

## **The Labor Force Status of Short-Term Unauthorized Workers**

As the U.S. Senate concluded a two-week debate on immigration reform on April 7, 2006, attention focused on proposals that would divide the unauthorized population into two groups: Long-term illegal immigrants, generally defined as those who have been in the country for more than five years, would be eligible for benefits such as a legalization program. Short-term illegal immigrants would either have to leave the country permanently or would have to leave and then apply for temporary worker status.

To assess the potential impact of such proposals, the Pew Hispanic Center developed estimates of the number of long- and short-term unauthorized migrants employed in various industries and occupations and of their weekly earnings based on data from the March 2005 Current Population Survey (CPS).

The estimates show that there are a total of 7.2 million unauthorized workers in the U.S. and more than 2.5 million of them, or 35 percent, arrived between 2000 and 2005. Unauthorized workers as a whole make up nearly 5% of the U.S. labor force. Short-term unauthorized migrants account for just under 2%. The short-term unauthorized are concentrated in a few sectors of the economy. More than a million are employed in the construction and hospitality industries. Examining employment data by occupations produces a similar picture. More than half of all short-term unauthorized migrants are employed in two occupational categories: construction and services. The latter category encompasses a broad range of jobs generally involving services to individuals such as waiters, janitors, police officers and dental assistants.

The estimates reported here are based on a well-established methodology applied to data from the March 2005 CPS. The CPS, a monthly survey of about 50,000 households conducted jointly by the U.S. Bureau of Labor Statistics and the Census Bureau, is best known as the source for monthly unemployment statistics. Every March both the sample size and the questionnaire of the CPS are augmented to produce the Annual Social and Economic Supplement, which provides additional data on several additional subjects, including the foreign-born population.

The Center's analysis of the March 2005 CPS shows that there were an estimated 11.1 million unauthorized migrants\* in the United States a year ago. Based on analysis of

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\* The term "unauthorized migrant" is used in reference to these estimates because the statistical methodology involved in deriving the estimates requires the inclusion of some persons who have temporary permission to reside in the U.S. or whose immigration status is unresolved.

other data sources that offer indications of the pace of growth in the foreign-born population, the Center developed an estimate of 11.5 to 12 million for the unauthorized population as of March 2006. A full report on the estimates including a description of the methodology can be found at: <http://pewhispanic.org/reports/report.php?ReportID=61>

In the March 2005 estimate more than 40% of the unauthorized population, or 4.4 million, persons had been in the country since 2000. The Center previously reported on other characteristics of the short-term unauthorized population in a fact sheet which can be found at: <http://pewhispanic.org/files/factsheets/15.pdf>

This fact sheet provides additional analysis of the employment of short-term unauthorized migrants.

## **INDUSTRY**

The construction industry is the largest employer of short-term illegal workers with some 550,000 unauthorized migrants arriving between 2000 and 2005. Overall, more than 1.4 million unauthorized workers are employed in the construction industry, accounting for about 12% of the industry work force, the largest share of unauthorized workers in any major industry category. Short-term unauthorized workers account for somewhat less than 5% of the construction industry work force.

The leisure and hospitality industry is the second largest employer of short-term unauthorized workers, with some 500,000 unauthorized migrants arriving between 2000 and 2005. They account for somewhat more than 4% of the workforce in that industry category. Altogether more than 1.2 million unauthorized migrants are employed in the leisure and hospitality industry, making up 10% of the work force in that industry.

Construction and the leisure and hospitality industries combined account for the employment of about 40% of all short-term unauthorized workers.

Other major industries with large numbers of unauthorized workers who arrived between 2000 and 2005 include professional and business services, mainly building maintenance, cleaning and landscaping, (350,000), manufacturing (340,000), wholesale and retail (270,000), education and health services (125,000) and agriculture (110,000).

## **OCCUPATION**

Analyzing the March 2005 CPS data by occupation gives another view of the employment of short-term unauthorized migrants.

A third of all short-term unauthorized workers, over 850,000 persons, who arrived between 2000 and 2005 have jobs in the service sector. They account for nearly 4% of all workers in that category of occupations. Unauthorized workers as a whole make up 9% of all workers in service occupations.

Two sub-categories of service occupations— food preparation and serving related occupations and building and grounds cleaning and maintenance occupations—account for about 750,000 of the short-term unauthorized migrants in service occupations. In each of those sub-categories short-term unauthorized migrants account for about one of every ten workers employed in those occupations.

More than a fifth of all short-term unauthorized workers, or 550,000 persons, works in construction and extractive occupations. They make up nearly 6% of the U.S.

labor force in those occupations. Unauthorized workers as a whole make up 14% of all persons employed in construction and extractive occupations.

The farming, fishing and forestry occupation have the largest share of short-term unauthorized workers. Although they are relatively small in number, the 120,000 unauthorized migrants who arrived between 2000 and 2005 employed in those occupations make up 11% of the total.

### **UNEMPLOYMENT**

As of March 2005, the unemployment rate for unauthorized migrants who arrived between 2000 and 2005 was 5.8 percent, compared with 4.1 percent for those who arrived prior to 2000. There were, however, significant differences by gender and by occupation.

Male unauthorized workers who arrived between 2000 and 2005 had an unemployment rate of 5.4 percent compared with 3.7 percent for those who arrived prior to 2000. The differences were smaller among female unauthorized workers who, in general, have a higher unemployment rate than males. The overall unemployment rate for female unauthorized workers who arrived between 2000 and 2005 was similar to that of those who arrived prior to 2000 (6.2 percent compared with 6.4 percent).

In the construction and extraction occupations, males who arrived between 2000 and 2005 had an unemployment rate of 8.5% which was higher than the 6% unemployment rate among those who arrived prior to 2000. In service occupations both short-term and long-term unauthorized male workers had similar unemployment rates of about 4%.

### **WEEKLY EARNINGS**

Among all immigrants, regardless of their legal status, the more recently arrived on the whole tend to earn less than those who have been in the county for a longer time, and this holds true for unauthorized migrants. Among male workers, short-term unauthorized migrants earn about 20% less than those who have been in the U.S. for more than five years.

In March 2005, the average weekly earnings for unauthorized males who arrived between 2000 and 2005 was over \$480, while the average was about \$100 more for the unauthorized who arrived before 2000.

The median earnings for short-term unauthorized males migrants was \$350 compared with \$420 for the long-term unauthorized.

The differences were somewhat smaller among female unauthorized workers who generally had lower earnings than their male counterparts.

Earnings are higher among legal immigrants. Those with legal permanent residence (green card status) had average weekly earnings of \$700 while immigrants who have become U.S. citizens had average weekly earnings of \$930.