

A Closer Look: The Contributions of Asian and Pacific Islander Immigrants to Virginia's Economy

By Laura Goren and Michael Cassidy

Asian American/Pacific Islander immigrants living in Virginia are an important part of the state's economy and future. Most working-age adults are employed; many own businesses; most have lived in the United States for many years; and most are citizens. But like other immigrant groups, they also face significant challenges.

This paper documents the ways immigrant Asian American/Pacific Islanders are woven into the fabric of our communities, the significant economic contributions



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they make to the commonwealth, and the ongoing challenges they face.

There were over 585,000 Virginians who self-identified as Asian American or Pacific Islander in 2013, up from about 416,000 in 2007. Of those, nearly two thirds—353,000—are immigrants.¹ That's more than a third of all foreign-born Virginians.

The growth in the number of AAPI Virginians accounts for a substantial share—31 percent—of Virginia's overall population growth since 2007.

More than 70 percent of the state's immigrants who were born in Asia or the Middle East (which the Census Bureau calls "Western Asia") live in Northern Virginia. Another 12 percent live in the Virginia Beach/Hampton Roads metro area, and 8 percent are in the Richmond metro area. The Charlottesville metro area is home to another 2 percent of Virginians born in Asia or the Middle East, and the remainder live in other metro areas and rural Virginia.

Diverse Origins, High Citizenship

Virginia's Asian and Middle Eastern immigrants are from a wide range of places, but most have been in the United States for a long time.

Almost one in five Virginians who was born in Asia is originally from India, while 14 percent were born in Korea, 13 percent in the Philippines, and 11 percent in Vietnam. But there are also significant

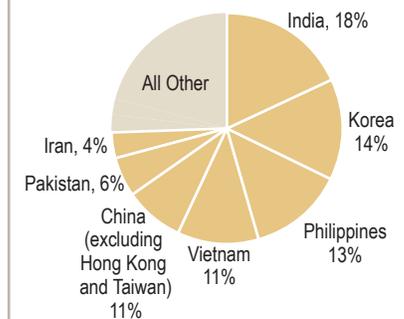
Methodology Note

This report is based on estimates from the Census Bureau's American Community Survey (ACS). Because the ACS survey is administered throughout the year, ACS estimates can be considered the average characteristics of an area over the course of a year, including households that may reside in the area for at least two months but not for the entire year and including people of all immigration statuses. However, ACS data likely undercounts undocumented immigrants by about 10 percent. This report does not adjust for that potential undercount because we do not have sufficient information to provide accurate adjustments.

This report generally defines Asian American and Pacific Islander immigrants as all foreign-born residents of Virginia who self-identify as Asian American or Pacific Islander (AAPI). Due to data limits, most of the analysis only looks at the 95 percent of AAPI immigrants who identify as Asian or Pacific Islander alone, rather than as multiracial. Additionally, due to data availability, the analysis of where Asian and Pacific Islander immigrants were born and where they live within Virginia is based solely on country of birth, rather than self-identity.

Diverse Origins

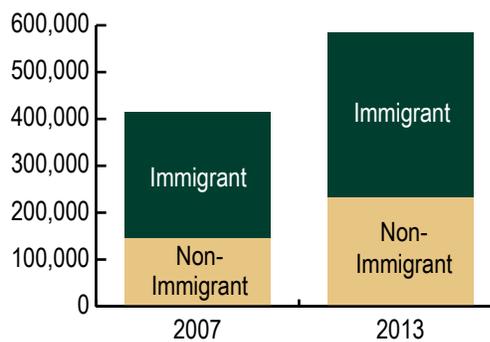
Countries of Birth for Virginia Immigrants from Asia (inc. Mid. East)



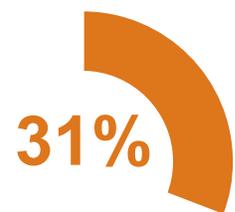
Source: American Community Survey, 2009-2013

More AAPI Residents Means More Virginians

Number of AAPI Immigrants and Non-Immigrants in Virginia



AAPI Share of Virginia's Population Growth, 2007 to 2013



Source: TCI analysis of 2007 and 2013 American Community Survey 1yr data retrieved via IPUMS-USA

numbers of Virginians who were born in China (8 percent, excluding Hong Kong and Taiwan), Pakistan (6 percent), Iran (4 percent), Afghanistan (3 percent), and Japan (2 percent), as well as representation from many other countries.

Overall, there are 132,000 Virginians who were born in south central Asia; over 113,000 who were born in south eastern Asia; over 103,000 who were born in eastern Asia; and almost 27,000 who were born in western Asia/the Middle East.

Two-thirds of foreign-born Asian American/Pacific Islander immigrants have been in the United States for more than 10 years, and 40 percent have been in the United States for more than 20 years. The long lengths of U.S. tenure for Asian immigrants living in Virginia likely contributes to their significant economic contributions, having had time to put down roots and adapt their job skills to local demands.

It also means most Asian immigrant Virginians have been living in the United States long enough to become naturalized U.S. citizens, a process that usually requires many years of residence and requires passing a test on U.S. history, culture, and government. More than 60 percent of foreign-born AAPI Virginians are naturalized U.S. citizens, a slightly higher rate than in the United States as a whole.

Broadly Employed, Highly Entrepreneurial

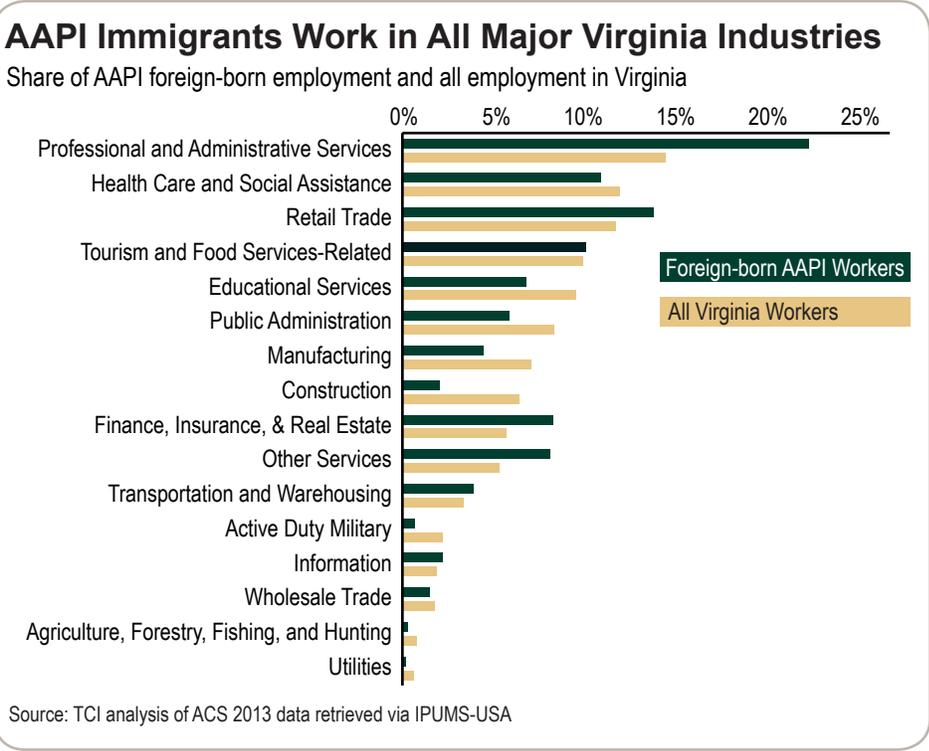
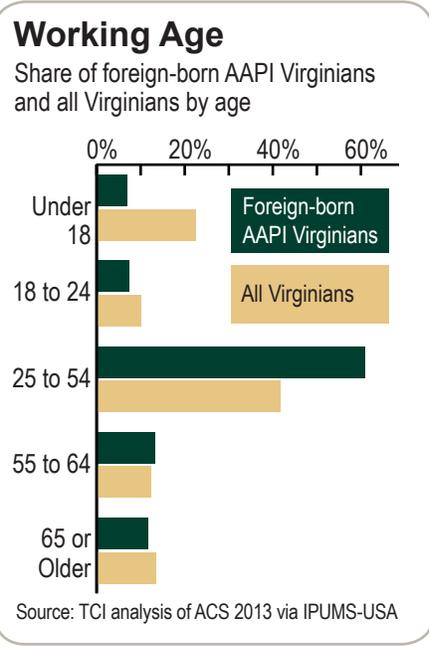
In addition to being important members of Virginia communities, foreign-born Asian American/Pacific Islanders are an important part of the state’s economy. Most AAPI immigrants living in Virginia are working-age, which helps contribute to high rates of employment. Almost three-quarters of foreign-born AAPI Virginians are between the ages of 25 and 64—prime working years—compared to just 51 percent of non-immigrant Virginians.

This high share helps drive the 67 percent of all immigrant AAPI Virginians age 16 or older who are currently employed, a share that is higher than that of non-immigrant Virginians.

Asian American/Pacific Islander Virginians also work in every major industry in the state. But they are particularly important to Virginia’s Professional/Scientific, Management/Administrative/Waste Management Services industry, Finance/Insurance/Real Estate/Rental/Leasing industry, and other services. On the other hand, AAPI immigrants are somewhat underrepresented in the construction, utilities, and agriculture industries and in active-duty military service.

In addition to being an important part of all of Virginia’s major industries, AAPI immigrants are a critical part of Virginia’s small business community. There are over 20,000 self-employed immigrant AAPI Virginians. That’s more than 1 out of every 10 working AAPI immigrants, and seven percent of all Virginia entrepreneurs.

Foreign-born AAPI Virginians also bring considerable education and skills to their jobs and businesses. More than half of immigrant AAPI Virginians over the age



of 24 have at least a bachelor's degree, and 25 percent also have a master's, Ph.D., or other advanced degree. These rates are much higher than what is typical for all Americans, and are also higher than those of non-immigrant Virginians.

With these high levels of employment and education comes relatively high incomes for Virginia households headed by Asian American/Pacific Islander immigrants. Almost one in four of these households has an income over \$150,000, and another 21 percent have a household income between \$100,000 and \$150,000. These shares are not only higher than those that are typical in the United States as a whole, they're also higher than what is typical in Virginia.

And, as might be expected from the other indicators of economic success and tenure in the United States, almost two-thirds of AAPI immigrant-headed households in Virginia are homeowners, the same rate as that of all Virginians.

Challenges Remain

With relatively few households headed by AAPI immigrants having low incomes,

it's no surprise that relatively few foreign-born Asian American/Pacific Islander Virginians live below the poverty line. However, while the poverty rate for AAPI immigrants in Virginia is just 7 percent, below the statewide average rate for all Virginians, it's important to note that still represents over 24,000 foreign-born AAPI Virginians who are poor and whose needs should not be forgotten.

And there are some other challenges facing foreign-born AAPI Virginians and their families.

While 60 percent of Asian and Pacific Islander immigrants living in Virginia speak English at least "very well," that means 40 percent of foreign-born AAPI Virginians over the age of five don't. That's over 130,000 people. One way to make sure everyone is able to find a job that matches their skills and ability is to make sure immigrant workers who don't speak English "very well" are still able to succeed. This means making sure workers are able to access appropriate language training, but also making sure Virginia's workforce development and adult education programs are structured in a way

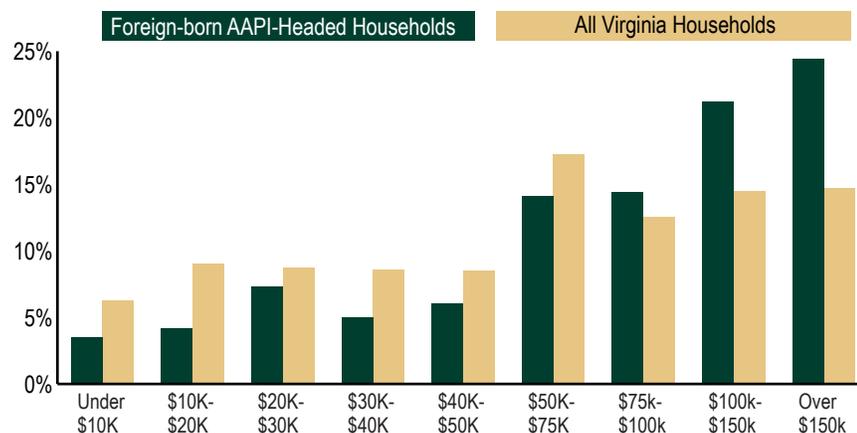
that's accessible to workers who may speak English less than fluently.

And despite having relatively high incomes, the concentration of AAPI immigrant-headed households in high-cost Northern Virginia means many are paying a higher share of their income toward housing costs than most experts consider affordable. Almost 1 in 4 households headed by AAPI immigrants pays more than 35 percent of their household income toward housing costs. That's the same as the share of all Virginia households who are paying more than is considered affordable.

Another significant challenge is that, despite high employment levels, 17 percent of foreign-born AAPI Virginians have no health insurance, compared to just 12 percent of all Virginians who have no health insurance.

Asian American/Pacific Islander Immigrant-Headed Households Tend to Have High Incomes

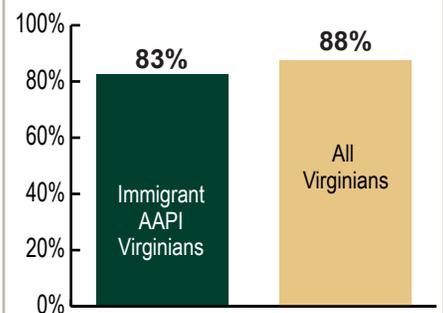
Share of households in Virginia by income



Source: TCI analysis based on 2013 ACS data retrieved via IPUMS-USA

Health Coverage Rates are Low

Share of Virginians with any form of health insurance



Source: TCI analysis of ACS 2013 via IPUMS-USA

The long lengths of U.S. tenure for Asian immigrants living in Virginia likely contributes to their significant economic contributions.

One of the reasons AAPI immigrants living in Virginia have relatively low levels of health coverage may be Virginia's choice to impose even higher limits than the federal government on access to public coverage for legal immigrants. Although this data was gathered before the major coverage expansions of the Affordable Care Act, the magnitude of uninsured non-citizens likely remains unchanged. That's in part because Virginia has resisted national health reform and so hasn't enacted the kinds of policy solutions, such as expanding Medicaid eligibility, that can help connect more low-income working families to health coverage. Additionally, undocumented immigrants are ineligible for essentially all of the coverage expansions, and even lawfully present non-citizens face significant barriers to coverage. As a result, many non-citizens are likely still to be uninsured.

While challenges exist, AAPI immigrants living in Virginia are key contributors to the present and future health and vitality of our economy. Lawmakers should consider the ways in which we can use public policy to make sure all Virginians are able to succeed and build a secure life. It's the right thing to do not just for these workers and families, but for all of our communities.

Endnote

1 These numbers include the 102,000 Virginians who reported to Census that they are both Asian or Pacific Islander and some other race. However, due to data limits, most of this paper only looks at Virginians who identified as one race alone. As of 2013, 95 percent of foreign-born AAPI Virginians identified as one race alone.

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Part of the analysis in this report relies on data extracted from the Integrated Public Use Microdata Series (IPUMS), Version 5.0, developed by the University of Minnesota. Where used, we have referenced this source as IPUMS.

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