

Researchers at the University of Nebraska at Omaha (UNO) have quantified—for the first time—the multi-billion dollar effects that immigrants have on the state’s economy in a new report titled “Nebraska’s Immigrant Population: Economic and Fiscal Impacts.” The report came out Oct. 15.

Immigrants in the workforce, the taxes immigrants pay and immigrant spending and buying power all factored into the research findings. Christopher S. Decker, an associate professor in the UNO Department of Economics, prepared the 37-page report for the UNO Office of Latino/Latin American Studies (OLLAS), with assistance from Jerry Deichert, director of UNO’s Center for Public Affairs Research (CPAR), and Lourdes Gouveia, director of OLLAS.

In 2006, immigrant spending resulted in an estimated \$1.6 billion worth of total production (or output) to Nebraska’s economy, according to the researchers. In addition, this spending generated between 11,874 and 12,121 jobs in total for the state.

“We paid particular attention to immigrant groups from Latin America since issues surrounding these new immigrants are important to Nebraskans,” Decker said. “Our investigation certainly reveals that this group in particular, as well as the total foreign born population as a whole, contributes significantly to our state’s economy.”

The 2006 total estimated production impact of Central and South American immigrant spending was \$717 million, accounting for between

4,923 and 5,971 jobs in the state, according to the report.

The state’s immigrant population also makes a significant contribution to the labor force in key economic sectors like construction, hotel and food services, and meat, poultry, and fish processing. The immigrant labor force accounted for 9.65 percent of total employment in construction in 2006, 7.3 percent of total employment in the services sector, and 80.4 percent in meat processing.

Deichert said the report also breaks down populations by region and by rural versus urban areas. For example, the total value of production impact of immigrant spending in Nebraska’s largest population centers—the areas in and around Omaha and Lincoln--was \$1.14 billion in 2006, resulting in 8,331 jobs. The impact of immigrant spending on total production in Nebraska’s Eastern region (excluding the Omaha and Lincoln areas) was \$204 million, resulting in 1,275 jobs. The impact of immigrant spending on total production in Nebraska’s

Western region was \$238 million, resulting in 1,896 jobs. Eastern, Western and urban counties are listed at the end of this release.

“This research provides a wealth of information that city and county officials, business people, state legislators, and educators can use,” Deichert said. “It also sets the stage for more research to be pursued.”

Researchers also conducted experiments addressing what would happen if the immigrant portion of the labor force were unavailable in the business sectors mentioned above. They found that total state production would fall by \$13.5 billion if immigrants were not present or about 8.75 percent of total state production. If just the Central and South American immigrant population were unavailable, the resulting loss to the state was estimated to be \$11.4 billion, or 7.9 percent of total state production.

Total production losses in the state’s main, densely populated areas would be \$5.4 billion. Losses would amount to \$3.9 billion and \$2.8 billion in the state’s Eastern and Western regions, respectively.

“Immigration issues will be with Nebraska for years and years to come,” Gouveia said. “This research helps us all better understand how important immigrant jobs and spending power are to the state.”

Other findings of note:

* The state’s immigrant population contributed about \$154 million in the form of property, income, sales, and gasoline tax revenue in 2006. This amounts to about \$1,554 in per capita contributions. By contrast, the state’s corresponding per capita contribution from the native-born population is about \$1,944.

* In terms of government costs, the immigrant population in Nebraska accounted for \$144.78 million from food stamps, public assistance, health, and educational expenditures in 2006. This amounts to about \$1,455 per capita. By contrast, the corresponding per capita costs from the native-born population are about \$1,941.

* While the contribution to cost ratio is 1.0 for the native population, the corresponding ratio for the immigrant group is 1.07, indicating that this group “pays in” about 7 percent more of what it uses in terms of governmental support.

U.S. Census figures show that the Nebraska immigrant population stood at more than 74,500 in 2000. In 2006, that figure by a third to as estimated 99,500. The

total native-born Nebraska population grew by two percent during the same six-year period.

To read the entire report [click here](#) or on the image above. For more information, call (402) 554-3835.