



Hispanic Employment in Construction

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The recent economic downturn affected the entire U.S. construction industry. To better understand how Hispanic construction workers have been impacted by the crisis, the CPWR Data Center analyzed current employment data on construction workers. This CPWR Data Brief, the first of its kind, reports the findings concerning this special population group.

This data brief also updates and expands on the employment information on Hispanic construction workers found in CPWR's *The Construction Chart Book*. Topics such as fluency in speaking English and current union membership are covered in this data brief.

CPWR has been analyzing large national datasets since the organization's inception in 1990. Since then, the CPWR Data Center has studied economic and safety and health issues affecting racial and ethnic groups of construction workers. Particular interest has been paid to Hispanic workers after the National Institute for Occupational Safety and Health (NIOSH) identified Hispanic construction workers as a high-risk or "vulnerable" population group that is rapidly expanding. In the last 10 years, the proportion of workers who identified themselves as Hispanic doubled among all U.S. industries, but more than tripled in construction.

This data brief on Hispanic employment in the construction industry provides insight into this unique and vulnerable population group.



KEY FINDINGS

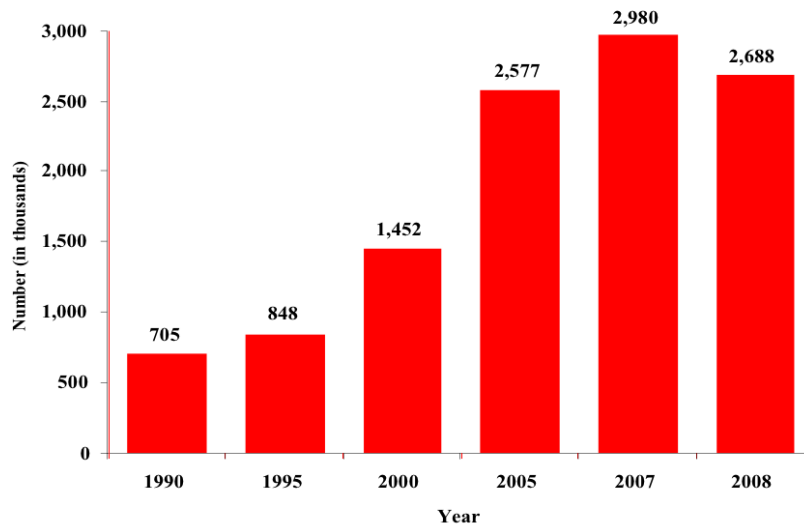
- Hispanic construction employment has dropped by half a million since its peak in early 2007.
- Fewer young Hispanic workers entered the construction industry during the economic downturn.
- The Hispanic unionization rate increased by 57% between 2005 and 2008, but is still far lower than that of non-Hispanic workers.
- Unionized Hispanic construction workers earned \$7.60 more per hour on average than their non-union counterparts.



Declining Hispanic employment in construction

Hispanic employment in construction has experienced considerable growth since 1990, increasing from 705,000 to nearly 3 million in 2007 (Chart 1). These numbers may even be underestimated due to the possibility that sampling techniques may undercount undocumented and immigrant workers that may be of Hispanic origin. With the slump in the construction industry in 2008, the average number of Hispanics employed in this industry dropped almost 300,000 in 2008.

**1. Number of Hispanic employees in construction, selected years, 1990-2008
(All types of employment)**



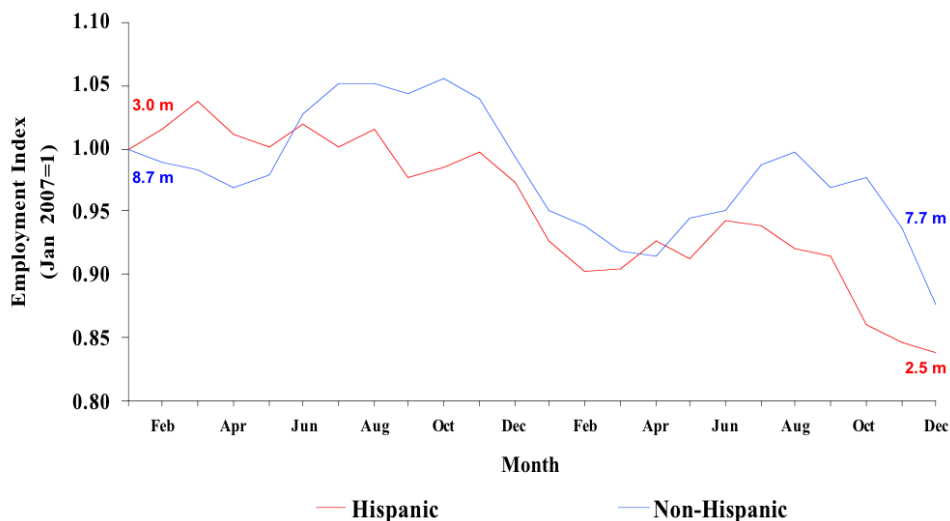
Source: 1990-2008 Current Population Survey. Calculations by the authors.



Timeline of the decline

This decrease is particularly evident when assessing monthly employment data. Using the employment numbers for January 2007 as the baseline, Chart 2 shows that construction employment started declining in early 2007. Labor market outcomes for Hispanic workers appear to be worse than those for non-Hispanic workers. In construction from 2007 to 2008, Hispanic employment dropped by 16.7% from 3 million to 2.5 million, while non-Hispanic employment decreased 11.5% from 8.7 million to 7.7 million. Compared with the peak of employment in 2007, about 500,000 Hispanic workers left the construction industry by the end of 2008.

2. Monthly construction employment, Hispanic and non-Hispanic workers, 2007-2008



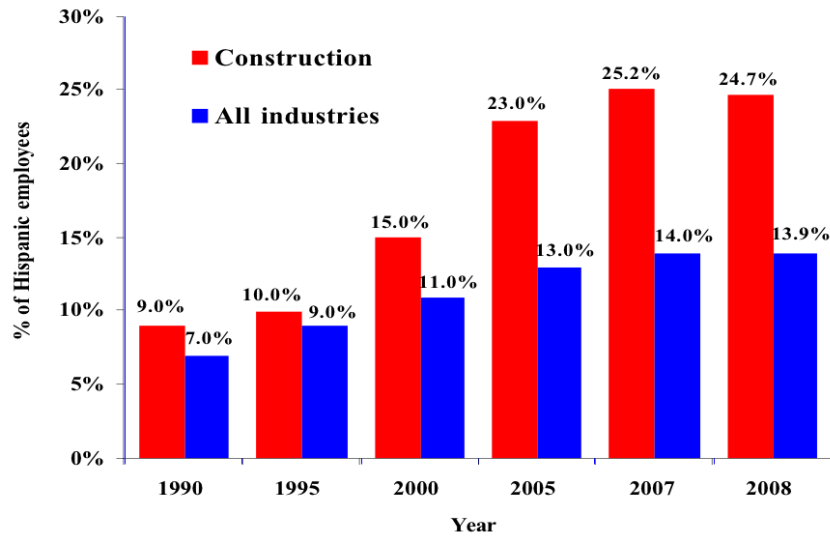
Source: 2007-2008 Current Population Survey. Calculations by the authors.



Construction v. all industries

The trend of Hispanic employment in construction has changed from increasing to decreasing for the first time since 1990 (Chart 3).

3. Hispanic employees as a percentage of construction and all industries, selected years, 1990-2008
(All types of employment)



Source: 1990-2008 Current Population Survey. Calculations by the authors.



Union membership among Hispanics increased 57%

Although the gap in union membership rates between Hispanic and non-Hispanic construction workers remains large, significant gains are being made (Table 1). This is presumably due in part to fewer job losses among Hispanic union members and increases in unionization during the 2008 economic downturn.

Table 1. Union members in construction*

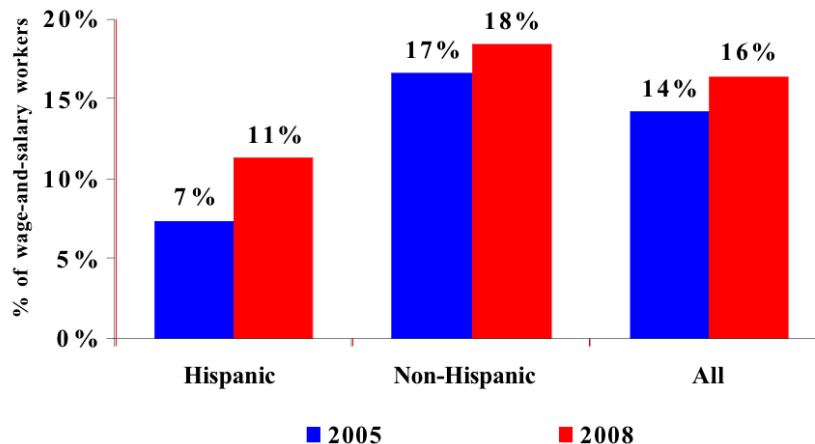
Type	2005	2008	Increase
Hispanic	166	254	88
Non-Hispanic	1,044	1,077	33
Total Union Members	1,209	1,331	122

Source: 2005 and 2008 Current Population Survey.

*All numbers are shown in thousands.

In 2008, 11% of Hispanic workers belonged to a union versus 18% of non-Hispanic workers (Chart 4). Total union membership in construction rose 14% from 2005 to 2008. Hispanic workers drove the increase, as their union membership rate jumped 57% during the same period. However, union membership was still consistently lower for Hispanic workers than their non-Hispanic counterparts.

4. Union membership among Hispanic and non-Hispanic construction workers, 2005 and 2008 (Wage-and-salary workers)



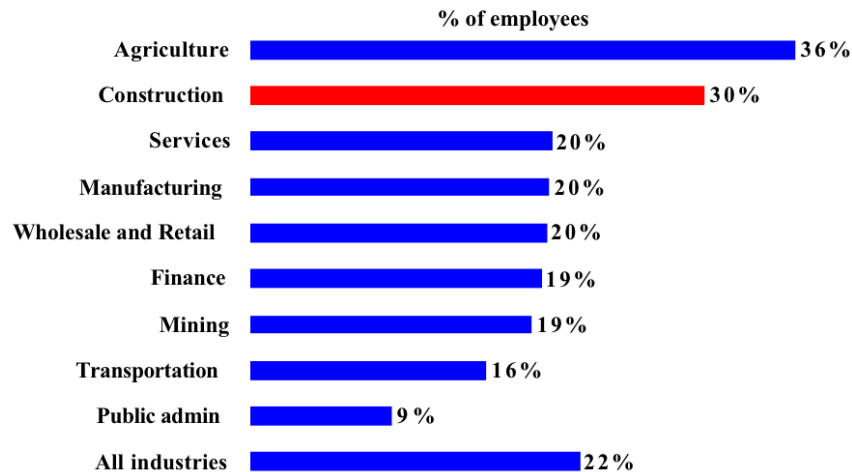
Source: 2005 and 2008 Current Population Survey. Calculations by the authors.



Hispanics comprise 30% of the U.S. construction workforce

Despite the reduction in Hispanic employment, Hispanic workers still play a large role in the U.S. workforce, especially in industries with a high proportion of production or blue-collar occupations. In 2008, Hispanic production workers made up 36% and 30% of the workforce in agriculture and construction respectively, and encompassed 22% of the employees in all industries (Chart 5).

5. Hispanic employees as a percentage of each industry, 2008 (Production workers)



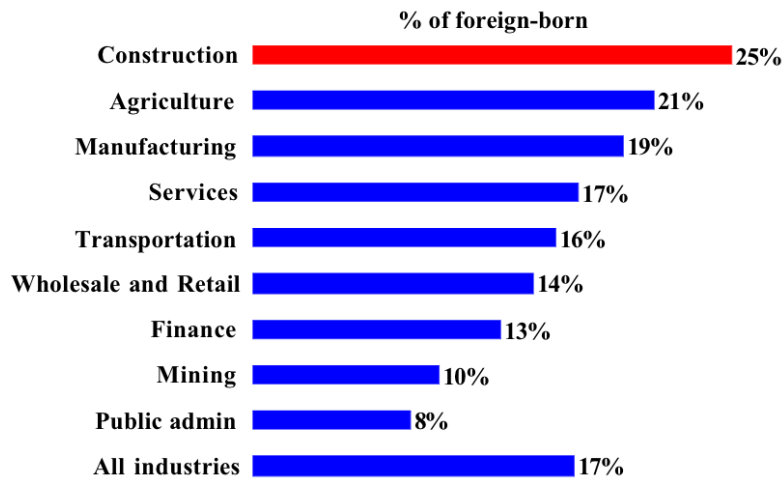
Source: 2008 Current Population Survey. Calculations by the authors.



Foreign-born workers in construction

Many U.S. construction workers are immigrants or foreign-born. The construction industry had the highest percentage of foreign-born workers of any industry sector in 2008 (Chart 6). In addition, most immigrant construction workers were of Hispanic origin (Chart 7). About 84% of immigrant construction workers came from Mexico or other parts of Latin America (Chart 8). Furthermore, nearly one-third of Hispanic immigrant workers entered the United States in recent years (Chart 9). Among these Hispanic immigrant workers, 62% reported that they did not speak English well or did not speak English at all (Chart 10).

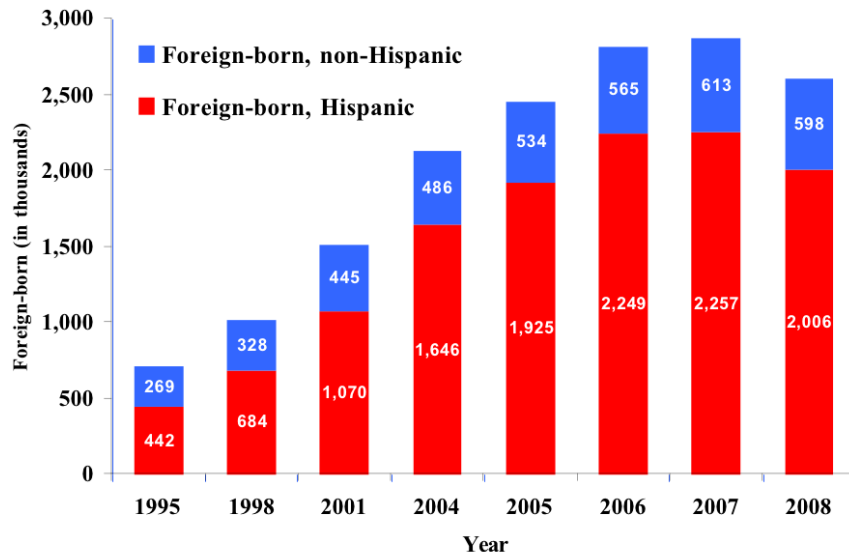
**6. Percentage of foreign-born workers, by industry, 2008
(All types of employment)**



Source: 2008 Current Population Survey. Calculations by the authors.

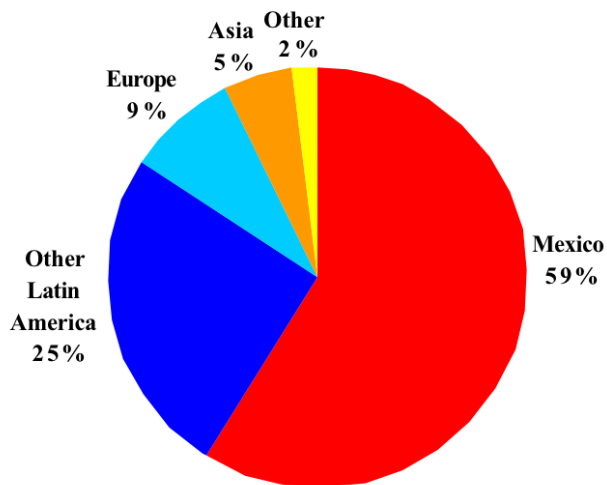


7. Number of foreign-born workers in construction, 1995-2008
(All types of employment)



Source: 1995-2008 Current Population Survey. Calculations by the authors.

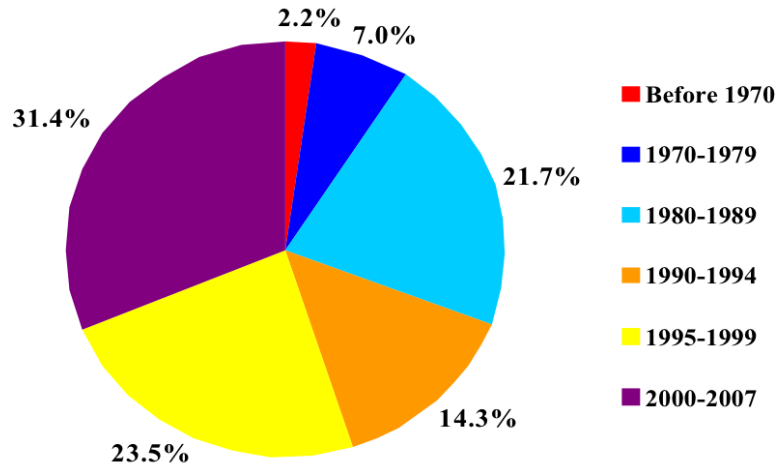
8. Birthplace among immigrant construction workers, 2007



Source: 2007 American Community Survey. Calculations by the authors.

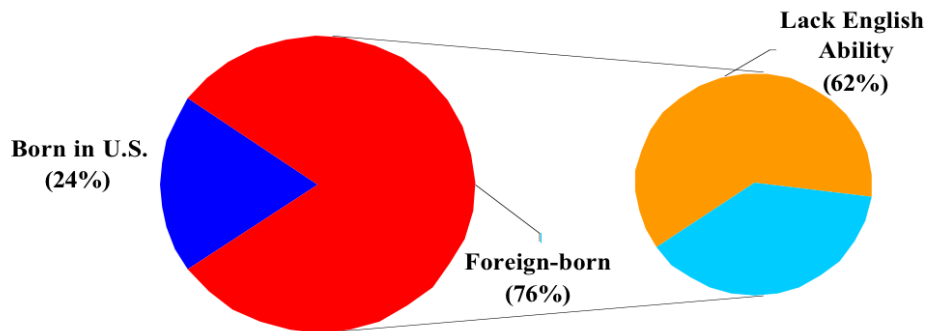


9. Year of entry into the United States among foreign-born Hispanic construction workers, 2007



Source: 2007 American Community Survey. Calculations by the authors.

10. Percentage of foreign-born Hispanic construction workers and percentage who were not fluent in English, 2007



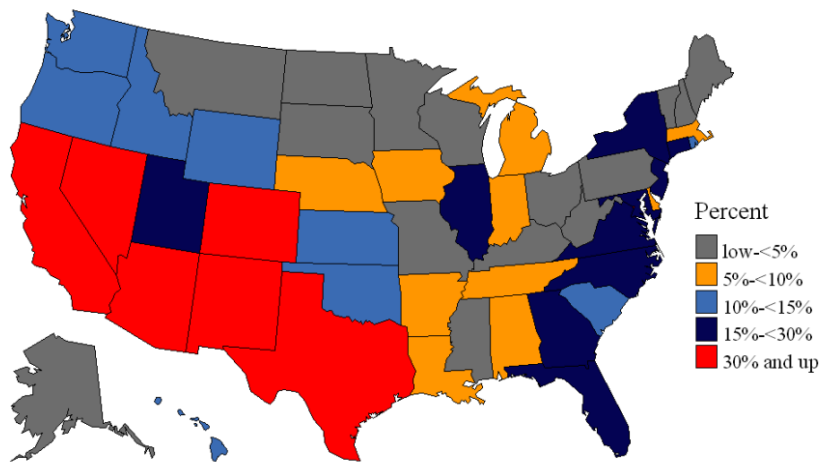
Source: 2007 American Community Survey.



South and West lead nation

Hispanic workers are often found to be more geographically concentrated in the South and West. In 2007, more than 40% of the construction workforce was of Hispanic origin in the following states: New Mexico, Texas, California, Arizona, and Nevada; while states with less than 2% of Hispanic workers in construction were: Vermont, West Virginia, South Dakota, Maine, and North Dakota (Chart 11).

11. Percentage of construction workers who are Hispanic, by state, 2007



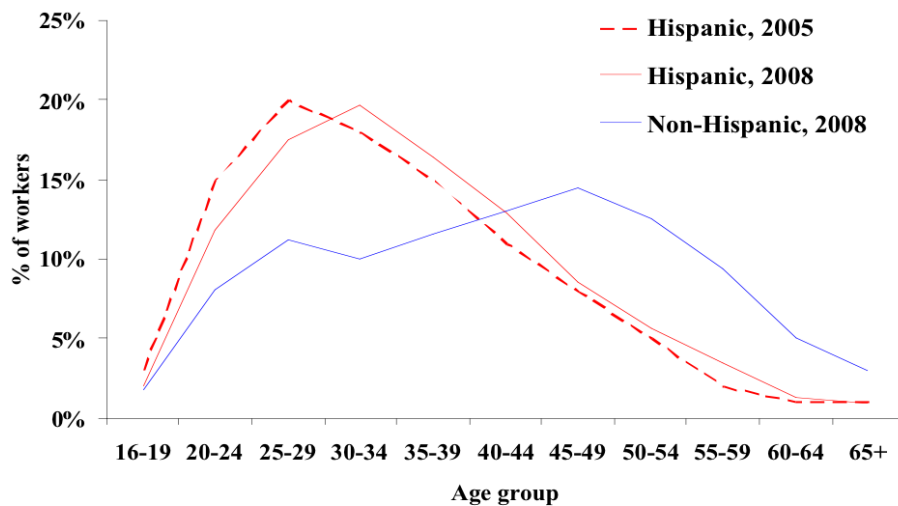
Source: 2007 American Community Survey. Calculations by the authors.



Fewer young Hispanics in U.S. construction

Hispanic workers are often considered a “youthful” minority, and this is especially the case in the construction industry. Hispanic construction workers predominately fell into the 30- to 34-year-old group, whereas most non-Hispanic workers were in the 45 to 49 age range (Chart 12). However, when comparing 2008 data with 2005 data, the average age of Hispanic construction workers increased from 34.6 to 35.8 years, and the most prominent age group among Hispanic workers shifted from an age range of 25 to 29 years up to 30 to 34 years. This indicates that fewer young Hispanic workers entered the construction industry during the current economic downturn.

12. Age distribution in construction, Hispanic and non-Hispanic workers, 2008
(All types of employment)



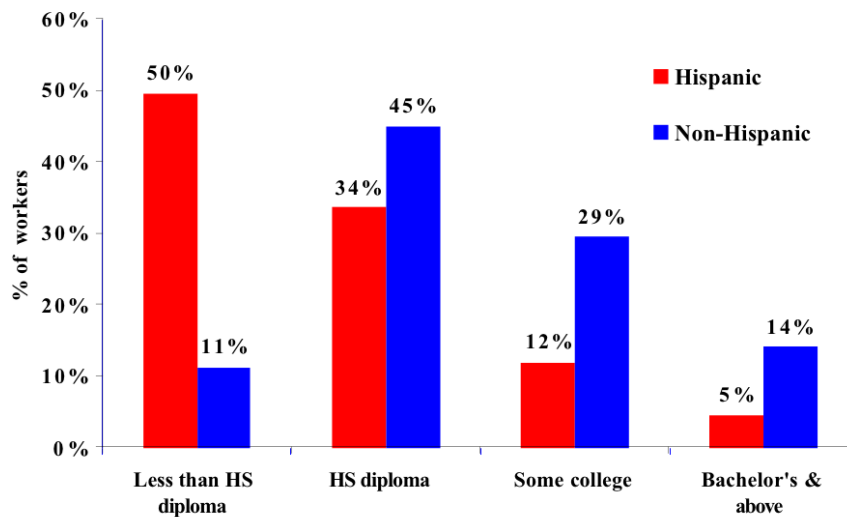
Source: 2008 Current Population Survey. Calculations by the authors.



Levels of education

Hispanic construction workers are typically less educated than non-Hispanic workers. Half of Hispanic construction workers had less than a high school diploma, compared with just 11% of non-Hispanic workers in 2008. Those with a bachelor's degree or above represented only 5% of the Hispanic construction worker population (Chart 13).

13. Distribution of educational attainment in construction, Hispanic and non-Hispanic workers, 2008 (All types of employment)



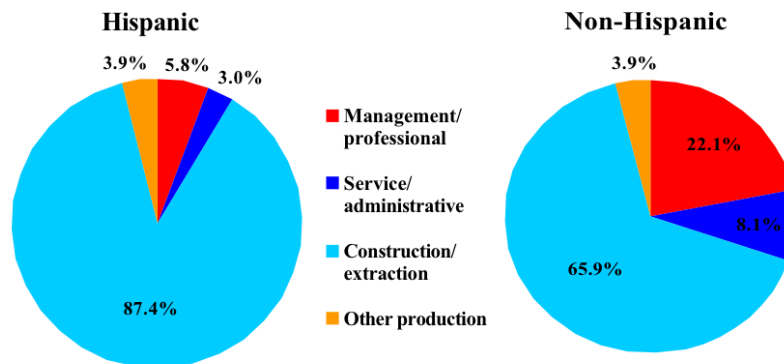
Source: 2008 Current Population Survey. Calculations by the authors.



Hispanics' presence within construction trades

In 2008, more than 87% of Hispanic workers were employed in construction/extraction occupations, while only 66% of non-Hispanic workers were employed in such occupations (Chart 14). More than one-fourth of all Hispanic construction workers were laborers and helpers, and another quarter of them were carpenters or painters (Chart 15). The majority (52% in 2007) of U.S. drywall workers are of Hispanic origin. Other occupations with a high proportion of Hispanic workers include roofers (43%), concrete workers (41%), construction laborers and helpers (39%), and carpet and tile workers (39%) (Chart 16).

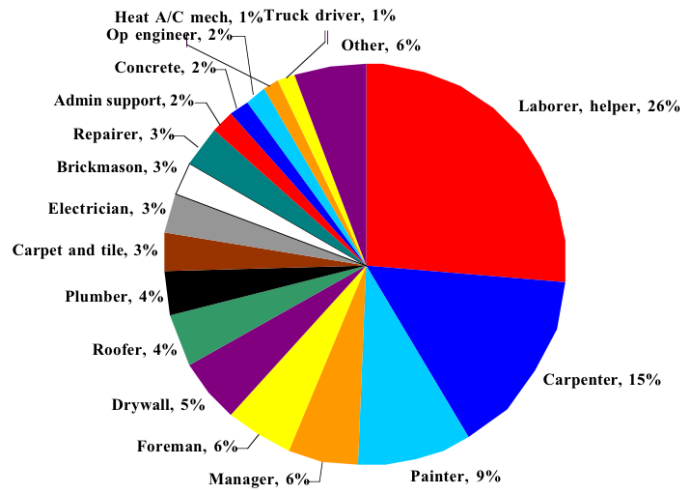
14. Occupational distribution in construction, Hispanic and non-Hispanic workers, 2008



Source: 2008 Current Population Survey. Calculations by the authors.

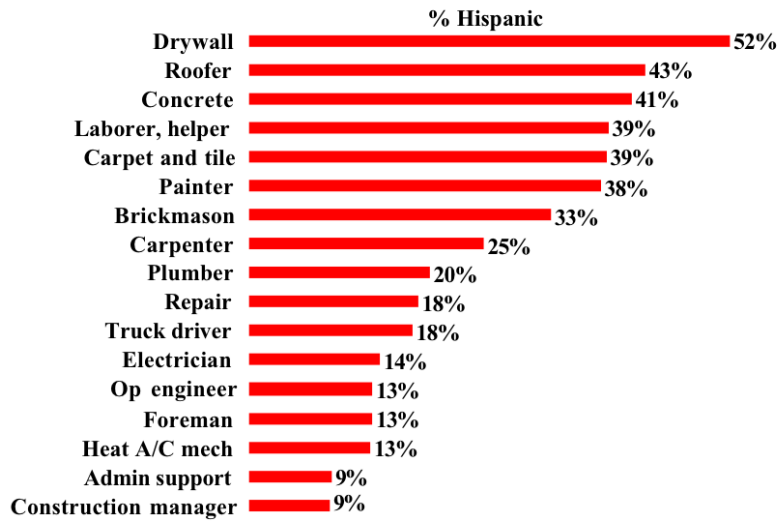


15. Distribution of Hispanic construction workers, by occupation, 2007 (All types of employment)



Source: 2007 American Community Survey. Calculations by the authors.

16. Hispanic workers as a percentage of selected construction occupations, 2007 (All types of employment)



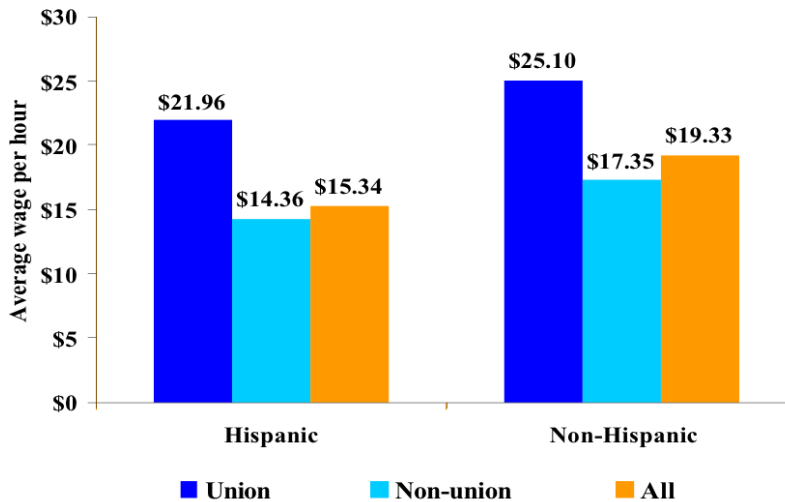
Source: 2007 American Community Survey. Calculations by the authors.



Unionized Hispanic construction workers made \$7.60 more per hour than non-union workers

In construction, union members have an advantage in wages. Among production workers, Hispanic union members made \$7.60 more per hour than their non-union counterparts, and a similar gap was observed for non-Hispanic construction workers (Chart 17). However, a wage gap still persists. Hispanic construction workers continue to make less than their non-Hispanic counterparts across the board. Wage differentials among these populations may be partially explained by differences in age, education, training, occupation, and job experience.

17. Average hourly wage in construction among Hispanic and non-Hispanic workers, by union status, 2008 (Production workers)



Source: 2008 Current Population Survey.



Data sources

Workforce data provided in this report are derived from the Current Population Survey (CPS) and the American Community Survey (ACS). CPS data are used to measure the overall construction industry and major population groups, while the ACS data are used to measure small subgroups or the workforce at the state level.

The CPS is a monthly survey of households conducted by the U.S. Census Bureau for the U.S. Bureau of Labor Statistics (BLS). Estimates from the survey are based on a scientific sample of about 60,000 households. Each month, an interviewer contacts a designated household to obtain basic demographic information about everyone living at the address, including age, gender, race, and Hispanic or Latino ethnicity. For those aged 16 years or older, the survey collects detailed information on employment, including occupation, industry, number of hours worked, and earnings.

The ACS is the largest household survey in the United States, with a sample of about 3 million addresses, and is a part of the Decennial Census Program, which takes place every 10 years. The ACS is a new approach designed to provide accurate and timely demographic (e.g., age, gender, race, ethnicity, etc.) and socioeconomic indicators (e.g., education, residence, birthplace, language spoken at home, employment, income, etc.) on an annual basis for both large and small geographic areas within the United States. The ACS will eliminate the need for a long form in the 2010 Census.

Both the CPS and the ACS are household surveys that identify people as Hispanic only if they say they are. Hispanic refers to any person or individual whose origin is Mexican, Puerto Rican, Cuban, South or Central American, Chicano, or other Latin American countries, regardless of the individual's racial background. Latino is an alternative term for Hispanic in many publications. But this report adopted Hispanic, which is the term used in both the CPS and the ACS.

The estimate of foreign-born construction workers is among workers who were employed when the survey was conducted. Foreign-born is defined as persons who reside in the United States but who were born outside the country, or one of its outlying areas, to parents who were not U.S. citizens. The foreign-born population includes legally admitted immigrants, refugees, temporary residents such as students and temporary workers, and undocumented immigrants. The survey data, however, do not separately identify the number of persons in these categories.



Acknowledgments

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About the CPWR Data Center

The CPWR Data Center is part of CPWR—The Center for Construction Research and Training. CPWR is a 501(c)(3) nonprofit research and training institution created by the Building and Construction Trades Department (BCTD), AFL-CIO, and serves as the research arm of the BCTD. CPWR has focused on construction safety and health research since 1990. This study on Hispanic employment in construction is part of our ongoing surveillance activities on vulnerable populations in the construction industry.

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