

New Americans in Minneapolis

The Demographic and Economic Contributions of Immigrants and Refugees in the Area^{1,2}

JUNE 2021



Population

63,300

immigrants and refugees lived in the Minneapolis area of Minnesota in 2019³

Immigrants and refugees made up



of the total population in the area in 2019.

Between 2014 and 2019, the total population in the area increased by



During the same time period, the immigrant and refugee population increased by

+2.4%



of total population growth in the area was attributable to immigrants and refugees.

Demographics



of immigrants and refugees in the Minneapolis area are recent arrivals, with less than 5 years of residency in the United States, meaning



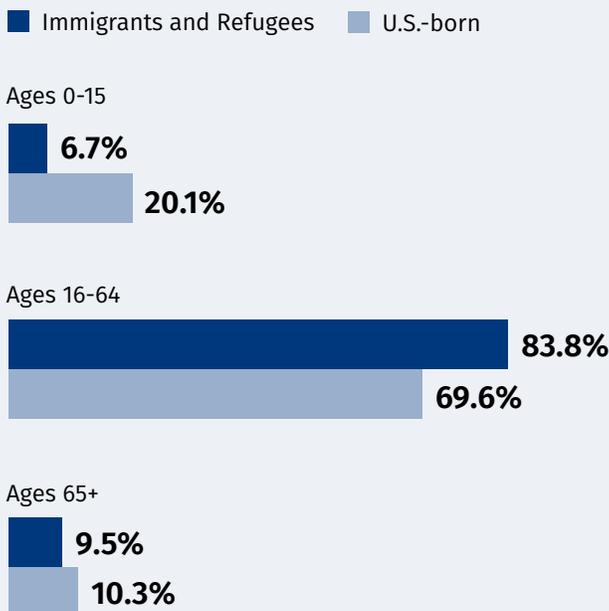
of immigrants and refugees in the Minneapolis area have resided in the United States for longer than 5 years.

In the area, immigrants and refugees are



more likely to be of working age than their U.S.-born counterparts, allowing them to actively participate in the labor force and contribute to the economy as taxpayers and consumers.⁵

Shares of population by age groups...⁴



1 Unless otherwise specified, data comes from 5-year samples of the American Community Survey from 2014 and 2019 and figures refer to the area including the City Minneapolis and part of the City of St. Anthony, Minnesota.

2 Except where otherwise noted (e.g., "refugees," "undocumented immigrant," or "DACA-eligible"), we define an immigrant as anyone born outside the country to non-U.S. citizen parents who is resident in the United States. This includes naturalized citizens, green card holders, temporary visa holders, and undocumented immigrants, among others.

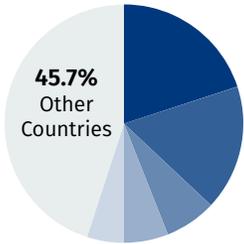
3 Estimates provided in this report may slightly undercount the immigrant population. The American Community Survey historically undersamples the foreign-born population, especially among lower income, more recently arrived, and less English-fluent immigrant populations. The Pew Research Center, in its 2018 report "U.S. Unauthorized Immigrant Total Dips to Lowest Level in a Decade", estimates the undercount as 5 percent to 7 percent for undocumented immigrants and refugees and 2 percent to 3 percent for the overall immigrant population.

4 Totals may not add up to 100 percent due to rounding.

5 We define working age as 16-64 years of age.

Demographics *continued*

The top five countries of origin for immigrants living in the metro area were



- Somalia (20.3%)
- Mexico (16.5%)
- Ethiopia (7.2%)
- Ecuador (5.5%)
- India (4.8%)

Other countries include China (4.4%), Laos (3.6%), Kenya (3.1%), Thailand (2.9%), Korea (2.6%), El Salvador (1.6%), Vietnam (1.3%), Canada (1.3%), Germany (1.2%), and Guatemala (1.0%).

17,400

immigrants and refugees living in the area had limited English language proficiency, making up



of the immigrant population.

Among them, the top languages spoken at home other than English were:⁶

- **Spanish, 44.0%** or 7,700 people
- **Somali, Oromo, Beja, and other Cushite language, 34.6%** or 6,000 people
- **Hmong, 10.3%** or 1,800 people

Spending Power & Tax Contributions

Given their income, immigrants and refugees contributed significantly to state and local taxes, including property, sales, and excise taxes levied by state and local governments.

Foreign-born households held



of all spending power in the area.

In 2019, immigrant and refugee households in the Minneapolis area earned **\$1.7 billion**.

■ **\$284.8 million**

went to federal taxes⁷

■ **\$159.0 million** went to state & local taxes⁸

■ **\$1.2 billion** left in spending power

Immigrants and refugees in the area also supported federal social programs. In 2019, they contributed:



■ **40.9%** of immigrants and refugees in the area received Medicare or Medicaid, compared with

■ **33.4%** of U.S.-born residents in 2019.

⁶ Due to small sample size, we are unable to release estimates for other languages spoken at home by immigrants and refugees with limited English proficiency in the area, including Laotian, Vietnamese, Korean, Arabic, and Chinese.

⁷ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

⁸ Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

Spending Power & Tax Contributions *continued*

Private Healthcare Coverage

About **46.0%** of immigrants and refugees had private healthcare coverage, while **70.6%** of U.S.-born had private healthcare coverage.⁹



Immigrants U.S.-born

Public Healthcare Coverage

About **41.0%** of immigrants and refugees had public healthcare coverage, while **33.9%** of U.S.-born had public healthcare coverage.



Immigrants U.S.-born

Poverty Threshold

Given their household incomes, **44.9%** of immigrants lived at or below 150% of the federal poverty threshold as compared to **24.3%** of U.S.-born residents.

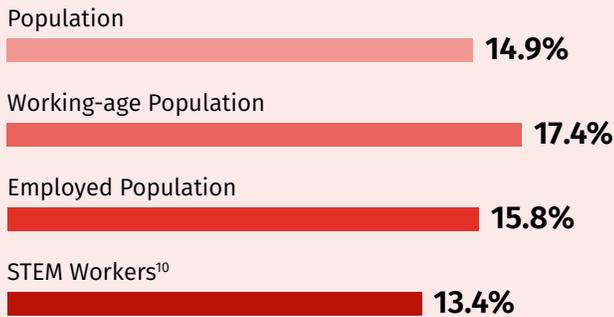


Immigrants U.S.-born

Workforce

Although the foreign-born population made up **14.9%** of the area's overall population, they represented **17.4%** of its working-age population, **15.8%** of its employed labor force, and **13.4%** of its STEM workers in 2019.¹⁰

Immigrant shares of the...



The immigrant working-age population was **48.3%** female and **51.7%** male.



The immigrant employed population was **44.0%** female and **56.0%** male.



Immigrants and refugees in the metro area are

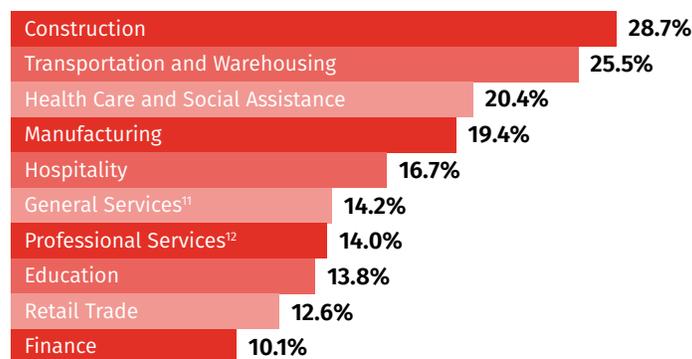
20.4%

more likely to be working-age than their U.S.-born counterparts.

Immigrants and refugees played a critical role in several key industries in the area. This included:



of workers in the Construction industry were foreign-born in 2019.



⁹ Including people who have both public and private healthcare coverage.

¹⁰ STEM refers to occupations that require background or expertise in Science, Technology, Engineering, and/or Math.

¹¹ General services include personal services (e.g. laundry services, barber shops, and repair and maintenance), religious organizations, social services, and labor unions.

¹² Professional services: Most of these industries include professions that require a degree or a license, such as legal services, accounting, scientific research, consulting services, etc.

Workforce *continued*

SPOTLIGHT ON Immigrant Essential Workers

Immigrants and refugees have also been playing vital roles in critical industries that have kept the country functioning throughout the COVID-19 crisis. Immigrants and refugees in the area continue working in these frontline and essential industries:

Healthcare

4,900
immigrants and
refugees made up



Food Service

3,600
immigrants and
refugees made up



Essential Services

3,400
immigrants and
refugees made up



Construction

Immigrants and refugees made up **28.7%** of the workforce

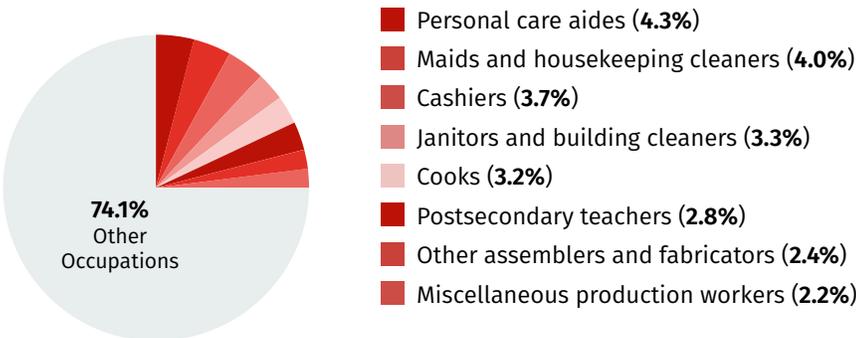
Transportation and Warehousing

Immigrants and refugees made up **25.5%** of the workforce

Essential Retail Trade

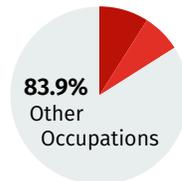
Immigrants and refugees made up **15.5%** of the workforce

Immigrants and refugees tended to work in these occupations in the area in 2019:



Top occupations for female workers in 2019:

- Personal care aides (9.0%)
- Maids and housekeeping cleaners (7.1%)



Due to the role immigrants and refugees play in the workforce helping companies keep jobs on U.S. soil, we estimate that immigrants and refugees living in the area had helped create or preserve

2,900 manufacturing jobs

that would have otherwise vanished or moved elsewhere by 2019.¹⁴

¹³ These include services essential for daily living, such as building cleaning, waste management, auto repair, and veterinary services.

¹⁴ Vigdor, Jacob. 2013. "Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the Housing Market." *New American Economy*.

Entrepreneurship

2,700

immigrant and refugee entrepreneurs lived in the Minneapolis area in 2019, making up



of the business owners in the metro area despite making up **14.9%** of the population.

Immigrant and refugee entrepreneurs in the area generated

\$37.6 million

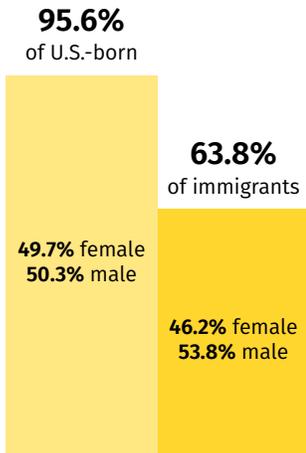
in business income in 2019.

While **8.5%** of the U.S.-born population were entrepreneurs, **6.9%** of foreign-born residents worked for their own businesses.

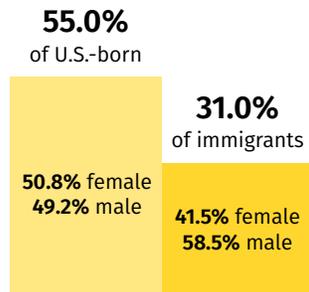


Education

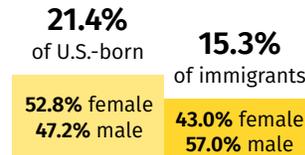
Share of the area's population aged 25 or above that held **at least a high school diploma or equivalent** in 2019:



Share of the area's population aged 25 or above that held a **bachelor's degree or higher** in 2019:



Share of the area's population aged 25 or above that held an **advanced degree** in 2019:



of K-12 students in the area were foreign-born in 2019.



of K-12 students in the area were the children of immigrants and refugees in 2019.

SPOTLIGHT ON

Khadija Ali

CEO, Global Language Connections

Former child refugee Khadija Ali is a natural advocate. “I believe everyone has a voice,” she says. “And I didn’t want a language barrier to be a deterrent for anyone’s well-being, which is what happened to my family members.”

Ali came to America at 13, after her family fled civil war in Somalia. None of them spoke English and no language resources were available in the San Diego community where they first landed, before moving to Minnesota. It wasn’t until Ali entered high school and started working a retail job at Nike, that she started to become fluent.

Eventually, she served as her family’s interpreter and translator, but she couldn’t always be there to help. On one occasion, a family member’s inability to communicate with her dentist resulted in him extracting the wrong tooth. After this, Ali decided she needed to use her fluency for the greater good. In 2015, she launched Global Language Connections, a consulting, translation and interpretation company that offers services in over 200 languages. “With personalized language services, our clients can make the most of American opportunity,” Ali says. “Almost half of Fortune 500 companies were started by immigrants. They give us a competitive edge and are workhorses. They also fill jobs that other people may not want to do. But they need to be able to communicate.”

Ali has received awards from the Minnesota-based International Leadership Institute and the City of Minneapolis for her work. But she believes local governments and businesses must do more to support and promote not only language access and education for newcomers, but also empower people of all faiths. “I’d like to see Minneapolis expand ESL classes and tutors for students and interpreters for parents,” she says. “It’s important that parents can be included in their children’s education.”

Ali feels that language services are key to helping newcomers achieve success. “People face a lot of discrimination especially when they’re not understood,” she says. “But immigrants bring ingenuity, fresh ideas and culture. We all deserve support and equal access to opportunities. For many people, that means providing language services. They will thrive with the right tools.”

SPOTLIGHT ON

Raj Chaudhary

CEO, SEWA-AIFW

When Raj Chaudhary moved to Minneapolis in 1968 to become a cancer researcher at the University of Minnesota, she felt like a pioneer. At that time, the Twin Cities’ Indian community was small. And as it grew, newcomers would frequently tap earlier arrivals like Chaudhary and her husband for assistance. “They felt more comfortable coming to us for help with immigration services, healthcare referrals and even domestic violence support,” she says. “We understand their culture and background.”

After her two sons and daughter left for college, Chaudhary decided to make this assistance formal. In 2004, she founded the nonprofit SEWA-AIFW. SEWA means “to serve” in Hindi, and AIFW stands for Asian Indian Family Wellness. “It all started with domestic violence,” Chaudhary said. “A woman came in and said to me, ‘Where were you when I needed you four years ago?’ and I resolved that day to be there for women as well as the community.”

SEWA partnered with existing organizations to offer services and secured grant funding to cement the organization’s own infrastructure and staff. Today, they operate a 24/7 crisis line, offer [free culturally-specific resources and health clinics](#) and provide mental health and legal referrals. The organization is able to assist over 82,000 people a year across Minnesota’s broad South Asian community and works in collaboration with the Minnesota Department of Health, the Minneapolis Health Department and other public and private entities.

Still, Chaudhary says the city could take further steps to help South Asian immigrants integrate. Government informational brochures are translated into Spanish, Vietnamese and Chinese, but South Asian languages aren’t available. There’s also a strong need for culturally specific mental health services and children’s services. “Our mission of ‘Total Family wellness’ aligns with the city government’s mission to address climate change, dismantle institutional injustice and close disparities in health,” Chaudhary says. “Together, we can bring programs that close the gap in services. Healthy families are happy families.”

Housing

In 2019, **24.8%** of immigrant and refugee households in the Minneapolis area owned their own homes, compared to **52.6%** of U.S.-born households.



Immigrant U.S.-born



- Lived in Houses **8,200 or 28.3%**
- Lived in Apartments **20,600 or 71.1%**
- Lived in Other Types of Housing **0.5%**

The total property value of immigrant and refugee households

\$1.9 billion

75.2% of immigrant and refugee households were renters. Their total annual rent paid was

\$215.3 million



78.5% of immigrant and refugee households in the area had access to broadband connection in their place of residence as compared to **87.5%** of U.S.-born households in 2019.

Naturalization



- **45.1%** Naturalized U.S. Citizens (28,500)
- **16.6%** Likely Eligible to Naturalize (10,500)
- **38.4%** Not Eligible to Naturalize (24,300)



Nationally, **48.7%** of immigrants are naturalized citizens, **15.9%** are likely eligible to naturalize, and **35.4%** are not yet eligible.



19.0% of households in the Minneapolis area had at least one foreign-born resident in 2019.

If all immigrants nationally who are eligible to naturalize became U.S. citizens, their earning potential would increase by

+8.9%¹⁵

Refugees

20,200

refugees, or **31.9%** of the foreign-born population in the Minneapolis area, were likely refugees.¹⁶

About **14.0%** of refugees held at least a bachelor's degree...

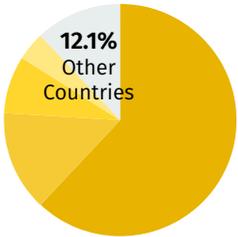


...and about **5.1%** held an advanced degree.

¹⁵ Enchautegui, Maria E. and Linda Giannarelli. 2015. "The Economic Impact of Naturalization on Immigrants and Cities." Urban Institute.
¹⁶ New American Economy. 2017. "From Struggle to Resilience: The Economic Impact of Refugees in America."

Refugees *continued*

The top countries of origin for the refugee population in the area were Somalia (62.4%), Ethiopia (14.0%), Laos (7.7%), and Thailand (3.8%).¹⁷



In 2019, refugee households earned **\$370.6 million**

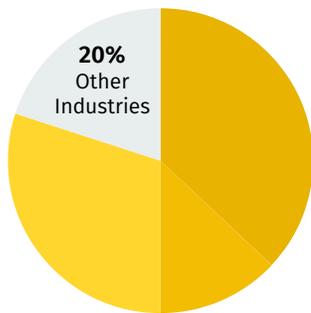
■ **\$42.2 million**

went to federal taxes¹⁸

■ **\$34.8 million** went to state & local taxes¹⁹

■ **\$293.7 million** left in spending power

Refugees tended to work in these key industries:



- Health Care and Social Assistance (37.4%)
- Manufacturing (12.5%)
- Retail Trade (30.1%)

In 2019, about



of refugees in the area were naturalized U.S. citizens.

DACA-Eligible Population

In 2019, DACA-eligible people made up



of the immigrant population in the Minneapolis area.

Undocumented Immigrants

11,500

undocumented immigrants lived in the Minneapolis area in 2019

They made up



of the foreign-born population in the area in 2019.

Undocumented immigrants are highly active in the labor force.



are of working-age in the area.

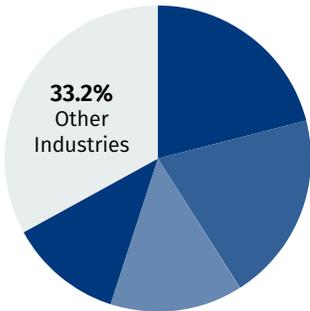
¹⁷ Due to small sample size, we are unable to release estimates for other countries of origin for refugees in the area, including Vietnam, Kenya, Liberia, and Sudan.

¹⁸ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

¹⁹ Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."

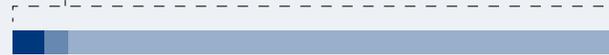
Undocumented Immigrants *continued*

Undocumented immigrants tended to work in these key industries:



- Hospitality (21.2%)
- Construction (19.7%)
- Professional Services (14.1%)
- Manufacturing (11.8%)

In 2019, undocumented immigrant households earned **\$253.4 million**



■ **\$17.1 million**

went to federal taxes²⁰

■ **\$12.1 million** went to state & local taxes²¹

■ **\$224.2 million** left in spending power

²⁰ U.S. Congressional Budget Office. 2020. "The Distribution of Household Income and Federal Taxes, 2017."

²¹ Institute on Taxation and Economic Policy. 2018. "Who Pays? A Distributional Analysis of the Tax Systems in All Fifty States."