New Americans in Indianapolis

A Snapshot of the Demographic and Economic Contributions of Immigrants in the Metropolitan Area

POPULATION GROWTH

Between 2009 and 2014, the foreign-born population grew by 22,971 individuals.

The share of the total population that were foreign-born in the metro area increased from 5.4% to 6.3%.

Growth in the foreign-born population accounted for 24% of overall population growth for Greater Indianapolis during this period.
Given their income, foreign-born residents contributed greatly to federal, state, and local taxes, including property, income, sales, and excise taxes levied by either the State of Indiana or by municipal governments.²

$522M — Went to federal taxes...

$290M — Went to state and local taxes...

Leaving them with more than $2.3B in remaining spending power.

This constituted 5.9% of the metro area’s total spending power.⁴

$9.2B contributed to Greater Indianapolis’ GDP by foreign-born residents in 2014.⁵

Foreign-born residents also support federal social programs. That same year, immigrants in the metro area contributed more than $382M to Social Security and almost $89M to Medicare.
New Americans in Indianapolis

HOUSING

Between 2000 and 2014, the growth in the immigrant population increased the total housing value in Greater Indianapolis by $6.6B.6

LABOR FORCE

Immigrants are punching above their weight in several key industries in the metro area, making up significant shares of each industry's workforce:

- Recreation & Accommodation: 15.6% 6.3% Share of Population
- Construction: 14.1%
- Manufacturing: 11.3%
- Transportation & Warehousing: 10.3%
- Professional Services: 8.6%
- Wholesale Trade: 8.1%

But they made up 8% of the area's working-age population...

And 7.9% of the employed labor force in 2014.

Because of the role immigrants play in the workforce helping companies keep jobs on U.S. soil, we estimate that the immigrants living in Greater Indianapolis in 2014 helped create or preserve 5,740 local manufacturing jobs that would have otherwise vanished or moved elsewhere.8
ENTREPRENEURSHIP

7,241

immigrants in Greater Indianapolis are self-employed.

Immigrant-owned businesses generated $136M in business income in 2014.

Though immigrants are 6.3% of the population, they are 9.9% of the self-employed.

Foreign-born Hoosiers are more likely to start their own businesses than the U.S.-born in the metro area.

In 2014, the self-employed U.S.-born population in the Indianapolis metro area was 7.5%.

Meanwhile, 9.6% of foreign-born residents were self-employed.
In 2014, **27.1%** of immigrants in Greater Indianapolis held at least a bachelor’s degree, compared with **23.1%** of the U.S.-born population.

If Greater Indianapolis retains one-half of its international students with bachelor’s degrees or higher after they graduate, **574 local jobs** will be created within six years, boosting the metro area’s real GDP by **$136M** in 2014 terms within the next 30 years.
More than half—61%, or 48,005—of the 78,727 people who were not citizens were potentially eligible for naturalization.

In 2014, a vast majority—91.2%—of the foreign-born had been in Greater Indianapolis for more than a year, while 8.8% of the foreign-born had lived in Greater Indianapolis for less than one year.
Endnotes

1 We define the Indianapolis metropolitan area using the Office of Management and Budget definition of the Indianapolis-Carmel-Anderson Metropolitan Statistical Area (MSA). Unless otherwise specified, data comes from one-year samples of the American Community Survey from 2000, 2009, and 2014, and figures refer to the Indianapolis-Carmel-Anderson metro area.


4 Estimates are based on federal tax rates from the U.S. Congressional Budget Office, and state and local tax rates from the Institute on Taxation and Economic Policy.

5 These figures derive from our calculations based on immigrants’ share of wage income and self-employment income in the one-year ACS sample from 2014 and the statistics of GDP by the Bureau of Economic Analysis, U.S. Department of Commerce.


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


9 Data on total student enrollment in the metro area is derived from the Integrated Postsecondary Education Data System maintained by the National Center for Education Statistics.

10 Economic data is derived from the International Student Economic Value Tool maintained by NAFSA, the association of international educators.


Want more information about this region? See our report: The Contributions of New Americans in Indiana