

MEET THE NEIGHBORS:

Organizational and Spatial Dynamics of Immigrant New Jersey

Executive Summary

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EXECUTIVE SUMMARY

New Jersey has always ranked among the top destinations for US-bound immigrants. Today only California and New York can count larger shares of non-natives. The current era dates roughly to the mid-1980s, when global and domestic politics, natural disasters, economic dislocation and the ballooning of the US service sector empowered a new generation to pick up and move. Between 1990 and 2010, as the number of immigrants doubled (from just under 19 million people to almost 40 million) New Jersey experienced a proportionate change from 967,000 people in 1990 to more than 1.8 million in 2013.

Significantly, though these contemporary immigrants came from new source nations and brought with them different skills and challenges, and though they have arrived on a scale unprecedented in the history of the US, the federal government has not, as yet, addressed these changes with a comprehensive reform of the nation's immigration policy.

Absent comprehensive reform, sizable growth and demographic change have wrought a complex set of circumstances in communities nationwide. This report measures and characterizes the new reality in just one state. When comprehensive federal reform does carry the day, these data will be available to guide implementation. Arguably, the stakes have never been higher.

At least six salient features in the current landscape of immigrants in New Jersey merit attention.

1. A GLOBAL SHIFT IN SOURCE COUNTRIES

For most of US history, immigrants to New Jersey originated in European countries. Changes in federal policy and global economics since the 1980s have meant that the top sending countries are now in Asia, Latin America and the Caribbean.

Table 1. Top Countries of Origin for New Jersey Immigrants¹

<u>1920</u> Italy Germany	<u>1930</u> Italy Germany	<u>1940</u> Italy Germany	<u>1950</u> Italy Germany	<u>1960</u> Italy Germany
<u>1970</u> Italy Germany	<u>1980</u> Italy Cuba	<u>1990</u> Italy Cuba	<u>2000</u> India DR	<u>2010</u> India Mexico

2. NEW DESTINATIONS, SOUTH AND TO THE SUBURBS

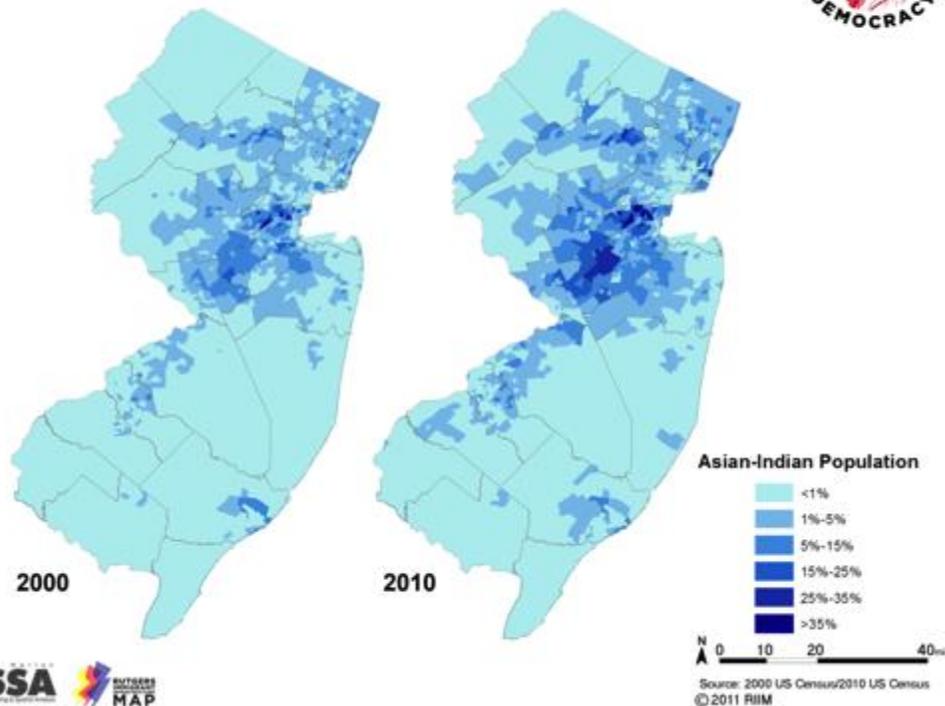
Historically, immigrants settled in urban centers where they could find their co-nationals as well as jobs, services and schools. In New Jersey this meant settlement clustered around the gateway of New York City. Today, immigrants nationwide are dispersing to the suburbs. This pattern of decentralization was anticipated in New Jersey, which has never had a single urban population center. Instead, current immigrants, like most state residents, tend to settle in suburbs. Outside of agricultural regions in the west and south, these are generally city-like suburbs, characterized by sprawl and a decentralization of services. They have carved out a cluster in the center of the state, which also happens to be the state's principal economic engine. These trends are evident in the dispersal of Asian and Hispanic populations since 1990.

During the first decade of the 21st Century, Asian-Indian settlement in Central New Jersey intensified.

Figure 6. In the First Decade of the 21st Century, Asian-Indian Settlement Intensified in Central New Jersey

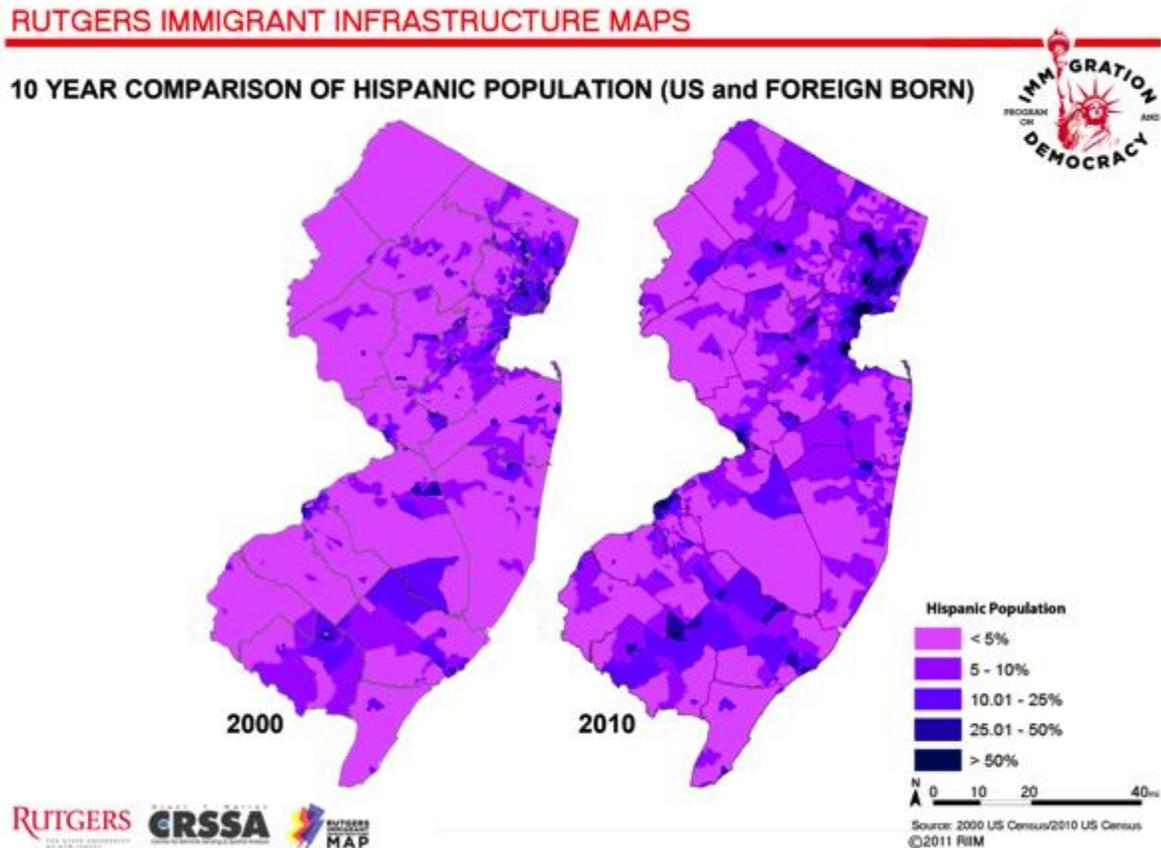
RUTGERS IMMIGRANT INFRASTRUCTURE MAPS

10 YEAR COMPARISON OF ASIAN-INDIAN POPULATION (US and FOREIGN BORN)



Over the same period, Latino settlement intensified and expanded statewide.

Figure 7. Between 2000 and 2010 New Jersey's Hispanic Settlement Intensified and Expanded Markedly



3. UNMET LANGUAGE NEEDS

Between 2000 and 2010, the number of New Jersey residents (five years and older) with Limited English Proficiency grew by 28.5%, from 676,021 to 868,963. By 2010 more than one million (1,031,000) working age adults in New Jersey lacked proficiency in English. That same year, estimates put the number of New Jersey adults enrolled in state-administered ESL programs at 25,010.²

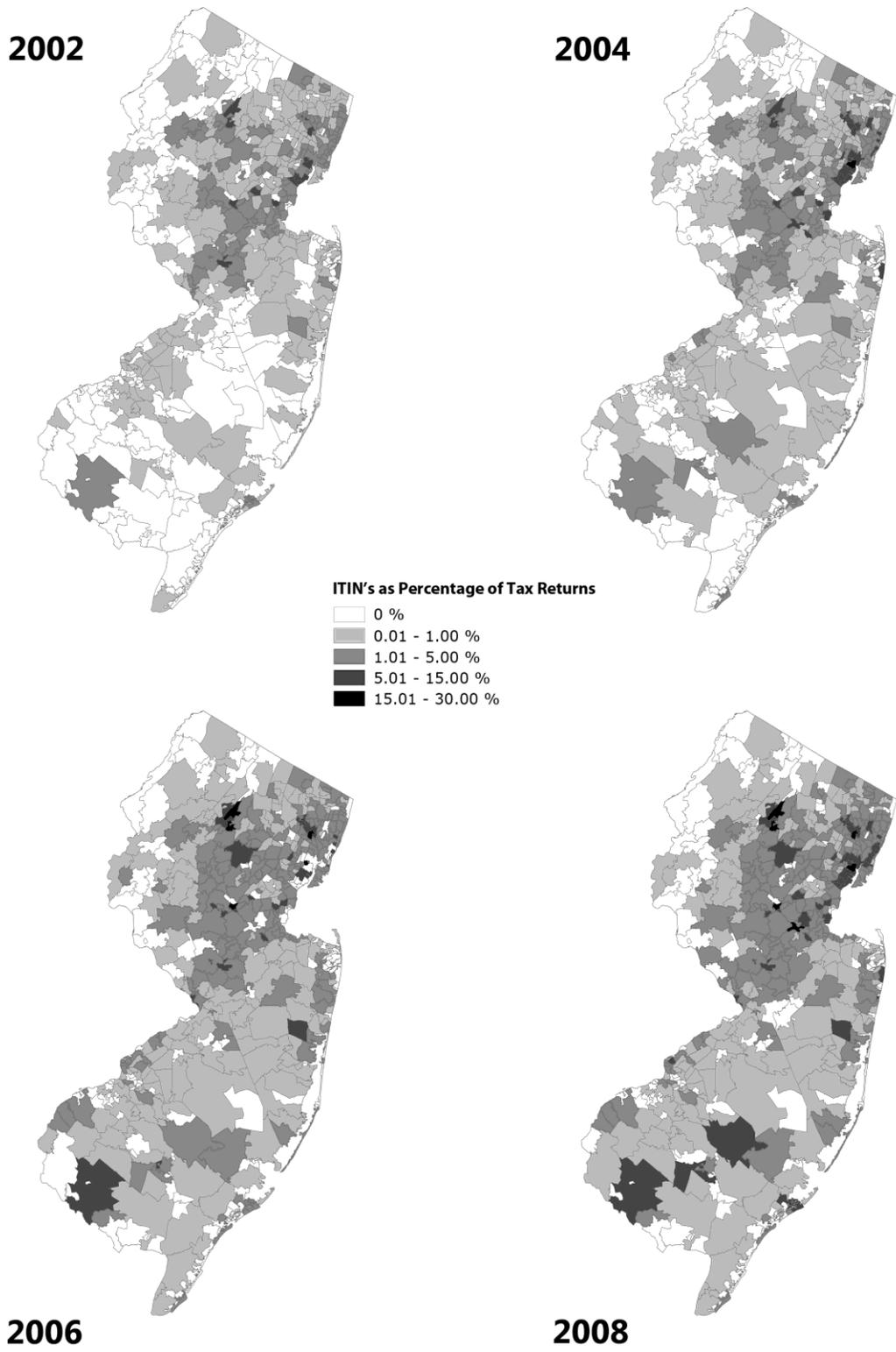
4. HIGH CONCENTRATION OF UNDOCUMENTED WORKERS

Policy changes since the mid-1960s have expanded the range of countries from which immigrants to the US originated, but also placed limits on migration from the Western Hemisphere. Compounded by North American Free Trade Agreement (NAFTA), migration to the US from Spanish-speaking countries has swelled dramatically since the 1970s. Even as the US labor market has greedily absorbed the new workers, federal immigration policy has not kept pace.

Results of this mismatch can be seen in New Jersey neighborhoods. In 2008, 9.2% of New Jersey workers were undocumented, putting New Jersey among the top four states in the nation (after Nevada, California and Arizona) for the share of undocumented workers in its labor force. These workers tend to be unskilled, earn low wages – even lower than their native counterparts – and not qualify for basic rights and benefits available to other workers.

One snapshot of where New Jersey's undocumented workers live comes from data on Individual Taxpayer Identification Numbers (ITINs). ITINs are a mechanism established by the Federal Department of Treasury in 1996 as a way to encourage workers who do not qualify for Social Security numbers to pay taxes. Many immigrant workers embraced ITINs as a way to verify their taxpaying history in the event of an opportunity to regularize their status. Seen across several years, the maps illustrate growth in nearly all regions of the state. The relatively high rate of increase may reflect not just growth in the immigrant population, but also undocumented immigrants' increasing willingness to participate in this system.

Figure 8. Growth of Individual Taxpayer Identification Number (ITIN) Filers Over Time. (Concentration Among Total Tax Revenues in New Jersey for 2002, 2004, 2006, and 2008.)



5. DENSE CONCENTRATION OF SKILLED FOREIGN WORKERS

New Jersey ranks among the top states in the nation (after California, New York and Texas) for the number of foreign-born residents holding H1-B visas. (The H1-B is a 3-year temporary visa issued by the US Department of Labor to employers hiring workers in “specialty occupations,” i.e. fields where a bachelor’s degree or equivalent is required.) H-1B dependent firms (defined as those with H-1B workforces of 15% or higher) must attest that they have tried to recruit US workers and that they have not laid off any citizens 90 days prior to or after hiring any H-1B workers.

Table 4. Top 10 H-1B employers in New Jersey

2011	2012	2013
Larsen Toubro InfoTech Ltd	Tata Consultancy Services	Compunnel Software Group, Inc.
Wipro Ltd	Larsen Toubro InfoTech Ltd	Oracle Financial Services Software, Inc.
Rutgers University	IBM	Merrill Lynch
Cognizant Technology	HCL Technologies America	Everest Consulting Group, Inc.
Infosys Technologies Ltd	Cognizant Technology	Orion Systems Integrators, Inc.
VSG Acquisition Corp.	Zylog Systems	Birlasoft, Inc.
Compunnel Software Group, Inc.	Wipro Ltd	Intone Networks, Inc.
Zylog Systems	KPIT Infosystems Ltd.	Cloudeeva, Inc.
Barclay's Capital Services, Inc.	Oracle Financial Services Software	Collabera (GCI)
Polaris Software Lab, Ltd	Merrill Lynch	Techdemocracy LLC

A state map of firms hiring H1-B workers highlights a major axis of white-collar employment running through the center of the state (parallel to the Northeast Corridor rail line and Route 1), with an additional cluster outside of Philadelphia.

Figure 10. Location of Top H1-B employers operating in New Jersey, 2011

RUTGERS IMMIGRATION INFRASTRUCTURE MAPS

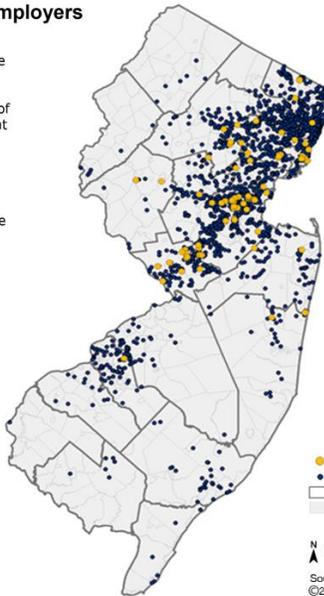
**Top 100 H1B employers/all other H1B employers
NEW JERSEY**

H-1B visas are temporary visas (for six years, renewable after three) issued by Homeland Security's U.S. Citizenship and Immigration Service to companies wishing to hire high-skilled foreign nationals in a range of technical occupations. To qualify, applicants must hold at least a bachelor's degree.

The H-1B program seeks to balance the needs of U.S. firms for high-skilled labor against protection for native workers. When their workforce includes 15% or more H-1-B visa holders, companies must verify that they were unable to recruit and have not recently laid off U.S. workers. Employers attest to the U.S. Department of Labor that the foreign worker will be paid wages that meet or exceed the prevailing wage rate.

H1-B visas are capped at 65,000 per fiscal year, less than 1% of the U.S. labor force. A report by the Government Accountability Office estimates that employers pay between \$2,300 and \$7,500 in legal and filing fees for each H1-B employee they hire. The vast majority of firms sponsor a single worker, but a small number of companies account for 30% of all H1-B visas.

New Jersey companies rank fifth (following CA, NY, IL, and TX) for the number of H1-B visas they receive. They work in the sectors that constitute the backbone of the New Jersey economy: telecommunications, biotechnology, pharmaceuticals, IT and higher education.



● Top 100 H1B Visa Employers
● All Other H1B Visa Employers
□ County Boundaries
□ Municipalities

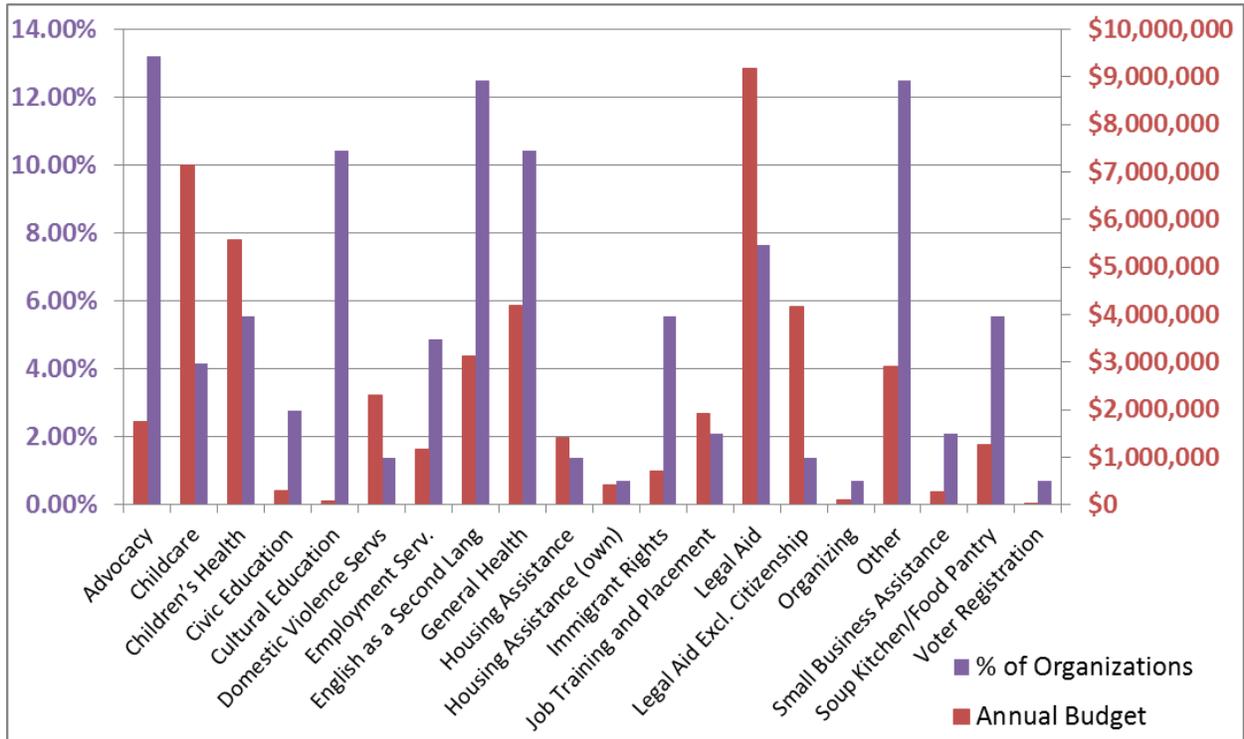
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Source: US Department of Labor
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6. COMMUNITY-BASED INFRASTRUCTURE UNDER STRAIN

Immigrants to New Jersey have stumbled into the policy equivalent of the Bermuda Triangle. Across the earnings spectrum, employers want to hire them, but federal and state policies often inhibit their full integration. One result is increased pressure on community based-organizations. On strained budgets, a diverse nonprofit sector provides social and health services, fosters cultural networks, speeds language acquisition, offers legal support, and advocates for policy change.

Figure 22. Advocacy and ESL are Most Frequently Offered Services; Childcare and Legal Aid are Budget Priorities



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