

The Price of Luxury

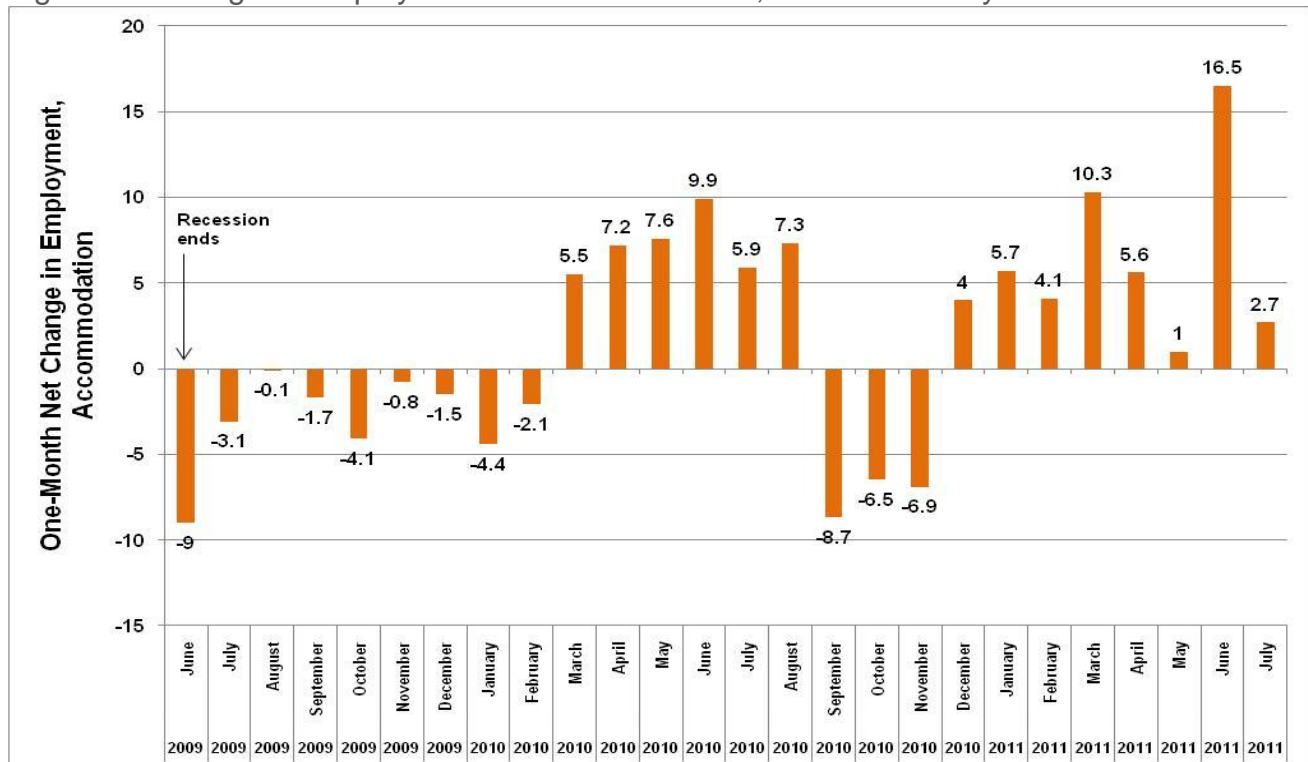
Latinos in the Hotel and Accommodation Sector

Employment Trends in Accommodation

The [latest report](#) from the Department of Labor showed that employment in the U.S. grew by 117,000 in July, an improvement over the stagnation in job growth in recent months. The pace of job growth is still far below the 350,000 jobs the country needs to add each month to return the unemployment rate to its prerecession level of 5% by December 2014. That date will mark seven years since the start of the recession in December 2007.¹

One subsector that has posted mainly positive employment growth over the past six months is [accommodation](#). Accommodation includes hotels and lodging establishments as well as recreational parks and camps. As [Figure 1](#) shows, after posting an increase of 16,500 jobs in June, accommodation added just 2,700 employees in July, below its three-month average change of 7,700.²

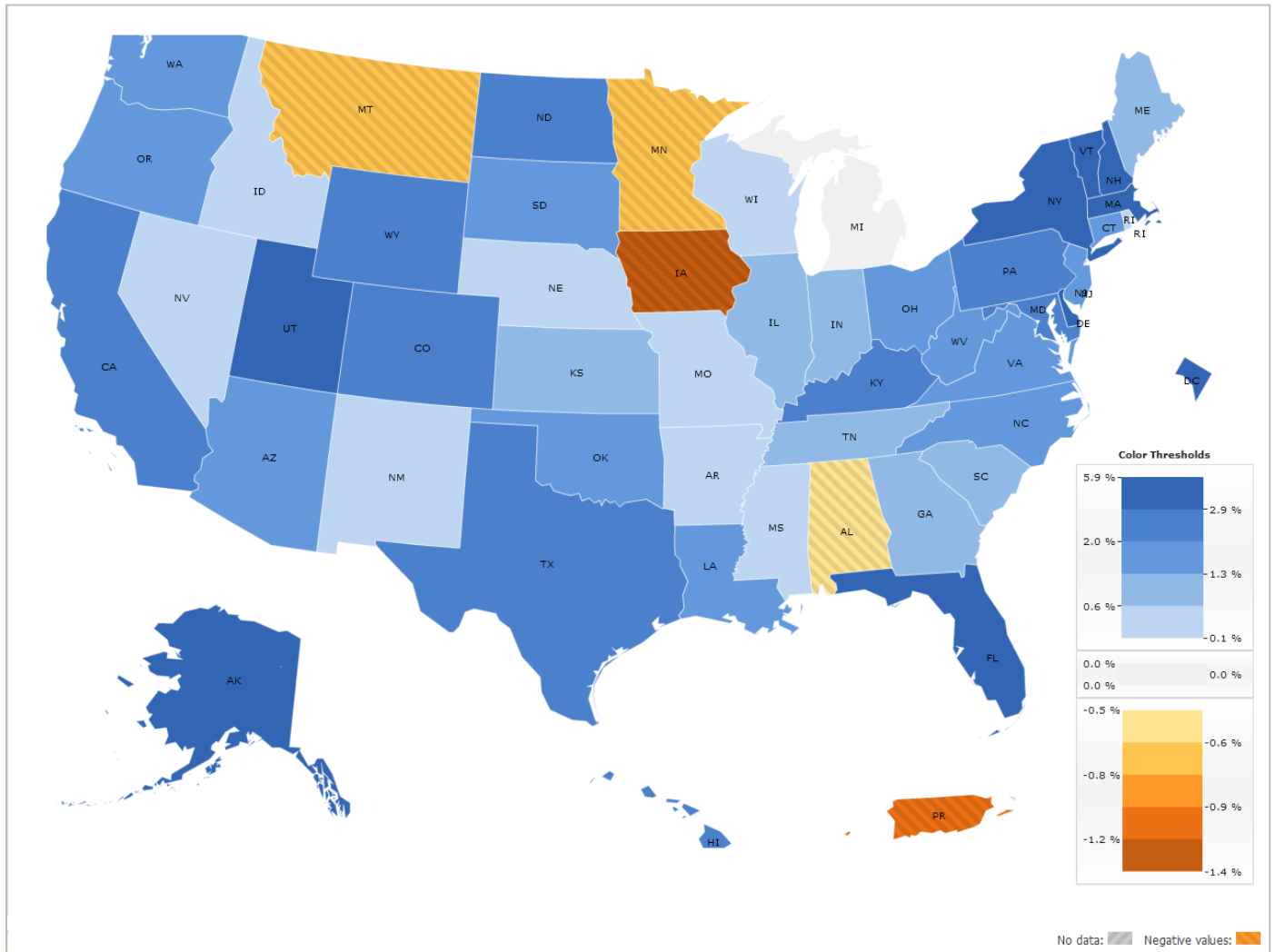
Figure 1. Change in Employment in Accommodation, June 2009–July 2011



Source: NCLR calculation using *Current Employment Statistics*, "Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail," <http://www.bls.gov/webapps/legacy/cesstab1.htm> (accessed August 2011). Total employment excludes farm employment. June and July data are preliminary.

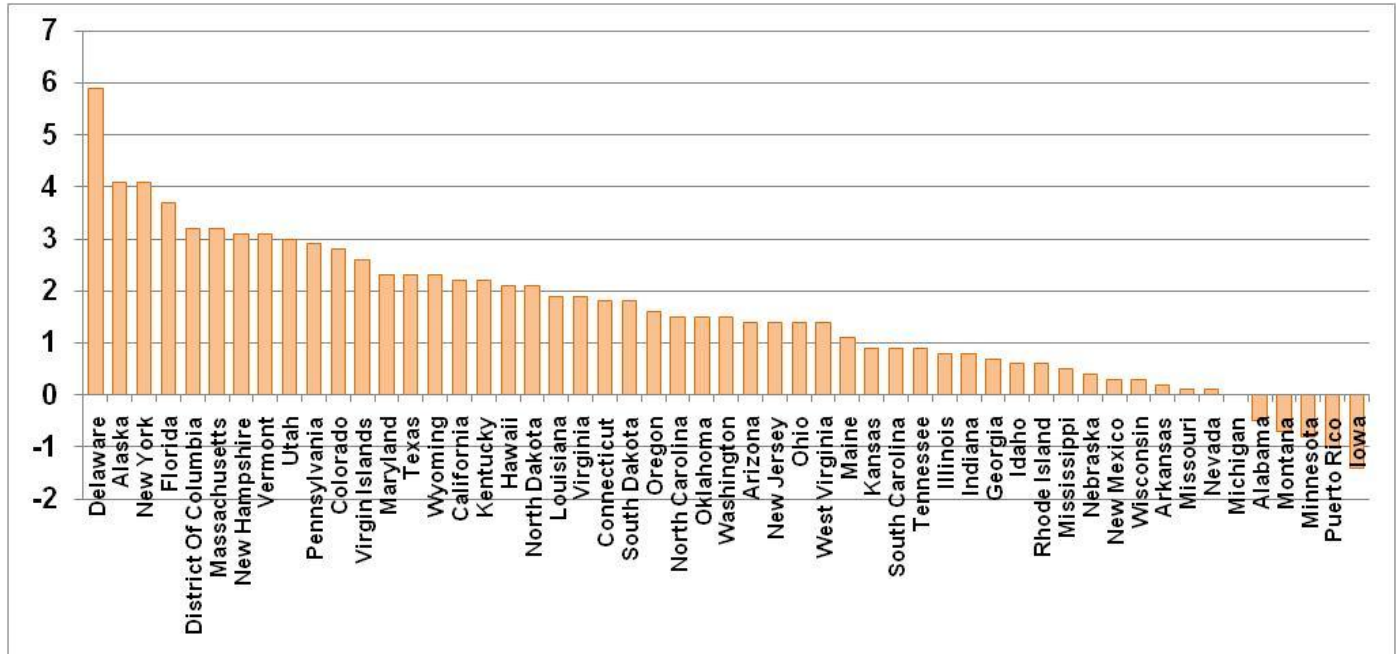
[Figure 2](#) illustrates state employment growth rates in leisure and hospitality, the sector that includes accommodation. Most states have experienced positive growth in employment in this sector since the end of the recession. Leading the growth in the leisure and hospitality sector over the past year are Delaware, Alaska, New York, Florida, and the District of Columbia, as seen in [Figure 3](#).

Figure 2. Employment in Leisure and Hospitality, 12-Month Percent Change, December 2009–December 2010



Source: U.S. Bureau of Labor Statistics, "QCEW State and County Map," *Quarterly Census of Employment and Wages*, http://beta.bls.gov/maps/cew/US?period=2010-Q4&industry=1026&pos_color=blue&neg_color=orange&Update=Update&chartData=3&ownerType=5&distribution=Quantiles#tab1 (accessed August 2011). Data is for private establishments.

Figure 3. Employment in Leisure and Hospitality, 12-Month Percent Change, by State, December 2009–December 2010



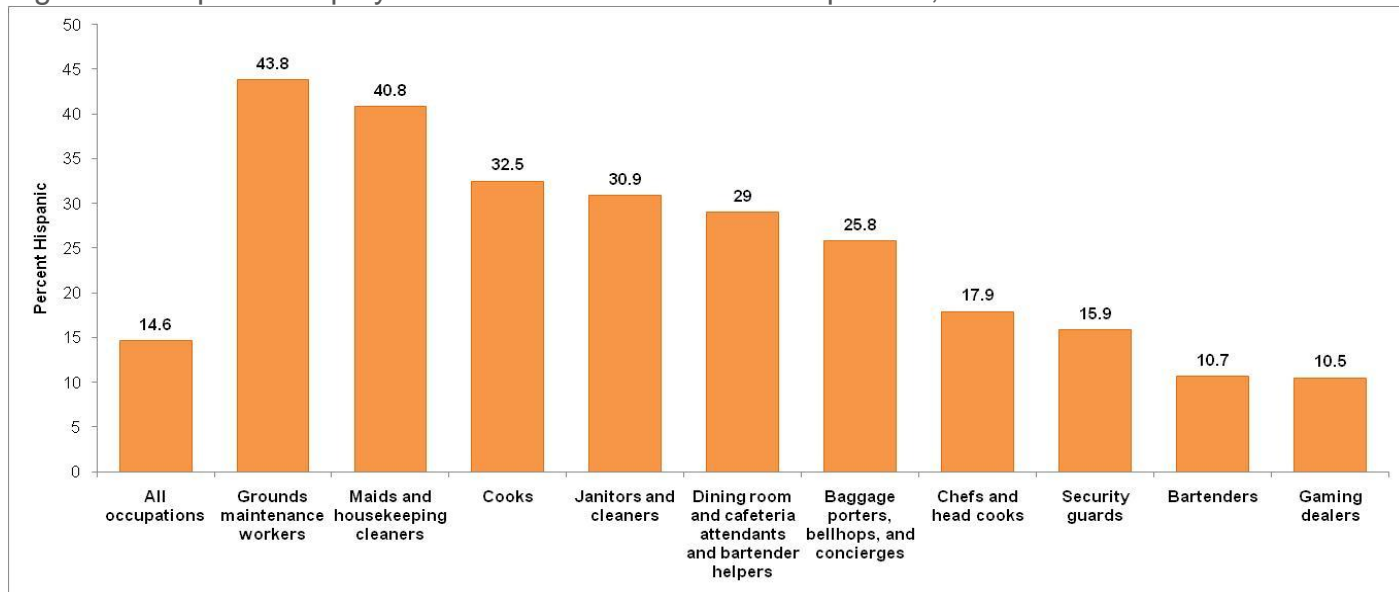
Source: U.S. Bureau of Labor Statistics, "QCEW State and County Map," *Quarterly Census of Employment and Wages*, http://beta.bls.gov/maps/cew/US?period=2010-Q4&industry=1026&pos_color=blue&neg_color=orange&Update=Update&chartData=3&ownerType=5&distribution=Quantiles#tab1 (accessed August 2011). Data is for private establishments.

Latino Contributions to the Hotel and Accommodation Industry

Compared to their share of workers in all industries, Latinos represent a significantly larger share of workers in the hotel and accommodation industry. Nearly one in five employees (22.2%) in the accommodation industry is Latino, versus 14.6% of the total employed workforce. Approximately 561,000 Latinos—about 2.5% of the total Latino labor force—worked in accommodation in 2010. The majority of Hispanic workers in this industry (53%) are women, which is significantly higher than the share of women in the overall Hispanic workforce, 41%.³

Latinos make important contributions to many of the top occupations in the accommodation industry. In terms of major occupation group, service occupations compose 64.5% of all jobs in the industry.⁴ As [Figure 4](#) shows, Latinos are overrepresented in nearly all of the major service jobs in the accommodation industry.

Figure 4. Hispanic Employment in Selected Service Occupations, 2010



Source: U.S. Bureau of Labor Statistics, *Current Population Survey, 2010 Annual Averages*, <ftp://ftp.bls.gov/pub/special.requests/lf/aat11.txt> (accessed August 2011). Percentages are for all industries.

Job Quality Extremely Poor in Some Accommodation Occupations

Given the high unemployment in the Latino community, job growth in industries like accommodation should be a welcome trend. However, several major problems plague the accommodation industry and raise questions about the quality of the jobs in this growth area. First, the share of low-wage workers who are employed in accommodation (2.6%) was nearly twice that industry's share of workers in the economy as a whole (1.4%).⁵ [Table 1](#) shows that several of the Latino-dominant occupations in accommodation pay wages at or below the poverty-level wage for a family of four in 2011, which is \$22,350.⁶

Table 1. Wages in Selected Service Occupations in Accommodation, 2010

Occupations	Mean Hourly Wage	Median Annual Wage
All occupations in accommodation	\$10.79	\$22,440
Grounds maintenance workers	\$10.98	\$22,840
Maids and housekeeping cleaners	\$9.94	\$20,670
Cooks	\$11.62	\$24,170
Janitors and cleaners	\$10.97	\$22,820
Dining room and cafeteria attendants and bartender helpers	\$9.22	\$19,180
Baggage porters, bellhops, and concierges	\$10.60	\$22,050
Chefs and head cooks	\$20.91	\$43,480
Security guards	\$12.72	\$26,450
Bartenders	\$10.35	\$21,520
Gaming dealers	\$8.56	\$17,800

Source: U.S. Bureau of Labor Statistics, *Occupational Employment Statistics*, May 2010, <http://stat.bls.gov/oes/home.htm> (accessed August 2011).

A second major indicator of poor job quality in accommodation is the high rates of injuries among hotel housekeepers. Approximately 417,250 individuals worked as maids and housekeepers in hotels and other lodging establishments in 2010. As [Figure 4](#) shows, Latinos are overrepresented as housekeepers and room cleaners. According to research, including a [groundbreaking study](#) by the American Journal of Industrial Medicine, Hispanic women housekeepers have the highest rate of job-related injuries. The injury rate for Latina housekeepers was 10.6, nearly twice that of White housekeepers. Most of these injuries were related to the rising standards of luxury in hotels, which require workers to lift heavier mattresses, make beds with duvets and multiple layers of sheets, and clean large mirrors. Many hotels have not accounted for the extra time it takes workers to meet these higher standards. Consequently, some hotels require workers to clean the same amount of rooms—or more—creating intense time pressure that leads to pain and injuries.⁷

Policies to Improve the Quality of Jobs in the Hotel and Accommodations Industry

In an effort to shed light on the vulnerability of workers in the low-wage labor market, NCLR published a collection of stories told by Latino workers called [We Needed the Work: Latino Worker Voices in the New Economy](#). Together, these accounts are a call to action for policymakers to address the widespread exploitation of workers in low-wage industries and build a more sustainable economic recovery. Two important policy recommendations to improve job quality for Latinos and other workers in the accommodation industry are:

- **Ensure that government agencies have the resources necessary to enforce labor laws.** In today's economy, competition for jobs is stiff, businesses are seeking new ways to reduce costs, and many workers—including undocumented immigrants—are afraid to lose their jobs if they stand up for their rights at work. Thus, the role of government to enforce labor laws is more important than ever. The Occupational Safety and Health Administration (OSHA) and the Wage and Hour Division (WHD), both housed within the U.S. Department of Labor, have a mandate to ensure that employers pay the wages

they owe and comply with health and safety regulations. Adequate federal budget resources are necessary to sustain an enforcement system that holds unscrupulous employers accountable for breaking the law.

Given budget constraints, these agencies have adapted to become more nimble, partnering with businesses, unions, and community organizations in order to broaden their reach. OSHA and WHD are currently operating at staffing levels equivalent to those in 2001. Additional staff capacity and resources are essential as the economy endures a rocky recovery. Congress should enact President Obama's budget recommendation of \$583,386,000 for federal OSHA, including strong support for state OSHA plans, and \$240,937,000 for WHD enforcement for the 2012 fiscal year.⁸

- **Protect workers' freedom to organize unions.** In addition to bargaining collectively for better wages and working conditions, labor unions also reinforce the role of federal agencies like OSHA to ensure that employers are complying with health and safety laws. Unions inform workers of their rights, actively encourage workers to point out possible violations of the law, and participate in OSHA worksite inspections. At a recent Congressional briefing hosted by NCLR, Margarita Ramos, a hotel housekeeper from the Hyatt Century Plaza Hotel in Los Angeles, spoke about the effective cooperation between OSHA and the union she belongs to, UNITE HERE. In Margarita's words, "OSHA offers us solutions that mean the difference between healthy bodies and injured housekeepers."

To read more about Margarita, hotel housekeepers, and the case for strong workplace protections, visit NCLR's blog: http://www.nclr.org/index.php/about_us/news/blog.

Endnotes

¹ Heidi Shierholz, Labor market in full retreat, (Washington, DC: Economic Policy Institute, 2011), http://www.epi.org/publications/entry/labor_market_in_full_retreat/ (accessed August 2011).

² U.S. Bureau of Labor Statistics, *Current Establishment Survey*, "Table 2. Detailed industry employment ranked by change between June and July 2011, and prior 3-month average change, in thousands, seasonally adjusted," <ftp://ftp.bls.gov/pub/suppl/empsit.tab2.txt> (accessed August 2011).

³ NCLR calculation using U.S. Bureau of Labor Statistics, *Current Population Survey*, 2010 March Supplement.

⁴ U.S. Bureau of Labor Statistics, *National Employment Matrix, 2008-18*, <http://www.bls.gov/oco/cg/cgs036.htm> (accessed August 2011).

⁵ Catherine Singley, *Growth in Low-Wage Industries Continues: Latinos Are Especially Vulnerable to Exploitation*, (Washington, DC: National Council of La Raza, 2011), http://www.nclr.org/index.php/publications/growth_in_low-wage_industries_continues_latinos_are_especially_vulnerable_to_exploitation/ (accessed August 2011).

⁶ U.S. Department of Health and Human Services, 2011 HHS Poverty Guidelines, <http://aspe.hhs.gov/poverty/11poverty.shtml> (accessed August 2011).

⁷ Susan Buchanan et al., "Occupational injury disparities in the US hotel industry," *American Journal of Industrial Medicine* 53 no. 2 (February 2010): 116–125.

⁸ Office of Management and Budget, *The Budget for Fiscal Year 2012*, <http://www.whitehouse.gov/omb/budget> (accessed August 2011).