

June 5, 2020

# Tens of thousands of undocumented, essential workers at risk of lost jobs, lost pay, exposure to COVID-19

By Monique Ching, Policy Analyst

Immigrants without status form the backbone of Massachusetts — producing our food, tending to our loved ones, and stocking our supermarkets. But the COVID-19 pandemic and widespread business closures mean many of these undocumented workers have found themselves at risk of losing their jobs, losing income, or being exposed to the virus.

Many of the 122,000 employed, undocumented people (based on pre-COVID-19 data) are supporting U.S. citizen and visa-holding family members.

Many businesses that have needed to close to slow the spread of the virus are ones that require customer interactions, like restaurants, hotels, museums, and barber shops.

Some of these businesses have had to shut while others have tried to keep their workers with reduced pay. About 55,000 undocumented Massachusetts residents — almost half the number employed — work in these industries and could lose their jobs or lose pay.

Immigrants are being laid off at higher rates than the U.S.-

born workforce during the COVID-19 crisis. But many immigrants — especially those without papers —

# Massachusetts.) Undocumented people also work in industries that put them at high risk of exposure to COVID-19. More than 16,000 work in hospitals, childcare facilities, supermarkets, and other places where in-person interaction is largely unavoidable. (*Note: These 16,000 workers, shown in table 2, only represent a handful of*

cannot cushion the blow with unemployment benefits, food assistance, or other programs offered to U.S. citizens. (Meanwhile undocumented immigrants contribute \$185 million per year in state and local taxes to

These estimates are likely too low — estimating the number of undocumented people is difficult.

essential industries. A more extensive list has been compiled by the Center for Economic and Policy Research.)

To produce these estimates, we assume that undocumented workers are distributed throughout various industries the same as are all workers. But the actual numbers of undocumented workers in the high-risk industries are likely higher, because immigrants and particularly undocumented immigrants tend to work in low-paid, service sector industries at higher rates than the general workforce. (A more detailed explanation of the methodology is at the end of this brief.)

As unions lost a foothold in these industries, worker protections weakened, and U.S. citizen workers sought other work. These industries — now at high risk of virus exposure — began relying more on the labor of immigrants who have fewer work options.<sup>2</sup>

#### **Key Takeaways**

- About 55,000 undocumented workers almost half of Massachusetts' employed undocumented workers — are at high risk of losing their jobs or losing income because of the COVID-19 crisis.
- About 16,000 undocumented workers risk their lives daily working at hospitals, supermarkets, and other essential jobs.
- These are likely underestimates because accurate data on undocumented residents are hard to find.
- Lawmakers can support these workers through financial relief for those with Individual Taxpayer Identification Numbers (ITINs) — which could benefit about 57,000 adults and children — and driver's licenses for all regardless of immigration status — for which 160,000 drivers could be newly eligible.



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## Policies to support undocumented essential workers

As the COVID-19 pandemic rages on and the resulting economic downturn deepens, Massachusetts policymakers will need to implement policies that protect the health and well-being of low-paid and immigrant workers, especially those who have lost work because of the virus and those who are providing the essential services that put them particularly at risk of infection.

Massachusetts lawmakers are considering legislation to offer financial relief to people who hold Individual Taxpayer Identification Numbers (ITINs) — some of whom are likely undocumented. This bill would provide stimulus checks — similar to those provided by the Federal CARES Act — to ITIN-holders; provide funds to community organizations supporting immigrant families; and allow ITIN holders to claim the Earned income Tax Credit. This bill could benefit about 57,000 adults and children in households with ITIN-holders.

#### What is an ITIN?

Individual Taxpayer Identification Numbers (ITINs) allow people to pay taxes if they cannot get a Social Security number (SSN). Taxpayers can obtain ITINs regardless of their immigration status.

Taxpayers who can obtain ITINs include green card-holders and their children or spouses; children or spouses of U.S. citizens who cannot get SSNs; undocumented immigrants; and visa-holding students or professors.

There also is a bill before the Legislature that would allow all drivers to obtain state licenses, regardless of their immigration status. If passed 160,000 undocumented people could be eligible and <u>up to 78,000 are</u> estimated to obtain licenses within the first three years of implementation.

Allowing undocumented drivers to obtain licenses would help undocumented workers access safer, betterpaid jobs without crowding onto public transit or carpools. Further, it could help inject more money into the economy through more tax contributions and more spending by these families.

If the state's policy responses do not prioritize these essential workers throughout its recovery, the state will be pushing these families further behind.

Table 1. Estimated Undocumented Workers At Risk of Lost Jobs and Lost Pay in COVID-19, selected industries, all sectors

Industry	Total Employed 2019 Q3	Estimated Undocumented Employed
Restaurants and Bars	284,635	17,700
Retail (excluding grocery, gas, hardware, liquor)	213,165	5,100
Taxis, Limos, School and Charter Buses	14,355	500
Personal Care Services	23,690	800
Amusement, Gambling, Recreation	59,645	3,700
Hotels and Lodging	44,416	2,800
Social assistance (including child care)	147,975	3,800
Air Transportation	9,937	300
Performing Arts and Spectator Sports	13,907	500
Museums, Historical Sites, Parks	7,510	300
Construction	170,858	5,700
Health care	512,200	13,300
TOTAL	1,502,293	54,500

Data Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages 2019 Q3; Center for Migration Studies, New York, 2018 estimates.



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### Methodology

MassBudget estimated the numbers of undocumented workers in specific industries. We did this by:

Table 2. Estimated Undocumented Workers in Select Industries at High Risk of COVID-19 Exposure

	Total	Estimated
Industry	Employed	Undocumented
	2019 Q3	Employed
Emergency relief (housing shelter, food pantries)	6,693	200
Child care	27,541	700
Hospitals	209,657	5,400
Nursing and residential care	109,103	2,800
Crop and animal farming (including aquaculture)	8,452	300
Food and beverage stores (including grocery, liquor)	100,556	6,900
TOTAL	462,003	16,400

Data Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages 2019 Q3; Center for Migration Studies, New York, 2018 estimates.

- 1. Identifying the industries in which workers were either at a) high risk of job loss or income loss during the COVID-19 crisis or b) high risk of exposure to COVID-19 while at work.
  - a. **Industries at high risk of job loss** we identified these with the help of researchers who produced this report by New Jersey Policy Perspective, who based their selection of industries on this report by researchers at the New School. We then cross-referenced these industries with the Massachusetts weekly reports on initial unemployment claims (from May 28) and made slight adjustments based on those.
  - b. **Industries at high risk of COVID-19 exposure** we included only a sample of industries at high risk of exposure. A more extensive list has been compiled by <u>the Center for Economic and Policy Research</u>.
- 2. Estimating the number of undocumented workers employed in each industry category by assuming they are represented in each industry at the same rate as the workforce overall. For example, if 8 percent of the overall employed labor force work in restaurants and bars, we assume that 8 percent of employed undocumented people also work in restaurants and bars. *Note that the actual representation of undocumented workers in restaurants and bars and in many industries discussed in this report is likely much higher. The real numbers are likely higher than the ones in this report.* 
  - a. We estimated the percentages of people employed in each industry (for all sectors, including public and private) using the <u>Bureau of Labor Statistics Quarterly Census of Employment and Wages</u>, 2019 Q3.
  - b. We mapped these percentages onto the <u>Center for Migration Studies</u>' 2018 estimates for Massachusetts. (For some industries, we made further adjustments to the percentages based on the model by the <u>Migration Policy Institute</u>.)

<sup>&</sup>lt;sup>1</sup> Migration Policy Institute, "U.S. Unemployment Trends by Nativity, Gender, Industry, & More, Before and During Pandemic" (2020), <a href="https://www.migrationpolicy.org/programs/migration-data-hub/us-unemployment-trends-during-pandemic">https://www.migrationpolicy.org/programs/migration-data-hub/us-unemployment-trends-during-pandemic</a>

<sup>&</sup>lt;sup>2</sup> Janice Fine and Gregory Lyon, "Segmentation and the Role of Labor Standards Enforcement in Immigration Reform," Journal on Migration and Human Security (2017), <a href="https://journals.sagepub.com/doi/pdf/10.1177/233150241700500211">https://journals.sagepub.com/doi/pdf/10.1177/233150241700500211</a>