

2022  
Metro Latino GDP Report  
New York Metro Area



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California  
Lutheran  
University

**UCLA** Health

Center for the Study of  
Latino Health and Culture

## **Dr. David Hayes-Bautista, PhD**

Dr. Hayes-Bautista is a Distinguished Professor of Medicine and the Director of the Center for the Study of Latino Health and Culture at the David Geffen School of Medicine at UCLA. He has spent over 40 years working to improve public understanding of Latinos and their health, history, culture, and contributions to California and the nation.



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## **Dr. Matthew Fienup, PhD**

Dr. Fienup is the Executive Director of the Center for Economic Research & Forecasting (CERF) at California Lutheran University. CERF is a nationally recognized forecasting center and a member of the Wall Street Journal Economic Forecasting Survey. His other specialties include applied econometric analysis, the economics of land use and environmental markets.



# Latino Gross Domestic Product (GDP)

## Why GDP?

- Broad Measure of Economic Activity
- Nearly-universal *summary statistic* for the performance of an economy

## **As a summary statistic for the performance of Latinos in the U.S., the Latino GDP is impressive**

- Total economic output of U.S. Latinos is very large - \$2.6 Trillion in 2018
- U.S. Latino GDP is growing rapidly – 74% faster than Non-Latino GDP (2010-18)
- *Latinos are drivers of economic growth and an important source of economic strength and resiliency for the nation*

# Estimating the Latino GDP - Methodology

**We conduct a detailed, bottom-up construction of Latino economic activity leveraging publicly available data from major U.S. agencies**

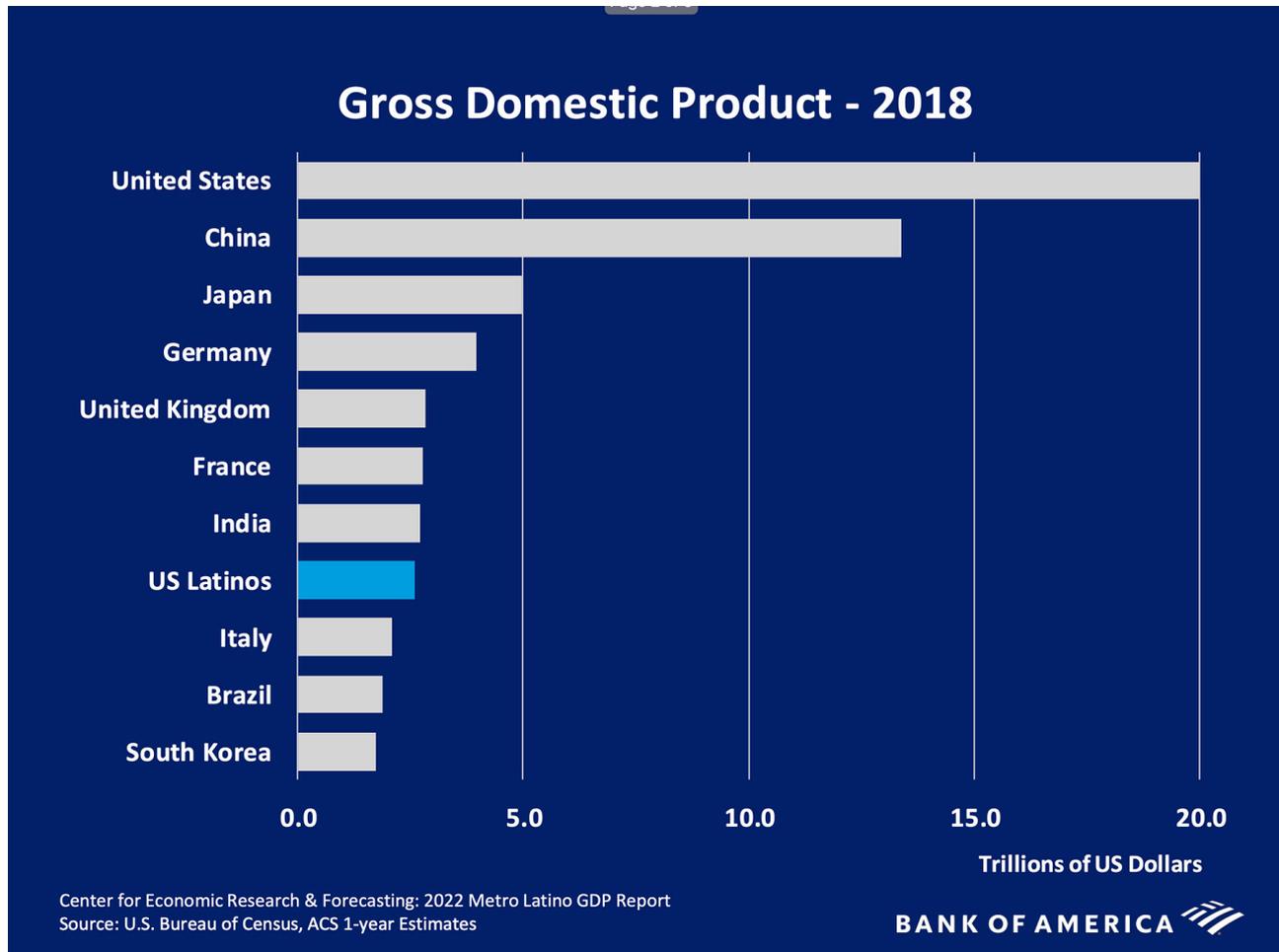
**Bureau of Economic Analysis (BEA) provides detailed input-output (I-O) tables**

- Broad and deep measure of economic activity across 71 industrial sectors
- The most recent year for which this core building block is available is 2018

**We combine the BEA I-O tables with data from the Census Bureau (BOC) & Bureau of Labor Statistics (BLS) to produce Latino I-O tables, which yield Latino-specific calculations of the major GDP components**

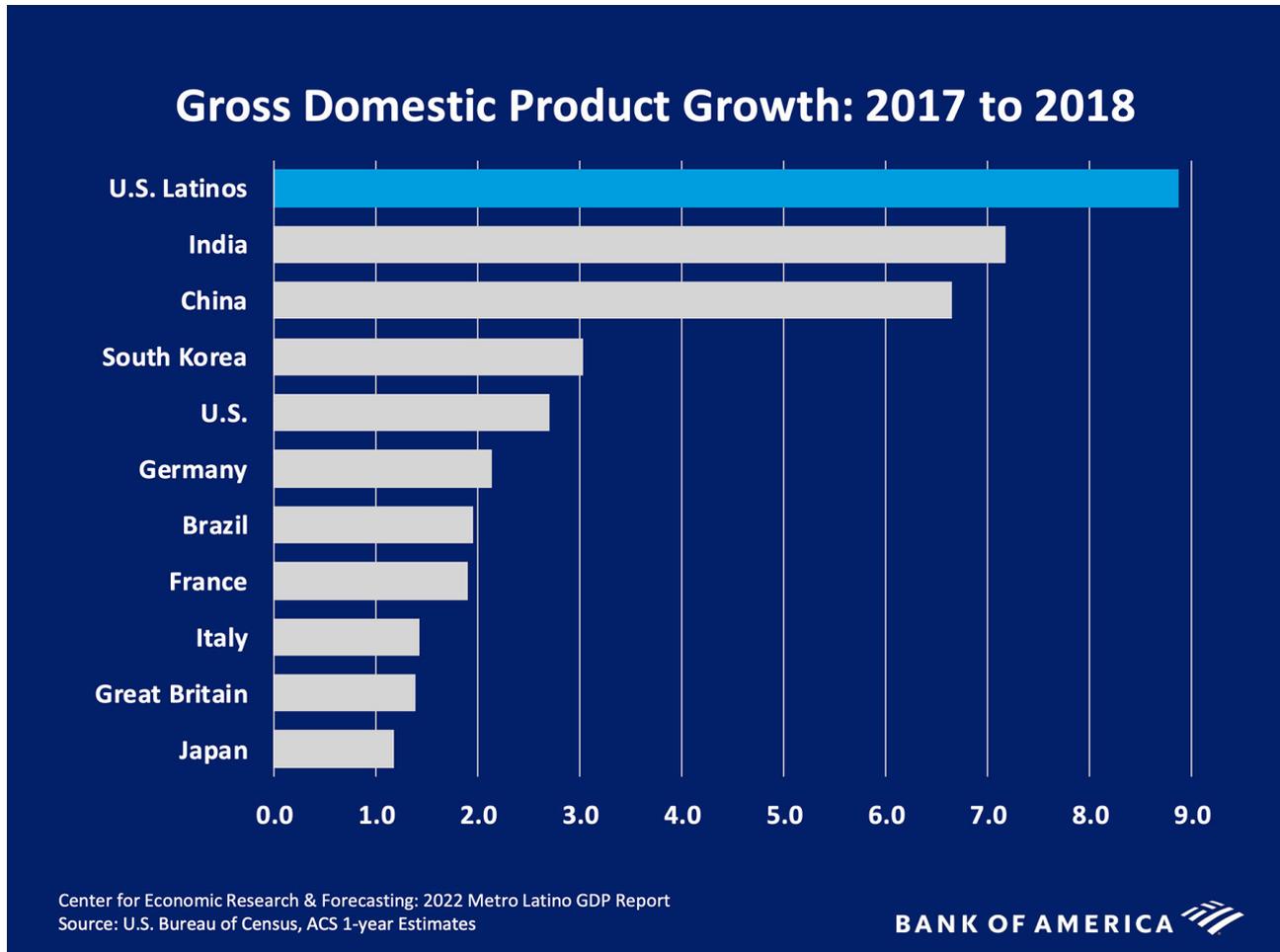
- BOC and BLS provide breakouts of differences in income, spending, home ownership, educational attainment, labor market patterns and demographics

# U.S. Latino Gross Domestic Product (GDP)



**If it were an independent country, Latino GDP would be 8<sup>th</sup> largest in the world**

# U.S. Latino Gross Domestic Product (GDP)



**Among the ten largest GDPs, Latino GDP is *single* fastest growing**

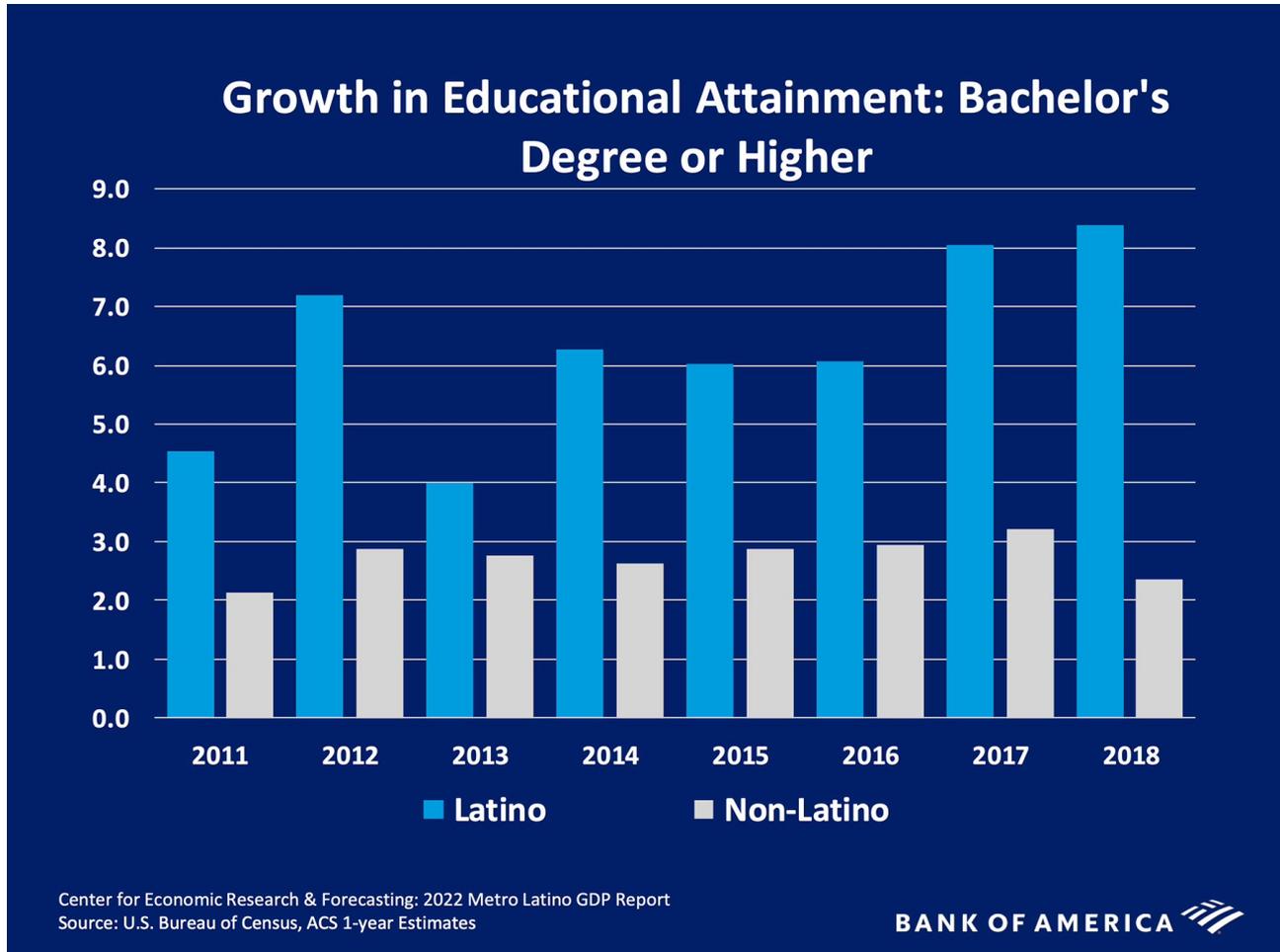
# U.S. Latino Gross Domestic Product (GDP)

## **The single largest driver of rapid Latino GDP growth is personal Consumption growth**

- From 2010-2018, Latino real consumption grew 135% faster than Non-Latino
- This increase is driven by **large gains in personal income**, which naturally flow from Latinos' **rapid gains in educational attainment** and **strong labor force participation**.

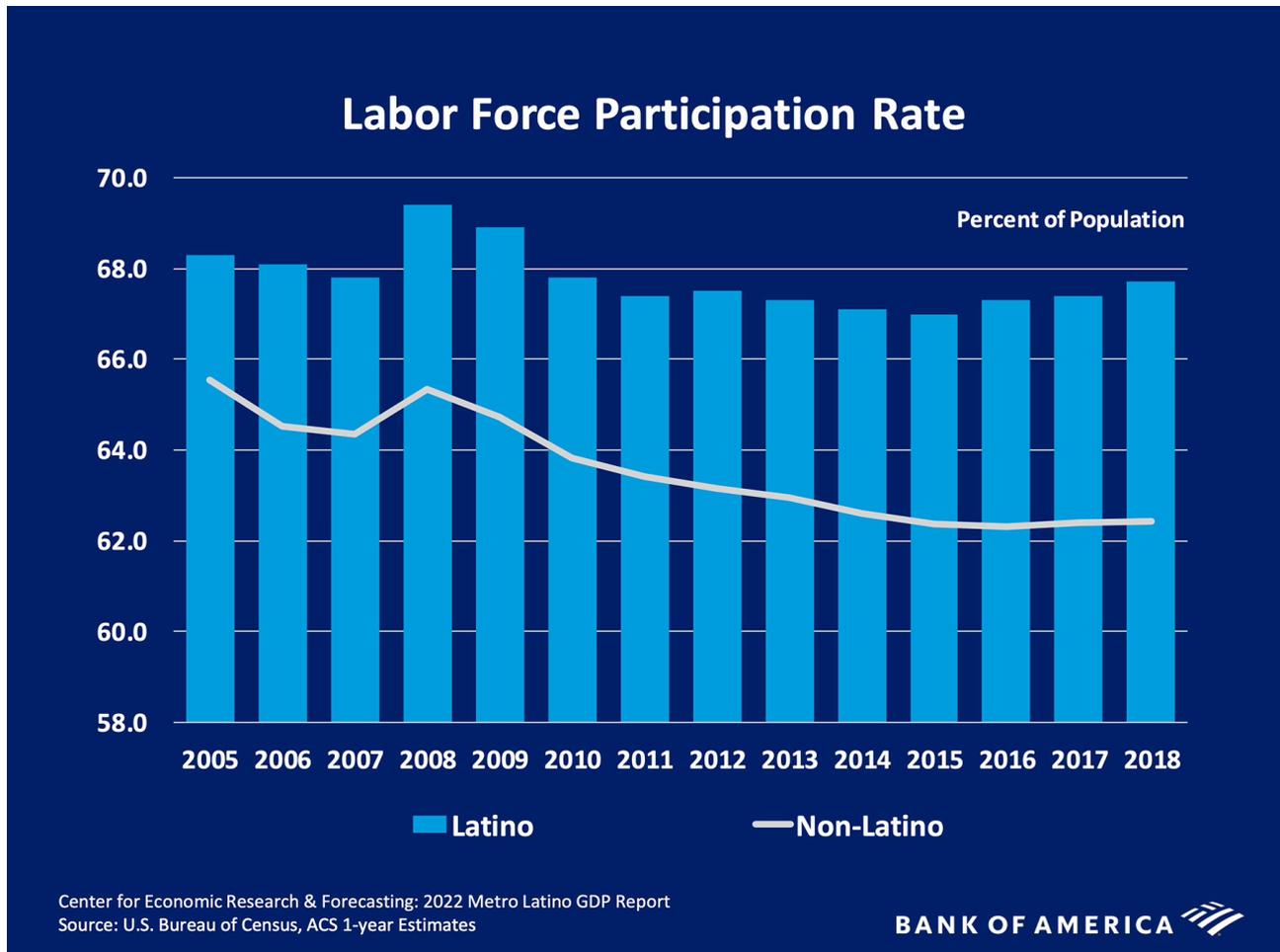
**Growth of the Latino GDP is the result of rapid human capital accumulation**

# Drivers of the Latino GDP



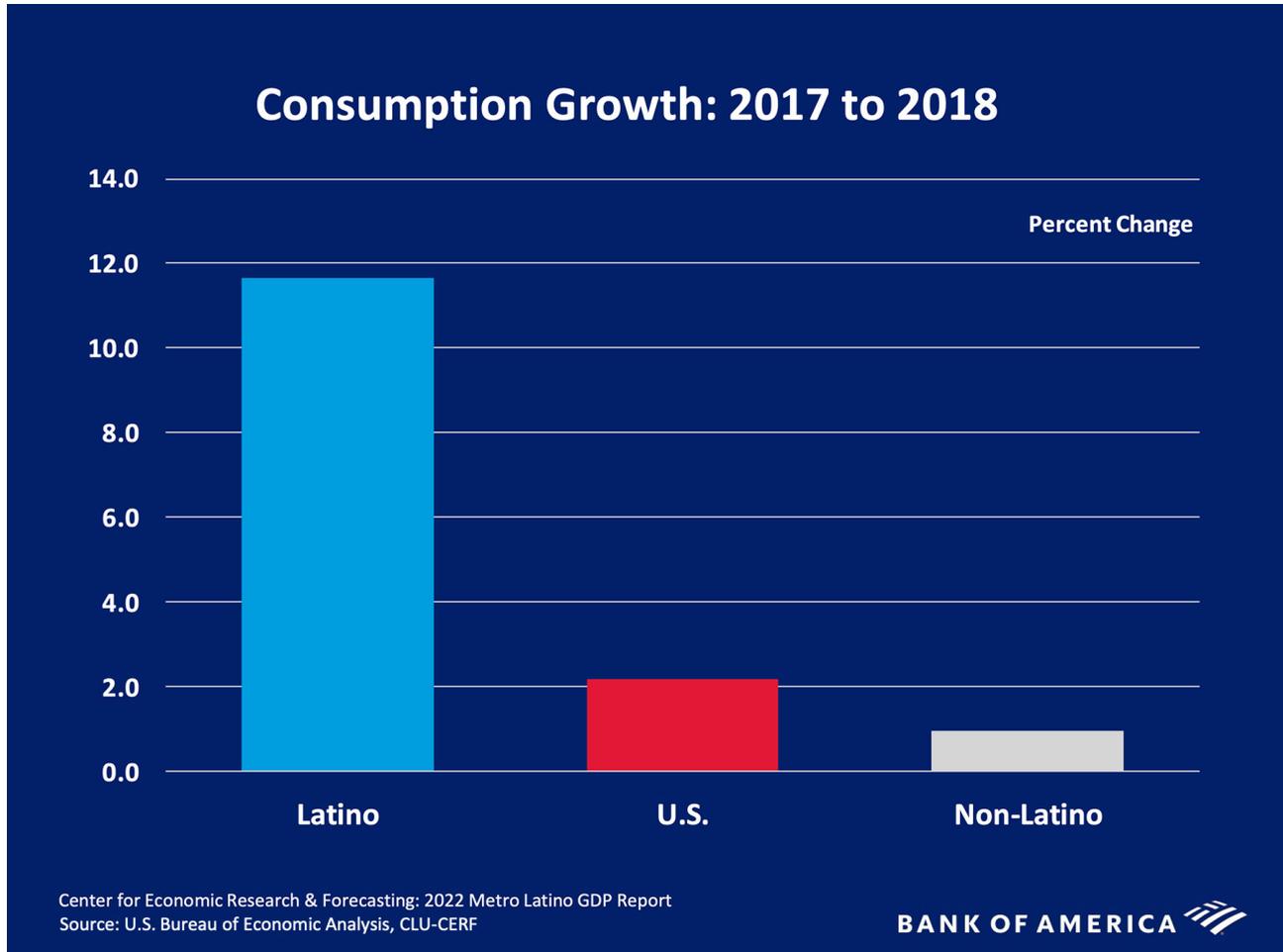
**Educational attainment growth is 2.6x faster among Latinos than non-Latinos**

# Drivers of the Latino GDP



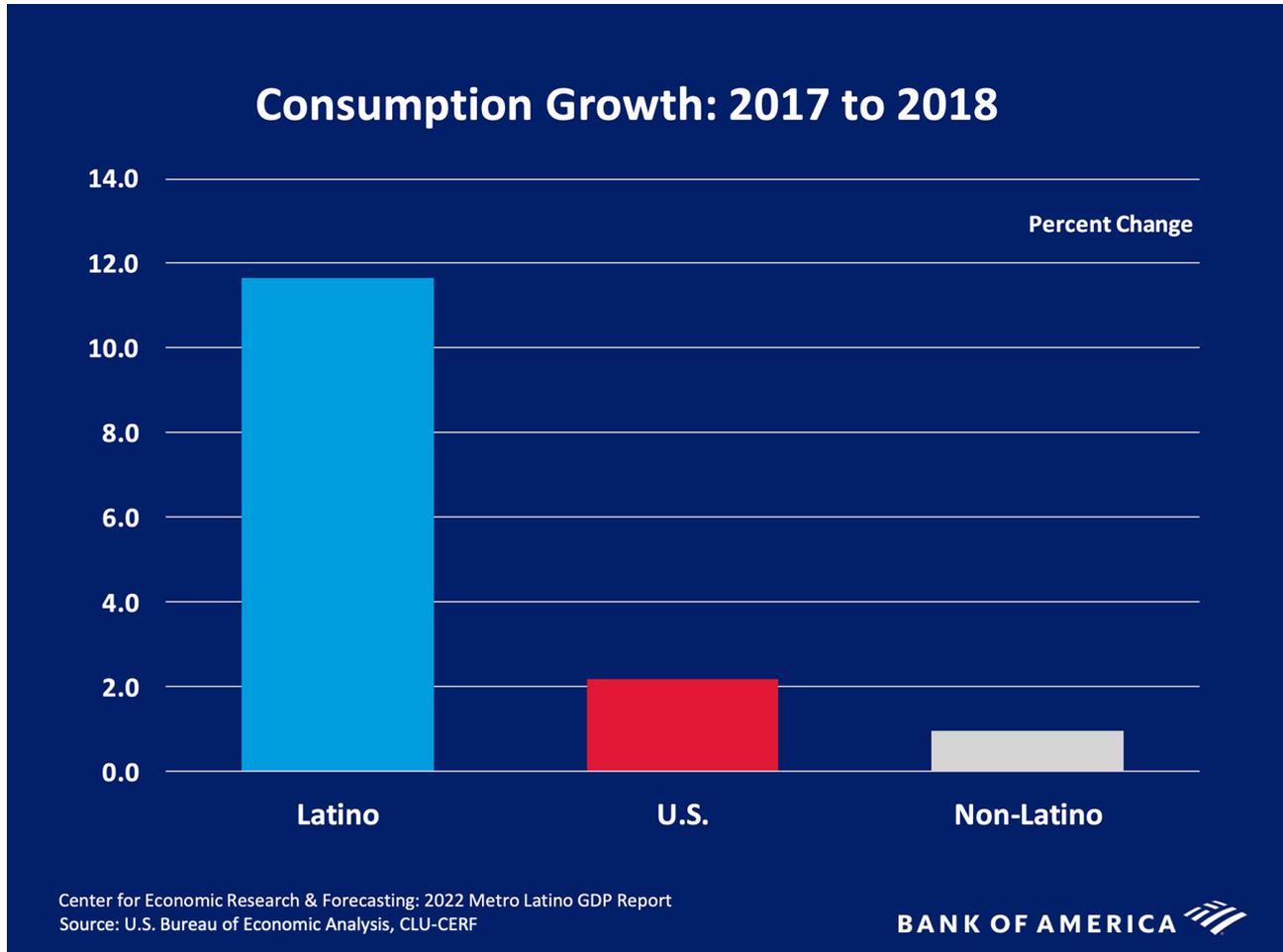
**Latinos are significantly more likely than Non-Latinos to be actively working**

# Drivers of the Latino GDP



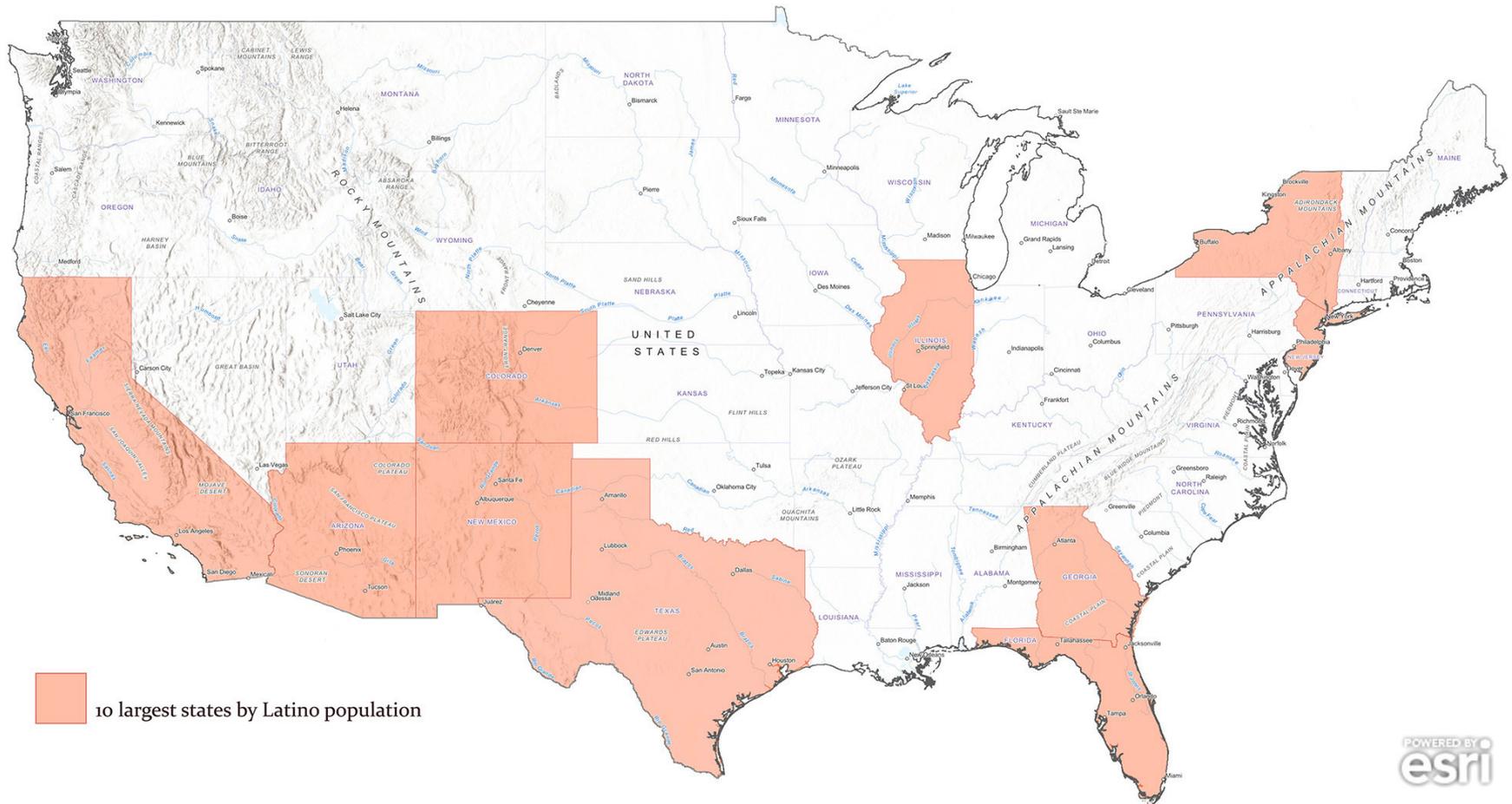
**2017-18 Latino real consumption grew 12.2 times faster than Non-Latino**

# Drivers of the Latino GDP



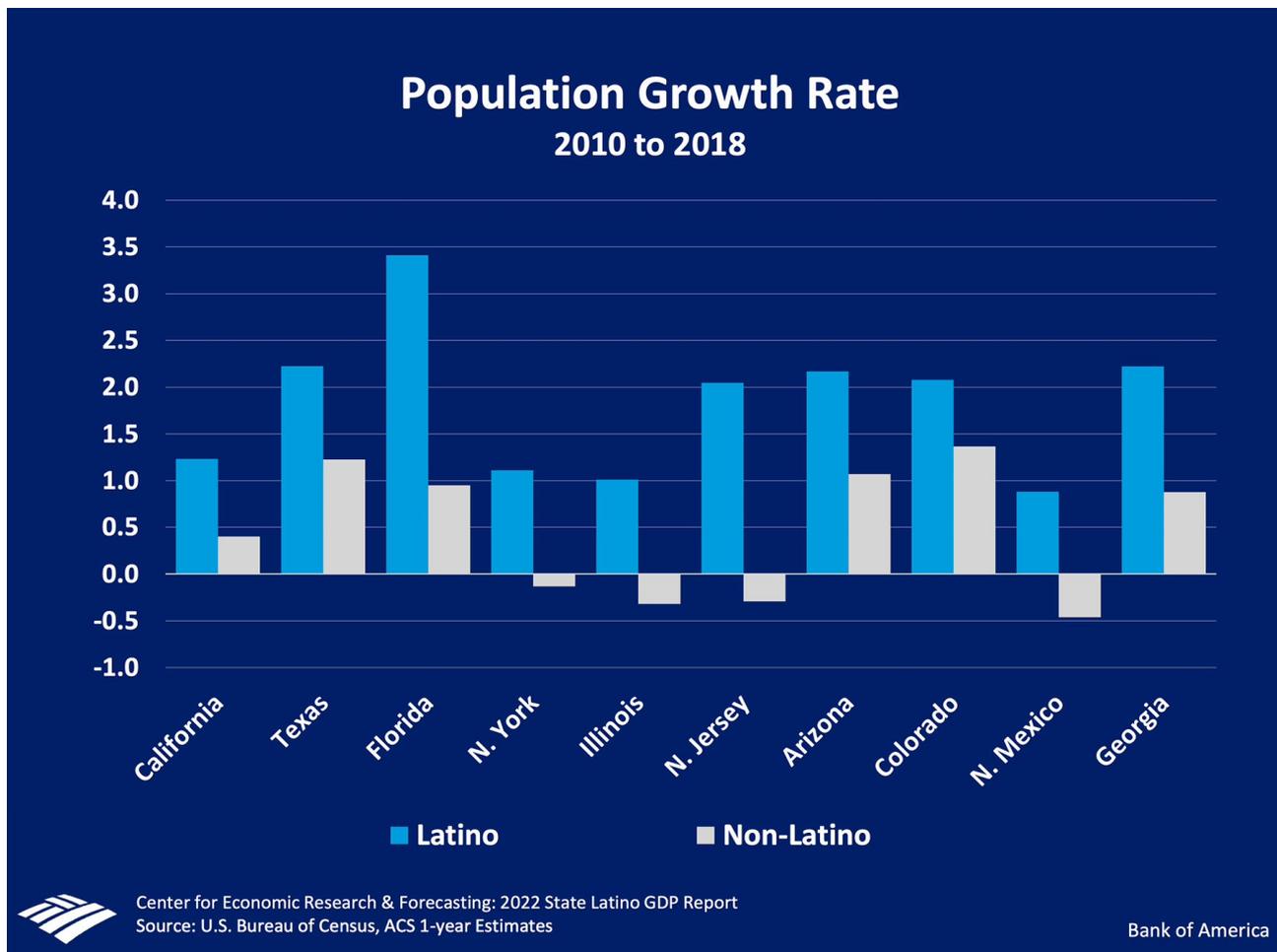
**Over the past 5 years, Latino income grew nearly 70% faster than Non-Latino**

# Latino Gross Domestic Product (GDP) by State



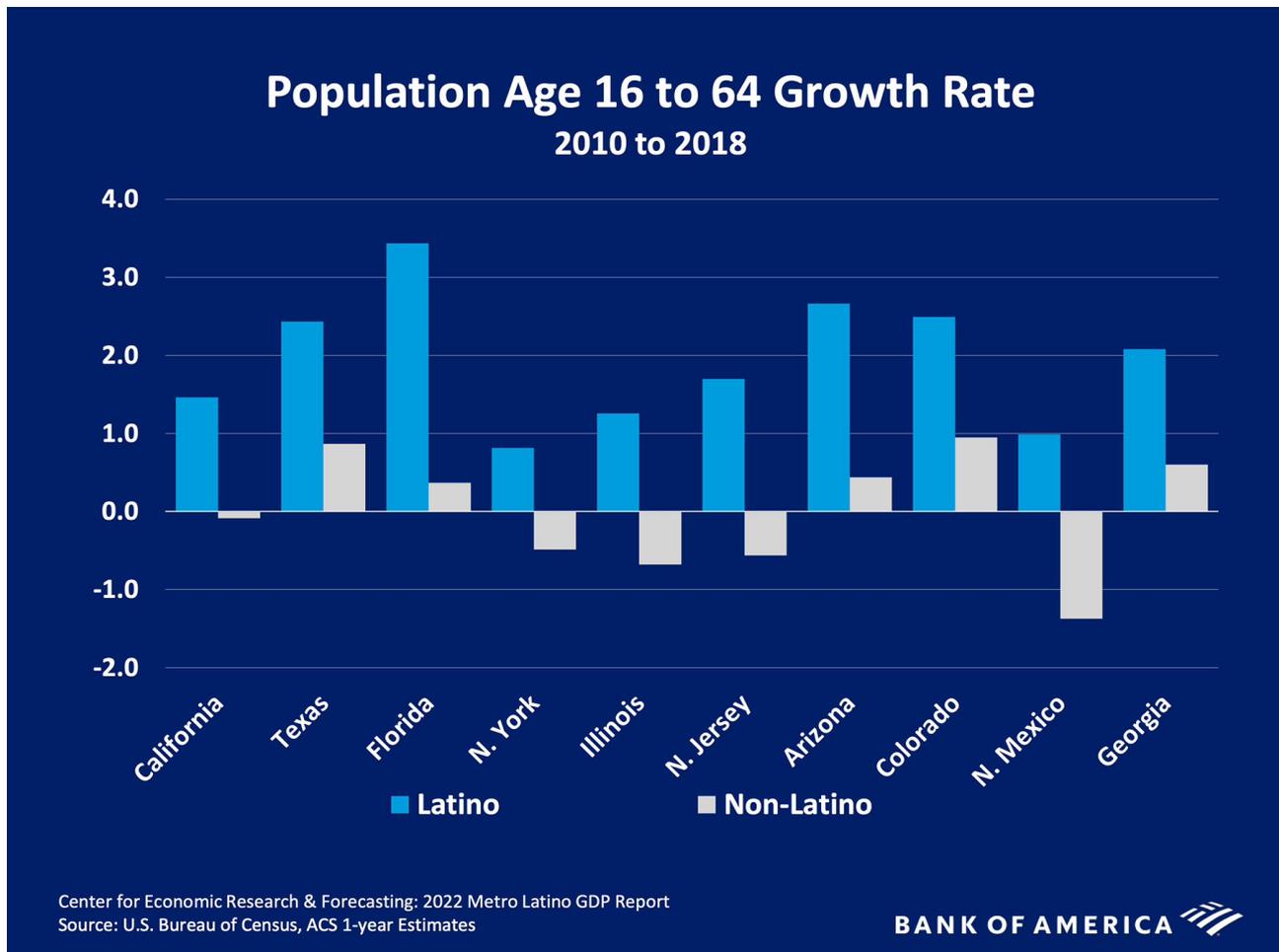
**Latinos in 10 U.S. states account for more than  $\frac{3}{4}$  of the U.S. Latino GDP. These 10 states have a combined Latino GDP of \$2.1 trillion.**

# Drivers of the Latino GDP



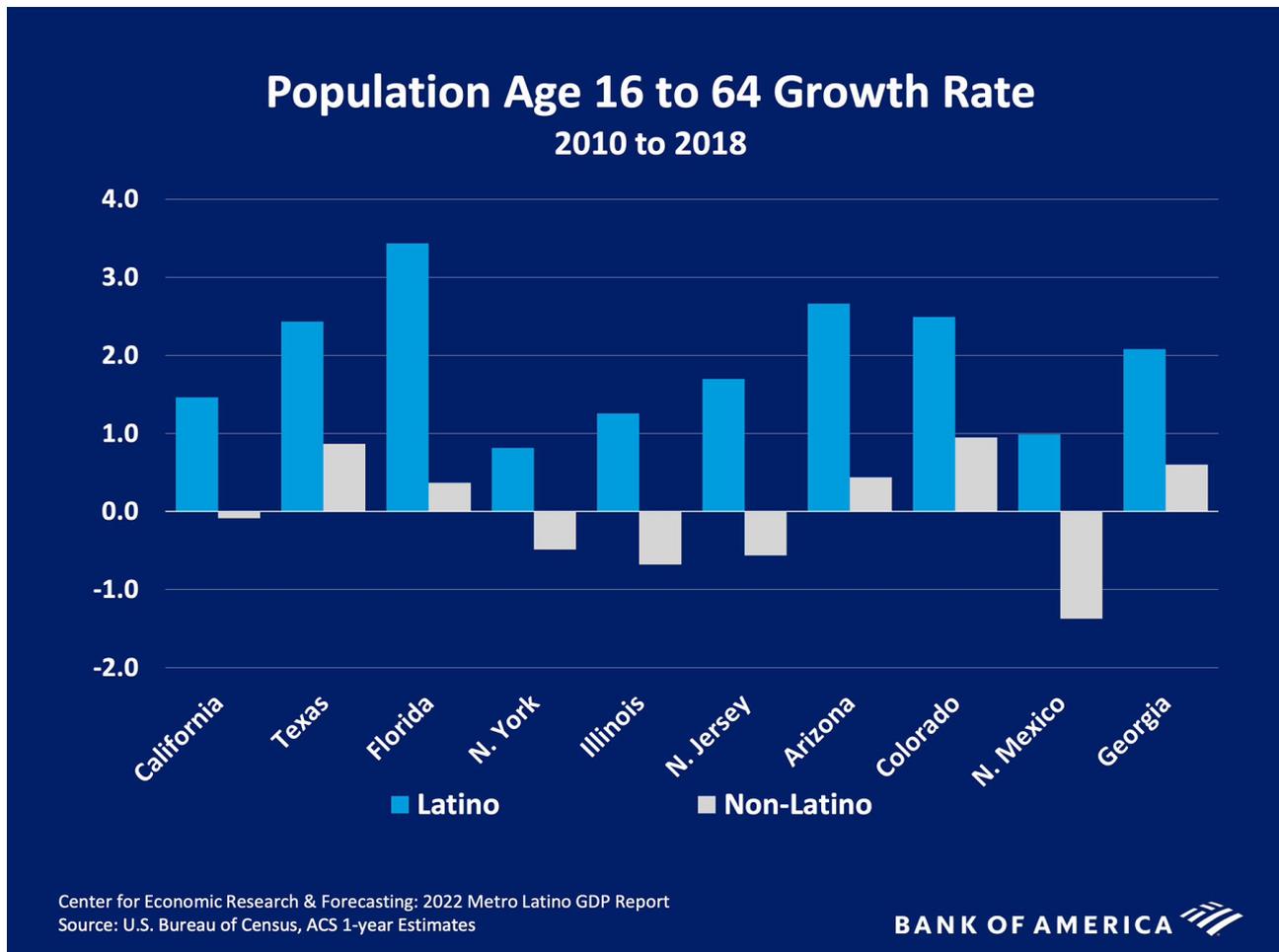
**Across all 10 states, Latino population growth is 3.8 times that of Non-Latinos**

# Drivers of the Latino GDP



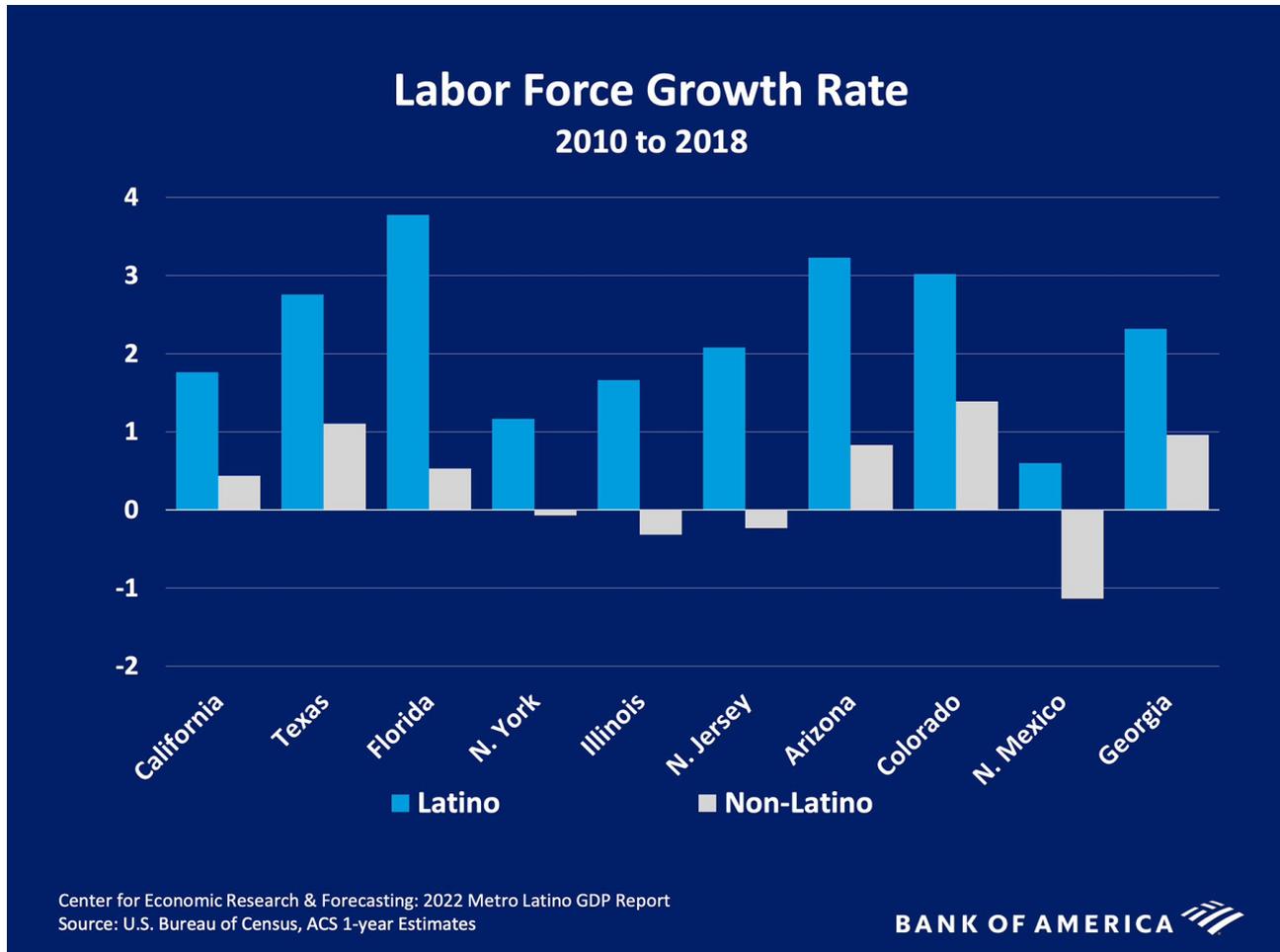
**Median age of U.S. Latinos is 29.5, compared to 40.6 for Non-Latinos**

# Drivers of the Latino GDP



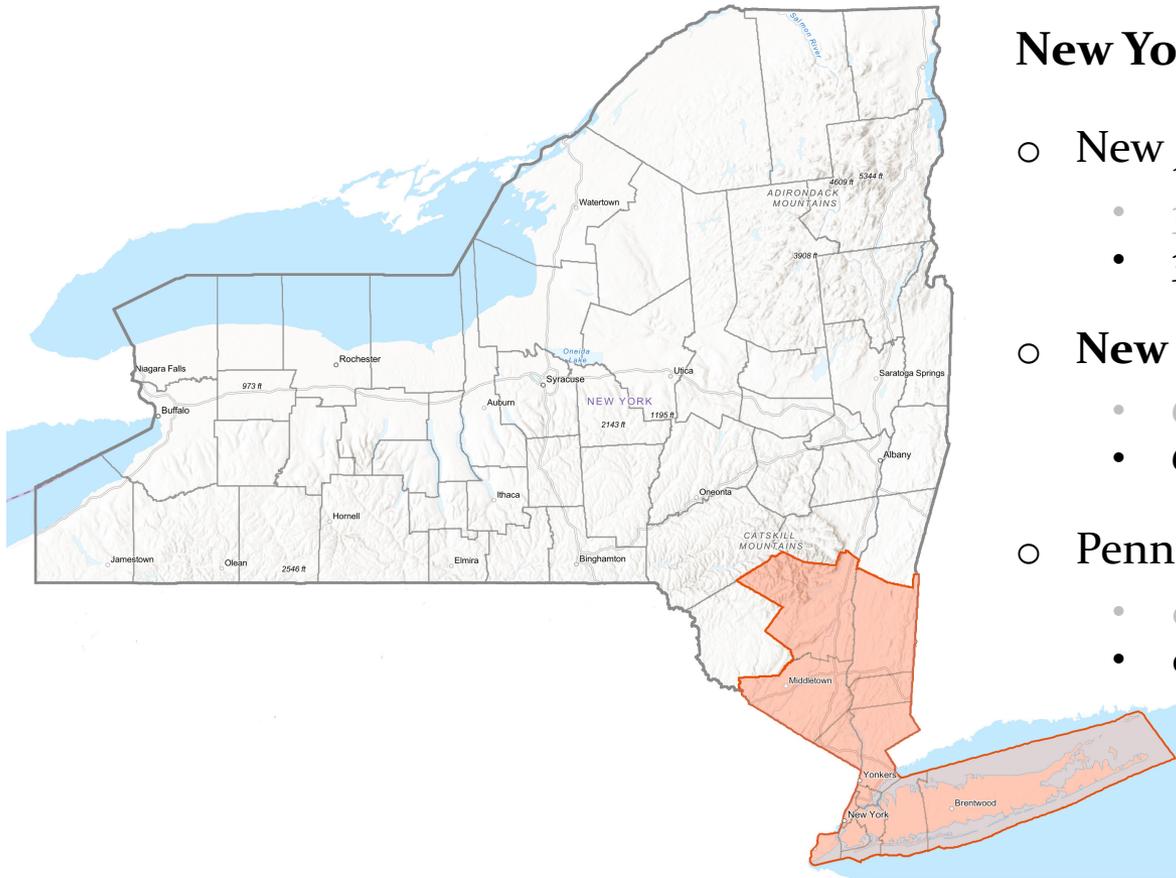
**2060: Latinos projected to contribute 30 million additional working age adults**

# Drivers of the Latino GDP



**Latinos are responsible for 78% of U.S. labor force growth since Great Recession**

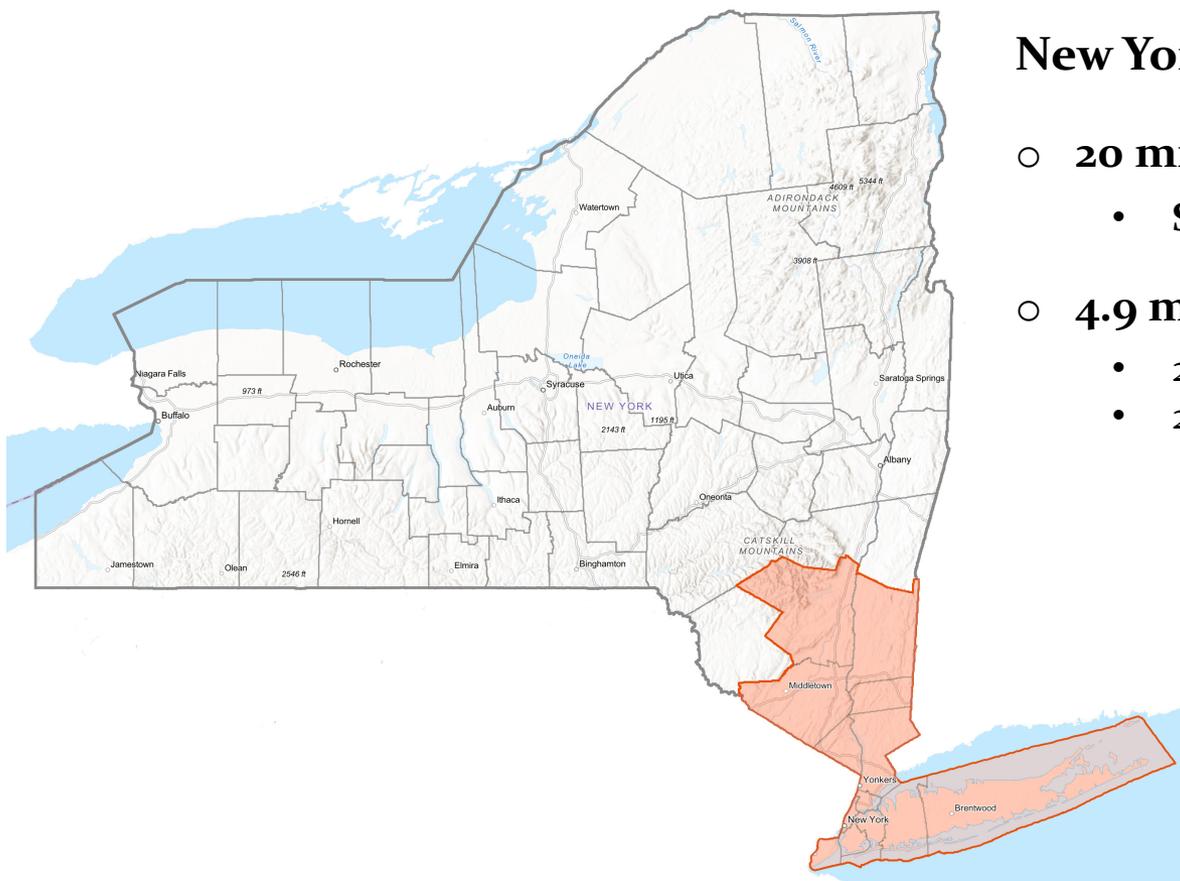
# Metro Latino GDP - New York Metro Area



## New York - Newark - Jersey City MSA

- New Jersey - 12 counties
  - 32.9% of Metro population
  - 30.0% of Metro Latino population
- New York - 12 counties
  - 66.8% of Metro population
  - 69.9% of Metro Latino population
- Pennsylvania - 1 county
  - 0.3% of Metro population
  - 0.1% of Metro Latino population

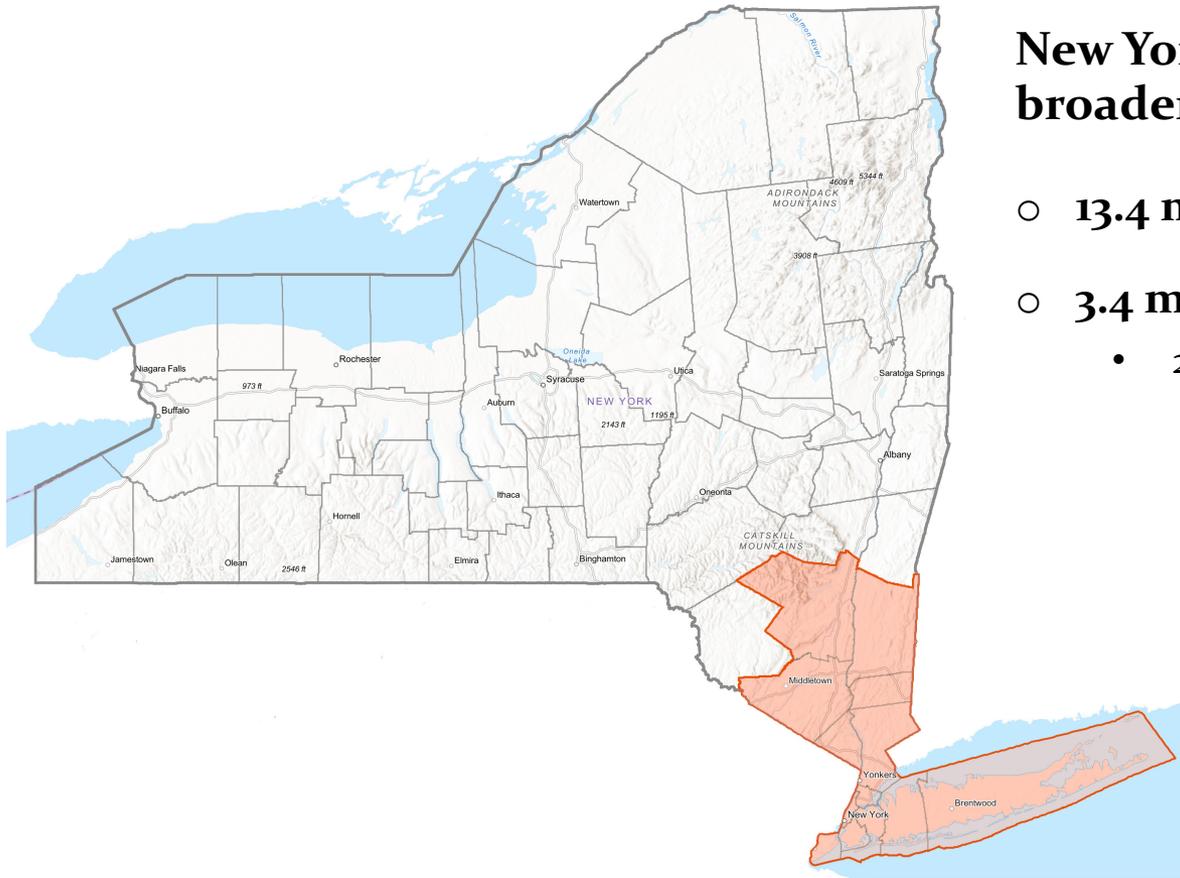
# Metro Latino GDP - New York Metro Area



## New York - Newark - Jersey City MSA

- **20 million people of all ethnicity**
  - **Single largest MSA in nation**
- **4.9 million Latinos**
  - **25<sup>0</sup>% of total MSA population**
  - **2<sup>nd</sup> largest MSA by Latino population**

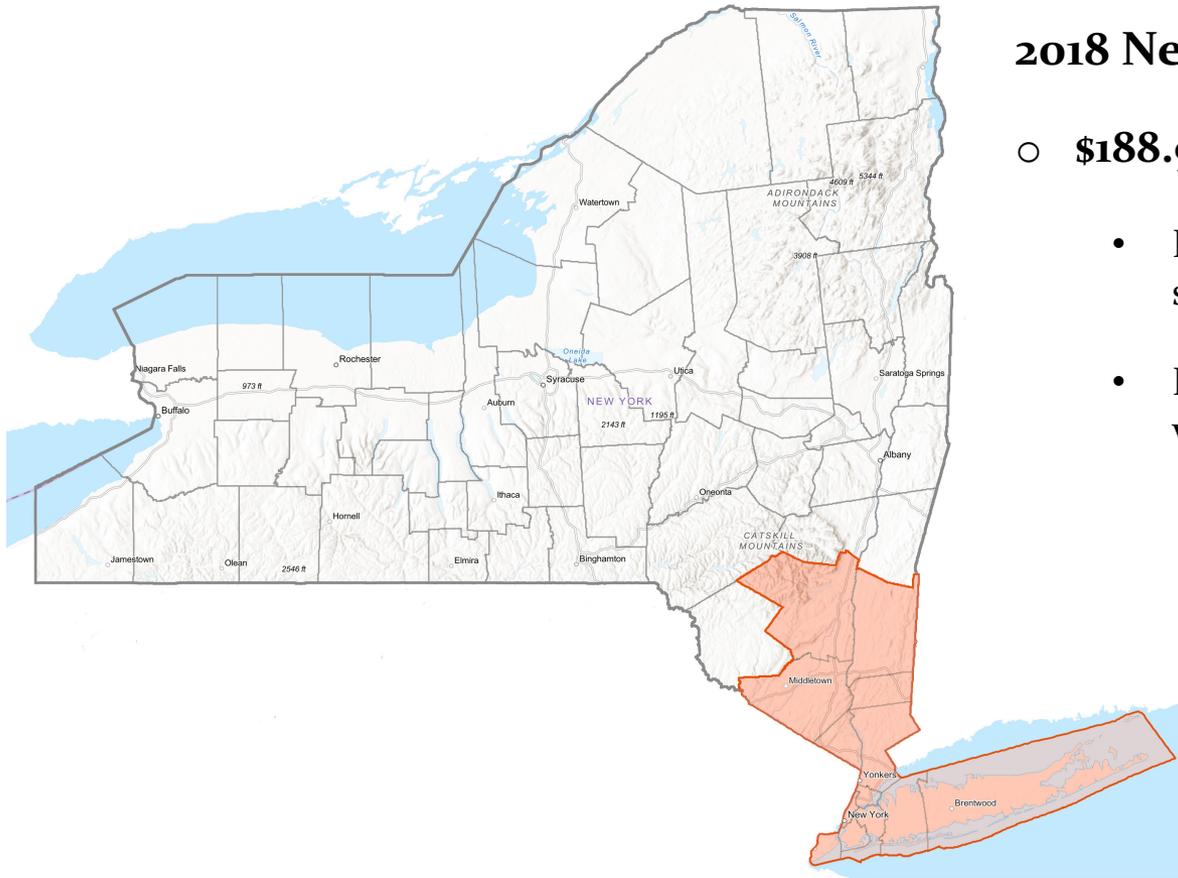
# Metro Latino GDP - New York Metro Area



## New York State component of the broader MSA

- 13.4 million people of all ethnicity
- 3.4 million Latinos
  - 25.6% of total MSA population

# Metro Latino GDP - New York Metro Area



## 2018 New York Metro Latino GDP

○ **\$188.9 billion of economic activity**

- Larger than the entire economy of the state of Utah or Kansas
- Largest component is consumption which totals \$142.4 billion

# Metro Latino GDP: New York Metro Area

<b>New York Metro Gross Domestic Product</b>	<b>Metro Latino GDP by Industry</b> <i>billions of dollars</i>	<b>Metrowide GDP by Industry</b> <i>billions of dollars</i>
Agricultural/Natural Resources	0.1	0.2
Mining/Quarrying	0.0	0.2
Construction	10.3	39.8
Durables Manufacturing	2.3	27.5
Non-Durables Manufacturing	3.3	14.9
Wholesale Trade	11.4	40.5
Retail Trade	12.2	50.9
Transportation/Warehousing/Utilities	7.9	39.2
Information/Technology	9.8	131.0
Finance/Insurance/Real Estate	47.5	468.0
Professional/Business Services	22.2	182.5
Education/Healthcare/Social Assistance	17.8	114.3
Leisure/Hospitality	16.4	65.4
Personal/Repair/Maintenance Svcs	6.4	24.5
Government Services	21.3	116.6
<b>Total All Industries</b>	<b>188.9</b>	<b>1,315.8</b>

Sources: U.S. Bureau of Economic Analysis, Cal Lutheran University-CERF

**The state's top 3 Latino GDP sectors: Finance & Real Estate (\$47.5 billion), Professional & Business Services (\$22.2 billion), Government (\$21.3 billion)**

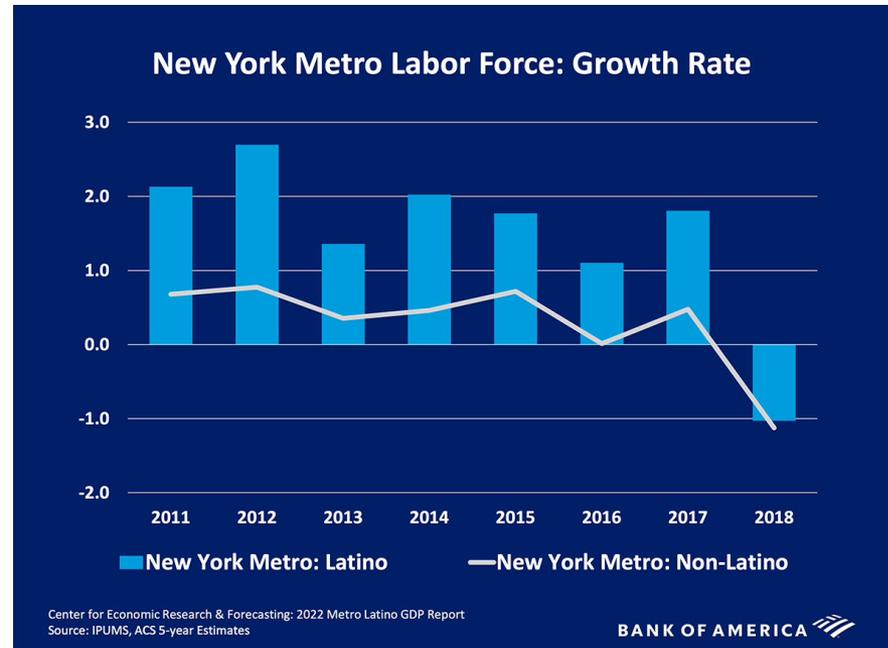
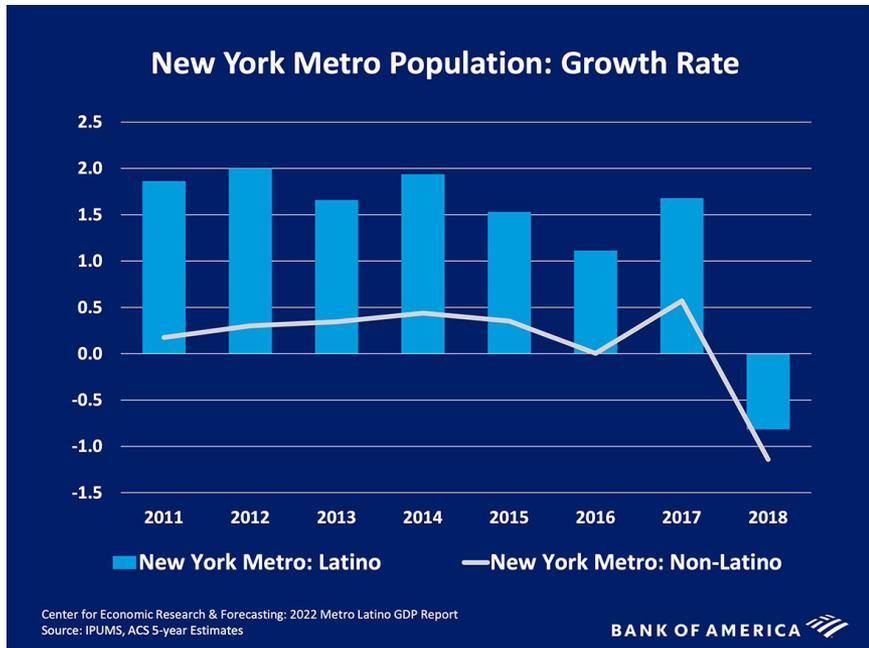
# Metro Latino GDP: New York Metro Area

<b>New York Metro Gross Domestic Product</b>	<b>Metro Latino GDP Industry Share <i>percent</i></b>	<b>Metrowide GDP Industry Share <i>percent</i></b>
Agricultural/Natural Resources	0.1	0.0
Mining/Quarrying	0.0	0.0
<b>Construction</b>	<b>5.5</b>	<b>3.0</b>
Durables Manufacturing	1.2	2.1
Non-Durables Manufacturing	1.7	1.1
Wholesale Trade	6.0	3.1
Retail Trade	6.5	3.9
Transportation/Warehousing/Utilities	4.2	3.0
Information/Technology	5.2	10.0
Finance/Insurance/Real Estate	25.1	35.6
Professional/Business Services	11.7	13.9
Education/Healthcare/Social Assistance	9.4	8.7
Leisure/Hospitality	8.7	5.0
Personal/Repair/Maintenance Svcs	3.4	1.9
Government Services	11.3	8.9
<b>Total All Industries</b>	<b>100</b>	<b>100</b>

*Sources: U.S. Bureau of Economic Analysis, Cal Lutheran University-CERF*

**Latinos outperform the broader state economy in 7 specific sectors**

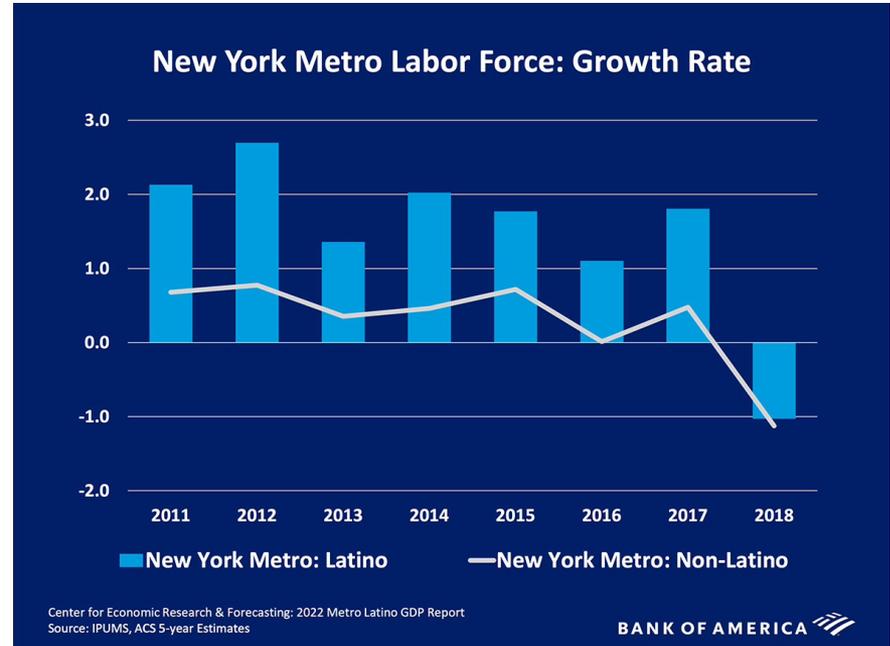
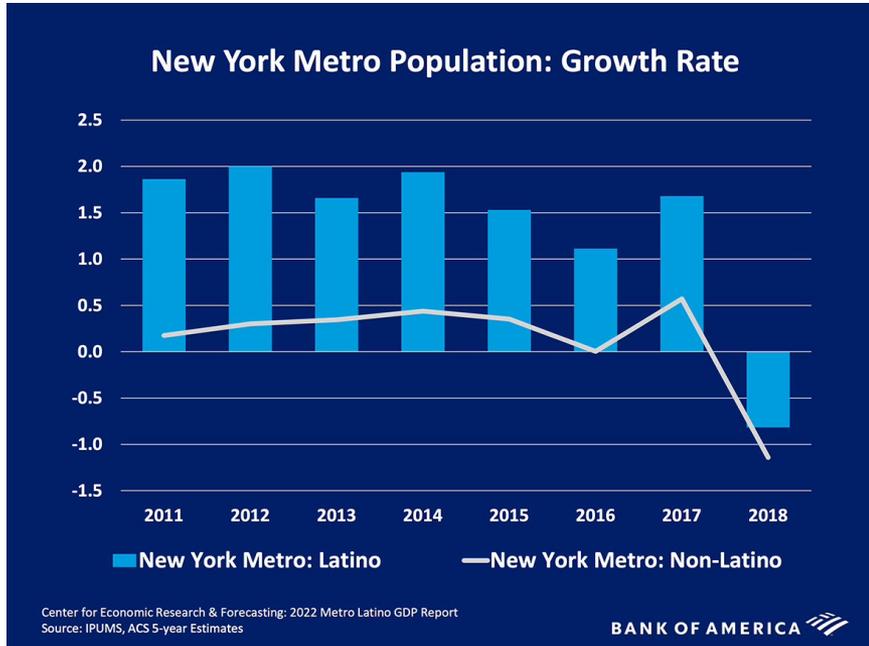
# New York Metro Latino GDP - Population & Labor Force



## Latinos are making strong and consistent contributions to the New York Metro Area's population and labor force

- Despite being only 26% of Metro Area population, Latinos are responsible for 77% of all population growth between 2010 and 2018
- Non-Latino population grew just 1.0% from 2010 to 2018 (adding an average of 12,834 people per year), while Latino population grew 11.5% (43,501 people per year)

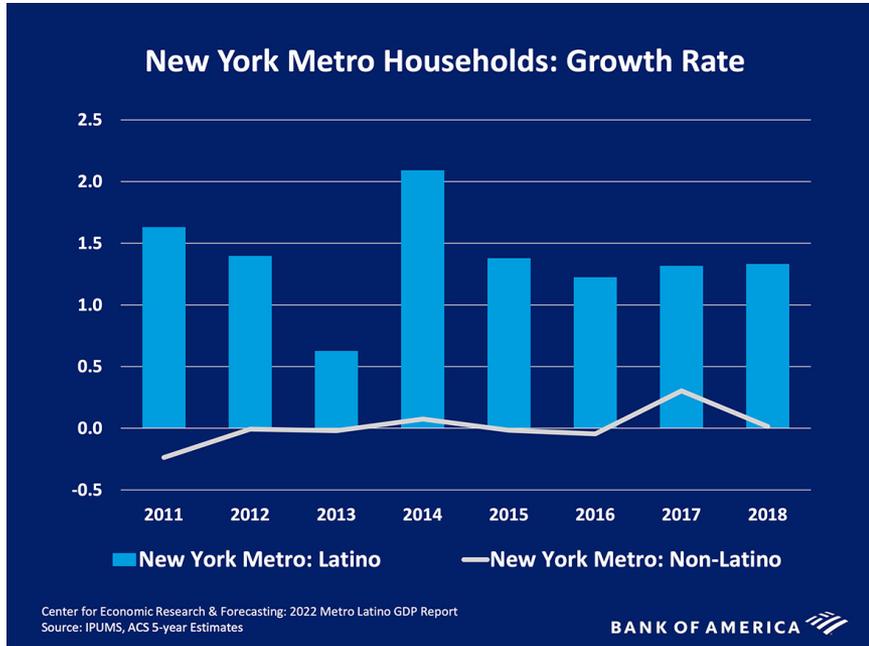
# New York Metro Latino GDP - Population & Labor Force



## Latinos are making strong and consistent contributions to the New York Metro Area's population and labor force

- Despite being only 26% of Metro Area population, Latinos are responsible for 60% of all labor force growth between 2010 and 2018
- Non-Latino labor force grew just 2.4% from 2010 to 2018 (adding an average of 15,124 workers per year), while Latino labor force grew 12.4% (22,955 workers per year)

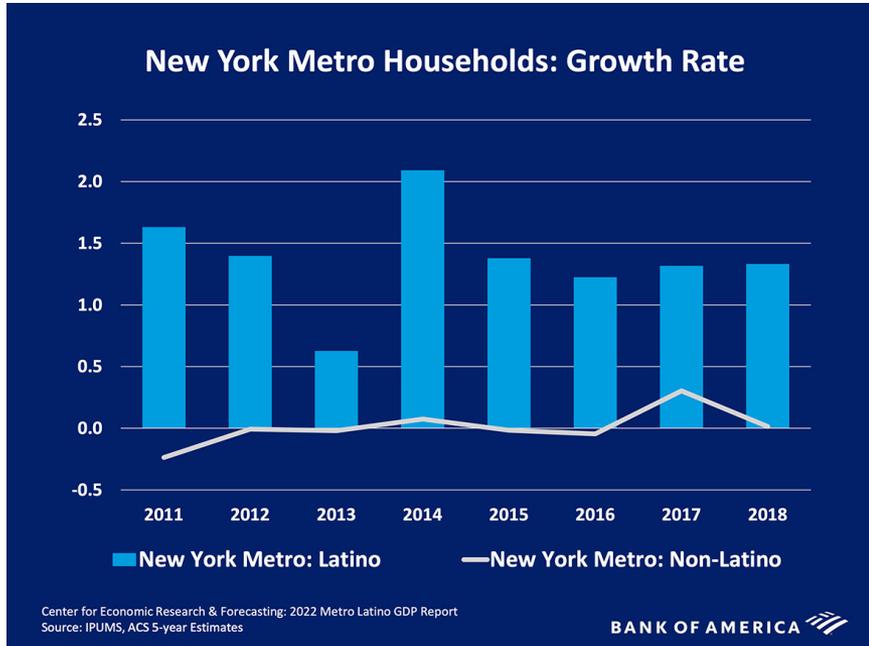
# New York Metro Latino GDP – Households & Ownership



**From 2010-2018, were it not for Latinos, the number of households in the New York Metro Area would have been flat**

- From 2010 to 2018, number of Latino households increased 11.5 percent
- The number of Non-Latino households increased just 0.1 percent

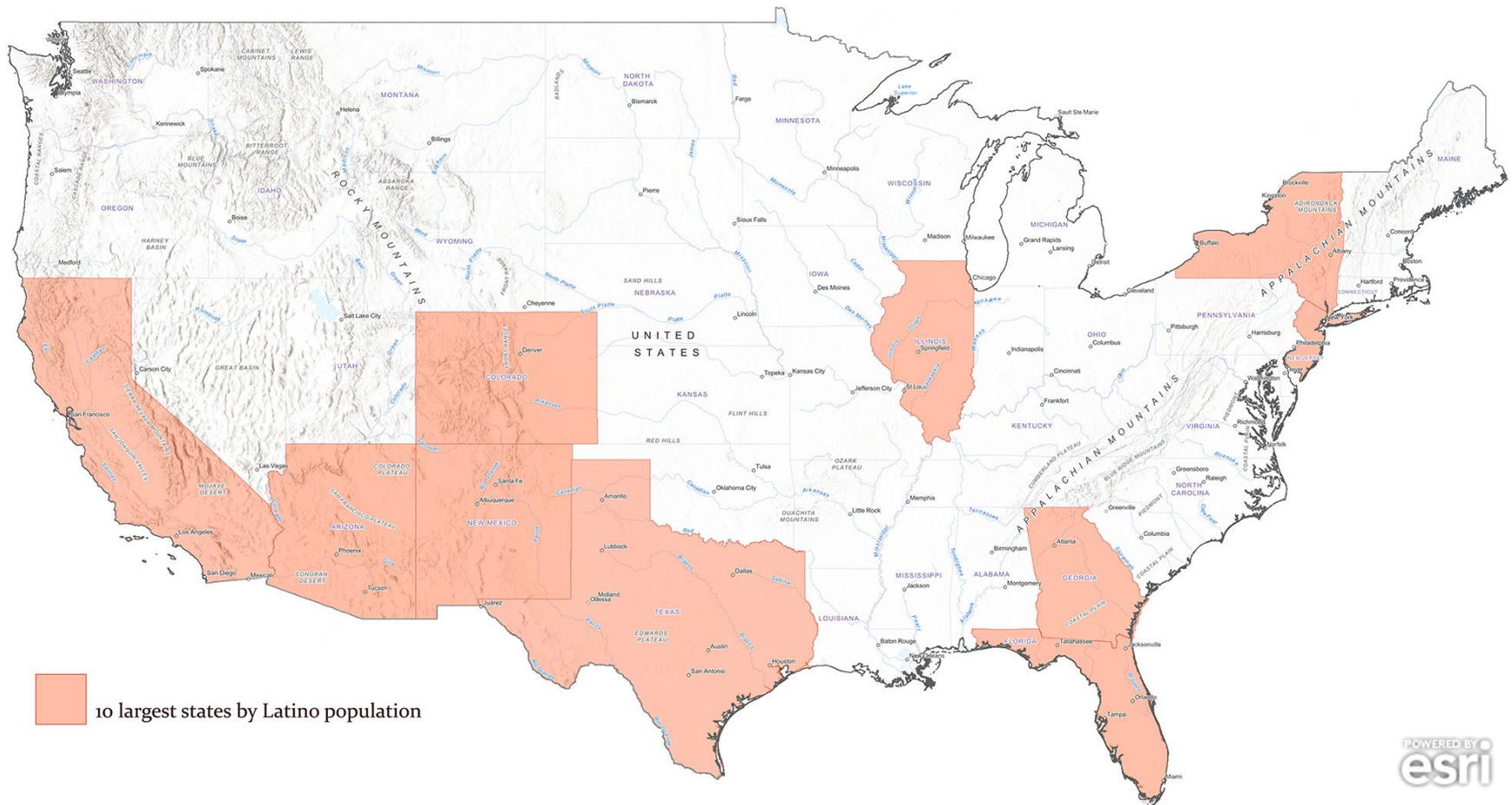
# New York Metro Latino GDP – Households & Ownership



## The growth of Latino households is accompanied by strong growth of Latino home ownership

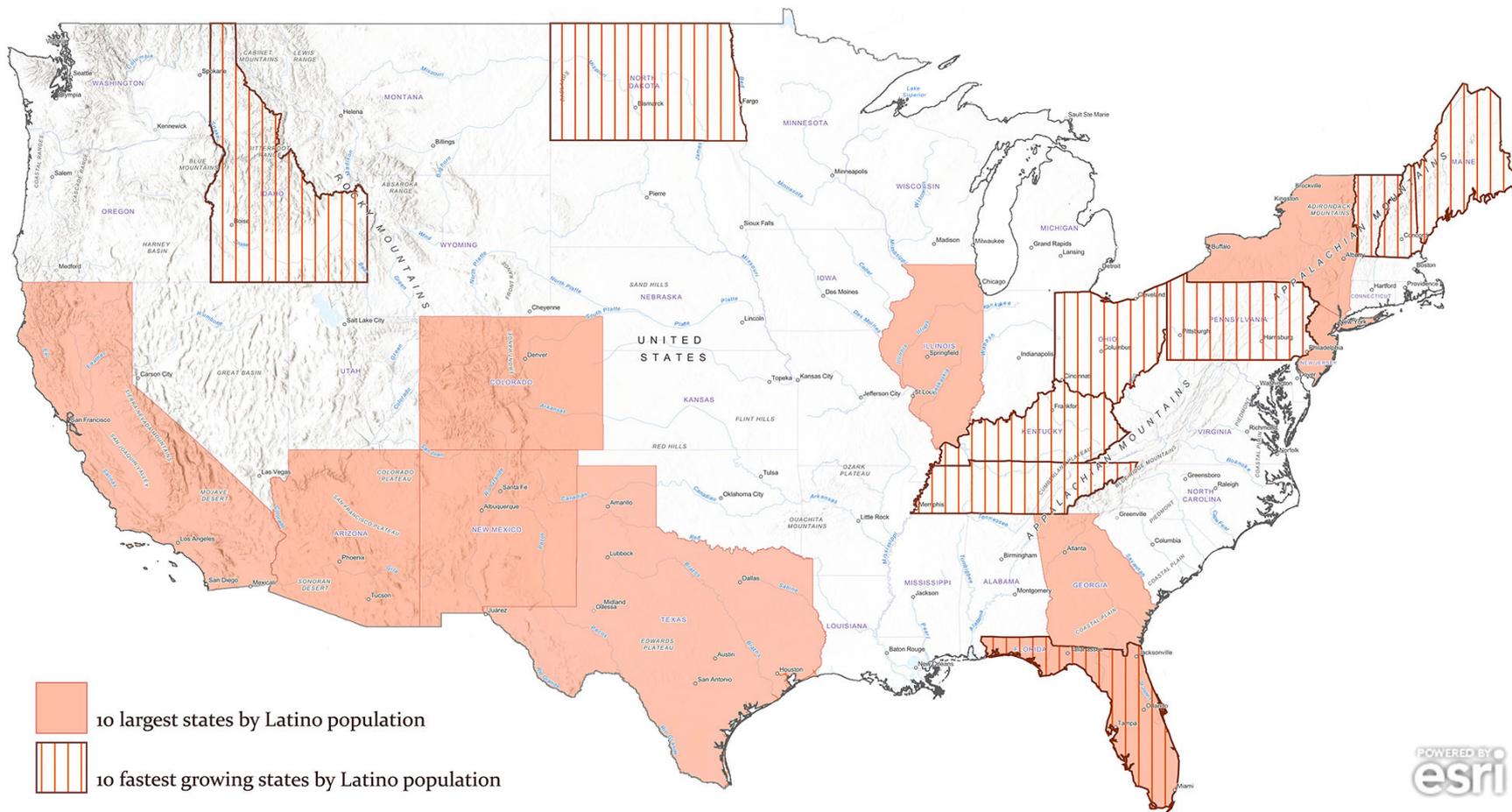
- From 2010-18, the number of Latino homeowners increased by 12.0 percent (adding an average of 3,282 per year)
- The number of Non-Latino homeowners decreased by 2.5 percent (subtracting an average of 6,260 per year)

# Latino Gross Domestic Product (GDP)



**The story of the extraordinary economic contribution of Latinos is not unique to a handful of states...**

# Latino Gross Domestic Product (GDP)



**This is a story that touches every corner of the nation**

# 2022 Metro Latino GDP Report

New York Metro Area

