

THE BURDEN OF IMMIGRATION

Confusing Statistics on Hispanics and Illegal Immigrants

S U M M A R Y : As the debate about immigration continues, all involved need to be aware of the limitations of existing statistics. Hispanics are about 6 percent of the state's population and growing. Illegal immigrants make up an estimated 45 percent of the state's Hispanic population, but 76 percent of recent entrants. The economic and government service usage effects of Hispanics on the state are also significant, but the impact of illegal immigrants is less clear.

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Proponents and opponents of immigration reform often conflate the broader Hispanic population with immigrants, and quickly transform the debate into an emotionally charged one about ethnicity and language rather than an objective one about the rule of law or costs and benefits. Population and cost estimates vary greatly depending in part on collection or estimation methods. This Spotlight examines some statistics to try to get a better picture of how the two groups – Hispanics and illegal immigrants – affect North Carolina and the United States.

How many Hispanics live in North Carolina? How many are here illegally?

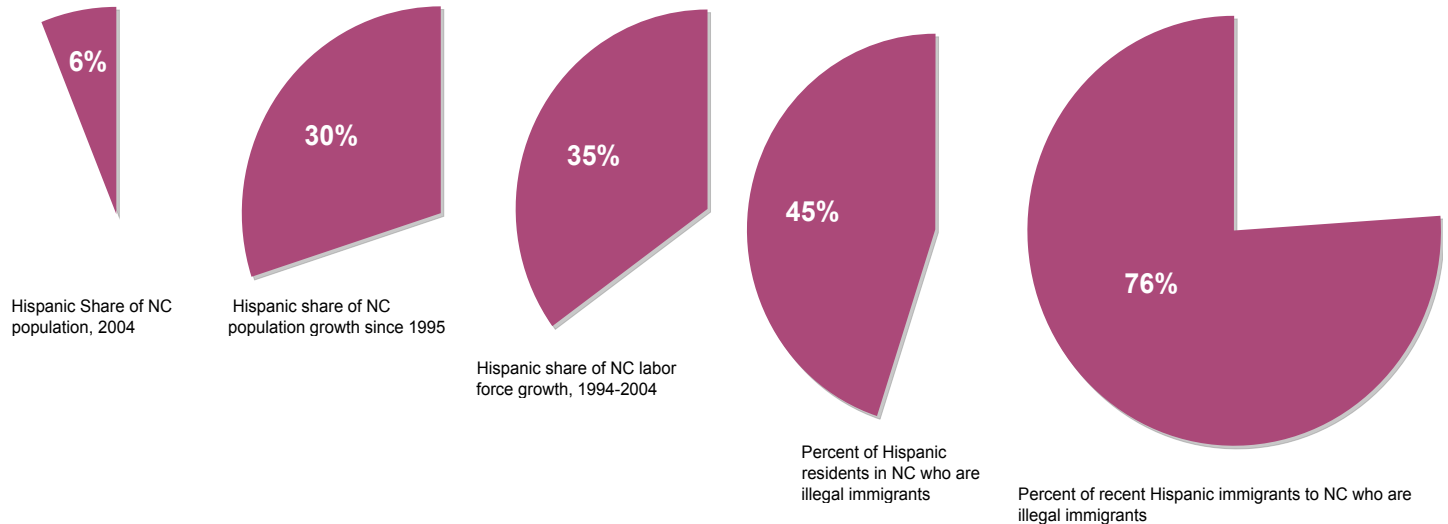
Despite the ongoing debate over illegal immigration, it is difficult to determine the number in the state or nation. The only accurate estimates of illegal immigrants focus on the total Hispanic population.

The state's Hispanic population in 2004 was somewhere between 500,000¹ and 600,000² (6 percent to 7 percent of the total population) depending on the source. About 45 percent of North Carolina's Hispanics, somewhere between 230,000 and 316,000, are here illegally.³ The total illegal population in the state may be 287,000 or 395,000 or as high as 500,000; again depending on the source one uses.⁴ The commonly accepted number for the United States is 11 million illegal immigrants, but national estimates vary even more than estimates for North Carolina – from a low of 7 million to as many as 20 million.⁵ Legal immigrants make up only one-fourth of new Hispanic entrants to North Carolina, but they are still a majority of all Hispanics in the state.⁶

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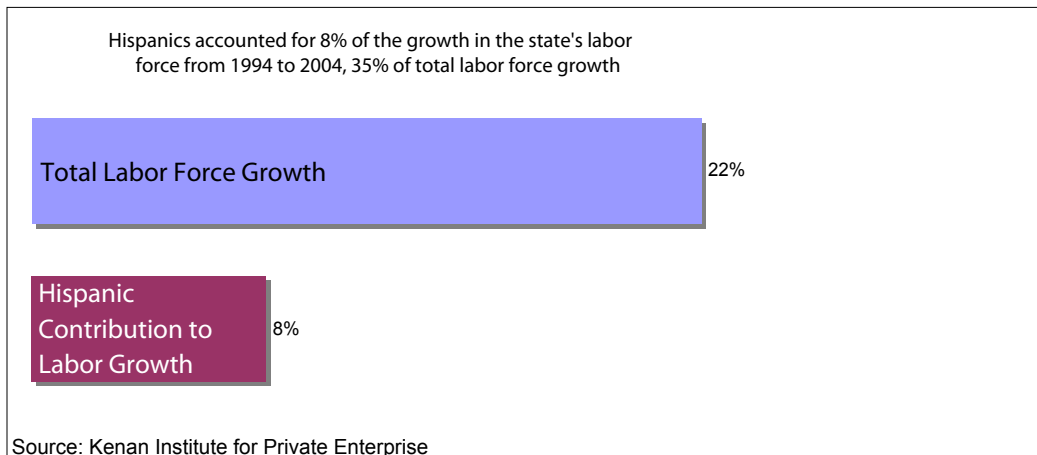
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Figure 1: North Carolina's Hispanic Population is Growing, Illegal Immigrants are a Growing Share



Source: Census Bureau, Kenan Institute for Private Enterprise

Figure 2: Hispanic Growth in North Carolina's Labor Force



Source: Kenan Institute for Private Enterprise

What are the ongoing costs and benefits?

Moving beyond the seemingly simple question of numbers to the impact Hispanics and illegal immigrants have on North Carolina adds even more complexity. The Kenan Institute of Private Enterprise at the University of North Carolina in Chapel Hill assembled the most comprehensive estimate of Hispanics' economic impact on the state. They wisely chose to avoid as much as possible the question of illegal immigration. One reason for this is the difficulty in getting a good estimate for many transactions, besides those covered by Medicaid. (Figure 6) For example, some estimates of the number of uninsured illegal Hispanic immigrants result in higher numbers than other estimates of the total number of illegal Hispanic immigrants. (Figure 7) The Kenan Institute found that Hispanics contribute \$9.2 billion to the economy,⁷ but cost all levels of government more in services than they provide in tax dollars,⁸ even though 75 percent pay taxes.⁹

Figure 3: Cost of Education for Hispanics and Illegal Immigrants

Illegal immigrants and their children in NC public schools	108,625	students
Cost of public education for illegal immigrants and their children in NC	\$146	million
Hispanic share of enrollment growth in NC public K-12, 2000-2004	57	percent
Cost of public education for all Hispanics in NC	\$467	million

Sources: Kenan Institute for Private Enterprise, Author calculations based on national statistics from Californians for Population Stabilization

These graphs and tables provide a snapshot of what is known about Hispanics and illegal immigrants in North Carolina. These statistics can help guide the discussion in North Carolina, provided their shortcomings and uncertainties are kept in mind.

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Figure 4: Hispanic Immigrants' Burden on State and Local Government

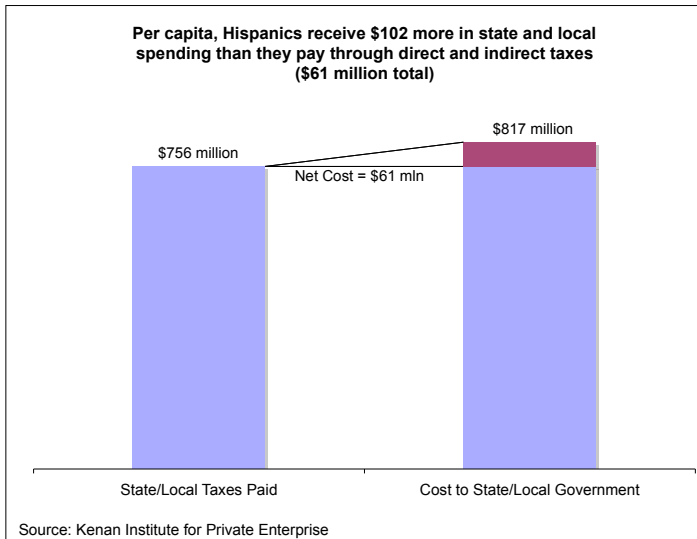


Figure 5: Illegal Immigrants' Burden on Federal Government

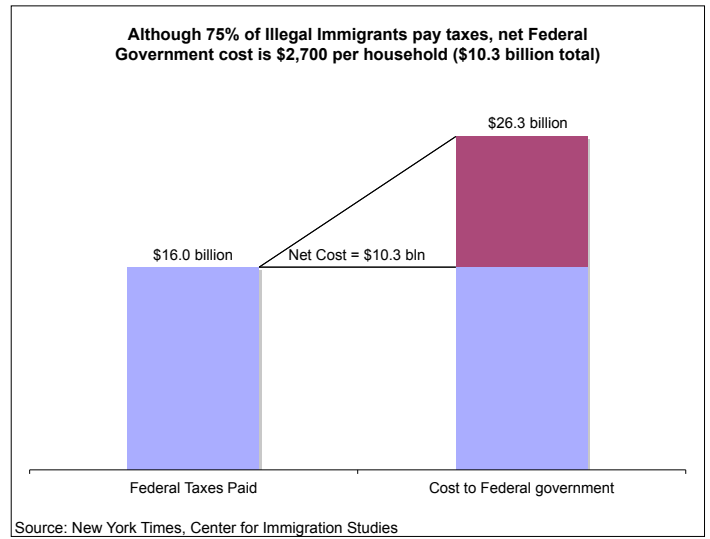


Figure 6: Medicaid Spending on Illegal Immigrants

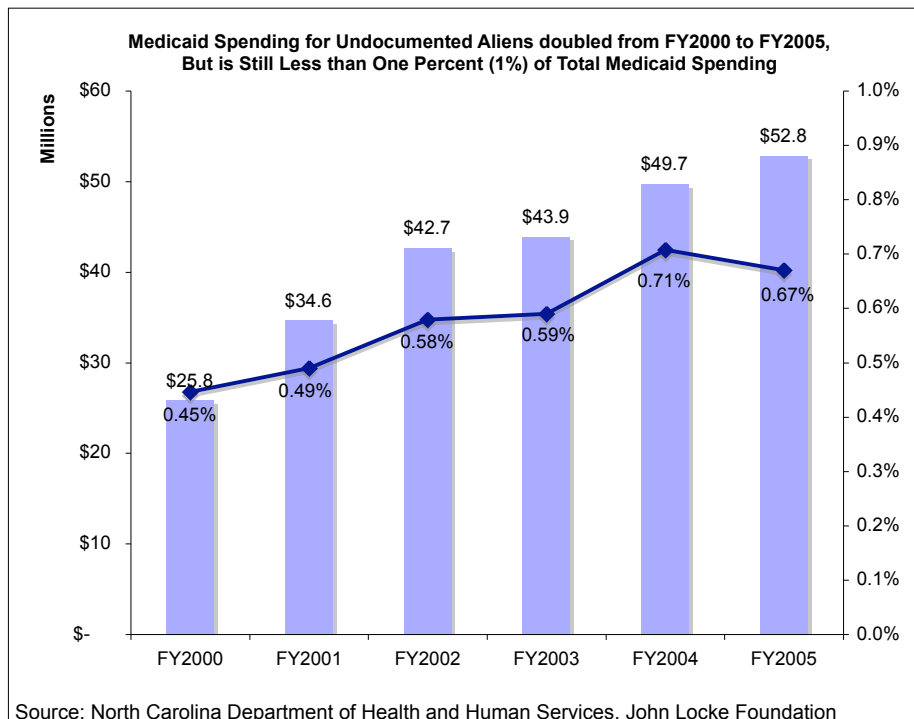


Figure 7: Four Estimates of the Number of Uninsured Hispanic Illegal Immigrants

	<u>Method One</u>	<u>Method Two</u>
Number of Hispanics in North Carolina:	517,617 (Census)	600,913 (Kenan)
Uninsured Hispanics in North Carolina:	181,166 (35% of Hispanics)	210,320 (35% of Hispanics)
Uninsured Hispanic Illegal Immigrants:	81,525 (45% of Hispanics)	94,644 (45% of Hispanics)
	<u>Method Three</u>	<u>Method Four</u>
Uninsured in North Carolina:	1,314,000 (Census)	
Illegal Immigrants in NC:		395,000 (Pew)
Uninsured Illegal Immigrants in NC:	433,620 (30% of Uninsured)	237,000 (60% of Illegal immigrants)
Uninsured Hispanic Illegal Immigrants:	346,896 (80% of Illegal Immigrants)	189,600 (80% of Illegal Immigrants)

Sources: Calculations by John Locke Foundation based on estimates from U.S. Census Bureau, Kenan Institute for Private Enterprise, Pew Hispanic Center, North Carolina Hospital Association, Center for Immigration Studies

Notes

- 1 U.S. Census Bureau, <http://www.census.gov/popest/states/asrh/>
- 2 John D. Kasarda and James H. Johnson, Jr., *The Economic Impact of the Hispanic Population on the State of North Carolina*, Fred Hawkins Kenan Institute of Private Enterprise, January 2006. http://www.kenan-flagler.unc.edu/ki/reports/2006_HispanicStudy/
- 3 *ibid.*
- 4 "North Carolina" *Raleigh News & Observer*, February 26, 2006. <http://www.newsobserver.com/1154/story/411709.html>
- 5 Brad Knickerbocker, "Illegal immigrants in the US: How many are there?" *Christian Science Monitor*, May 16, 2006. <http://www.csmonitor.com/2006/0516/p01s02-ussc.html>
- 6 Kasarda and Johnson
- 7 *ibid.*
- 8 Steven A. Camarota, *The High Cost of Cheap Labor: Illegal Immigration and the Federal Budget*, Center for Immigration Studies, August 2004. <http://www.cis.org/articles/2004/fiscal.html>
- 9 Eduardo Porter, "Illegal Immigrants Are Bolstering Social Security With Billions," *New York Times*, April 5, 2005. <http://instruct1.cit.cornell.edu/courses/econ336/illegalimmigrants.htm>