

# NEW AMERICANS IN SAN JOSE AND SANTA CLARA COUNTY

A SNAPSHOT OF THE DEMOGRAPHIC AND ECONOMIC  
CONTRIBUTIONS OF IMMIGRANTS

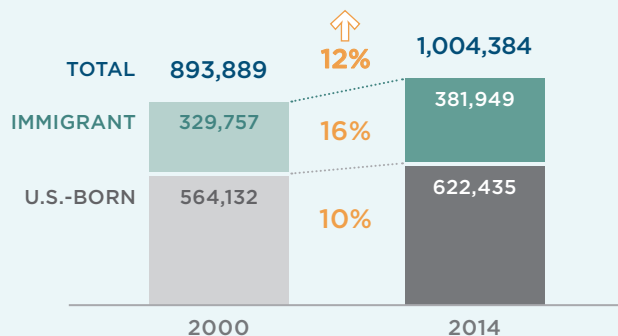
## POPULATION GROWTH

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.



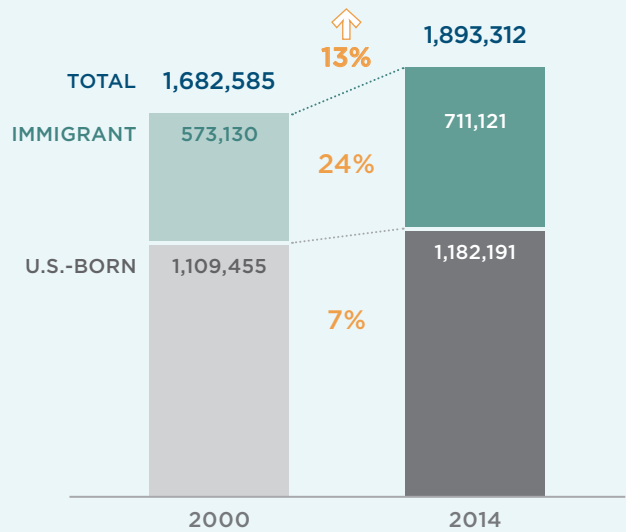
Overall, **San José's** population grew by 12.4% between 2000 and 2014, from almost 894,000 to 1 million. **Immigrants were responsible for 47.2% of this growth.** During this period, the immigrant population of San José grew by 15.8%, from just under 330,000 to almost 382,000. Meanwhile, the U.S.-born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

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## POPULATION GROWTH, CONTINUED

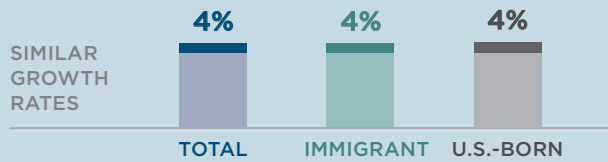
As a result of the increase in immigrants between 2000 and 2014, we estimate that 56,896 U.S.-born people were drawn to Santa Clara County.

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.

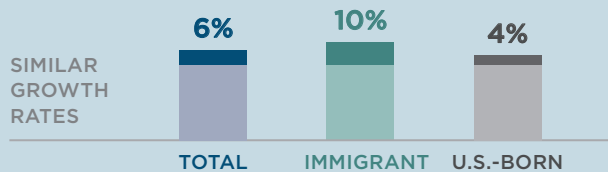


## POPULATION GROWTH (2009–2014)

**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**.<sup>1</sup> 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.



<sup>1</sup> 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.

<b>Mexico</b>	139,831	(19.7% of all immigrants)
<b>India</b>	110,121	(15.5%)
<b>Vietnam</b>	99,691	(14%)
<b>China (incl. Hong Kong)</b>	77,358	(10.9%)
<b>Philippines</b>	59,758	(8.4%)
<b>Taiwan</b>	27,637	(3.9%)
<b>Korea</b>	17,406	(2.4%)
<b>Iran</b>	14,091	(2%)
<b>Japan</b>	11,256	(1.6%)
<b>Russia</b>	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.<sup>2</sup>

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.<sup>3</sup> Immigrant households also contributed

**\$7 billion in federal taxes,**

as well as

**\$5 billion**  
to Social Security and

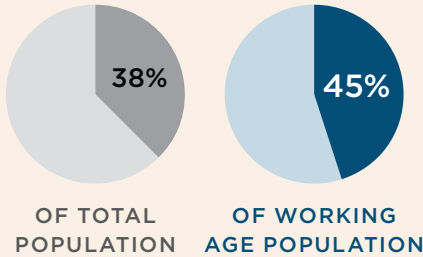
**\$1 billion**  
to Medicare.

<sup>2</sup> 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."

<sup>3</sup> 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.

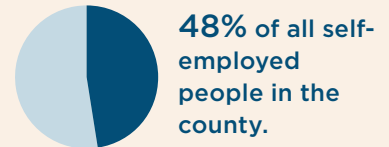


Immigrants also make up a disproportionate share of the labor force in the county:

**47%**

of all employed people are immigrants.

Immigrants are overrepresented among the self-employed, making up



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.



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:



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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.

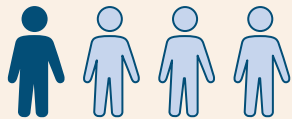
Similarly, immigrants are also more likely to work in several other industries, including...

**Professional & Technical Services: 1.44x more likely**

**Construction: 1.2x more likely**

**Accommodation & Food Service: 1.2x more likely**

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.

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.

**46%** of the U.S.-born population

**50%** of immigrants

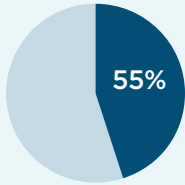
More than 1 in 4 immigrant residents over the age of 25 has an **advanced degree** (26%). This is higher than the share of U.S.-born residents, 18.4%, or less than 1 in 5, who have an advanced degree.

**18%** of the U.S.-born population

**26%** of immigrants

## 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 2014.

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

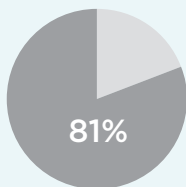
**These businesses employed 24,464 people** in the county and had combined total revenues of almost **\$4.2 billion**.

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

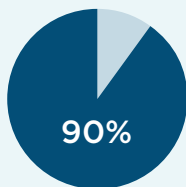
Retail Trade .....	72.2%
Manufacturing .....	63.4%
Accommodation & Food Services .....	60%
Construction .....	59%
Healthcare & Social Assistance .....	42.8%

## LANGUAGE

As of 2014, 81.1% of 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 adults, those over the age of 18, 90.2% lived in households that spoke a language other than English at home.

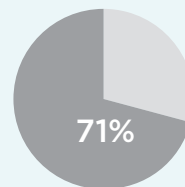


**OF CHILDREN SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME**

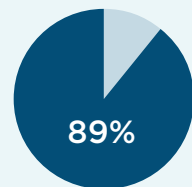


**OF ADULTS SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME**

**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.<sup>4</sup>

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.<sup>5</sup>

Such retention will also boost the metro area's

**GDP per capita by \$552**

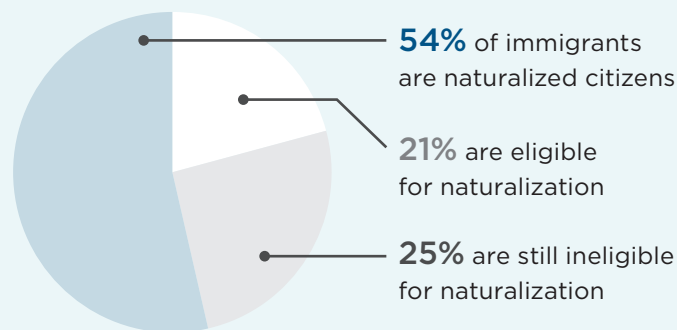
within the next 30 years,<sup>6</sup> and increase the population by

**23,863 people**

within the next 50 years.<sup>7</sup>

## 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.



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

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

<sup>6</sup> 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).

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

