

Growth in Low-Wage Industries Continues

Latinos Are Especially Vulnerable to Exploitation

Over-the-Month Employment Trends

The unemployment rate for the U.S. workforce inched up to 9% in April, according to the latest data from the U.S. Bureau of Labor Statistics.¹ The unemployment rate for Latinos also increased slightly to 11.8% in April, compared to 11.3% in March. Still, overall employment increased by 244,000 jobs, a much-needed gain in the midst of the 11 million jobs that are needed to bring unemployment down to 5%, its pre-recession level.²

Buried in this month's employment news is a trend that deserves closer scrutiny. As [Table 1](#) shows, several growing industries employ a larger share of low-wage workers compared to their share of employees in the economy as a whole. For instance, retail, which added 57,100 jobs last month, employs 11.3% of the total workforce but about 20.3% of the low-wage workforce. [Table 1](#) also shows the acute impact of this trend on Latino workers, who are more likely than other Americans to work in low-wage jobs. For instance, Latinos represent 22.9% of accommodation (hotel and motel) workers but only 14.3% of workers in all industries. Accommodation is a sub-industry of leisure and hospitality, which added 46,000 jobs last month. The proportion of low-wage workers in accommodation (2.6%) was nearly twice that industry's share of workers in the economy as a whole (1.4%).

Latino Worker Voices in the New Economy

Why focus on the growth of low-wage industries? Given the high unemployment in the Latino community, job growth in Latino-dominant industries is a welcome trend. However, several major problems plague workers in today's low-wage labor market:

- Families who rely on poverty-level wages are more financially insecure during spells of unemployment. In a recent [Washington Post-Kaiser Family Foundation-Harvard University poll](#), Latinos were more likely to express anxiety about their job security; 33% of Latinos, compared to 22% of Blacks and 20% of Whites, reported feeling insecure about their jobs.
- Low-wage workers are more likely to be uninsured and to be [injured or killed](#) on the job.³
- Complex employment arrangements, such as subcontracting, franchising, and self-employment, are becoming more common in low-wage industries. These new ways of organizing work often obscure the distinction of employee and employer, making it difficult to hold employers accountable for complying with wage and hour laws and for ensuring a safe and healthy workplace.⁴

In an effort to shed light on the vulnerability of workers in the low-wage labor market, NCLR is publishing 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.

For more information, please visit www.nclr.org/workervoices.

Table 1. Employment in Selected Industries, March–April 2011

Sector	Employment				Workforce distribution
	Total employed, April 2011 (in thousands) [†]	Latino share of total employed [†]	Change in total employment from March 2011 to April 2011 (in thousands) [‡]	Sector's share of total employment [§]	Share of all low-wage workers ^{**}
Construction	5,524	24.4%	5	4.2%	4.7%
Manufacturing	11,706	15.5%	29	8.9%	11.4%
Retail	14,532	13.6%	57.1	11.1%	20.3%
Professional and business services	17,128	14.5%	33	13.1%	9.2%
Health care	14,035	10.9%	37.3	10.7%	9.9%
Food services and drinking places	9,512	22.0%	26.8	7.3%	12.5%
Accommodation (hotels and motels)	1,788	22.9%	3.8	1.4%	2.6%
Total^{††}	131,028	14.3%	244	100%	100%

* U.S. Bureau of Labor Statistics, "The Employment Situation – March 2011," news release, May 6, 2011, <http://www.bls.gov/news.release/emp/sit.toc.htm> (accessed May 6, 2011), Table B-1.

† U.S. Bureau of Labor Statistics, *Current Population Survey, 2010 Annual Averages*, <ftp://ftp.bls.gov/pub/special.requests/lfi/aa18.txt> (accessed March 30, 2011), Table 18.

‡ U.S. Bureau of Labor Statistics, "The Employment Situation – March 2011," Table B-1.

§ NCLR calculation using U.S. Bureau of Labor Statistics, "The Employment Situation – March 2011," Table B-1.

** Paul Osterman, "Improving the Quality of Low-Wage Work: The Current American Experience," *International Labour Review* 147 (2008): 115–134.

†† Totals include industries not listed in this table.

Endnotes

¹ U.S. Bureau of Labor Statistics, “The Employment Situation—April 2011,” news release, April 1, 2011, <http://www.bls.gov/news.release/empsit.nr0.htm> (accessed May 6, 2011).

² Economic Policy Institute, “Recession has left in its wake a jobs shortfall of over 11 million,” *The State of Working America* (Washington, DC: Economic Policy Institute, 2011), <http://www.stateofworkingamerica.org/charts/view/7> (accessed May 6, 2011).

³ Catherine Singley, *Fractures in the Foundation: The Latino Worker’s Experience in an Era of Declining Job Quality* (Washington, DC: National Council of La Raza, 2009), www.nclr.org/fractures (accessed April 28, 2011).

⁴ David Weil et al., *Improving Workplace Conditions through Strategic Enforcement: A Report to the Wage and Hour Division* (Boston: Boston University, 2010), <http://www.dol.gov/whd/resources/strategicEnforcement.pdf> (accessed April 28, 2011).