

2021 State Latino GDP Report New York



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California
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Latino Gross Domestic Product (GDP)

Why GDP?

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

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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)
- Single biggest driver of Latino GDP growth is rising consumption
2010-2018: Latino real consumption grew 135% faster than Non-Latino

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

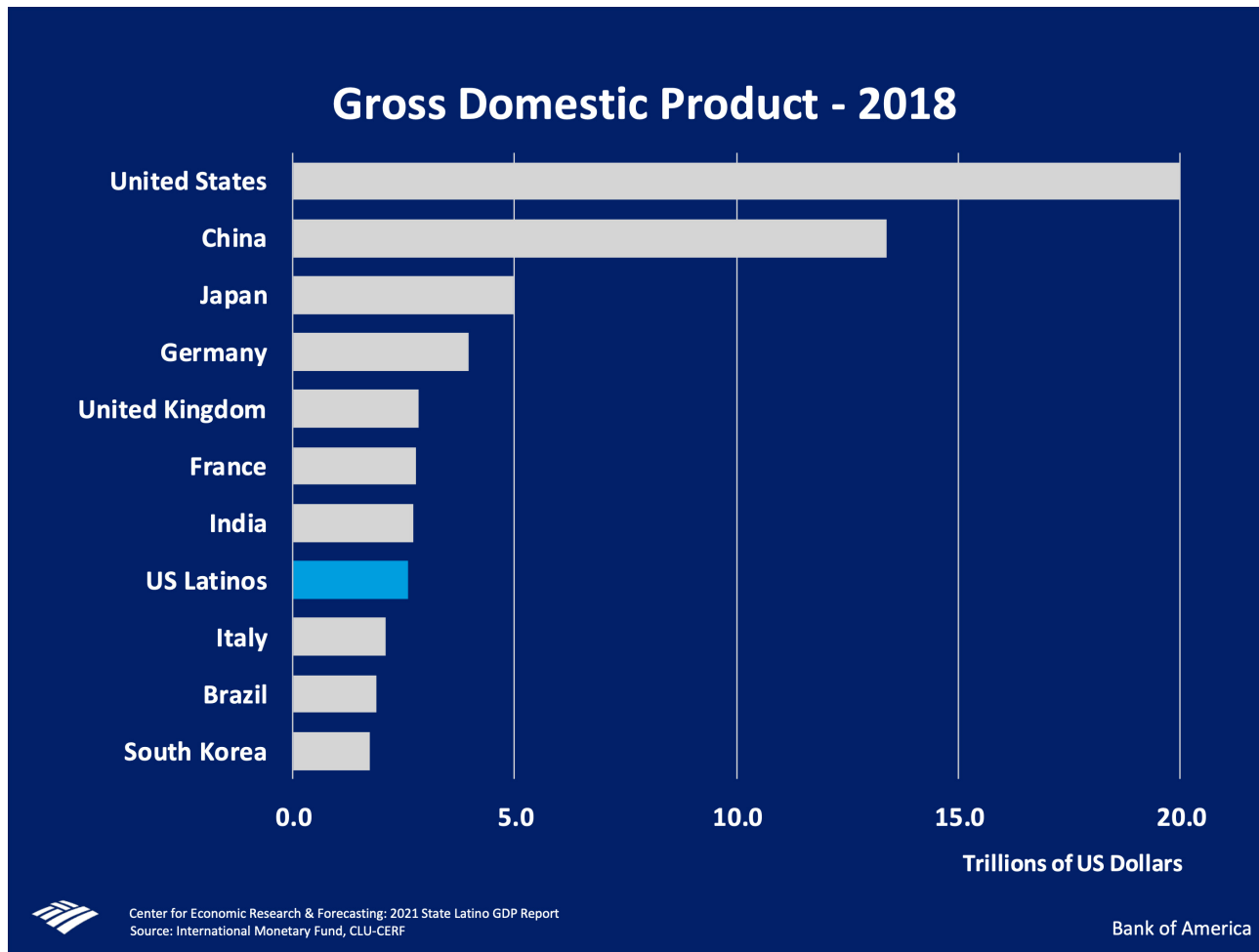
Bureau of Economic Analysis (BEA) provides detailed input-output (I-O) tables

- 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

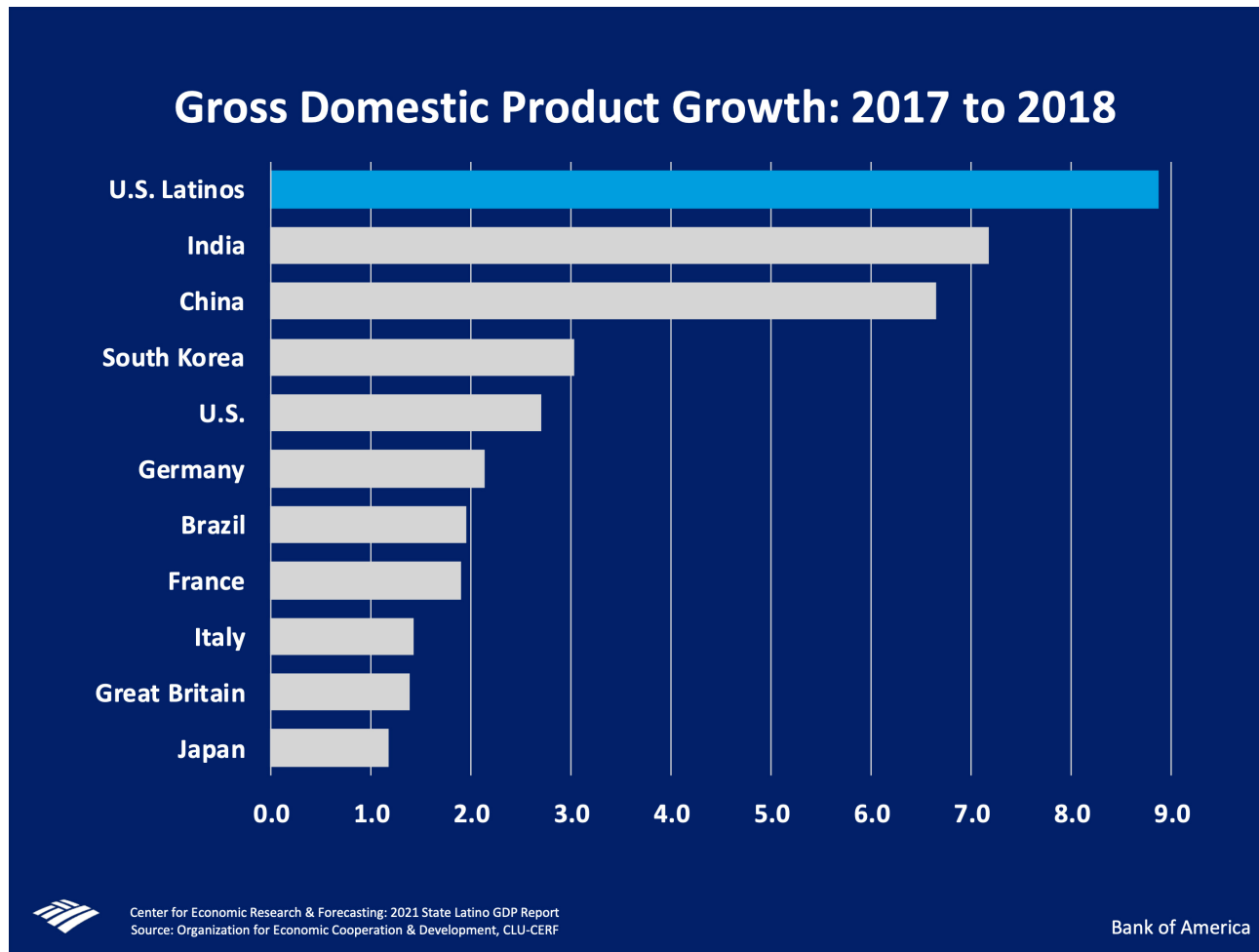
- BOC and BLS provide breakouts of differences in income, spending, home ownership, educational attainment, labor market patterns and demographics

Latino Gross Domestic Product (GDP)



If it were an independent country, Latino GDP would be 8th largest in the world

Latino Gross Domestic Product (GDP)



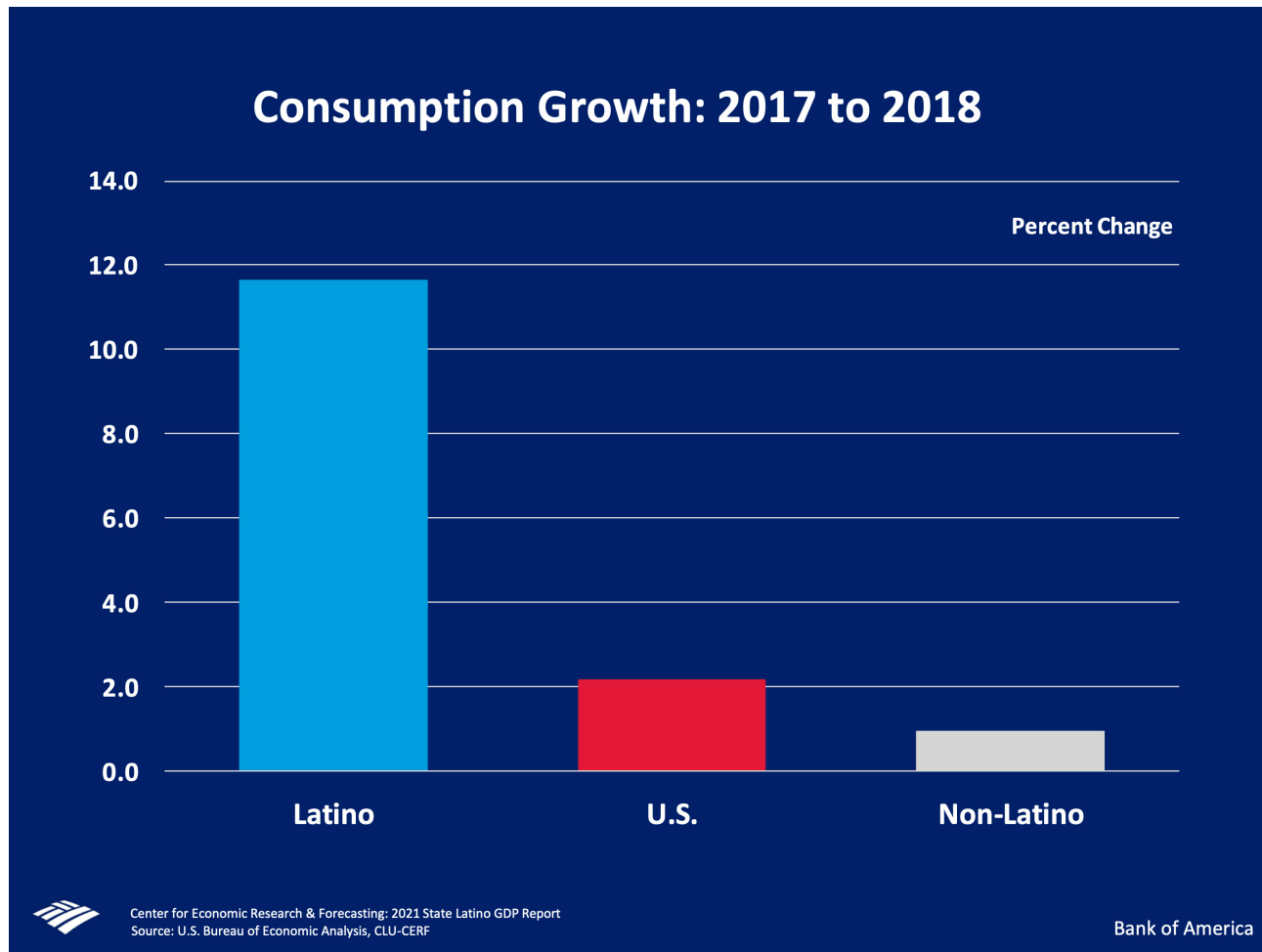
Among the ten largest GDPs, Latino GDP is *single* fastest growing

Latino Gross Domestic Product (GDP)

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

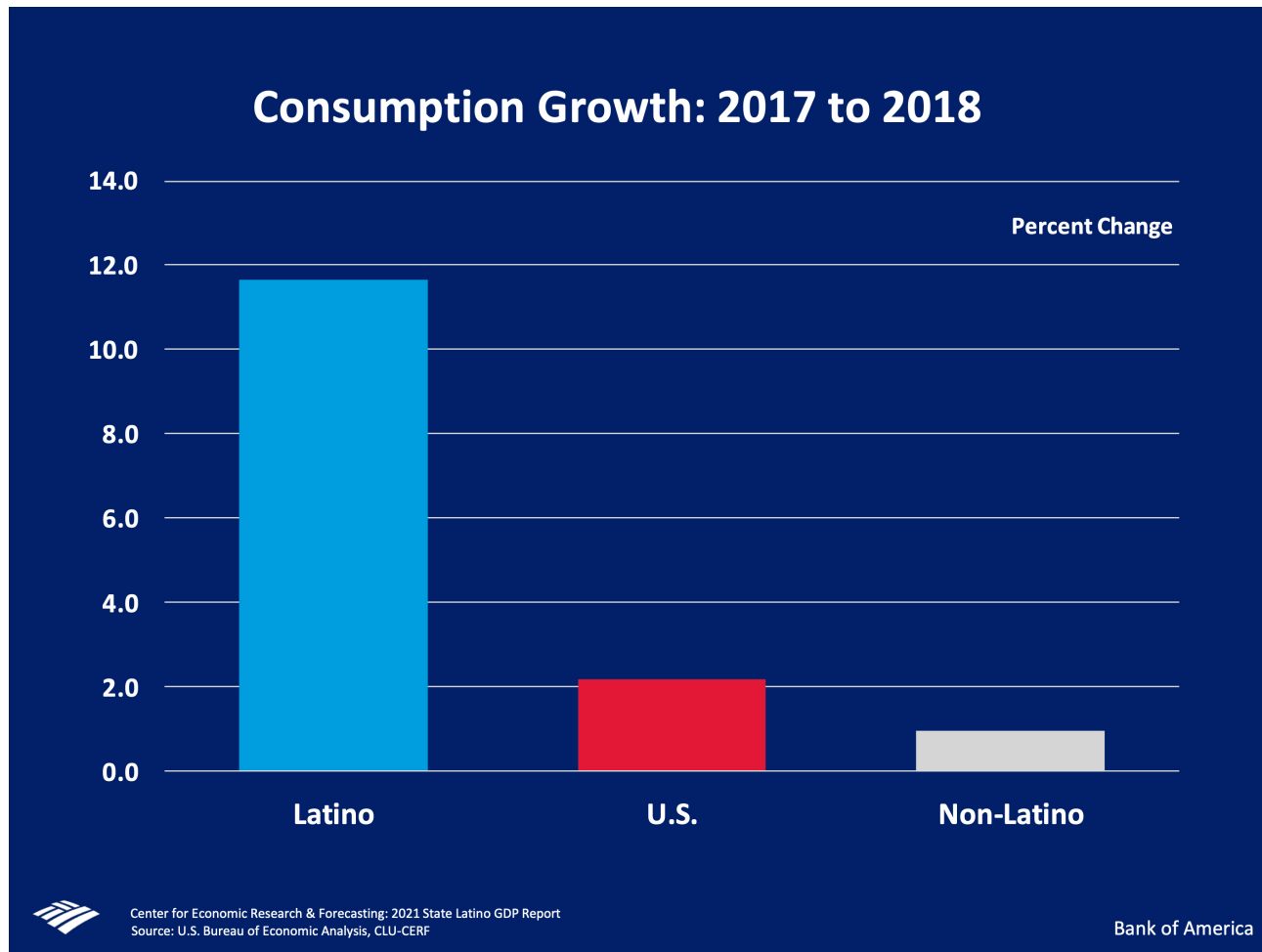
- From 2010-2018, Latino real consumption grew 135% faster than Non-Latino
- This dramatic increase is driven by large gains in personal income, which naturally flow from Latinos' rapid gains in educational attainment and strong labor force participation.

Drivers of the Latino GDP



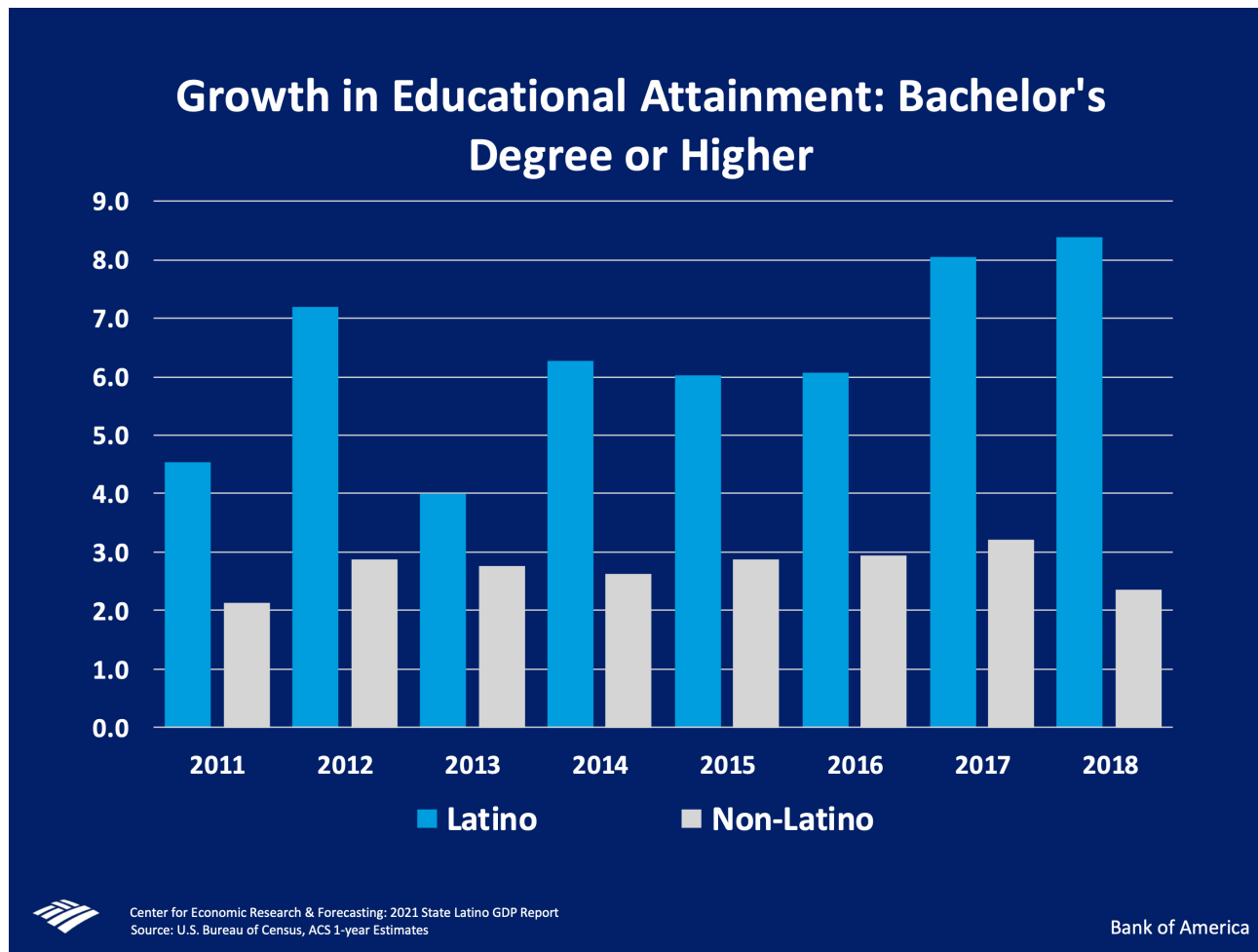
2017-18 Latino real consumption grew 12.2 times faster than Non-Latino

Drivers of the Latino GDP



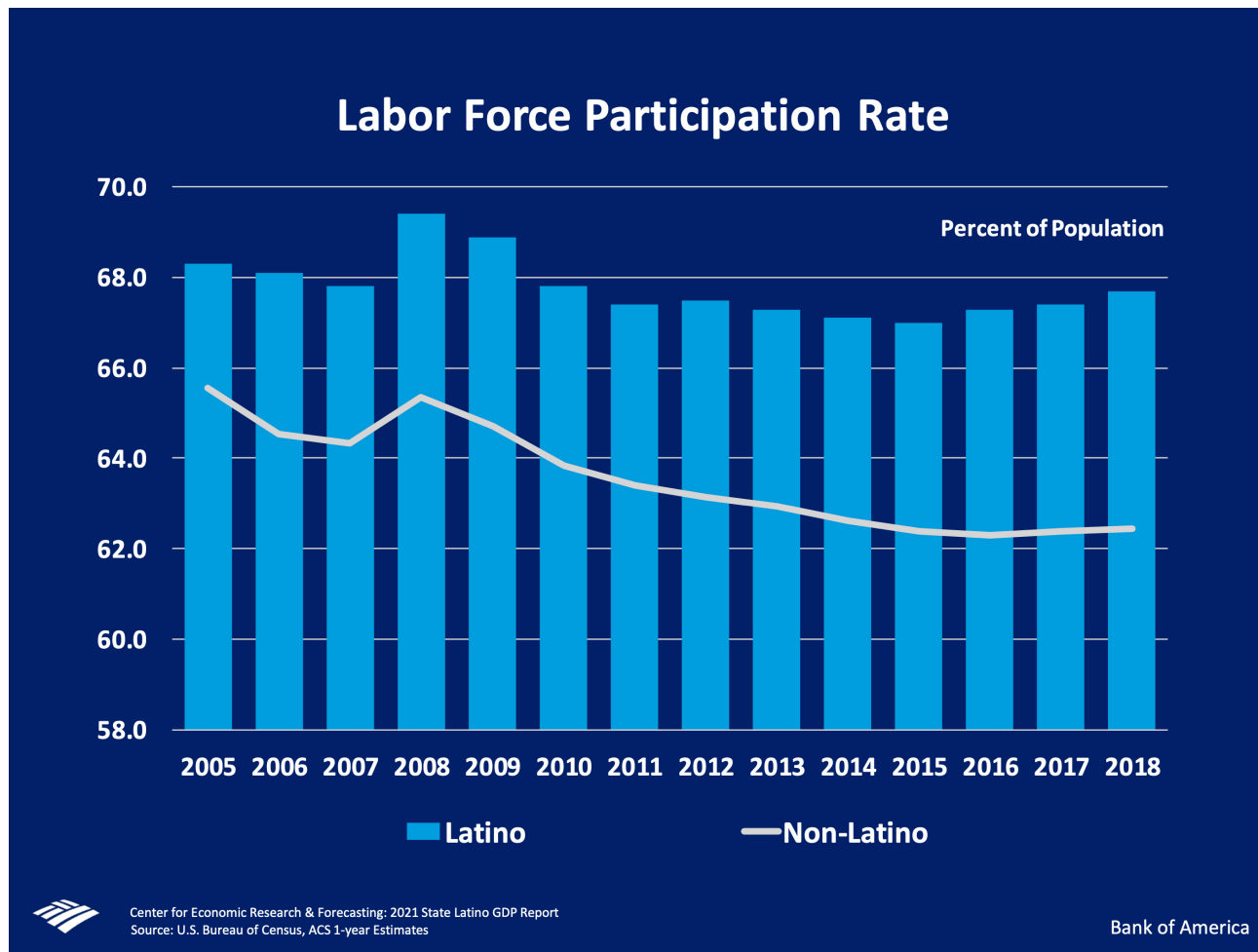
Over the past 5 years, Latino income grew nearly 70% faster than Non-Latino

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

Latino Gross Domestic Product (GDP) by State

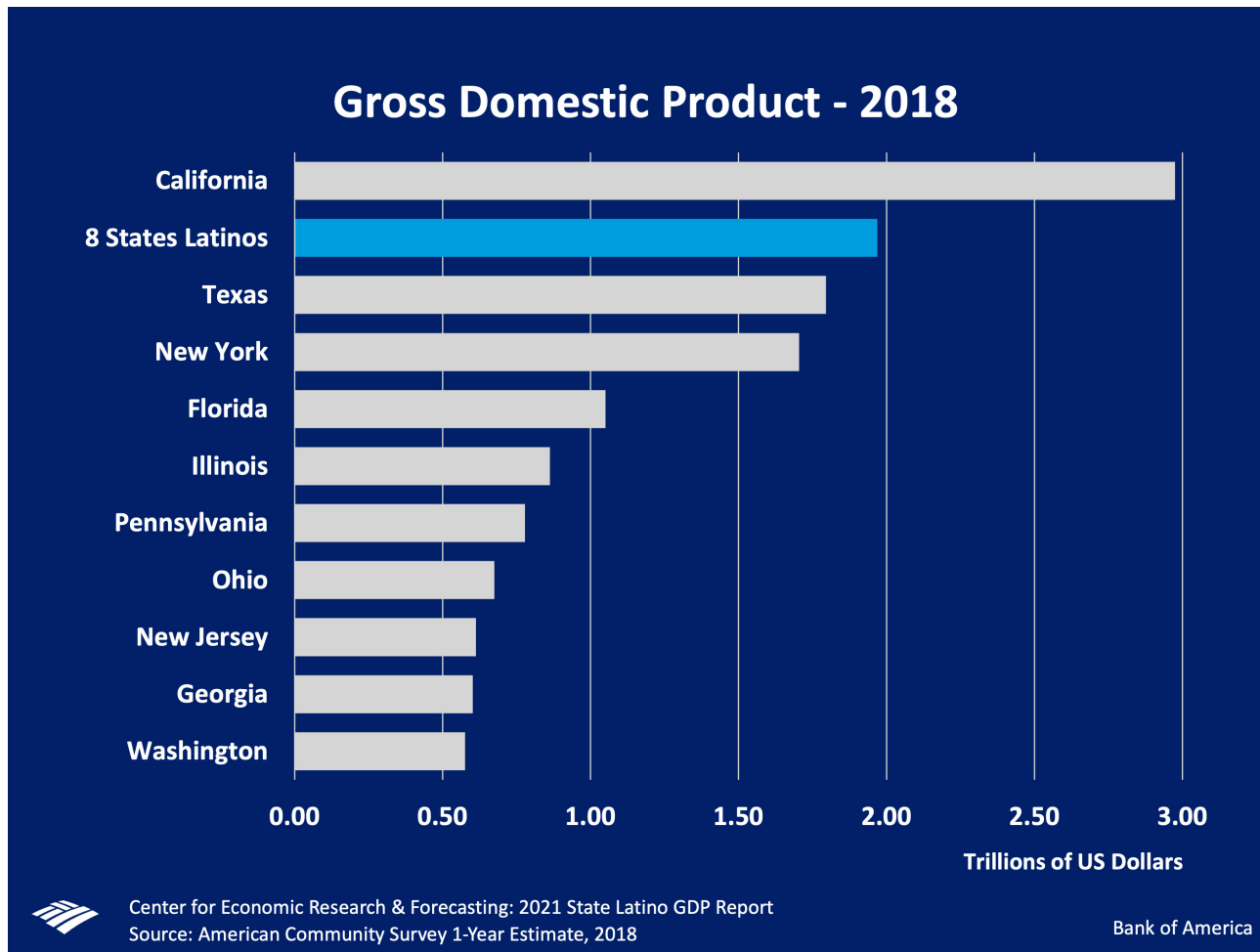
Latinos in just 8 U.S. states account for 76% of the U.S. Latino GDP

- Arizona, California, Florida, Illinois, New Mexico, New Jersey, New York, and Texas

These 8 states have a combined Latino GDP of \$2.0 trillion

- If these Latinos were a single state, it would be the second largest State GDP in the country. Behind only California, their GDP is 10% larger than the economy of Texas.

State Latino GDP

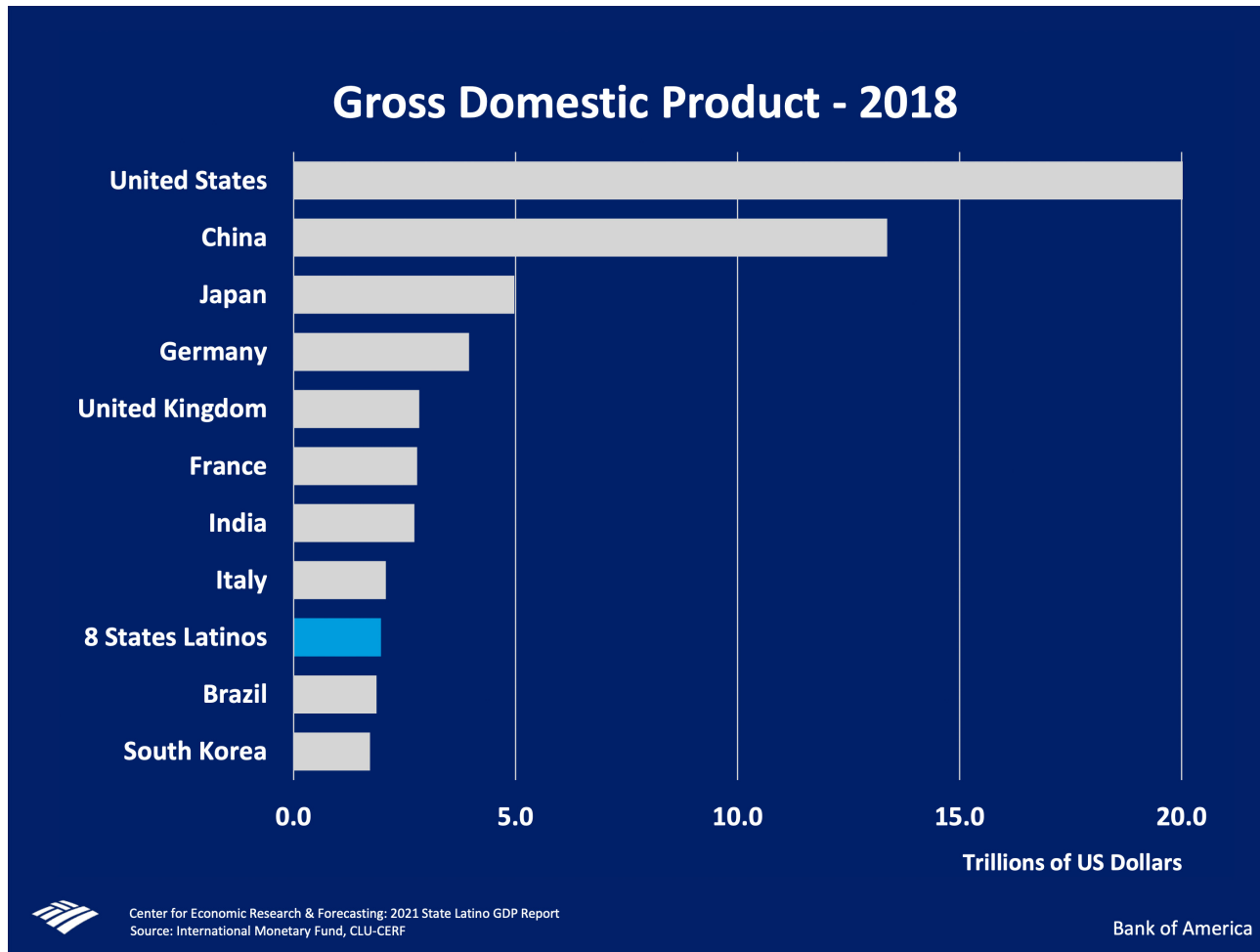


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The 8 Latino GDPs are large even on the world stage

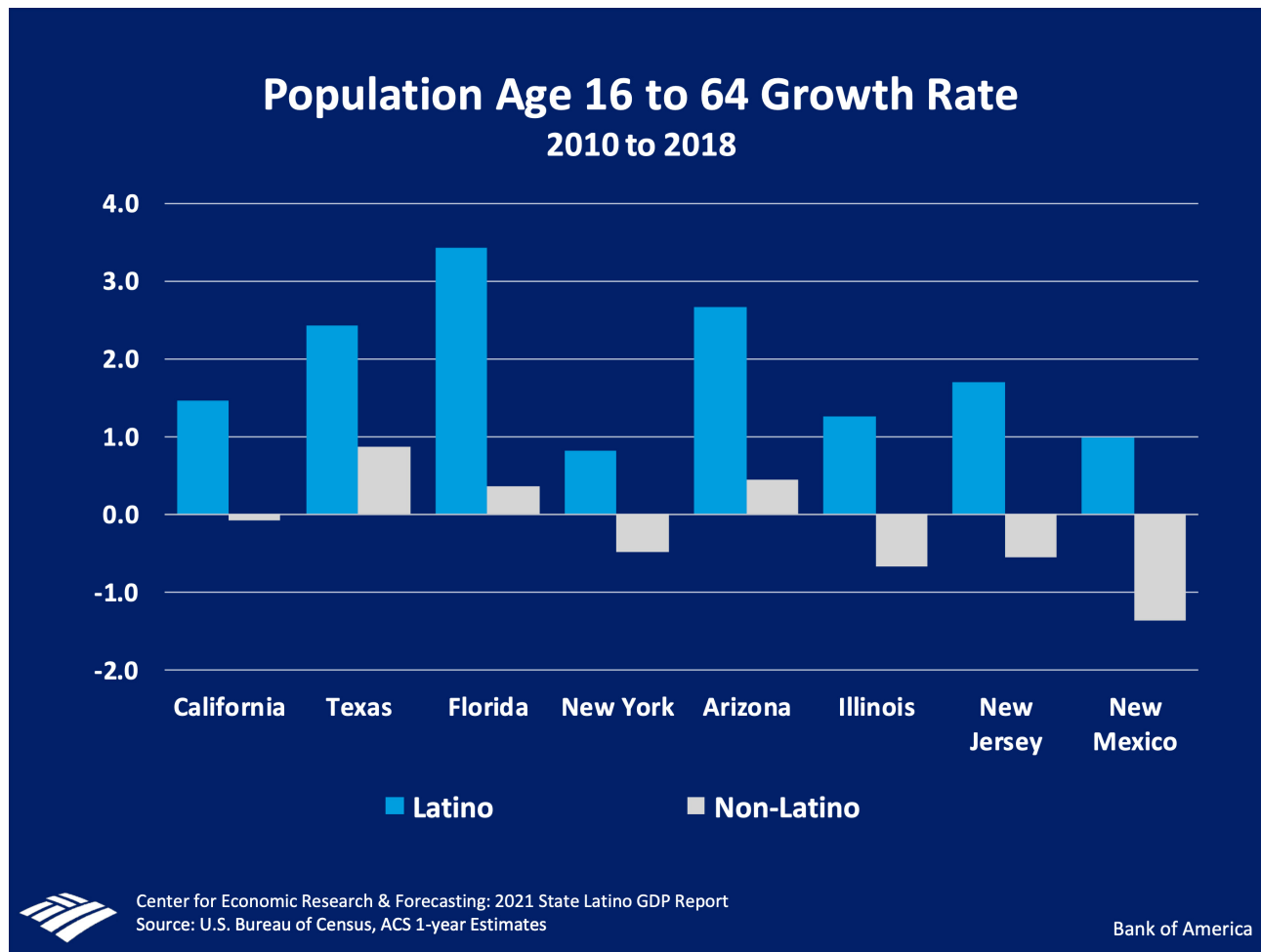
- Treated as a single economy, Latinos in these 8 states produce greater economic activity than the entire country of South Korea (\$1.72 trillion) and Brazil (\$1.87 trillion)

State Latino GDP



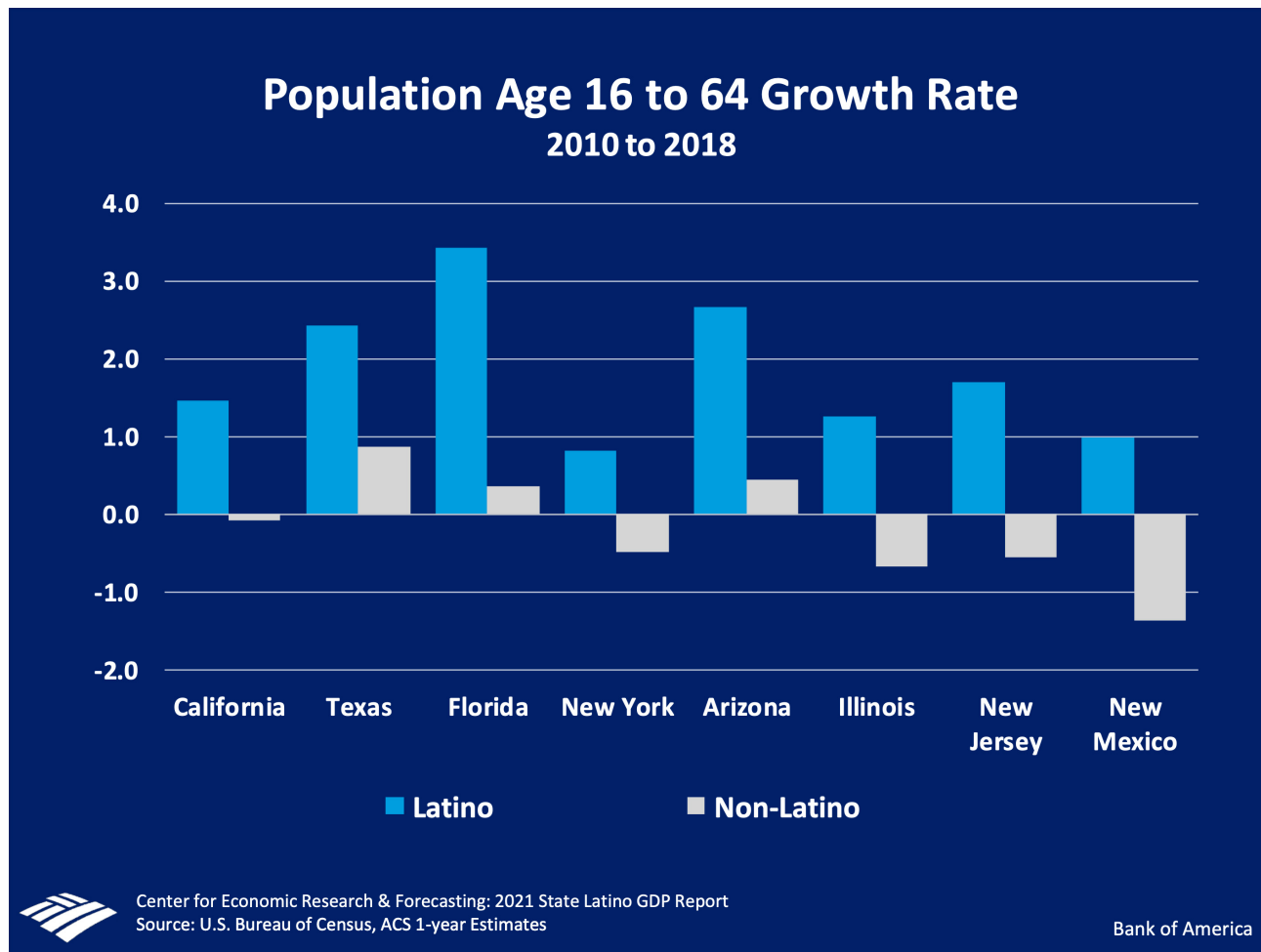
Together, the 8 state Latinos GDPs represent the world's 9th largest economy

Drivers of the State Latino GDPs



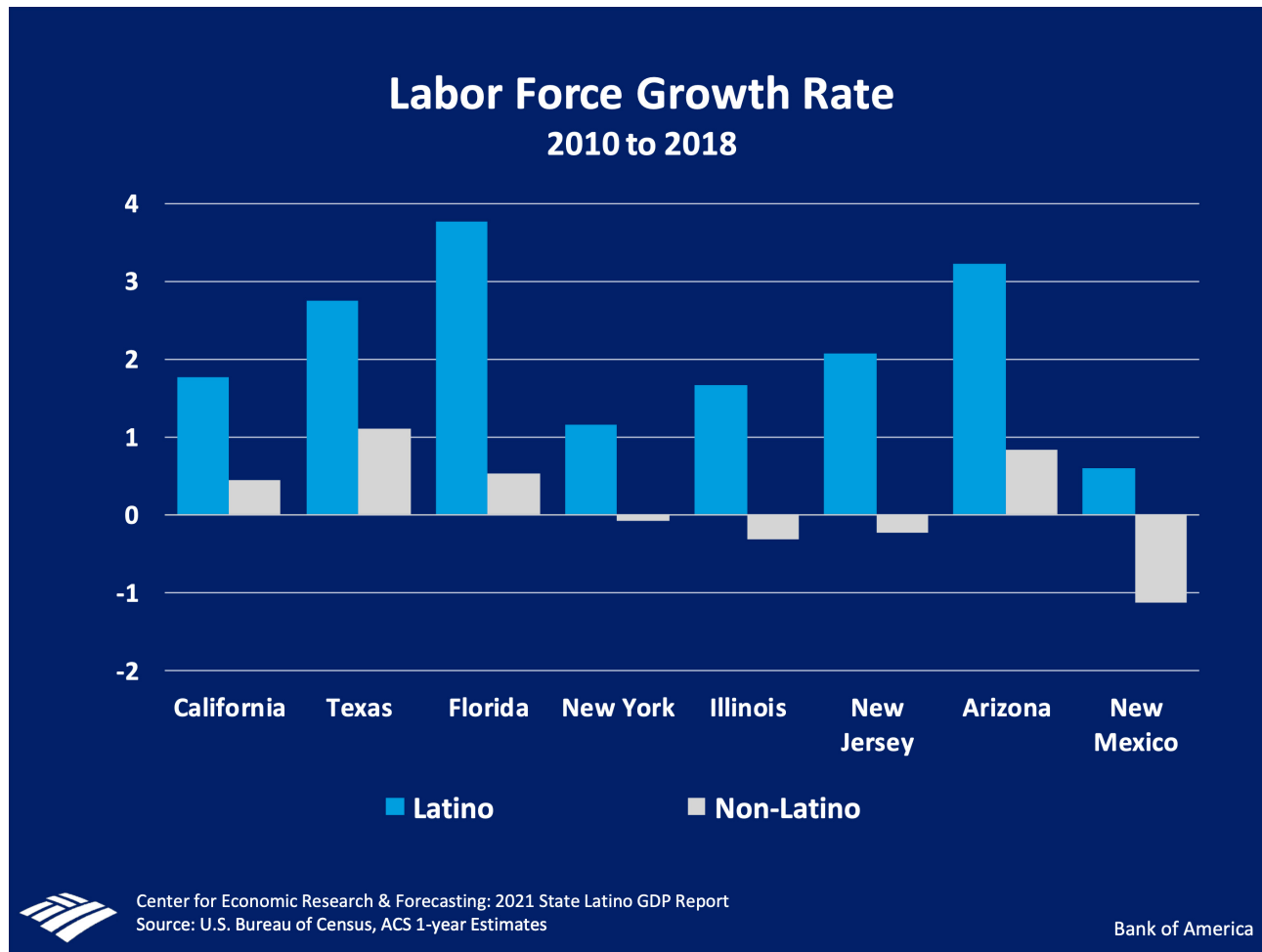
Median age of U.S. Latinos is 29.5, compared to 40.6 for Non-Latinos

Drivers of the State Latino GDPs



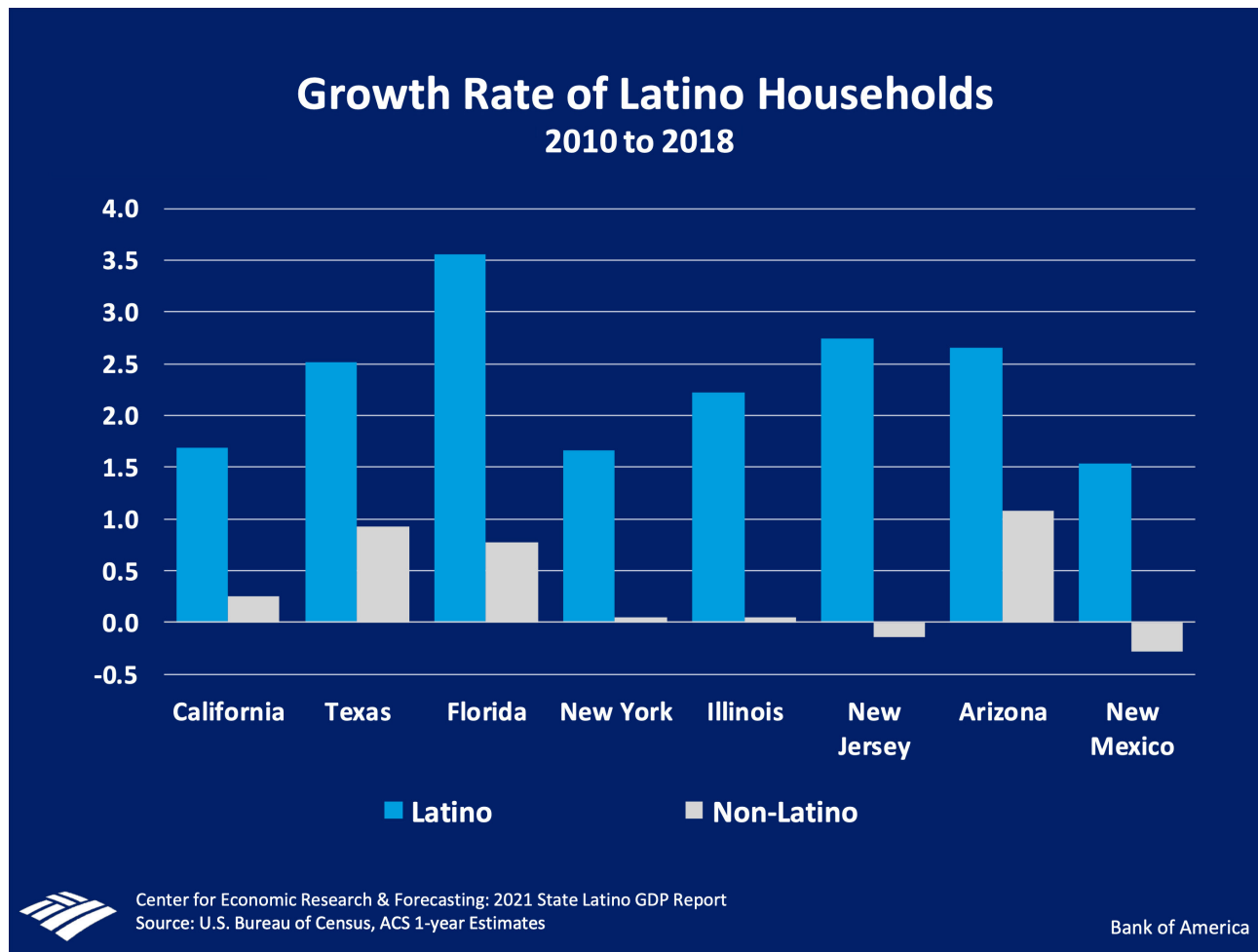
2060: Latinos projected to contribute 30 million additional working age adults

Drivers of the State Latino GDPs



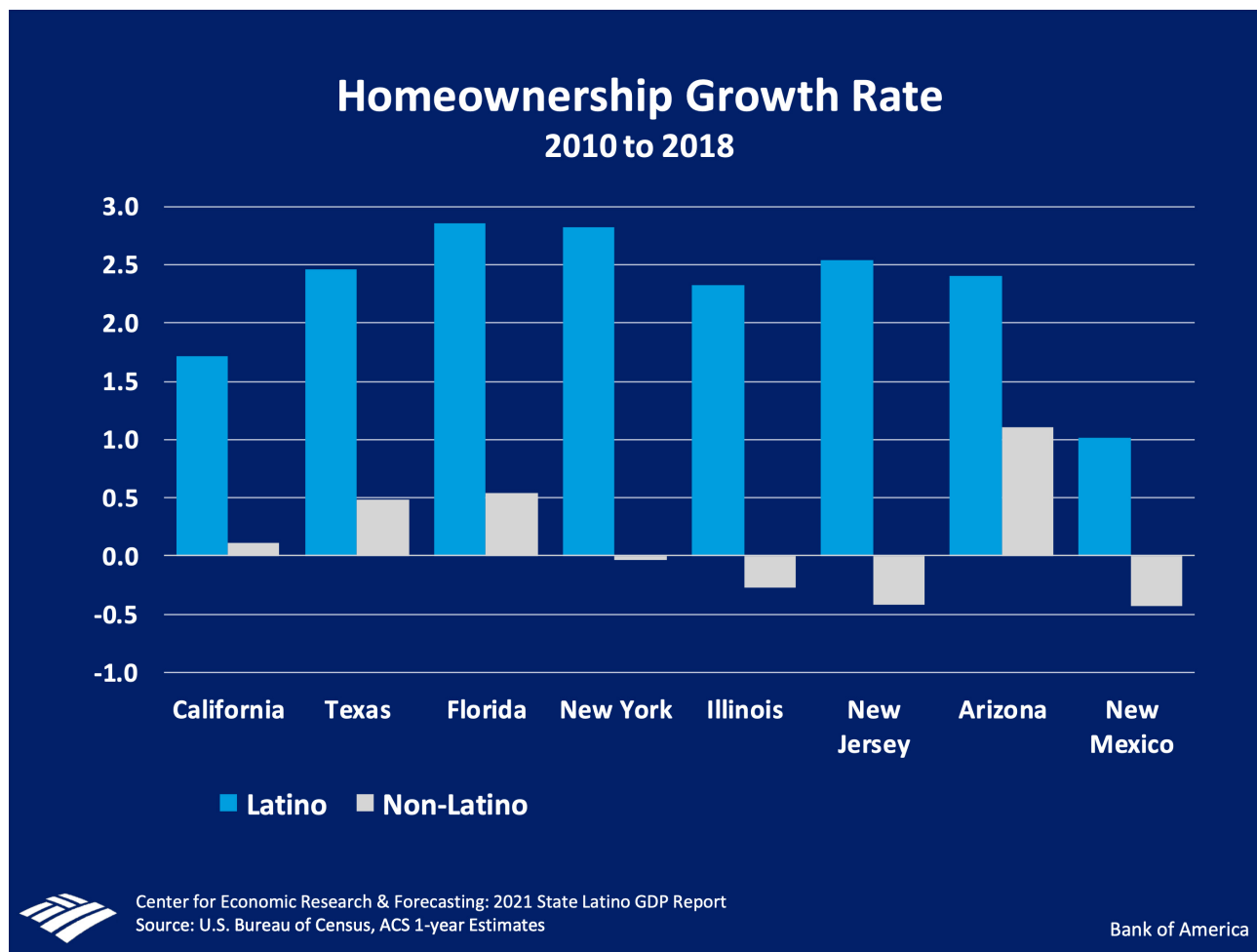
Latinos are responsible for 78% of U.S. labor force growth since Great Recession

Drivers of the State Latino GDPs



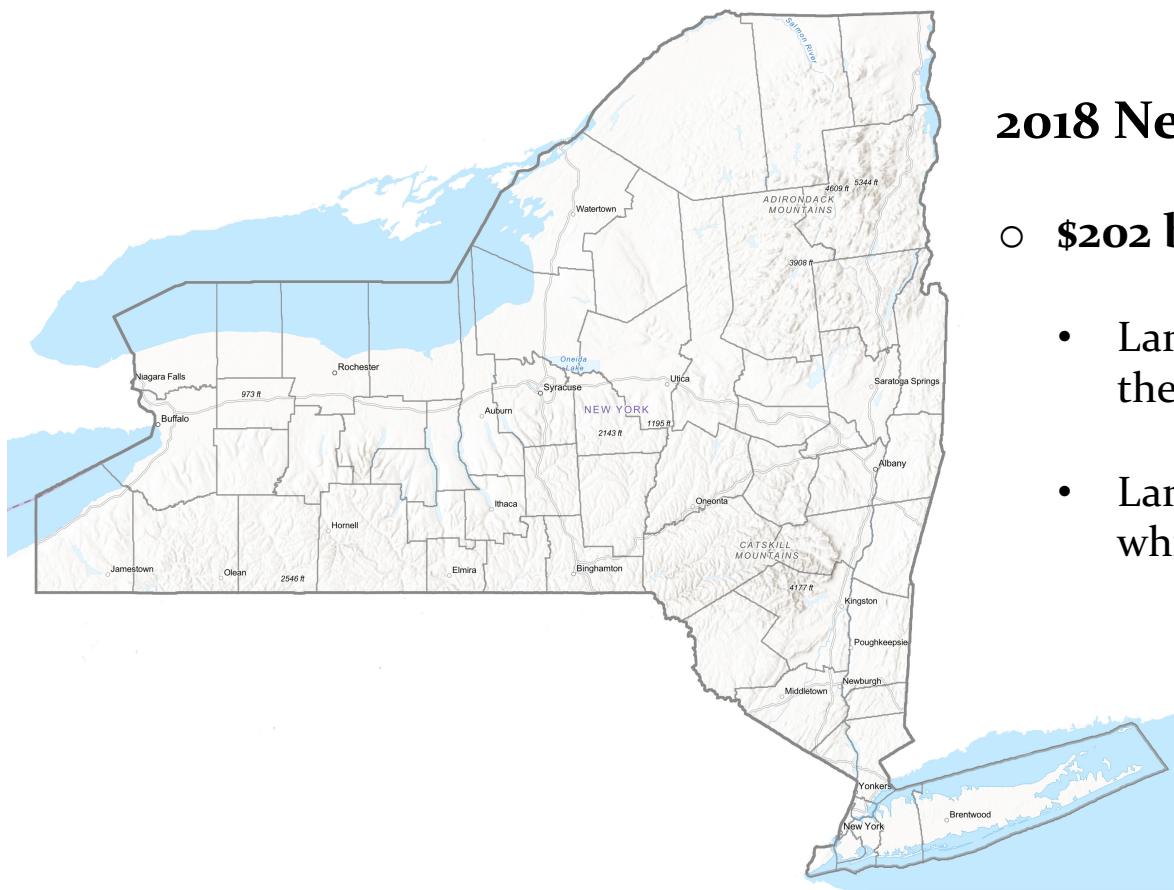
8-State Latino household formation rate is 4x that of Non-Latinos

Drivers of the State Latino GDPs



Growth of 8-State Latino Homeownership is 13x that of Non-Latinos

State Latino GDP: New York



2018 New York Latino GDP

- **\$202 billion of economic activity**
 - Larger than the entire economy of the state of Oklahoma
 - Largest component is consumption which totals \$151 billion

State Latino GDP: New York

New York: Gross Domestic Product		
	Latino GDP	Statewide GDP
	Industry Share	Industry Share
	<i>percent</i>	<i>percent</i>
Agricultural/Natural Resources	0.4	0.2
Mining/Quarrying	0.0	0.1
Construction	5.2	3.0
Durables Manufacturing	1.7	2.1
Non-Durables Manufacturing	2.2	2.1
Wholesale Trade	5.2	4.3
Retail Trade	5.9	4.3
Transportation/Warehousing/Utilities	5.5	3.4
Information/Technology	5.0	8.2
Finance/Insurance/Real Estate	15.3	33.3
Professional/Business Services	11.5	12.8
Education/Healthcare/Social Assistance	22.5	9.3
Leisure/Hospitality	8.2	4.7
Personal/Repair/Maintenance Svcs	3.0	1.9
Government Services	8.5	10.5
Total All Industries	100	100

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

The state's top 3 Latino GDP sectors are Education & Healthcare, Finance & Real Estate, and Professional & Business Services

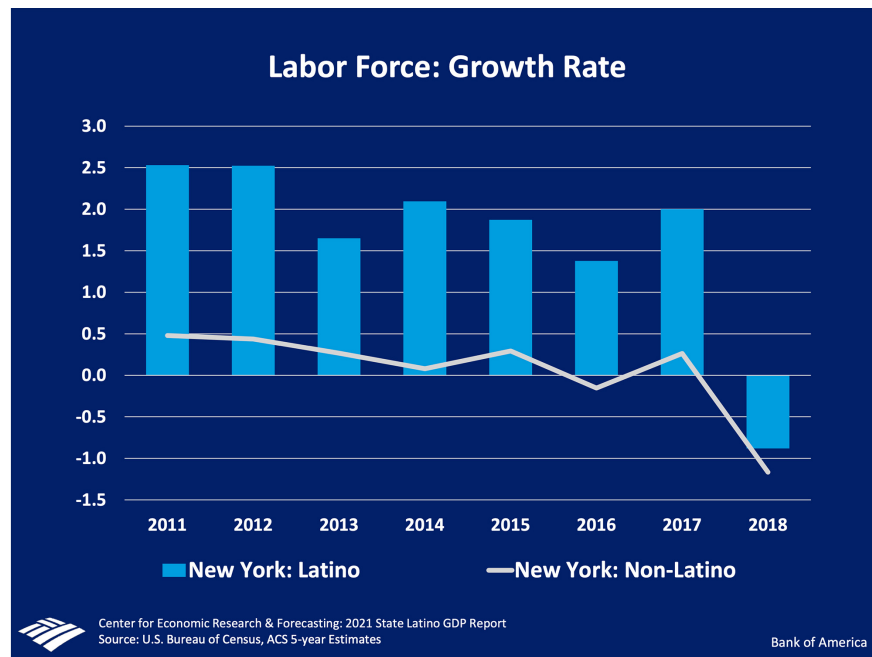
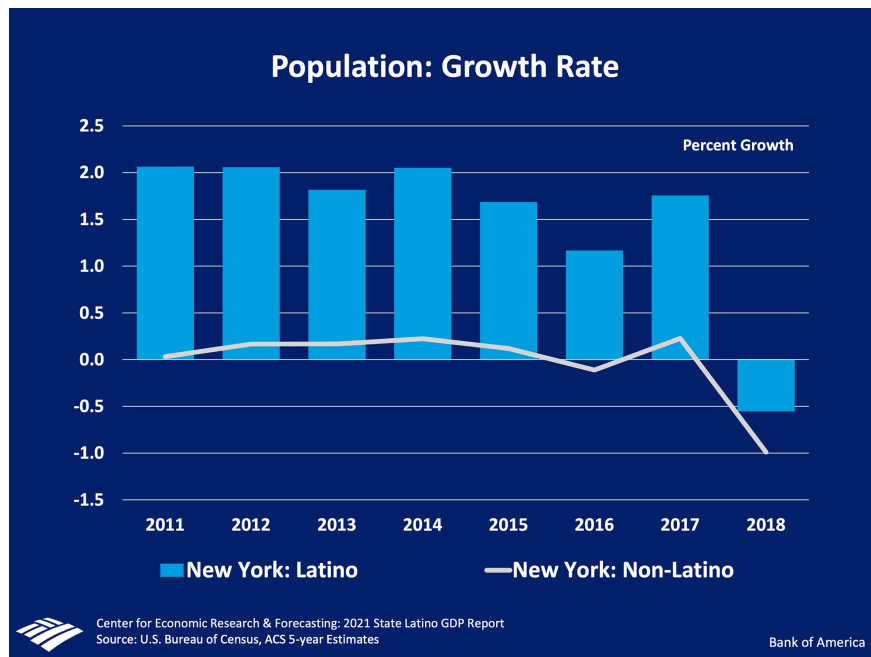
State Latino GDP: New York

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	Latino GDP	Statewide GDP
	Industry Share	Industry Share
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Construction	5.2	3.0
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Wholesale Trade	5.2	4.3
Retail Trade	5.9	4.3
Transportation/Warehousing/Utilities	5.5	3.4
Information/Technology	5.0	8.2
Finance/Insurance/Real Estate	15.3	33.3
Professional/Business Services	11.5	12.8
Education/Healthcare/Social Assistance	22.5	9.3
Leisure/Hospitality	8.2	4.7
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Government Services	8.5	10.5
Total All Industries	100	100

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

Latinos outperform the broader state economy in 6 specific sectors

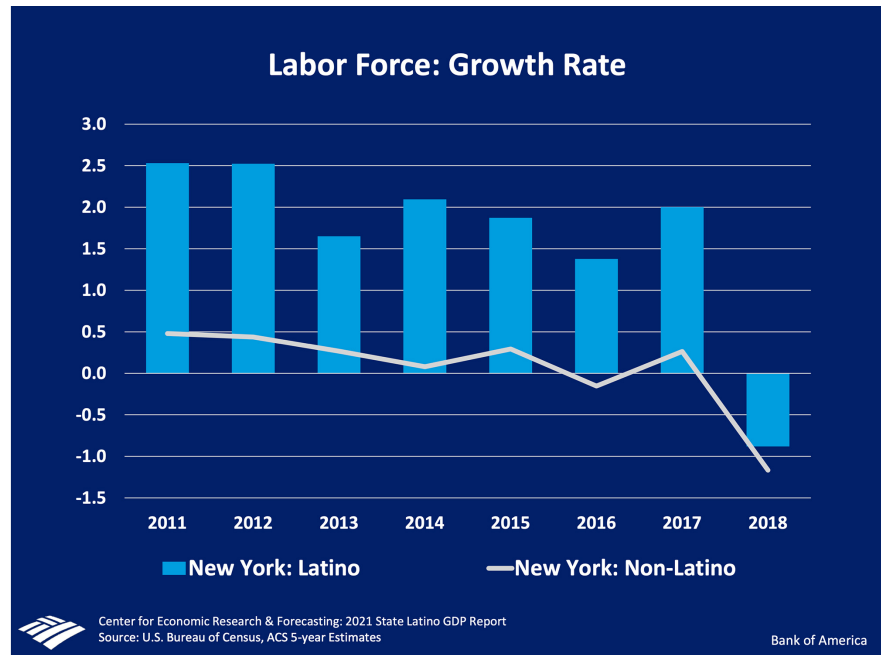
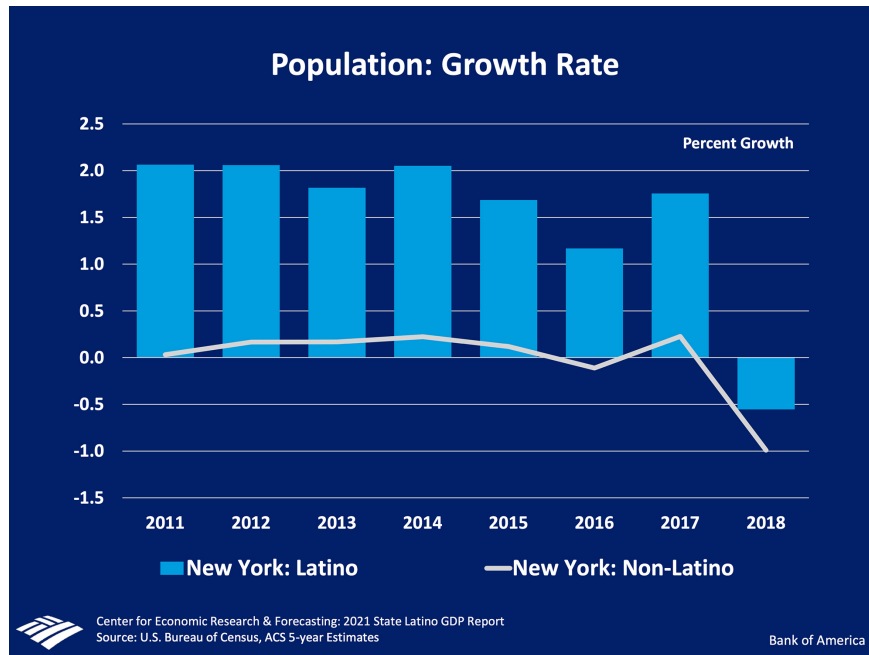
State Latino GDP: New York



Were it not for Latinos, the population of New York would have contracted from 2010 to 2018.

- From 2010-18, New York Latinos added an average of 52,000 people per year to the state's population, while Non-Latinos subtracted an average of 3,500

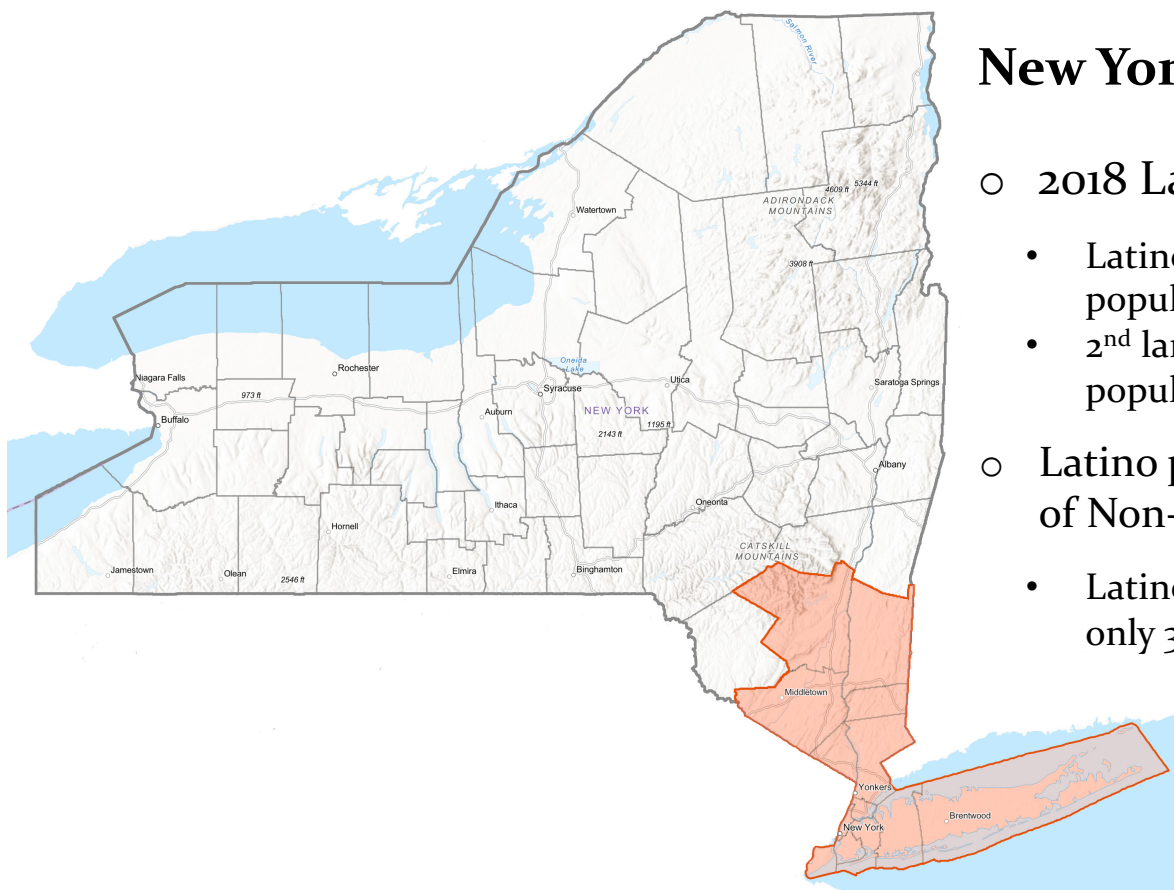
State Latino GDP: New York



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- From 2010-18, New York Latinos added an average of 52,000 people per year to the state's population, while Non-Latinos subtracted an average of 3,500
- From 2010-18, the number of Latinos in the state's labor force grew nearly 14 percent while the number of Non-Latinos was flat, increasing less than one half percent.

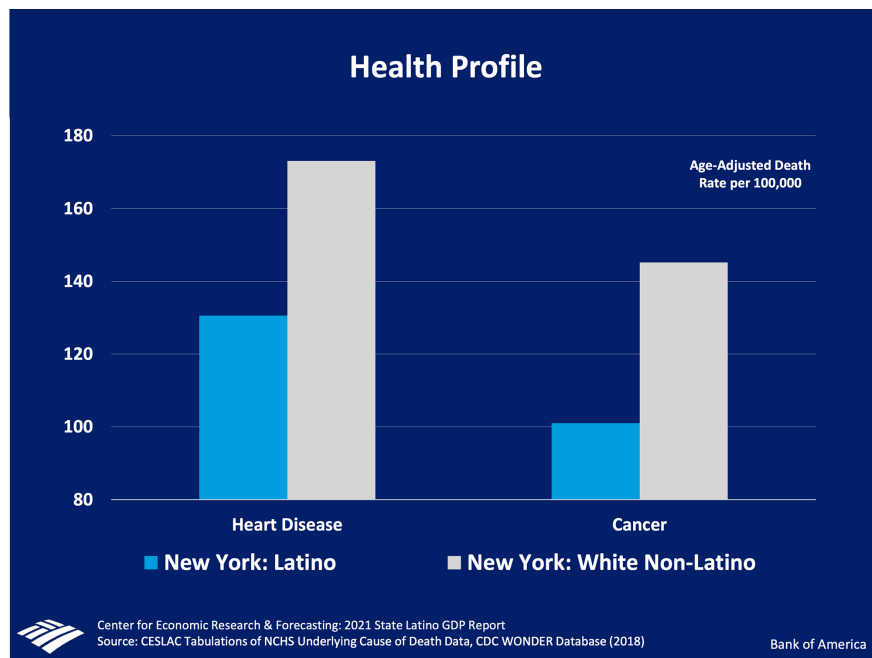
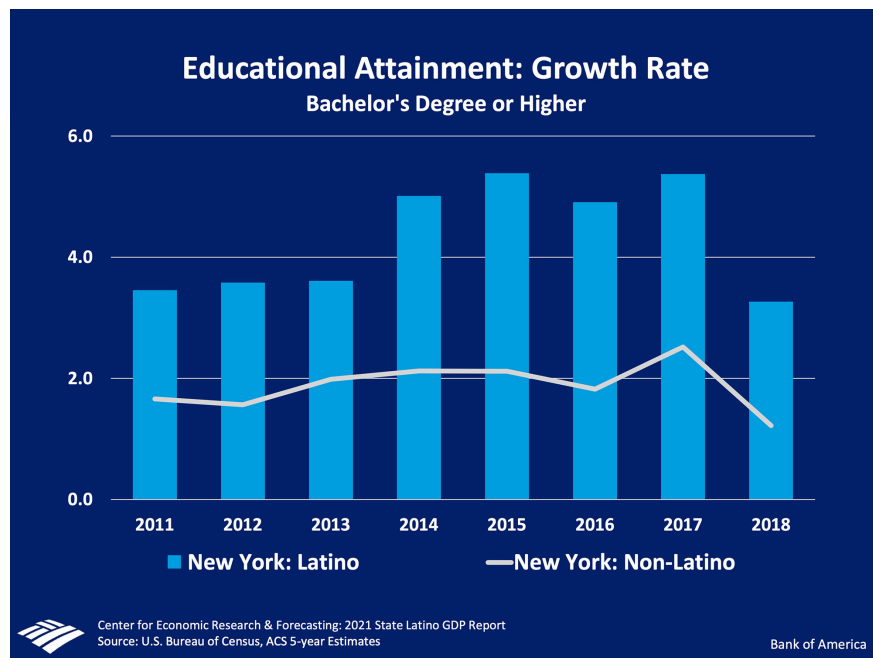
New York – Largest MSA by Latino Population



New York / Newark Metro Area

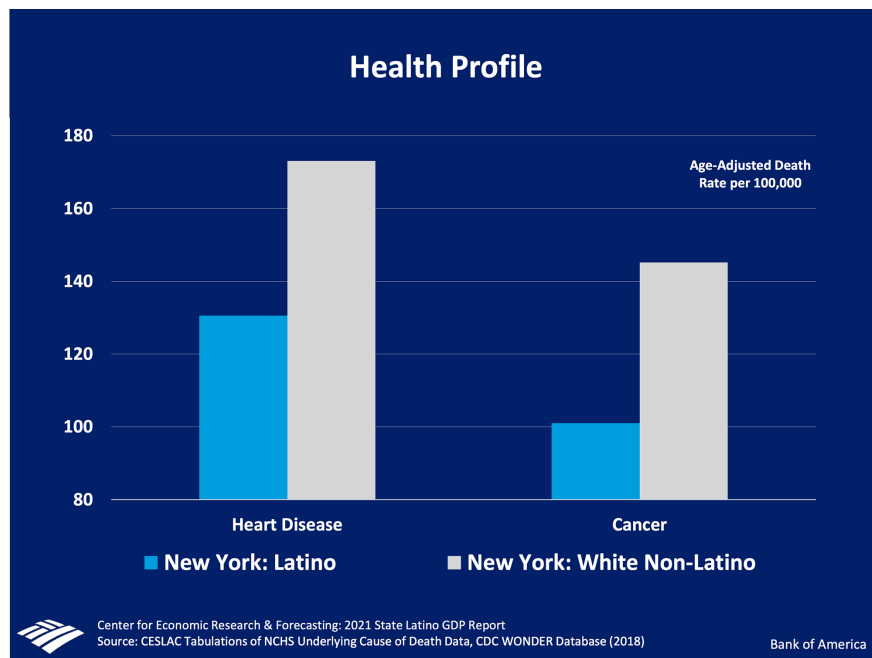
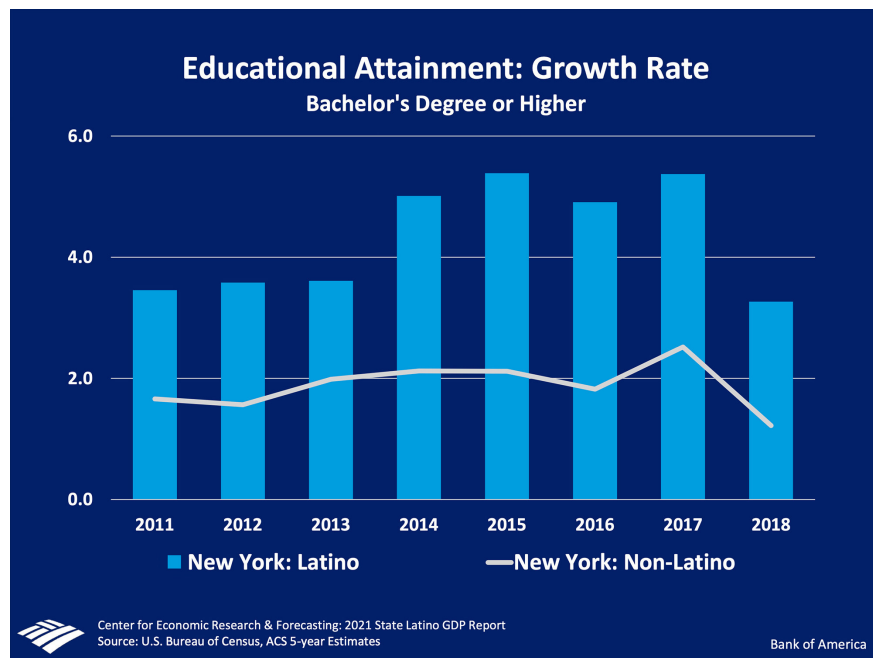
- 2018 Latino population: 4.9 million
 - Latinos are 25% of total metro area population
 - 2nd largest MSA in the U.S. by Latino population
- Latino population growth is 4 times that of Non-Latinos from 2010 to 2018
 - Latino population grew 13% compared to only 3% for Non-Latinos

New York Latino GDP - Education & Health



Educational attainment of New York Latinos is growing *2.5 times* faster than that of Non-Latinos

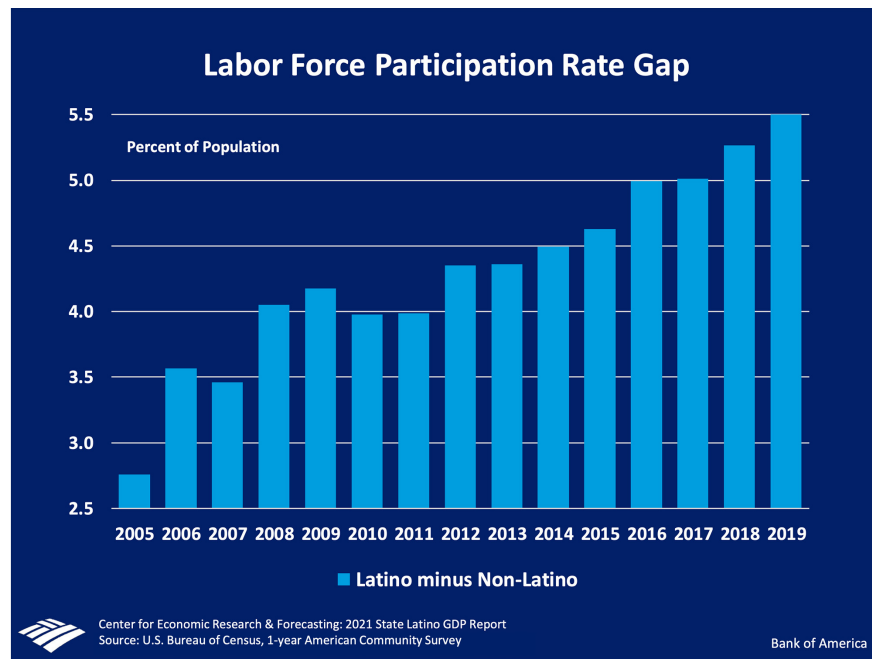
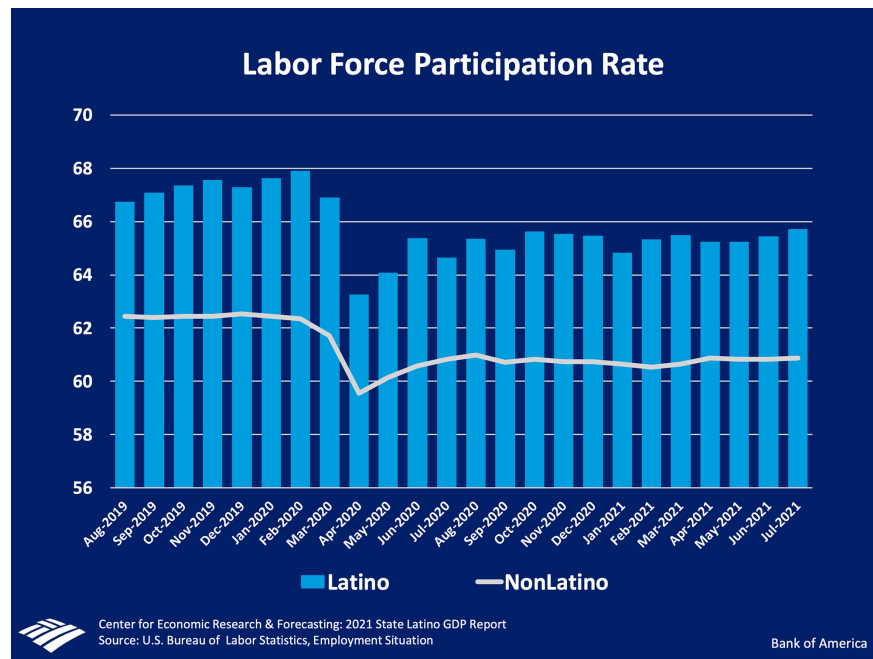
New York Latino GDP - Education & Health



New Jersey Latinos enjoy age-adjusted mortality rates for the leading causes of death that are significantly lower than that of White Non-Latinos

- 30% lower for cancer
- 25% lower for hearth disease

State Latino GDP: Looking Ahead



Using the Great Recession as a reference point and seeing the early evidence offered by labor market data, it is already clear...

Latinos will be a major driver of the nation's post-pandemic economic recovery.

State Latino GDP: Looking Ahead

Latinos are one of the U.S. economy's biggest growth engines.

The family values, hard work and persistence of U.S. Latinos are not only an engine of economic growth, they are a bright spot during an extraordinary time of economic upheaval.

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