

Immigration Grows to Half of New York's Labor Force

By Tarry Hum

Anyone living in New York City today can observe daily that immigrant labor has become central to New York City's economy. The latest population data continue to document the depth and extent of the foreign-born presence. The large numbers of immigrants today lends to comparisons with the last great wave at the turn of the 20th century. In fact, 36% of the City's population is now foreign-born. Along with their high levels of labor force participation, immigrants are concentrated in low-skill, low-wage jobs – making up New York City's working poor. One central question is will immigrant work ultimately lead to economic mobility? In the past, unions were critical in promoting improved conditions and advancing career ladders for workers. Today, with the power of unions waning, will new immigrant institutions, such as worker centers, be effective advocates?

Immigrants are an integral and growing segment of New York City's labor force. In 1980, immigrants comprised just 16% of the City's labor force [defined as those who are employed or unemployed but are actively looking for work]. By 2000, immigrants make up nearly half -- 47% -- of the City's labor force [Table 1]

Immigrants dominate labor intensive service and manufacturing niches – in fact, these occupational niches are often ethnic and gender specific – for example, based on the 2000 census, among the top occupations for foreign-born Latinos are janitors and building cleaners, cashiers, sewing machine operators, and construction laborers. For foreign-born blacks, their top occupations are home health aides, security guards, retail salespersons, maids and housekeeping cleaners, and registered nurses. Among foreign-born Asians, their occupational niches are sewing machine operators, cashiers, cooks, waiters and waitresses [Table 2]

Table 1: Immigrants as a Share of New York City's Labor Force
1980-2000

	1980	1990	2000
Total Population	7,071,639	7,322,564	8,008,278
% Foreign Born	11%	28%	36%
% Immigrant Labor Force	16%	37%	47%

Source: 1980, 1990, 2000 Public Use Microdata Samples (5%), US Census Bureau

These jobs pay low wages with little or no benefits. According to the 2003 Wage Estimates of the U.S. Bureau of Labor Statistics, these jobs rarely pay more than, on average, \$20,000 in annual salary. For example, the mean annual salary for janitors is \$20,320, for sewing machine operators, it is \$18,960. For home health aides, the average salary in 2003 was \$19,180 [Table 4].

Among the key factors in the employment status of immigrant workers is their low human capital (i.e., education attainment and English language proficiency): 30% of immigrants in the labor force have not completed high school compared to 14% of native born workers; one in four immigrant workers do not speak English well or at all – however, limited English language proficiency is much higher for some groups, e.g., 49% of Chinese immigrant workers and 46% of Dominican immigrant workers don't speak English well or at all.

Another factor in their employment status is that immigrant workers have limited social networks. Many find jobs through co-ethnic contacts (who they know) and these networks account for immigrant concentrations in neighborhoods as well as the labor market. However, opportunities to switch jobs or leave the immigrant economy are limited as a result of limited networks.

This was recently documented by Hunter College Professor Margaret Chin in her study of immigrant Chinese women who were displaced by the decline of the New York City garment industry especially in the post 9/11 period. She found that they can't find jobs other than sewing machine operators because most of their friends and family members are in similar jobs.¹

Table 2: Top Occupations for NYC Immigrant Labor Force

<u>OCCUPATION, 2000</u>	Latino				
	Immigrants	% Total		Black	% Total
			Supervisors/Mgrs in Retail	6,521	3%
			Chefs and Head Cooks	5,597	2%
Janitors, Building Cleaners	17,860	6%	Taxi Drivers and Chauffeurs	5,317	2%
Cashiers	11,345	4%	Driver/Sales, Truck Drivers	4,941	2%
Sewing Machine Operators	11,299	4%	Share of Workers in Top 10	58,251	32%
Cooks	11,002	3%	occupatns.		
Driver/Sales, Truck Drivers	10,394	3%			
Maids, Housekeepers	10,105	3%			
Nursing, Psych, Home Health Aides	9,831	3%			
Retail Salespersons	8,525	3%	Nursing, Psych, Home Hlth Aides	30,135	14%
Construction Laborers	8,435	3%	Security Guards, Gaming	7,384	3%
Other Production Workers	8,203	3%	Retail Salespersons	6,932	3%
Share of Workers in Top 10	106,999	34%	Registered Nurses	6,692	3%
Occupatns.			Maids and Housekeepers	6,568	3%
			Secretaries, Admin Assistants	5,563	3%
			Child Care Workers	5,185	2%
			Janitors and Building Cleaners	5,038	2%
Sewing Machine Operators	16,266	6%	Driver/Sales, Truck Drivers	4,945	2%
Cashiers	10,437	4%	Cashiers	4,765	2%
Cooks	8,773	3%	Share of Workers in Top 10	83,207	38%
Waiters and Waitresses	8,443	3%	Occupatns.		
Retail Salespersons	7,288	3%	<i>Source: 2000 Public Use Microdata Samples (5%),</i>		
Accountants and Auditors	7,044	3%	US Census Bureau		

High-Skill immigrants

Since the 1965 Hart-Cellar Immigration Act that eliminated restrictive quotas, US immigration policies are based on family reunification and skill preferences. An example of this skill-based immigrant flow is Filipino women who immigrated to fill a shortage in registered nurses -- according to the 2000 census; 21% of Filipino women in New York City's labor force are registered nurses.

Many high-skill immigrants opt for small business ownership. Despite perceptions of extraordinarily high levels of immigrant entrepreneurship, self-employment rates vary among different immigrant groups. For example, in 2000, the self-employment rate among all New Yorkers was 9% -- for foreign-born blacks, it was notably lower at only 6% while for Asians, it was higher especially for Korean immigrants where nearly one in four (21%) is self-employed [Table 3].

Queens College Professor Pyong Gap Min's research has shown how small business ownership provides a means for well-educated Korean immigrants who are limited by their lack of English language ability to reproduce their middle class status.²

The immigrant self-employed are also concentrated in specific industries. For example, a little more than half of the Korean self-employed are in one of six industries -- dry cleaning and laundry, grocery stores, nail salons, construction, taxi and limousine service, and restaurants. Self-employed Asian Indian immigrants are similarly concentrated in a handful of industries.

Part of the post 9/11 assessment of New York City's economy found that immigrant small businesses are an important economic sector and should be supported by urban policy and programs. A recent study, *Engine Failure*, and related public forum

sponsored by the Center for an Urban Future makes this point about immigrant small businesses – but there is also a need to consider the labor strategies that frequently make these businesses viable through self-exploitation (long hours, unpaid family workers) and/or access to cheap labor (of co-ethnic immigrants or other immigrant groups).³

	<u>Mean Annual Salary</u>
Cooks	\$20,020
Waiters/Waitresses	\$15,780
Janitors	\$20,320
Maids/Housekeepers	\$17,520
Sewing Machine Operators	\$18,960
Security Guards	\$21,520
Home Health Aides	\$19,180
Cashiers	\$16,940
Retail Salespersons	\$22,260

Source: U.S. Bureau of Labor Statistics

The Undocumented

Since many immigrant workers are undocumented and work in the informal economy, it's difficult to quantify their participation in the labor force. According to a recent Urban Institute study, there are 9.3 million undocumented immigrants in the United States with 8% - approximately 744,000 – in New York.⁴ Recently, UCLA Professor Abel Valenzuela and New School University Professor Edwin Melendez completed a study of day laborers in the New York metropolitan area and they document wages, type of work, work conditions, and the kinds of risks undertaken by day laborers.⁵ This study is now a nationwide research endeavor. Workplace tragedies that involve immigrant workers are too common. In the past five years, 14 undocumented immigrants in New York City – many in the construction industry – were fatally injured at a worksite. Last summer in Flushing, Queens, an undocumented Chinese laborer was crushed to death by a wall that collapsed; his identity was unknown for a few days.⁶ As a result of such recent tragedies, there is now increasing attention to the growing numbers of Asian day laborers.

An example of this research is CUNY professors Peter Kwong and Ken Guest's work on the undocumented Fukiense population in Manhattan Chinatown and Brooklyn's Sunset Park.⁷ They show that the informal labor market is regulated, in part, by employment agencies that disburse immigrant workers throughout the country. The extensive network of employment agencies that provide cheap labor to immigrant businesses such as restaurants, greengrocers, and dry cleaners was recently uncovered in an investigation conducted by the New York State Attorney General Eliot Spitzer.⁸ In his effort to penalize businesses that pay their employees less than the New York State minimum wage of \$5.15, he uncovered numerous employment agencies that recruit immigrant workers through advertisements in ethnic newspapers or by word of mouth. Of the nine employment agencies that the NY State Attorney General took action against, all except for one was located in an immigrant neighborhood in Queens including Elmhurst, Jackson Heights, Woodside, and Astoria.

Unions and Community-Labor Organizing

This brief profile of immigrant workers makes one wonder about the prospects for immigrant workers in a post-industrial and global economy where they often compete with their compatriots in their home country. Building worker institutions – namely unions -- were important to promoting the economic well-being and upward mobility for workers in the past. So I will conclude my comments by briefly turning to the question of the future and discuss immigrant worker centers.

Today, a number of labor unions like UNITE-HERE and the Service Employees International Union increasingly mount campaigns to mobilize low-wage immigrant workers. But the historic exclusion of immigrant workers from mainstream labor unions resulted in the formation of community-based organizations or worker centers that are engaged in the struggle for workplace justice and immigrant workers rights.

Economist Janice Fine's research documents 118 workers centers nationwide. The largest numbers are in California and New York. In New York City, these groups include CAAAV, DRUM, NYC Taxi Alliance, Workers Awaaz, the Chinese Staff and Workers Association (CSWA), SAHKI, National Mobilization Against Sweat Shops (NMASS), and Restaurant Opportunities Center of New York (ROC-NY). Worker centers organize low wage workers in immigrant-dominated sectors such as taxi drivers, restaurant and garment industries, and private household domestic work.

Worker centers link community-based organizing with broader issues such as civil rights, immigrant rights, and community development. For example, CAAAV works on issues of land use and Chinatown gentrification. Some centers combine service delivery such as English as a Second Language classes, job placement, and advocacy. For example, CSWA staged several protests during a six month period at a New York University construction site in 1998 to demand fair hiring practices for Chinese construction workers.⁹

Among recent notable worker center accomplishments are:

- working with civil rights organizations with legal expertise like the Asian American and Puerto Rican Legal Defense and Education Funds to secure back wages for workers;
- proposing and advocating for legislation such as the "Dignity for Domestic Workers" resolution that was passed by the New York City Council last May 2003 that promotes a standard contract for all domestic work including basic workers rights to sick days and vacation, and protection from discrimination and unjust firings; and
- conducting industry studies such as ROC-NY's recent survey of workers in the city's restaurant industry that documents the prevalence of immigrant workers in low-wage jobs that lack health insurance benefits.¹⁰

These worker centers are essential in reestablishing a floor on employment standards for immigrant workers by securing wages that were withheld by employers, and enforcing existing labor laws such as minimum wage, overtime pay, and a forty hour work week. Their fight for immigrant worker rights is not about achieving significant labor improvements for immigrants alone, but about ensuring that existing labor laws genuinely protect *all* workers, immigrant and nonimmigrant. While worker centers do not have the capacity to negotiate collective-bargaining agreements or protect workers from arbitrary firings as unions do, they frequently provide the sole recourse for workers laboring under exploitative conditions. Worker centers represent a new generation of grassroots institutions that are community-based and cultivates immigrant leadership to organize for social and economic justice in the workplace and community-at-large.

Immigration is once again renewing the economic landscape of New York City. Clearly, immigrant economies provide an alternative strategy to underemployment and unemployment for both risk-taking immigrant small business owners and their low-wage labor force. But to fully realize the potential for revitalizing local neighborhoods and contribute to regional economic growth, a first step is to appreciate both the opportunities and challenges that define New York's immigrant economic sector.

Table 4: Self-Employed New York City Residents, by Nativity and Ethnic Groups, 2000

	<u>All New Yorkers</u>	<u>FB New Yorkers</u>	<u>FB Chinese</u>	<u>FB Koreans</u>	<u>FB Asian Indian</u>
Total Labor Force	"4,439,597"	"1,936,426"	"191,666"	"50,324"	"87,227"
Self-Employment Rate	9%	10%	9%	21%	11%
Female	38%	36%	37%	38%	16%
Average Age	45 years	44 years	45 years	46 years	42 years
Educational Attainment					
Did not complete HS	21%	32%	42%	15%	28%
HS graduate	19%	23%	18%	26%	25%
Some College	20%	19%	12%	21%	12%
College and more	40%	25%	27%	39%	36%
Does not speak English	13%	26%	49%	52%	7%
Top Six Industries					
	Construction	Construction	Restaurants	Dry clean/Laundry	Taxis & limos
	Independ. artists	Taxis & limos	Construction	Grocery stores	Construction
	Taxis & limos	Child day care	Dry clean/Laundry	Nail salons	Restaurants
	Child day care	Priv. households	Apparel	Construction	Grocery stores
	Restaurants	Restaurants	Taxis & limos	Taxis & limos	Child day care
	Legal services	Grocery stores	NS Retail trade	Restaurants	NS Whlse trade
<u>% Top Industries</u>	33%	41%	40%	52%	54%

"Source: 2000 Public Use Microdata Samples (5%), US Census Bureau"

NOTES

¹ Chin, Margaret M. 2003. "Moving On: Chinese Garment Workers after September 11," A Report for the Russell Sage Foundation Social Effects Working Group. Unpublished Report.

² Min, Pyong Gap. 1996. *Caught in the Middle: Korean Communities in New York and Los Angeles*. Berkeley and Los Angeles, CA: University of California Press.

³ Bowles, Jonathan and Joel Kotkin. 2003. *Engine Failure*. The Center for an Urban Future, available online at: <http://www.nycfuture.org/content/reports>.

⁴ Passel, Jeffrey S., Randolph Capps, Michael E. Fix. 2004. "Undocumented Immigrants: Facts and Figures," Urban Institute, available online at: <http://www.urban.org/url.cfm?ID=1000587>.

⁵ Valenzuela, Abel Jr. and Edwin Melendez. 2003. "Day Labor in New York: Findings from the NYDL Survey," UCLA Center for the Study of Urban Poverty, available online at: <http://www.sscnet.ucla.edu/issr/csup/pubs/papers/index.php>.

⁶ Virasami, Bryan and Graham Rayman. 2004a. "Advocates decry workers' deaths," *Newsday*, June 14.

Virasami, Bryan and Graham Rayman. 2004b. "The Latest Death of a Day Laborer Prompts Calls for Better Control of Industries that Rely Heavily on Immigrants," *Newsday*, June 15.

⁷ Guest, Kenneth. 2003. *God in Chinatown: Religion and Survival in New York's Evolving Immigrant Community*. New York University Press.

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⁸ Greenhouse, Steven. 2004. "Agencies Sued Over Low-Paying Jobs," *New York Times*, June 16, pg. 4.

⁹ Lazaroff, Leon. 1998. "Minorities Hammer Construction Unions," *The Christian Science Monitor*, March 9, pg. 3.

¹⁰ Greenhouse, Steven. 2005. "In \$8 Billion Restaurant Industry, a Study Finds Mostly 'Bad Jobs'," *New York Times*, January 25, pg. B7.

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