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Immigrants in the U.S. Labor Market

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FYE: Truth, Lies and Uncertainties

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Author's Note

Samantha Zontek is a freshman student at Eastern Washington University. This paper was presented at the 19th Annual EWU Research and Creative Works Symposium on May 18, 2016 in Cheney, WA and was submitted as an assignment for First Year Experience (FYE): Trues, Lies & Uncertainties (ITGS 120-03; Spring 2016)

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Abstract

This study focuses on the labor market and Mexican-Americans in the United States. I use peer reviewed sources to fully examine and determine the fairness of labor laws protecting this population. Additionally, the study provides an in depth analysis of unfair labor practices and a comparison of the types of jobs and location in the United States affecting the Mexican-American population in the labor market. My intended audience are those unaware of unfair labor practices who want labor wages to be fair for every working citizen in the U.S., and not be discriminated based on ethnicity/race. My research findings will inform my audience how to ensure fair labor practices for all regardless of race or ethnicity.

Key Terms: labor market, analysis, comparison, citizen, wages, fair labor practices

Immigrants in the U.S. Labor Market

Currently in the United States there are an estimated 11 million undocumented immigrants (Markon, 2015, p. 2). Many of these people have come from Mexico or other poor countries outside of the United States in search of work. A study done in 2014 by demographers at the Pew Research Center in Washington D.C. found the total number of illegal immigrants in the United States to be roughly around 11 million, dropping from 12.2 million between 1990 and 2007 (Krogstad J.M. & Passel J.S., 2015, November 19, p. 12). From 2010 to 2014, almost every state in the U.S. has seen undocumented immigrant numbers drop, the only two exceptions are the states of Virginia and Texas where the numbers rose (Picker, 2016, p. 3). The leading state with the highest number of undocumented immigrants is California, with an estimated 2.6 million (Ridder, 2015, p. 8). The Migration Policy Institute found a larger number of about 3 million undocumented immigrants in the state of California, and of the 3 million, an estimated 70% are from Mexico (Ridder, 2015, p. 6). According to the Pew Research Center, “Mexicans make up about half of all unauthorized immigrants (49%)... There were 5.6 million Mexican unauthorized immigrants living in the U.S. in 2014” (Krogstad J.M. & Passel J.S., 2015 November 19, p. 9). Pew Research Center also found that “unauthorized immigrants make up 5.1% of U.S. labor force. And in the U.S. labor force, there were 8.1 million unauthorized immigrants either working or looking for work in 2012 (Ridder, 2015, p. 15).

Americans’ have a reputation of thinking that immigrants come into the United States to take their (native-born) jobs. While most immigrants look for work in the states, the majority of the jobs they find are low paying, low skilled jobs where the wages they earn are (more often than not) less than what the native-born earn. In 1980 the U.S. Bureau of the Census created a report of a “Population Profile of the United States,” in which they thoroughly examined the

“Median Family Income in Current Dollars for Selected Years in the U.S.” where they found that the average white family’s income was \$20,502 while the families of Spanish origin was \$14,569 (Segura, 1984, p. 27). White supremacy is still being seen today, and it appears to be easier for a Caucasian person to get a high-skilled job over a person of Latino, or any other kind of origin. It’s commonly known that immigrants have a tendency to find jobs working in agriculture. The reason behind this is due to a “disproportionate number of immigrants that are low-skilled relative to native workers, and so tend to be poor substitutes for workers other than the low-skilled – that is, they do not do the same things at all” (Smith & Edmonston, 1997, p. 17). In other words, immigrants are thought of as “low-skilled” and acquire the less skillful jobs in the labor market.

According to the U.S. Census Bureau and Department of Labor data by the Pew Hispanic Center, in 2009 while the U.S. economy was slowly rising out of the most recent recession, native-born workers lost 1.2 million jobs while foreign-born workers gained 656,000 jobs (Kochhar, Espinoza, & Hinze-Pifer, 2010, p. 12). This resulted in a fall of 0.6 percentage points for immigrant workers’ unemployment rates while it led to a rise of 0.5 percentage points for native-born workers (Kochhar, Espinoza, & Hinze-Pifer, 2010, p. 14). Even with the new 656,000 jobs available for immigrants, it couldn’t make up for the 1.1 million jobs they lost over the span of the second quarters of 2008 and 2009. From the years 2008 to 2010, foreign-born workers lost 400,000 jobs while native-born workers lost nearly 5.7 million (DeSilver, 2006, p. 1). According to the Pew Research Center, “Latino immigrants experienced the largest drop in wages of all,” which occurred between 2009 and 2010 when their weekly salaries decreased by 4.5% in comparison to native-born workers’ whose salaries only decreased by 1% (Kochhar, Espinoza, & Hinze-Pifer, 2010, p. 15). One possible reason that Latino immigrants saw the

largest drop in wages could be due to their eagerness for work and accepting “lower wages and reduced hours” which is what the estimated 11 million undocumented immigrants have done (Markon, 2015, p. 2). According to a report by demographer, Jeffery Passel with the Pew Hispanic Center, an estimated 247,000 undocumented immigrants had been employed in 2005 as “miscellaneous agriculture workers,” including nearly “29% of all workers in that job category” (DeSilver, 2006, p. 1). As expressed by Drew DeSilver, in 1996 two agriculture economists from Iowa State University estimated that if all undocumented farmworkers were removed, earnings for seasonal farmworkers would be raised by nearly 30% within the first few years (para 10). The two agriculture economists also estimated that if undocumented immigrants were removed from apple harvests, the earnings for native-born workers would increase by 40%, adding “less than 3 cents to the retail price for every pound of apples” (para 10, DeSilver, 2006).

Immigrants working in the United States have a reputation for doing the jobs that nobody else wants to do. These are jobs such as; housekeepers, miscellaneous agriculture workers, janitors, truck drivers, home health aids’, construction workers, cooks, and grounds workers (Mekouar, 2015, p. 4). According to the Center for Immigration Studies, “the majority of jobs thought to be overwhelmingly worked by non-natives are in fact filled by native-born Americans” (Mekouar, 2015, p. 5). In the United States, native-born workers occupy over 50% of each individual job title such as; maids, housekeepers, taxi drivers, butchers, grounds maintenance workers, construction workers, bellhops and janitors (para 6, Mekouar, 2015). Interestingly enough, the Labor Department of the U.S. Census Bureau found that it’s more likely for a foreign-born worker than a native-born worker to occupy jobs such as; “food preparation, building and grounds maintenance, and computer and math-related jobs,” (Kurtzleben, 2013, p. 2). However, they also found that it’s more common for native-born

workers to work in “management, sales, and business and financial operations” (Kurtzleben 2013, p. 3). According to the Immigrant Learning Center, the industries of gambling, recreation and amusement consists of nearly 11% foreign-born workers (Russel, 2016, p. 1). Along with undocumented immigrants working in the agriculture sector, who make \$5,600 less than “authorized workers” in the same industry (Russel, 2016, p. 1). Foreign workers will do their best to make a living doing whatever job they can, even if it means they make less than their coworkers.

According to the Center for American Progress, immigrants make up nearly 13% of the overall U.S. population (Chiswick & Lofstrom, 2009, p. 1). Such a large, growing percentage of immigrants could heavily impact the U.S. economy. According to James P. Smith and Barry Edmonston, editors of the *Panel on the Demographic and Economic Impacts of Immigration*, potentially immigration could have “much larger effects on certain parts of the labor market – workers in geographic areas that receive large numbers of immigrants...” (Smith & Edmonston, 1996, p. 6). Smith and Edmonston resume to compare geographic areas with different levels of immigration, resulting in a “weak relationship” between native-born workers’ wages and the “number of immigrants in a city or state” (Smith & Edmonston, 1996, p. 7). According to the Bureau of Labor Statistics, in 2014 the average weekly income of “foreign-born, full-time wage and salary workers” was around \$664. At the same time, the Bureau of Labor Statistics found that nearly half (48.3%) of the “foreign-born labor force” was Hispanic. Comparing incomes of those native-born, as well as foreign-born show the clear differences in salaries. As previously stated, a full-time foreign-born worker makes \$664 weekly while a full-time native-born worker makes \$820 (BLS, 2015, p. 2). Similarly, an average weekly income of a foreign-born *man* was \$695 while a native-born *man* makes \$912 (BLS, 2015, p. 2). Likewise, a foreign-born *woman*’s

average weekly income was \$613 while a native-born *woman* makes \$734 (BLS, 2015, p. 3). According to the University of Illinois scholar, and Associate Professor of Economics, I. R. Akresh's economic and labor market adjustment findings in 2007 indicated an "inverse relationship between initial earnings and earning growth and showing some evidence of the expected interaction between skill transferability and skill level when predicting human capital investment decisions" (Akresh, 2007, p. 13). The "inverse relationship" is an example of how immigrants developed and grew as a population.

Immigrants in the United States deal with a lot of controversy and difficulty in order to build a new life in America. Taking what jobs are available and still earning low wages is strenuous. Lucas Benitez moved from Mexico to the United States when he was 17 years old. Immediately after moving to the U.S. (Florida, specifically), Benitez began working in a tomato field where he grew angry at the "mistreatment, lousy pay and backbreaking working conditions" (Dreier, 2013, p. 5). He later became the cofounder of the *Coalition of Immokalee Workers*, which is a worker-based human rights organization that took off in 1992. Benitez (now 37) helped "organize a strike of more than 3,000 Mexican, Central American and Haitian workers" (Dreier, 2013, p. 5). Throughout the years, the CIW organization has won numerous battles with giant Cooperation's. In 2005 the CIW had their first major victory against Taco Bell over wages and working conditions. Taco Bell soon agreed to improve wages and working conditions in response to a national consumer boycott. Since then, over 10 major retail food chains and supermarkets have signed "binding agreements with CIW that require growers to pass along an extra penny a pound to workers, raising average annual wages from \$10,000 to \$17,000" (Dreier, 2013 p. 5). Along with these victories, "through its Fair Food Program, CIW has persuaded major food corporations to agree to purchase tomatoes only from the 26 participating growers

(who account for 90% of tomato industry revenues) who have signed a code of conduct and agree to regular audits of its workplace practices, including pay, sexual harassment, and other labor issues. CIW conducts worker education sessions on the farms and on company time to insure that workers understand their new rights under the Fair Food Code of Conduct” (Dreier, 2013, p. 6). Benitez can be an example to everyone that by standing up for what you believe in, a difference really can be made. He changed the status quo for the better – and for equality.

All in all, immigrants that come to the U.S. looking for a better life find obstacles that make it hard for them to get very far. The labor market is rough and will knock everyone down at least once. With hard work and perseverance, they will find themselves living a better life and having a brighter future in America.

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