



# NEW AMERICANS IN ANCHORAGE

A SNAPSHOT OF THE DEMOGRAPHIC AND ECONOMIC CONTRIBUTIONS OF IMMIGRANTS IN THE CITY OF ANCHORAGE<sup>1</sup>

## SPENDING POWER AND TAX CONTRIBUTIONS

In 2014, foreign-born residents in Anchorage contributed

**\$1.9 billion**  
to the city's GDP.<sup>2</sup>

The same year, immigrants held

**\$573 million**  
in spending power,

7.3% of the municipality's total spending power.<sup>3</sup>

Given their income, we estimate that in 2014, the foreign-born population in Anchorage contributed

**\$136 million** in federal taxes and **\$27 million** in state & local taxes,

including property, excise, and corporate income taxes levied by either the State of Alaska or municipal governments.<sup>4</sup>

Foreign-born households also support federal social programs.

In 2014, immigrant households in Anchorage contributed:

**\$82 million** to Social Security and **\$20.9 million** to Medicare

<sup>1</sup> Unless otherwise specified, data comes from five-year samples of the American Community Survey from 2009 and 2014 and figures refer to the Anchorage municipality.

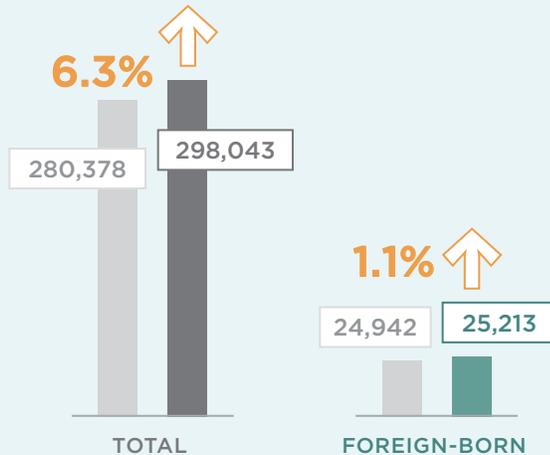
<sup>2</sup> These figures derive from our calculations based on immigrants' share of wage income and self-employment income in the five-year ACS sample from 2014 and the statistics of GDP by the National Association of Counties.

<sup>3</sup> Estimates are based on federal tax rates from the U.S. Congressional Budget Office, and state and local tax rates from the Institute on Taxation and Economic Policy.

<sup>4</sup> Institute on Taxation and Economic Policy. 2015. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

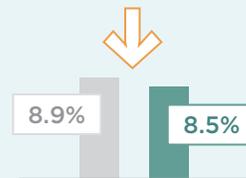
## POPULATION GROWTH

Between 2009 and 2014, the population in Anchorage grew 6.3%, from 280,378 to 298,043. During that time **the foreign-born population increased by 1.1%**, from 24,942 to 25,213, at an annual rate of .2%.<sup>5</sup>



Growth in the foreign-born population accounted for **1.5%** of overall population growth during that period.

However, although the number of immigrants increased by 1.1% between 2009 and 2014, the share of the total population that was foreign-born in the area **decreased from 8.9% to 8.5%** during that period.



## LABOR FORCE

Alaska is confronting a steep decline in revenue sources. Underemployment and unemployment contribute to this by minimizing consumers' purchasing power and limiting opportunities for home ownership, which in turn negatively affects the state's revenues.

**New Americans help combat unemployment rates, and play a critical role in the workforce in Anchorage.**

Although the foreign-born made up 8.5% of Anchorage's overall population, they made up **10.3% of its employed labor force** in 2014.

8.5% of the overall population is foreign-born

10.3% of the employed labor force is foreign-born

**New Americans play an outsized role in key industries in Anchorage, and are concentrated highest in the following industries:**

Recreation and Accommodation	19.2%
General services <sup>6</sup>	14.4%
Healthcare and Social Assistance	14.1%
Retail Trade	13.9%
Transportation & Warehousing	11.3%

**9.6%**  
of all STEM  
workers

New Americans are also overrepresented in STEM occupations. In 2014, foreign-born residents made up **9.6% of all STEM workers in the municipality.**

<sup>5</sup> Estimates in this brief use the five-year ACS samples to have the largest sample size for more detailed analysis. Because multi-year samples pull data from previous years during which sizes of foreign-born population were small, the overall estimates for the foreign-born population tend to be conservative.

<sup>6</sup> General services include personal services (e.g. laundry services, barber shops, and repair and maintenance), religious organizations, social services, and labor unions. Number of observations is below 50.

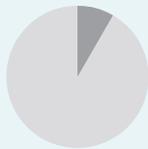
Because of the role immigrants play in the workforce helping companies keep jobs on U.S. soil, we estimate that the immigrants living in Anchorage in 2014 **helped create or preserve 1,160 local manufacturing jobs** that would have otherwise vanished or moved elsewhere.<sup>7</sup>



**1,160** manufacturing jobs

## ENTREPRENEURSHIP

While 8.5% of the area's total population, immigrants made up **14.2% of its self-employed population** in 2014.



**8.5%**  
OF TOTAL  
POPULATION



**14.2%**  
OF SELF-  
EMPLOYED  
POPULATION

In Anchorage, **1,831 foreign-born people** worked for their own businesses, generating

**\$37 million** in business income.

**Foreign-born residents are more likely to start new businesses than the U.S.-born.**

In 2014, 11.1% of the foreign-born residents worked for their own businesses, compared with 7.7% of U.S.-born residents who were self-employed.

**11.1%** of the foreign-born population are self-employed

**7.7%** of the U.S.-born population are self-employed

## HOUSING WEALTH

Between 2009 and 2014, the growth of the immigrant population increased **the total housing value in the county by \$3.6 million.**<sup>8</sup>



**\$3.6 million increase**  
in total housing value

<sup>7</sup> The methodology for this calculation was developed by Jacob Vigdor in the 2013 report "Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market." Partnership for a New American Economy.

<sup>8</sup> Vigdor, Jacob. 2013. "Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market." Partnership for a New American Economy.

# EDUCATIONAL AND LONG-TERM ECONOMIC IMPACTS

## BACHELOR'S DEGREES

**23.1%** of the U.S.-born population

**23.3%** of the foreign-born population

Foreign-born residents in Anchorage tend to have educational levels similar to that of U.S.-born citizens. In 2014, 23.3% of immigrants in Anchorage held **at least a bachelor's degree**, compared with 23.1% of the U.S.-born population.

## ADVANCED DEGREES

**8.6%** of the U.S.-born population

**8.7%** of the foreign-born population

About 8.7% of immigrants held **advanced degrees**, compared with 8.6% of U.S.-born residents.

In fall 2014,

**314 students**

enrolled in colleges and universities in Anchorage held **temporary resident visas**.<sup>9</sup> These international students supported

**43 local jobs**

and contributed **\$7.5 million** in spending in that academic year.<sup>10</sup>

If Anchorage retains **one half of its international students after they graduate** with bachelor's degrees or higher,

**72 local jobs**

will be created within six years,<sup>11</sup> boosting the area's real GDP by

**\$20.8 million**

in 2014 terms, within the next 30 years<sup>12</sup> and increasing its population by 503 people within the next 50 years.<sup>13</sup>

<sup>9</sup> Data on total student enrollment in the area is derived from the Integrated Postsecondary Education Data System maintained by the National Center for Education Statistics.

<sup>10</sup> Economic data is derived from the International Student Economic Value Tool maintained by NAFSA, the association of international educators.

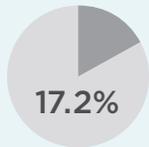
<sup>11</sup> Curtis Simon. 1998. "Human Capital and Metropolitan Employment Growth." *Journal of Urban Economics* 43.

<sup>12</sup> Rita Ray. 2014. "Effect of Education on Gross Domestic Product: A Case Study from US 'Mid-West'." *International Review of Business Research Papers*, Vol. 10-1. Calculated by an estimated \$70 GDP per capita, multiplied by 2014 total population.

<sup>13</sup> Edward L. Glaeser, Giacomo A. M. Ponzetto, and Kristina Tobio. 2014. "Cities, Skills and Regional Change." *Regional Studies*, Vol. 48-1.

## LANGUAGE

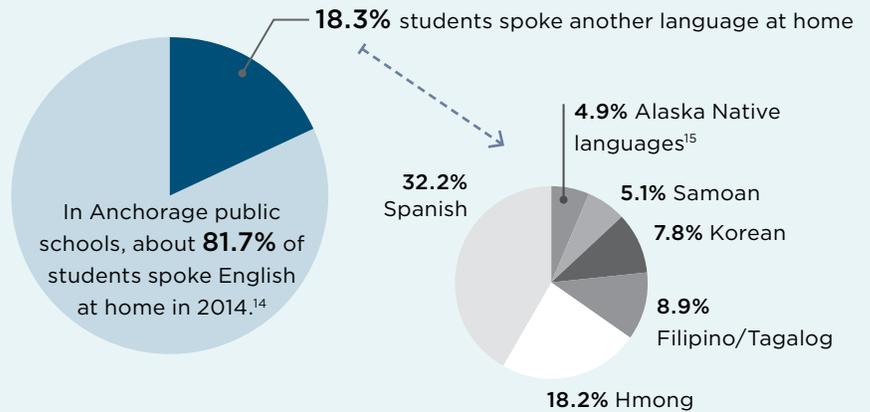
In 2014, 17.2% of all youth under the age of 18 in the municipality **spoke a language other than English at home**. Similarly, 17.5% of adults in Anchorage lived in bilingual or non-English-speaking households.



OF YOUTH



OF ADULTS



## NATURALIZATION

In 2014, **56.6%** of Anchorage's immigrant population (14,272 foreign-born residents) **had become naturalized citizens** — a rate higher than the national average of 45.8%.

Among the 10,941 immigrants who were not citizens

**6,935**

**foreign-born residents (or 63%)**

were **potentially eligible for naturalization.**

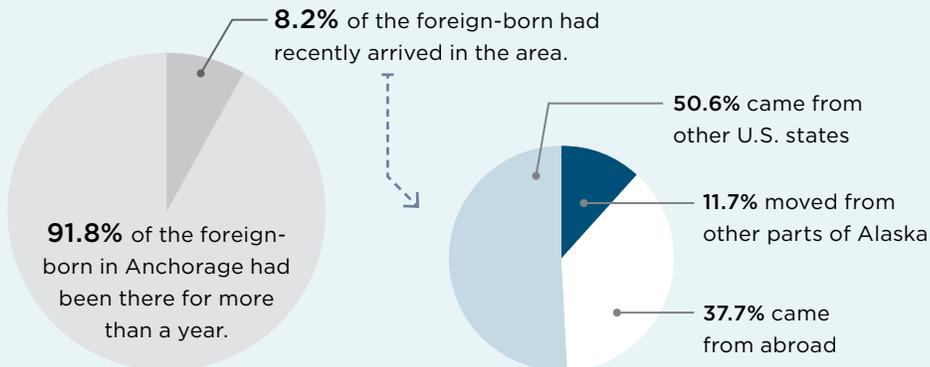
<sup>14</sup> Estimates based on 5-year ACS sample on top languages spoken by Anchorage public-school students at home.

<sup>15</sup> Alaska Native languages include the Eskimo-Aleut language group, including Aleut, Inupiaq, Siberian Yupik, and Yup'ik.

# MIGRATION

In 2014, a vast majority (91.8%) of the foreign-born had been in Anchorage for more than a year.

Of the approximately 2,078 foreign-born residents who recently arrived in the area within the last year, 11.7% moved from other places in Alaska, while 50.6% came from other U.S. states and 37.7% came from abroad.



The Partnership for a **New American Economy** brings together more than 500 Republican, Democratic, and Independent mayors and business leaders who support sensible immigration reforms that will help create jobs for Americans today. Visit [www.renewoureconomy.org](http://www.renewoureconomy.org) to learn more.