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NEW YORK:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Empire State

In New York, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly to the state's economy. Highly skilled immigrants are vital to the state's innovation industries, and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

Immigrant entrepreneurs contribute significantly to New York's economy.

- From 2006 to 2010, there were 261,140 new immigrant business <u>owners</u> in New York, and in 2010, <u>31.2 percent</u> of all business owners in New York were foreign-born.²
- In 2010, new immigrant business owners³ had a total net business <u>income</u> of \$12.6 billion, which is 22.6 percent of all net business income in the state.⁴
- New York is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, <u>including</u> well-known companies such as Verizon, Pfizer, and Forbes Magazine.⁵ Those three companies together employ 300,000 people and bring in \$177 billion in revenue each year.
- In 2010, the foreign-born share of business owners was <u>36 percent</u> in the New York City metropolitan area. In the case of New York City, the immigrant business ownership rate was higher than the particular metro area's foreign-born share of total population.
 - o In New York City <u>neighborhoods</u> where immigrants are heavily concentrated, entrepreneurial growth has been substantial compared to the city overall. Between 1994 and 2004, businesses grew by 55 percent in Flushing, Queens, 47 percent in Sunset Park, Brooklyn, 34 percent in Sheepshead Bay-Brighton Beach, Brooklyn, 25 percent in Elmhurst, Queens, 18 percent in Washington Heights, and 14 percent in Jackson Heights, Queens, while the number of businesses city-wide increased by 10 percent.⁷

Highly skilled immigrants are vital to New York's innovation industries, which in turn helps lead American innovation and creates jobs.

Immigrants contribute to New York's economic growth and competitiveness by earning

degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost <u>53 percent</u> of STEM graduates from the state's research-intensive universities were foreign-born, and almost 70 percent of graduates earning PhDs in engineering in New York were not born in the U.S.⁸

- Immigrants in New York also contribute to the state's innovation economy by earning patents on new research, products, and ideas. Over <u>65 percent</u> of patents at Cornell University in 2011 had at least one foreign-born inventor. These patents often lead to licensing through existing companies or creation of new companies, leading to revenue and job creation.⁹
- In 2011, the U.S. Department of Labor certified 35,004 H-1B labor certification applications in New York, with an average annual wage of \$75,350, 10 which is higher than New York's median household income of \$56,951 or per capita income of \$31,796. 11
- An <u>expansion</u> of the high-skilled visa program would create an estimated 36,300 new jobs in New York by 2020. 12 By 2045, this expansion would <u>add</u> around \$12 billion to Gross State Product and increase personal income by more than \$11 billion. 13 The following are <u>examples</u> of metropolitan area demand for high-skilled foreign-born workers.
 - O The New York-Northern New Jersey-Long Island metropolitan area had 52,921 H-1B high-skilled visa requests in 2010-2011, with 51.6 percent of H-1B visa-holders working in STEM occupations. Hajor employers with a need for H-1B high-skilled workers include Goldman Sachs and Co., Larsen and Toubro Infotech Limited, and JPMorgan Chase and Co.
 - The Albany-Schenectady-Troy metropolitan area had 1,256 H-1B visa requests in 2010-2011, with 86.3 percent of visa-holders working in STEM occupations. Major employers include General Electric Company, Global Foundries Inc., IBM India Private Limited, and Rensselaer Polytechnic Institute.
 - The Buffalo-Niagara Falls metropolitan area had 922 H-1B visa requests in 2010-2011, with 45.9 percent of visa-holders working in STEM occupations. ¹⁶ Major employers include the State University of New York-Buffalo and Praxair Inc.
 - The Poughkeepsie-Newburgh-Middletown metropolitan area had 284 H-1B visa requests in 2010-2011, with 65.3 percent of visa-holders working in STEM occupations.¹⁷ Major employers include IBM Corporation and Global Foundries Inc.
 - The Rochester metropolitan area had 743 H-1B visa requests in 2010-2011, with 69 percent of visa-holders working in STEM occupations. Major employers include the University of Rochester and Rochester General Hospital.

O The Syracuse metropolitan area had 335 H-1B visa <u>requests</u> in 2010-2011, with 55.1 percent of visa-holders working in STEM occupations. ¹⁹ Major employers include Syracuse University and SUNY Upstate Medical University.

While the numbers are compelling, they don't tell the whole story.

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across New York, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their clientele to include a diverse array of immigrant and native-born customers alike.
 - o In <u>Port Chester</u>, a majority of the town's population is now of Hispanic origin, and according to Christopher Gomez, Port Chester's director of planning and development, "The immigration influx has been the lifeblood of the town. I don't know where we'd be without it." Peruvian and Mexican restaurants line downtown streets, and immigrant-owned markets and retail stores sell goods from Ecuador, Guatemala, and other Central American countries.
 - o In New York City, immigrant entrepreneurs from around the world have played important roles in transforming and revitalizing many <u>neighborhoods</u> across the city's five boroughs, including Astoria, Elmhurst, Wakefield, Washington Heights, Richmond Hill, Sunset Park, Brighton Beach, Flushing, and 74th Street in Jackson Heights.²¹
- In Buffalo, business growth created by immigrants and refugees has fueled a rebirth of the city's West Side. The following are several examples.
 - o For <u>example</u>, Lin Asian Market is a Burmese-owned store that opened in 2010, across the street from Hatimy Market, a Somali grocery store, specializing in halal meats and products, which opened in 2005.
 - o In 2011, Golden Burma Asia Foods and African International Marketplace opened their doors. This year alone, six new businesses opened on Grant Street including Global Villages, an African and Asian accessories and clothing store owned by Louise Sano, an immigrant from Rwanda.²²
 - o Rwanda native Alice Benishyaka <u>arrived</u> in Buffalo in 2003 as part of the U.S. refugee resettlement program. Today, she is one of several vendors selling international wares at the West Side Bazaar in Buffalo's Grant-Ferry commercial district. Describing her business, Benishyaka stated, "This is another way to share my culture and where I come from. My big motive is to give back to the country I live in."²³
- In addition to starting restaurants, groceries, retail, and other service businesses in towns and cities across New York, immigrants also start <u>businesses</u> in mid- to high-growth

industries, such as transportation, food-related industries, and building services.²⁴

- According to the Immigrant Learning Center, "immigrant entrepreneurs look for niches in underserved markets. For example, vans and other alternatives to mass transit serve unmet transportation needs in urban areas."
- o "Food intended to be a taste of home for compatriots in local restaurants and grocery stores becomes popular and influences the eating habits of other Americans". Americans of the compatriots in local restaurants and grocery stores becomes popular and influences the eating habits of other Americans.
- "Workers who enter businesses like landscaping or cleaning because they don't require much English gain experience and see opportunities to start their own companies."
- o In New York City, for example, immigrant entrepreneurs have started <u>businesses</u> in a variety of industries beyond the typical "mom and pop" restaurants and retail stores, including food manufacturing, child care, transportation, jewelry, import/export and wholesale, garments, ethnic press and media, wedding services, professional services, and travel agencies.²⁸

Some localities have begun recognizing and supporting immigration through local "welcoming" and integration initiatives.

- The New York State **Office for New Americans** (ONA), launched in early 2013, is the first <u>statewide office</u> with the goal of assisting the state's immigrants in their efforts to contribute to the economy and become integrated into the state.²⁹
 - O Governor Cuomo stated, "The Office will promote programs that encourage New Americans to participate in New York State civic and economic life, and will help legal permanent residents navigate the path to citizenship. It will also help them by encouraging entrepreneurship. Finally, it will take steps to protect New Americans as they transition to full participation in New York's communities." 30
 - O The foundation of the <u>office</u> is a network of 27 neighborhood-based ONA Opportunity Centers. These centers, hosted within existing culturally-competent, language-accessible community-based organizations, provide immigrants with opportunities including English classes, naturalization assistance, and open entrepreneurship opportunities.³¹
 - O Additionally, each <u>center</u> is supported by a team of rotating attorneys who are knowledgeable about immigration law. And the New York State New Americans Hotline is a multi-lingual information center providing live assistance in more than 200 languages on general questions relating to immigration and naturalization.³²
- In New York City, the mission of the **Mayor's Office of Immigrant Affairs**, a member

of Welcoming America's <u>Welcoming Cities and Counties Initiative</u>, ³³ is to <u>promote</u> "the well-being of immigrant communities by recommending policies and programs that facilitate successful integration of immigrant New Yorkers into the civic, economic, and cultural life of the city."

- o Fatima Shama, Commissioner of the Mayor's Office of Immigrant Affairs, states that the Office is dedicated to "promoting the well-being of immigrants in New York City. From extensive initiatives covering all facets of immigrant life to recommending policy, our office is tasked with integrating immigrants into the fabric of this great city." ³⁵
- O The Office's various <u>initiatives</u> include offering information to immigrants about the services available to them, empowering emerging communities and encouraging civic engagement, promoting economic development by helping immigrant-owned businesses thrive, facilitating immigrant integration, helping with language access and coordinating ways for immigrants to practice English. 36
- Welcoming Long Island, a member of Welcoming America, 37 has a goal to "highlight the contributions of immigrants in our community, enhance public perception of immigrants, and build support for immigration initiatives that maximize immigrants' contributions for the benefit of all Long Islanders."
 - o Welcoming Long Island <u>recognizes</u> that "immigrants come to Long Island from all over the world Europe, Africa, Asia, and Latin America to work hard and take care of their families. They are vital contributors to Long Island's economy and cultural diversity."³⁹
- The **International Institute of Buffalo** is <u>dedicated</u> to "assisting refugees and immigrants overcome language and cultural barriers so that they can become self-sufficient, productive members of our community and to promoting global education and international connections in Western New York."
- The City of Syracuse became a top 20 finalist in the Bloomberg Philanthropies' Mayors Challenge for their proposed program to conduct better outreach to new American neighbors in Syracuse and welcome them into the Syracuse community and local economy. 41

Endnotes

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³ The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

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- ²⁶ Ibid.
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- ³³ Welcoming America, "Welcoming Cities and Counties" (Decatur, Georgia: Welcoming America, 2013).
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Immigrant Entrepreneurs in:

New York

In 2010, new immigrant business owners generated

\$12.6 billion

in total net business income





261,140

immigrants became new business owners in New York between 2006-2010

31.2%

of business owners in New York are immigrants

Read more at ImmigrationPolicy.org

