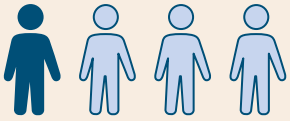
LABOR MARKET, CONTINUED

In information and computer technology (ICT) related industries, immigrants make up a majority of all workers, two-thirds (66%) of workers are immigrants.

Unemployment for ICT workers was very low in 2014, with only 3% of ICT workers out of work.

Given their distribution in the economy, immigrants in Santa Clara County are **1.68 times more likely to work in manufacturing** than the U.S.-born.



In other words, while nearly **1 in 4 immigrant** workers work in manufacturing...

...less than **1 in 7 U.S.-born** workers do.

Similarly, immigrants are also more likely to work in several other industries, including...

Professional & Technical Services: 1.44x more likely

Construction: 1.2x more likely

Accommodation & Food Service: 1.2x more likely

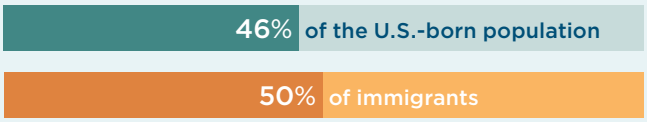
Looking specifically at advanced manufacturing industries, we find that immigrants also play a large role in supporting this sector of the economy. Overall, **immigrants made up 60.2% of the advanced manufacturing workforce.** In the 5 largest segments by number of workers, immigrant workers made up:

Computer & Electronics Manufacturing	65.2%
Chemical Product Manufacturing	54.4%
Fabricated Metal Products	51.7%
Medical Equipment	50.6%
Motor Vehicle, Aircraft, and Ship Buildings	36.8%

EDUCATION LEVEL

While Santa Clara is already one of the most well-educated counties in the United States, the county's immigrant population has particularly high rates of educational attainment.

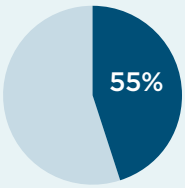
The share of the immigrant population aged 25 and up with **at least a bachelor's degree** is 49.8%. Meanwhile, 46.1% of the U.S.-born population over the age of 25 has at least a bachelor's degree.



More than 1 in 4 immigrant residents over the age of 25 has an **advanced degree** (26%). This is higher than the share of U.S.-born residents, 18.4%, or less than 1 in 5, who have an advanced degree.

ENTREPRENEURSHIP

As of 2014, there were **more than 23,500 immigrant business owners** in San José, representing 54.6% of all entrepreneurs.



OF SAN JOSE ENTREPRENEURS ARE IMMIGRANTS

Overall, immigrants in San José are slightly more likely to be self-employed than the U.S.-born, with

1 in 10 immigrants (10%)

working for their own business, while

less than 1 in 10 (9%) U.S.-born workers

is self-employed.

Self-employed immigrants in San José have a

combined annual business income over

$743 million,

a figure that totals more than half of all business income for self-owned businesses in the city.

Santa Clara County is home to 14 Fortune 500 companies as of 2015. Of these firms, 50% were founded either by immigrants or by the children of immigrants.

These companies combined had annual revenues of

$393 billion

in FY2014.

According to the 2012 Survey of Business Owners, there were 3,033 Hispanic-owned businesses in Santa Clara County.

These businesses employed

24,464 people

in the county and had combined total revenues of almost **$4.2 billion.**

Across the county, immigrant entrepreneurs are **particularly represented** in several industries:

Retail Trade 72.2%

Manufacturing 63.4%

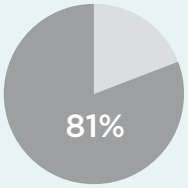
Accommodation & Food Services 60%

Construction 59%

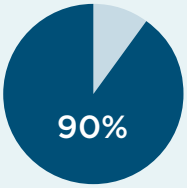
Healthcare & Social Assistance 42.8%

LANGUAGE

As of 2014, 81.1% of immigrant children--those under the age of 18--in Santa Clara County lived in households that spoke a language other than English at home. Meanwhile, for immigrant adults over the age of 18, 90.2% lived in households that spoke a language other than English at home.

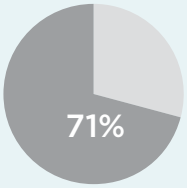


OF IMMIGRANT CHILDREN SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME

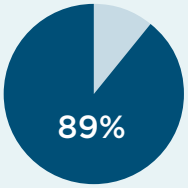


OF IMMIGRANT ADULTS SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME

When looking just at naturalized citizens, we find that 89.2% of adults and 71% of children under the age of 18 speak a language other than English at home.



OF CHILDREN SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME



OF ADULTS SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME

LONG-TERM BENEFITS OF INTERNATIONAL STUDENTS REMAINING IN THE COUNTY AFTER GRADUATION

In Fall 2014, there were

12,375 students

at Santa Clara County area universities who were **international students**.

These international students supported an **estimated 4,702 jobs** in Santa Clara County and **contributed over**

$425 million

to the local economy by virtue of their spending and tuition payments.[4]

If Santa Clara County retains

one-half,

or 6,188, of its international students after graduation with bachelor's degrees or higher,

3,183 local jobs

will be created within six years.[5]

Such retention will also boost the metro area's

GDP per capita by $552

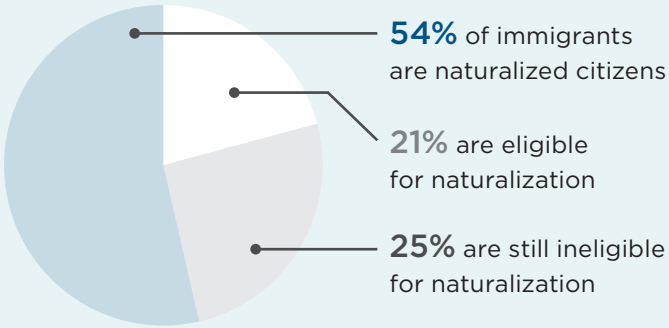
within the next 30 years,[6] and increase the population by

23,863 people

within the next 50 years.[7]

NATURALIZATION/CITIZENSHIP

As of 2014, of the over 711,000 immigrant residents of Santa Clara County, 53.8% were naturalized citizens. Meanwhile, a further 147,000 immigrant residents, or 20.8% of the entire immigrant population, are estimated to be eligible for naturalization. More than 180,000, or about 25.4% of the immigrant population in 2014 was still ineligible for naturalization.



4 Estimates come from NAFSA's factsheet series, "Benefits from International Students." https://istart.iu.edu/nafsa/reports/state.cfm?state=CA&year=2014

5 Curtis Simon, "Human Capital and Metropolitan Employment Growth," Journal of Urban Economics 43, (1998).

6 Rita Ray, "Effect of Education on Gross Domestic Product: A Case Study from US 'Mid-West'," International Review of Business Research Papers, Vol. 10-1. (March, 2014).

7 Edward L. Glaeser, Giacomo A. M. Ponzetto, and Kristina Tobio, "Cities, Skills and Regional Change," Regional Studies, Vol. 48-1, (January, 2014).

CITY OF SAN JOSE CAPITAL OF SILICON VALLEY

NAE

San Jose Silicon Valley CHAMBER OF COMMERCE

SAN JOSE CITY COLLEGE

The Partnership for a New American Economy brings together more than 500 mayors and business leaders united in making the economic case for streamlining, modernizing, and rationalizing our country's immigration policies at the national, state, and local levels.