

HISPANIC EMPLOYMENT AND EARNINGS FACT SHEET

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Overview

For the Hispanic community, economic well-being is directly related to employment, occupation, and earnings. Latino men continue to have the highest labor force participation rate and employment-to-population ratio of any group in the U.S., yet tend to be employed in low-wage, low-growth jobs; are underrepresented in professional and managerial positions; and experience high rates of unemployment. Hispanic women, on the other hand, are better represented in professional and managerial positions than Hispanic men and represent one of the fastest growing segments of the workforce, but still maintain the lowest labor force participation rates, highest unemployment rates, and receive the lowest wages of any worker group. Moreover, two important economic indicators also show that the employment status among Latinos needs improvement. **In 1996, Hispanics had the lowest median personal income and remained the poorest group of Americans (29.4% are poor, compared to 28.4% of Blacks and 11.2% of Whites).**

Employment Status

- **Hispanic men have the highest labor force participation rate and employment-to-population ratio of any group in the U.S.** In 1996, 79.6% of Hispanic men 16 years and over were either working or looking for work, a higher percentage than that of White (75.8%) or Black (68.7%) men. Central and South American men had the highest labor force participation rate of any Hispanic subgroup (82.3%), followed by Mexican-American (81.4%), Cuban (74.8%), and Puerto Rican (69.2%) men. In terms of employment, more Hispanic men (73.3%) than White (72.3%) or Black (61.0%) men were employed in 1996, and Central and South American men (76.5%) had a higher employment-to-population ratio than Mexican-American (74.8%), Cuban (70.0%), and Puerto Rican (63.3%) men.
- **The labor force participation rate and employment-to-population ratio for Hispanic women has remained steady, but below the rates for non-Hispanic women.** In 1996, 53.4% of Hispanic women 16 years and over were in the labor force, compared to 59.1% of White women and 60.4% of Black women. In 1990, the labor force participation rate for Hispanic women was 53.1%, while the rates for White and Black women were 57.4% and 58.3%, respectively. In 1996, Central and South American women had the highest labor force participation rate (59.0%), followed by Cuban (53.3%), Mexican-American (52.8%), and Puerto Rican (48.5%) women. Hispanic women also had lower employment levels than either White or Black women, 47.9% compared to 56.3% and 54.4%, respectively, while Central and South American women had the highest employment-to-population ratio of all the Hispanic subgroups (54.1%), followed by Cuban (48.9%), Mexican-American (47.0%), and Puerto Rican (43.2%) women.
- **The Hispanic unemployment rate has declined in recent years, but the difference between Hispanic and White unemployment rates has remained relatively unchanged.** Between 1992 and 1996, the Hispanic unemployment rate fell 2.5 percentage points (from 11.4% to 8.9%), while the White rate decreased 1.8 percentage points (6.5% to 4.7%) and the Black rate 3.6 percentage points (14.1% to 10.5%). However, despite comparable levels of workforce participation, the



Hispanic unemployment rate is still 1.90 times the White rate, slightly higher than in 1992 at 1.75 times. Hispanic men have experienced a significant decline in unemployment over the last five years, as have Black men, with their respective rates falling 3.8 (11.7% to 7.9%) and 4.1 (15.2% to 11.1%), compared to a 2.3 percentage point decline (7.0% to 4.7%) in the White male rate. In contrast, the Hispanic female unemployment rate has dropped the least since 1992, 1.2 percentage points (11.4% to 10.2%), which is much less than either the males unemployment rates or the White (6.1% to 4.7%) and Black (13.2% to 10.0%) female rates. As a result, the Hispanic female unemployment rate is currently over twice (2.17 times) the White rate, compared to 1.88 times in 1992.

Occupations

- **Hispanic men are concentrated in low-wage occupations, which are expected to experience little or no growth over the next decade.** In 1996, 27.7% of employed Hispanic men worked as operators, fabricators, and laborers, and 19.4% worked in precision production, craft, and repair occupations. Hispanic men have the lowest percentage (12.1%) of persons employed in managerial and professional specialty positions, with 28.4% and 16.9% of White and Black men employed in this area, respectively. Furthermore, between 1994 and 2005, the share precision production, craft, and repair occupations and operators, fabricators, and laborers comprise of total occupations is expected to decline 0.8 and 1.1 percentage points, respectively.
- **The majority of Hispanic women are in lower-wage service and technical, sales, and administrative support occupations, but a growing proportion also hold managerial and professional positions.** Nearly two-fifths (38.4%) of employed Hispanic women worked in technical, sales, and administrative support occupations in 1996, and one-fourth (25.0%) were employed in service occupations. The share of Hispanic women in managerial and professional specialty occupations (17.4%) was higher than that of Hispanic men (12.1%) in 1996, and higher than in 1990 (14.7%). In contrast, 31.5% of White women and 22.7% of Black women held managerial and professional positions. By 2005, administrative support occupations as a percent of total occupations are estimated to decrease 1.5 percentage points, and service occupations to increase 1.3 percentage points.

Earnings

- **Both Hispanic men and women have disproportionately low median earnings levels overall, and even within the same occupations.** In 1996, median earnings per week for Hispanic men working full-time were \$356, two-fifths (61.4%) that of comparable White men (\$580) and less than that of comparable Black men (\$412). Furthermore, median weekly earnings for full-time Hispanic female workers were \$316 in 1996, compared to \$428 and \$362 for comparable White and Black women, respectively. The earnings differential is even more apparent when contrasting weekly wages by race/ethnicity. A comparable percentage of Hispanic, White, and Black men and women are employed in technical, sales, and administrative support occupations, and yet the median weekly earnings for full-time workers were \$428 and \$348; \$584 and \$396; and \$430 and \$374, respectively.

Sources

U.S. Bureau of the Census; *Money Income in the United States: 1996*, September 1997; Bureau of Labor Statistics, *Labor Force Characteristics of Black and Hispanic Workers*, September 1997; Unpublished labor force data provided by Jay Meisenheimer, Bureau of Labor Statistics, September 1997; U.S. Department of Labor, *Monthly Labor Review*, November 1995.