

# Hispanic Workers in the United States

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## **Executive Summary**

There are about 24 million Hispanic workers in the United States. They come from a variety of backgrounds and face unique challenges in the U.S. labor market. Focusing on trends in the overall Hispanic community can conceal notable differences among Hispanics of different ethnic subgroups.

This paper presents data on the Hispanic workforce, highlighting the similarities and differences among Hispanics of different ethnic subgroups. The first section focuses on the diversity of the Hispanic workforce, examining differences based on gender, educational attainment, and citizenship. The second section provides data on several challenges that Hispanics currently face in the labor market, including unemployment, low wages, poverty, language barriers, and low access to health and retirement benefits. The last section shows the impact that union representation has in these areas.

#### Some highlights include:

- Workers of Mexican descent are by far the largest subgroup of the Hispanic workforce (14.9 million);
- Women make up only 43.3 percent of the overall Hispanic workforce, but they are a majority of several subgroups, including Panamanians (58.1 percent), Bolivians (53.2 percent), and Paraguayans (51.0 percent);
- About half of Hispanic workers are immigrants. Hondurans are the subgroup most likely to be immigrants (86.8 percent), while Puerto Ricans are least likely to be immigrants (2.3 percent);
- About two-thirds of Hispanic workers are U.S. citizens, with Puerto Ricans (98.7 percent) and Spaniards (90.9 percent) most likely to be citizens;
- 6.4 million Hispanic workers live in California, followed by Texas (4.5 million), and Florida (2.2 million);

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- 15.4 percent of Hispanic workers have a college degree or more. Venezuelans are the most likely to have a college degree (52.0 percent);
- The most common industry for Hispanic women is restaurants (10.3 percent), while the most common for men is construction (17.5 percent);
- The most common occupation for Hispanic women is maid or housekeeper (6.4 percent), and the most common for men is construction laborer (5.0 percent);
- In 2014, the unemployment rate for Hispanics was about 8.5 percent. Puerto Ricans had the highest unemployment rate (11.2 percent);
- In addition to having lower wages, wage inequality among Hispanic workers has generally been lower than among workers of other races/ethnicities;
- Hispanic workers in general are more likely than workers of any other race/ethnicity to be in poverty. Among Hispanics, Guatemalans are most likely to be members of the working poor (19.1 percent);
- About 30 percent of Hispanic workers do not have health insurance, but over half of Guatemalan and Honduran workers lack health insurance;
- About 17 percent of Hispanic workers live in what the U.S. Census Bureau defines as a limited English speaking household. This is even more likely for Guatemalan (40.7 percent), and Honduran (38.5 percent) workers;
- Hispanic union workers earn 24.9 percent (about \$3.99 per hour) more than their non-union peers, are 30.3 percentage points more likely to have employer-provided health insurance, and are 27.7 percentage points more likely to have employer-sponsored retirement plans.

## Introduction

There are about 24 million workers of Hispanic descent in the United States.<sup>1</sup> Although Hispanic workers are often referred to as one homogeneous group, in reality, they come from a variety of backgrounds and face a multitude of challenges in the current labor market. This paper uses U.S. Census Bureau data to provide a broad overview of the Hispanic workforce in the U.S.<sup>2</sup>

The first section of this report focuses on the diversity of the Hispanic workforce, addressing topics like gender, educational attainment, citizenship, and state of residence and how these differ for Hispanics of various origin groups. The second section provides data on some challenges that Hispanics currently face in the labor market, including unemployment, low wages and poverty, language barriers, and low access to health and retirement benefits. The last section shows how labor unions have responded to these challenges.

# 1 Diversity

Hispanic workers come from diverse backgrounds. Focusing on trends in the overall Hispanic community can obscure notable differences among Hispanics of different origin groups. This section focuses on demographic differences within the Hispanic workforce in the U.S., including origin group, gender, citizenship status, educational attainment, state of residence, industry, and occupation.

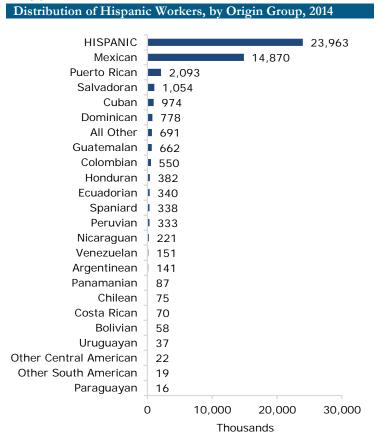
<sup>1</sup> The race/ethnicity categories used in this paper are mutually exclusive. Black, Asian, and white refer to non-Hispanic people of those races. Hispanic refers to people who identify themselves as having Hispanic ethnicity, and they may be of any race. For more on the U.S. Census Bureau's data on Hispanics, please see <a href="http://www.census.gov/topics/population/hispanic-origin/about.html">http://www.census.gov/topics/population/hispanic-origin/about.html</a>.

<sup>2</sup> For more on the data used in this report, see the Data Appendix.

#### **Hispanic Origin**

There are 24.0 million Hispanic workers in the United States (**Figure 1-1** and **Table 1-1**). Hispanic workers make up 16.2 percent of the U.S. workforce, and come from a variety of different backgrounds. The largest group by far is workers of Mexican descent, who comprise 62.1 percent of the Hispanic workforce (14.9 million). The second largest group is those of Puerto Rican descent, who make up 8.7 percent of the Hispanic workforce (2.1 million). Salvadorans (1.1 million), Cubans (1.0 million), and Dominicans (780,000) are the next largest origin groups.

FIGURE 1-1



Source and notes: CEPR analysis of American Community Survey (ACS), 2014.

TABLE 1-1

Distribution of Hispanic Workers	, by Origin	Group, 2014
	Percent	Thousands
		of Workers
Hispanic		23,963
As share of total U.S. workforce	16.2	
Mexican	62.1	14,870
Puerto Rican	8.7	2,093
Cuban	4.1	974
Dominican	3.2	778
Costa Rican	0.3	70
Guatemalan	2.8	662
Honduran	1.6	382
Nicaraguan	0.9	221
Panamanian	0.4	87
Salvadoran	4.4	1,054
Other Central American	0.1	22
Argentinean	0.6	141
Bolivian	0.2	58
Chilean	0.3	75
Colombian	2.3	550
Ecuadorian	1.4	340
Paraguayan	0.1	16
Peruvian	1.4	333
Uruguayan	0.2	37
Venezuelan	0.6	151
Other South American	0.1	19
Spaniard	1.4	338
All Other	2.9	691

Source and notes: CEPR analysis of American Community Survey (ACS), 2014.

#### **Gender**

Although women make up only 43.3 percent of the overall Hispanic workforce (the lowest of all races/ethnicities), they make up over half of the workforce among several Hispanic subgroups (**Figure 1-2** and **Table 1-2**). For example, 58.1 percent of workers of Panamanian descent are women, followed by 53.2 percent of Bolivian workers, and 51.0 percent of Paraguayan workers. The three origin groups with the lowest share of women workers are Guatemalans (33.3 percent), other South Americans (38.9 percent), and Hondurans (40.5 percent).

FIGURE 1-2
Female Hispanic Workers as Share of Hispanic Workforce, by Origin Group, 2014

Panamanian 58.1 Bolivian 53.2 Paraguayan 51.0 Colombian 51.0 Dominican 50.7 Chilean 49.8 Peruvian 49.7 Nicaraguan 49.4 All Other 49.0 Puerto Rican 48.4 Spaniard 47.8 Venezuelan 47.6 Other Central American 45.7 Costa Rican 45.4 45.0 Cuban 43.1 Ecuadorian Argentinean 42.4 Mexican 41.6 Salvadoran 41.4 Uruguayan 40.8 Honduran 40.5 Other South American 38.9 Guatemalan 33.3 Hispanic 43.3 White 47.2 Black 54.2 Asian 48.4 40 Percent 60 80

Source and notes: CEPR analysis of American Community Survey (ACS), 2014.

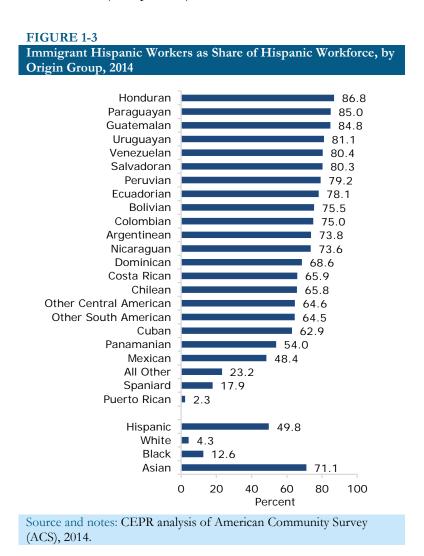
TABLE 1-2

Hispanic Workers, by Origin G	roup and Gen	der, 2014
(percent of total workforce within	each origin gro	oup)
	Male	Female
Hispanic	56.7	43.3
Mexican	58.4	41.6
Puerto Rican	51.6	48.4
Cuban	55.0	45.0
Dominican	49.3	50.7
Costa Rican	54.6	45.4
Guatemalan	66.7	33.3
Honduran	59.5	40.5
Nicaraguan	50.6	49.4
Panamanian	41.9	58.1
Salvadoran	58.6	41.4
Other Central American	54.3	45.7
Argentinean	57.6	42.4
Bolivian	46.8	53.2
Chilean	50.2	49.8
Colombian	49.0	51.0
Ecuadorian	56.9	43.1
Paraguayan	49.0	51.0
Peruvian	50.3	49.7
Uruguayan	59.2	40.8
Venezuelan	52.4	47.6
Other South American	61.1	38.9
Spaniard	52.2	47.8
All Other	51.0	49.0
White	52.8	47.2
Black	45.8	54.2
Asian	51.6	48.4
Source and notes: CEPR analysis	of American Co	mmunity
Survey (ACS), 2014.		

#### **Immigrants and Citizenship**

About half (49.8 percent) of Hispanic workers are immigrants (**Figure 1-3**). In comparison, 71.1 percent of Asian workers are immigrants, followed by 12.6 percent of Black workers, and 4.3 percent of white workers.

Hispanic workers of Honduran descent are the group most likely to be immigrants (86.8 percent), followed by Paraguayans (85.0 percent), Guatemalans (84.8 percent), Uruguayans (81.1 percent), and Venezuelans (80.4 percent). Hispanic workers of Puerto Rican descent are by far the least likely to be immigrants (2.3 percent), followed by Spaniards (17.9 percent), all other (23.2 percent), Mexicans (48.4 percent), and Panamanians (54.0 percent).



About two-thirds (67.0 percent) of Hispanic workers are U.S. citizens (**Figure 1-4** and **Table 1-3**). A large majority of white and Black workers are citizens (98.3 percent and 95.1 percent, respectively). Also, 73.0 percent of Asian workers are U.S. citizens.

Hispanic workers of Puerto Rican descent are most likely to be U.S. citizens (98.7 percent), followed by Spaniards (90.9 percent) and all other (87.8 percent). Hondurans are the least likely to be citizens (31.9 percent), followed by Guatemalans (34.2 percent) and Salvadorans (45.1 percent).

FIGURE 1-4 **TABLE 1-3** U.S. Citizen Hispanic Workers as Share of Hispanic Hispanic Workers, by Origin Group, Immigrant Status, 2014 Workforce, by Origin Group, 2014 (percent of workers within each origin group) Share of Foreign Born All U.S. Who Are Foreign Puerto Rican 98.7 Citizen Naturalized Born Spaniard 90.9 U.S. Citizens All Other 87.8 Hispanic 49.8 67.0 33.7 Panamanian 82.8 Other South American Mexican 48.4 27.5 64.9 76.9 Puerto Rican 42.8 98.7 Cuban 71.5 2.3 Chilean Cuban 62.9 54.7 71.5 69.9 Colombian 68.6 54.6 68.9 69.8 Dominican Dominican 68.9 Costa Rican 65.9 42.8 62.3 Nicaraguan 67.1 22.4 Guatemalan 84.8 34.2 Mexican 64.9 Honduran 21.5 31.9 86.8 Costa Rican 62.3 Nicaraguan 73.6 55.3 67.1 Argentinean 61.3 Panamanian 54.0 68.0 82.8 Peruvian 61.2 Salvadoran 80.3 31.7 45.1 Other Central American 60.9 Other Central American 64.6 39.5 60.9 Bolivian 58.9 47.5 Argentinean 73.8 61.3 Venezuelan 58.3 Bolivian 45.5 58.9 75.5 Ecuadorian 55.2 Chilean 65.8 54.2 69.9 Uruguayan 51.7 Colombian 75.0 59.7 69.8 Paraguayan 49.3 Ecuadorian 78.1 42.6 55.2 Salvadoran 45.1 Paraguayan 85.0 40.3 49.3 Guatemalan 34.2 Peruvian 79.2 51.1 61.2 Honduran 31.9 81.1 40.4 51.7 Uruguayan 48.1 58.3 Venezuelan 80.4 Hispanic 67.0 Other South American 64.5 64.1 76.9 White 98.3 Spaniard 17.9 49.4 90.9 Black 95.1 All Other 23.2 47.6 87.8 Asian 73.0 0 10 20 30 40 50 60 70 80 90100 White 4.3 98.3 61.1 Percent Black 12.6 61.3 95.1 71.1 62.0 Asian 73.0 Source and notes: CEPR analysis of American Source and notes: CEPR analysis of American Community Community Survey (ACS), 2014. US Citizen includes Survey (ACS), 2014.

US and foreign born.

#### **State of Residence**

Hispanic workers can be found in every state and the District of Colombia, but are most likely to live in the state of California, where 6.4 million of Hispanic workers live (**Figure 1-5** and **Figure 1-6**). The next highest concentration of Hispanic workers is in Texas (4.5 million), followed by Florida (2.2 million), New York (1.6 million), and Illinois (970,000).

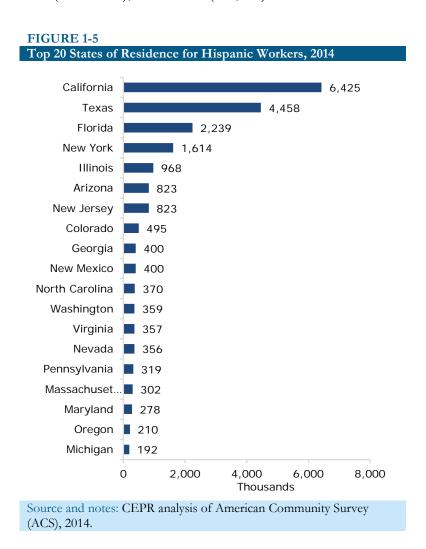
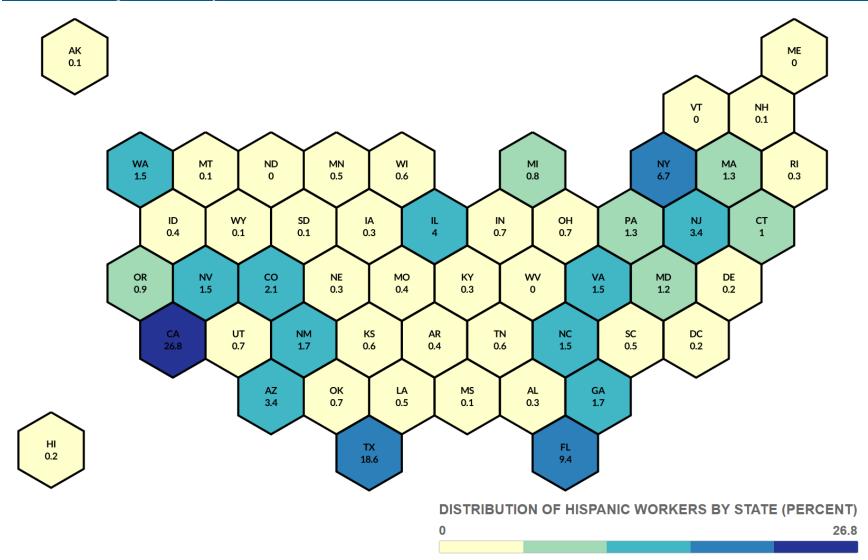


FIGURE 1-6

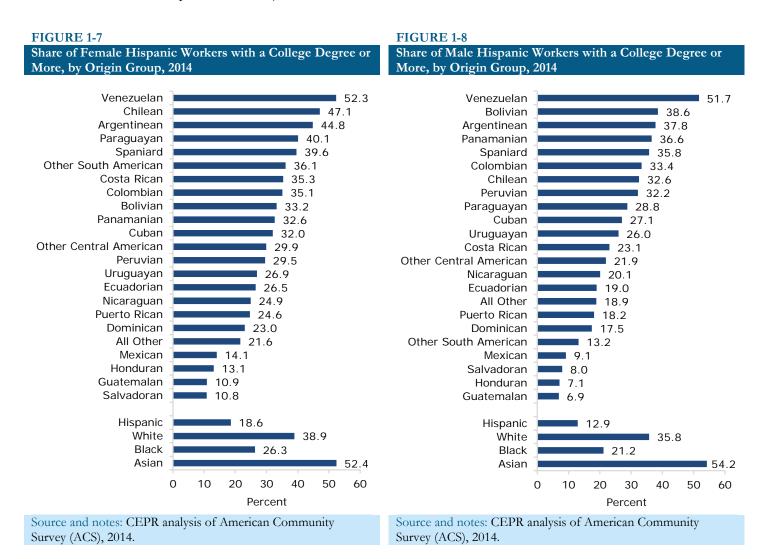
#### Distribution of Hispanic Workers, by State, Percent, 2014



Source and notes: CEPR analysis of American Community Survey (ACS), 2014.

#### **Educational Attainment**

Overall, Hispanic workers have a lower level of educational attainment than workers of other races/ethnicities. 15.4 percent of Hispanic workers (18.6 percent of women and 12.9 percent of men) have a college degree or more (**Figure 1-7** and **Figure 1-8**). Asian workers have a much higher level of educational attainment, with 53.3 percent having a college degree or more (52.4 percent of women and 54.2 percent of men). 37.3 percent of white workers have a college degree or more (38.9 percent of women and 35.8 percent of men), as do 24.0 percent of Black workers (26.3 percent of women and 21.2 percent of men).



Among Hispanic workers, there are striking differences by origin group. Venezuelan workers have the highest level of educational attainment, with 52.0 percent of them having a college degree or more (52.3 percent of women and 51.7 percent of men). Argentinean workers have the second highest educational attainment, with 40.8 percent having a college degree or more (44.8 percent of

women and 37.8 percent of men). 39.8 percent of Chilean workers (47.1 percent of women and 32.6 percent of men) and 37.6 percent of Spanish workers (39.6 percent of women and 35.8 percent of men) have a college degree or more.

There is also a high percentage of Hispanic workers who never obtained a high school diploma (Figure 1-9, Figure 1-10, and Table 1-4). Overall, 27.7 percent of Hispanic workers have not completed high school (21.9 percent of women and 32.1 percent of men). The origin groups with the highest shares of workers with less than a high school degree are Guatemalans (50.0 percent overall, 40.3 percent of women, and 54.9 percent of men), Hondurans (43.4 percent overall, 35.5 percent of women, and 48.7 percent of men), Salvadorans (42.3 percent overall, 37.6 percent of women, and 45.6 percent of men), Mexicans (32.2 percent overall, 25.8 percent of women, and 36.8 percent of men), and Ecuadorians (23.0 percent overall, 17.9 percent of women, and 26.9 percent of men).

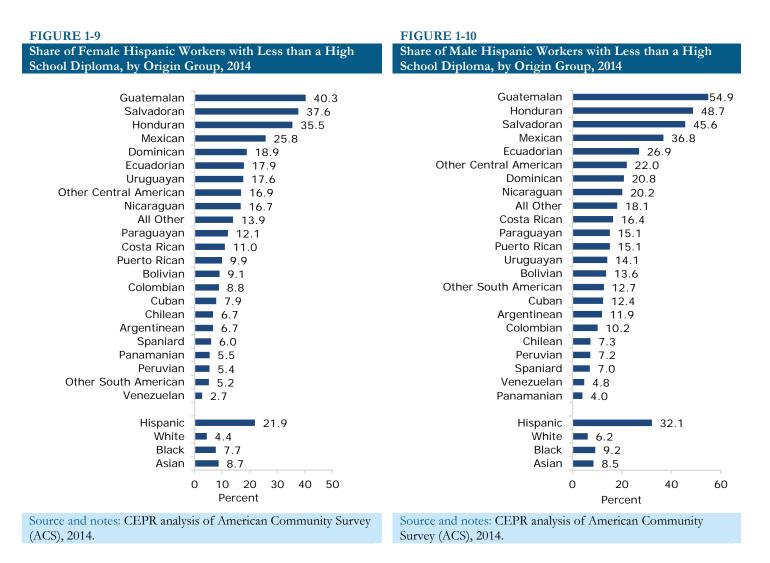


TABLE 1-4
Hispanic Workers, by Origin Group, Gender, and Educational Attainment, 2014
(percent of all workers within each origin and gender group)

	Less t	han High S	chool	I	High Schoo	1	Se	ome Colleg	ge	Со	llege or Mo	ore
	Men	Women	All	Men	Women	All	Men	Women	All	Men	Women	All
Hispanic	32.1	21.9	27.7	29.7	26.2	28.2	25.2	33.3	28.7	12.9	18.6	15.4
Mexican	36.8	25.8	32.2	30.3	27.5	29.1	23.8	32.7	27.5	9.1	14.1	11.2
Puerto Rican	15.1	9.9	12.6	34.0	25.4	29.9	32.7	40.0	36.3	18.2	24.6	21.3
Cuban	12.4	7.9	10.4	32.6	26.5	29.8	28.0	33.6	30.5	27.1	32.0	29.3
Dominican	20.8	18.9	19.8	30.6	24.0	27.3	31.2	34.1	32.7	17.5	23.0	20.3
Costa Rican	16.4	11.0	13.9	29.1	18.2	24.1	31.5	35.5	33.3	23.1	35.3	28.6
Guatemalan	54.9	40.3	50.0	22.9	23.6	23.1	15.3	25.3	18.6	6.9	10.9	8.2
Honduran	48.7	35.5	43.4	28.1	27.2	27.8	16.1	24.2	19.4	7.1	13.1	9.5
Nicaraguan	20.2	16.7	18.5	29.5	26.9	28.2	30.3	31.5	30.9	20.1	24.9	22.5
Panamanian	4.0	5.5	4.9	22.5	17.7	19.7	36.9	44.2	41.2	36.6	32.6	34.3
Salvadoran	45.6	37.6	42.3	28.2	27.8	28.0	18.3	23.9	20.6	8.0	10.8	9.1
Other Central American	22.0	16.9	19.6	31.9	21.5	27.1	24.3	31.7	27.7	21.9	29.9	25.6
Argentinean	11.9	6.7	9.7	22.5	19.0	21.0	27.8	29.4	28.5	37.8	44.8	40.8
Bolivian	13.6	9.1	11.2	15.1	17.4	16.3	32.8	40.3	36.8	38.6	33.2	35.8
Chilean	7.3	6.7	7.0	22.5	15.4	19.0	37.7	30.8	34.3	32.6	47.1	39.8
Colombian	10.2	8.8	9.5	24.6	23.1	23.8	31.9	33.0	32.5	33.4	35.1	34.3
Ecuadorian	26.9	17.9	23.0	28.8	23.6	26.6	25.3	32.0	28.2	19.0	26.5	22.2
Paraguayan	15.1	12.1	13.6	14.0	20.1	17.1	42.1	27.7	34.8	28.8	40.1	34.6
Peruvian	7.2	5.4	6.3	24.7	25.2	24.9	36.0	39.9	37.9	32.2	29.5	30.9
Uruguayan	14.1	17.6	15.5	34.1	25.2	30.5	25.8	30.2	27.6	26.0	26.9	26.4
Venezuelan	4.8	2.7	3.8	15.2	11.2	13.3	28.3	33.8	30.9	51.7	52.3	52.0
Other South American	12.7	5.2	9.8	34.6	25.4	31.0	39.5	33.4	37.1	13.2	36.1	22.1
Spaniard	7.0	6.0	6.5	20.9	16.8	18.9	36.4	37.6	37.0	35.8	39.6	37.6
All Other	18.1	13.9	16.0	29.3	24.5	26.9	33.8	40.0	36.9	18.9	21.6	20.2
W/hito	6.2	4.4	5.3	26 F	21.6	24.2	21 F	35.0	22.2	2E 0	20.0	37.3
White Black	6.2 9.2	4.4 7.7	5. <i>5</i> 8.4	26.5 33.2	21.6 24.9	24.2 28.7	31.5 36.4	35.0 41.1	33.2 39.0	35.8 21.2	38.9 26.3	37.3 24.0
Asian	9.2 8.5	7. / 8. 7	8.6	33.2 14.9	24.9 14.7	28.7 14.8	22.4	24.2	23.3	54.2	52.4	53.3
Asian										54.2		

Source and notes: CEPR analysis of American Community Survey (ACS), 2014. College or more refers to those with a four-year college degree or advanced degree.

## **Industry**

Hispanic workers work in a variety of industries, but are most likely to work in traditionally low paying ones (**Table 1-5**). Among Hispanic women, the most common industry is restaurants and other food services, where 10.4 percent of them work. The next four most common industries for Hispanic women are elementary and secondary schools (7.3 percent), hospitals (4.9 percent), services to buildings and dwellings (3.4 percent), and private households (3.0 percent). Hispanic men are most likely to work in construction (17.5 percent), followed by restaurants (9.3 percent), landscaping services (3.8 percent), crop production (2.7 percent), and truck transportation (2.2 percent).

**TABLE 1-5** 

20 Industries of Hispanic Workers, 2014	
ent of all Hispanic workers)	
Women	
Restaurants and Other Food Services	10.4
Elementary and Secondary Schools	7.3
Hospitals	4.9
Services to Buildings and Dwellings	3.4
Private Households	3.0
Child Day Care Services	2.6
Traveler Accommodation	2.4
Grocery Stores	2.3
College, Universities, and Professional Schools, including Junior Colleges	2.1
Department and Discount Stores	2.1
Home Health Care Services	2.0
Individual and Family Services	1.9
Offices of Physicians	1.8
Clothing Stores	1.7
Banking and Related Activities	1.6
Outpatient Care Centers	1.5
Insurance Carriers and Related Activities	1.5
Real Estate	1.5
Nursing Care Facilities	1.4
Other Amusement, Gambling, and Recreation Industries	1.4
Other Industries, Total	43.2
Men	
Construction, Including Cleaning During and Immediately After	17.5
Restaurants and Other Food Services	9.3
Landscaping Services	3.8
Crop Production	2.7
Truck Transportation	2.2
	2.1
Elementary and Secondary Schools	2.0
Automotive Repaid and Maintenance	1.9
Services to Buildings and Dwellings	1.7
Justice, Public Order, and Safety Activities	1.5
Real Estate	1.5
Hospitals	1.4
Other Amusement, Gambling, and Recreation Industries	1.3
Traveler Accommodation	1.3
College, Universities, and Professional Schools, including Junior Colleges	1.2
Grocery and Related Product Merchant Wholesalers	1.2
Automobile Dealers	1.1
Department and Discount Stores	1.1
Support Activities for Mining	
1	1.1
	Restaurants and Other Food Services  Elementary and Secondary Schools Hospitals Services to Buildings and Dwellings Private Households Child Day Care Services Traveler Accommodation Grocery Stores College, Universities, and Professional Schools, including Junior Colleges Department and Discount Stores Home Health Care Services Individual and Family Services Offices of Physicians Clothing Stores Banking and Related Activities Outpatient Care Centers Insurance Carriers and Related Activities Real Estate Nursing Care Facilities Other Amusement, Gambling, and Recreation Industries Other Industries, Total Men Construction, Including Cleaning During and Immediately After Restaurants and Other Food Services Landscaping Services Crop Production Truck Transportation Grocery Stores Elementary and Secondary Schools Automotive Repaid and Maintenance Services to Buildings and Dwellings Justice, Public Order, and Safety Activities Real Estate Hospitals Other Amusement, Gambling, and Recreation Industries Traveler Accommodation

## **Occupation**

Hispanic workers also work in a variety of occupations (**Table 1-6**). The five most common occupations for Hispanic women are maids and housekeeping cleaners (6.4 percent), cashiers (5.1 percent), secretaries and administrative assistants (3.5 percent), retail salespersons (3.1 percent), and janitors and building cleaners (2.8 percent). The five most common occupations for Hispanic men are construction laborers (5.0 percent), drivers (4.6 percent), grounds maintenance workers (3.9 percent), cooks (3.6 percent), and janitors and building cleaners (3.4 percent).

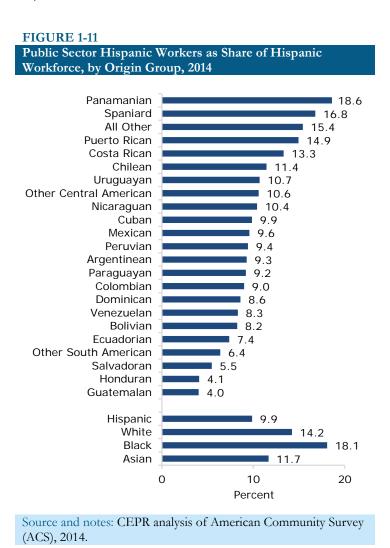
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Top	20 Occupations of Hispanic Workers, 2014	
	ent of all Hispanic workers)	
u.	Women	
1	Maids and Housekeeping Cleaners	6.4
2	Cashiers	5.1
3	Secretaries and Administrative Assistants	3.5
4	Retail Salespersons	3.1
5	Janitors and Building Cleaners	2.8
6	Customer Service Representatives	2.7
7	Cooks	2.6
8	Nursing, Psychiatric and Home Health	2.6
9	Child Care Workers	2.5
10	Waiters and Waitresses	2.5
11	Elementary and Middle School Teachers	2.2
12	Personal and Home Care Aides	2.1
13	Receptionists and Information Clerks	1.9
14	First-line Supervisors/Managers of Retail Sales Workers	1.8
15	Office Clerks, General	1.6
16	Registered Nurses	1.6
17	Teacher Assistants	1.5
18	Food Preparation Workers	1.3
19	Medical Assistants	1.2
20	Misc, Managers, including Postmasters and Mail Superintendents	1.2
	Other Occupations, Total	49.6
	Men	<b>5</b> 0
1	Construction Laborers	5.0
2	Drivers/Sales Workers and Truck Drivers	4.6
3	Grounds Maintenance Workers	3.9
5	Cooks	3.6
-	Janitors and Building Cleaners  Labourge and Emiliate Steels and Material Manager	3.4
7	Laborers and Freight, Stock, and Material Movers	2.8
8	Misc. Agricultural Workers, Including Animal Breeders Carpenters	2.8
9	Retail Salespersons	2.0
10	Painters and Paper Hangers	1.9
11	Misc, Managers, including Postmasters and Mail Superintendents	1.9
12	First-line Supervisors / Managers of Retail Sales Workers	1.6
12	First-line Supervisors/Managers of Retail Sales Workers  Misc. Production Workers, Including Semiconductor Processors	1.6
13	Misc. Production Workers, Including Semiconductor Processors	1.5
	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers	-
13 14 15	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers Automotive Service Technicians and Mechanics	1.5 1.4 1.4
13 14	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers Automotive Service Technicians and Mechanics Cashiers	1.5 1.4
13 14 15 16	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers Automotive Service Technicians and Mechanics	1.5 1.4 1.4 1.4
13 14 15 16 17	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers Automotive Service Technicians and Mechanics Cashiers Customer Service Representatives Waiters and Waitresses	1.5 1.4 1.4 1.4 1.3
13 14 15 16 17 18	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers Automotive Service Technicians and Mechanics Cashiers Customer Service Representatives Waiters and Waitresses Industrial Truck and Tractor Operators	1.5 1.4 1.4 1.4 1.3 1.2
13 14 15 16 17 18 19	Misc. Production Workers, Including Semiconductor Processors Stock Clerks and Order Fillers Automotive Service Technicians and Mechanics Cashiers Customer Service Representatives Waiters and Waitresses	1.5 1.4 1.4 1.4 1.3 1.2

#### **Public Sector**

About 10 percent of Hispanic workers have jobs in the public sector (**Figure 1-11**). This is noticeably lower than workers of other races/ethnicities. 18.1 percent of Black workers, 14.2 percent of white workers, and 11.7 percent of Asian workers have jobs in the public sector.

Among Hispanic workers, those of Panamanian descent are the most likely to work in the public sector (18.6 percent). The others included in the top five are Spaniards (16.8 percent), all other (15.4 percent), Puerto Ricans (14.9 percent), and Costa Ricans (13.3 percent). Guatemalans are the least likely to work in the public sector (4.0 percent), followed by Hondurans (4.1 percent) and Salvadorans (5.5 percent).



# 2 Challenges

Hispanic workers face a multitude of challenges in the U.S. labor market. Some of these challenges are lingering effects of the Great Recession, while others are longer-standing concerns that they have faced for decades. This section reviews several of these challenges, including high unemployment, wage inequality, poverty, disability, language barriers, and low access to health and retirement benefits.

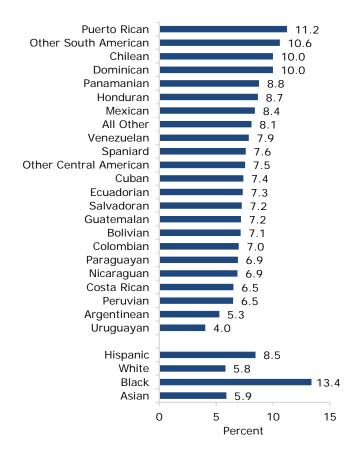
### Unemployment

Hispanics have high unemployment rates, second only to Blacks (**Figure 2-1** and **Table 2-1**). In 2014, the overall unemployment rate for Hispanics was 8.5 percent, compared to 13.4 percent for Blacks, 5.9 percent for Asians, and 5.8 percent for whites. Hispanic men had an unemployment rate of 7.6 percent, and Hispanic women had an unemployment rate of 9.6 percent. A number of Hispanic origin groups had unemployment rates well above the average for Hispanics. Hispanics of Puerto Rican descent had the highest unemployment rate (11.2 percent), followed by other South Americans (10.6 percent), Chileans and Dominicans (10.0 percent), and Panamanians (8.8 percent).

These racial/ethnic differences in unemployment rates persist even when education is taken into account. **Figure 2-2** displays unemployment rates by race/ethnicity and educational attainment. Even with the same levels of educational attainment, Hispanics and Blacks consistently have unemployment rates that are higher than whites and Asians.

FIGURE 2-1

Hispanic Unemployment Rate, by Origin Group, 2014



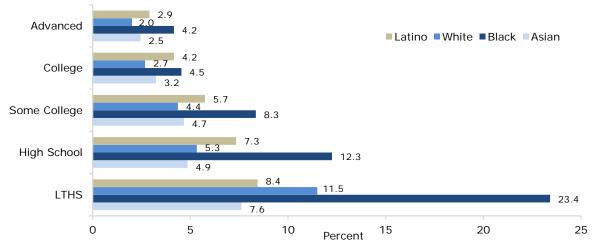
Source and notes: CEPR analysis of American Community Survey (ACS), 2014.

**TABLE 2-1** 

Hispanic Unemployment Rate, by Origin Group and					
Gender, 2014		•			
(percent)					
	All	Men	Women		
Hispanic	8.5	7.6	9.6		
Mexican	8.4	7.5	9.7		
Puerto Rican	11.2	11.1	11.4		
Cuban	7.4	6.9	7.9		
Dominican	10.0	9.3	10.7		
Costa Rican	6.5	6.0	7.1		
Guatemalan	7.2	5.3	10.7		
Honduran	8.7	6.6	11.5		
Nicaraguan	6.9	6.3	7.4		
Panamanian	8.8	9.5	8.2		
Salvadoran	7.2	6.0	9.0		
Other Central American	7.5	6.3	9.0		
Argentinean	5.3	4.6	6.2		
Bolivian	7.1	8.9	5.5		
Chilean	10.0	10.7	9.2		
Colombian	7.0	5.8	8.1		
Ecuadorian	7.3	6.3	8.7		
Paraguayan	6.9	8.6	5.2		
Peruvian	6.5	5.2	7.8		
Uruguayan	4.0	4.2	3.8		
Venezuelan	7.9	7.2	8.5		
Other South American	10.6	2.9	20.4		
Spaniard	7.6	8.2	6.9		
All Other	8.1	8.6	7.6		
White	5.8	6.1	5.5		
Black	13.4	14.7	12.2		
Asian	5.9	5.9	5.8		
Source and notes: CEPR analyst	sis of Amer	ican			
Community Survey (ACS), 201	4.				

FIGURE 2-2



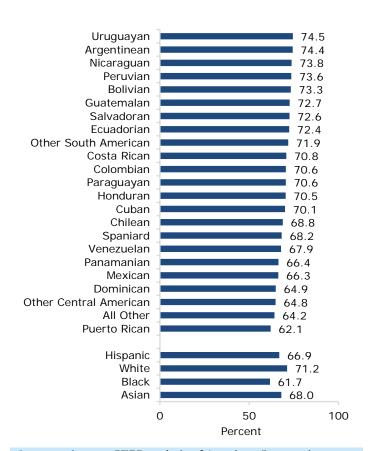


Source and notes: CEPR analysis of Current Population Survey Outgoing Rotation Group (CPS ORG), 2015. "LTHS" indicates less than a high school diploma.

#### **Employment**

The employment rate, also called the employment-to-population (EPOP) ratio, is another measure used to determine labor market health. It shows the percentage of the working-age population, those who are between the ages of 16 and 64, who are employed. Unlike the unemployment rate, the employment rate is not affected by those who have exited the labor market because they give up trying to find a job. **Figure 2-3** and **Table 2-2** display employment rates for Hispanics ages 16 to 64. Overall, 66.9 percent of Hispanics were employed in 2014 (75.4 percent of men and 58.3 percent of women). In comparison, the employment rates for whites, Asians, and Blacks were 71.2 percent, 68.0 percent, and 61.7 percent, respectively. A number of Hispanic origin groups had substantially higher employment rates, some of which include Uruguayans (74.5 percent), Argentinians (74.4 percent), Nicaraguans (73.8 percent), Peruvians (73.6 percent), and Bolivians (73.3 percent). The origin groups with the lowest employment rates were Puerto Ricans (62.1 percent), all other (64.2 percent), and other Central Americans (64.8 percent).

FIGURE 2-3
Hispanic Employment Rate, by Origin Group, Ages 16-64,



Source and notes: CEPR analysis of American Community Survey (ACS), 2014.

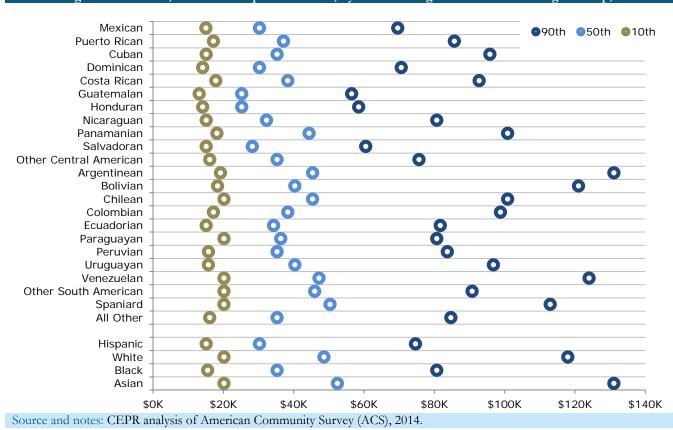
TABLE 2-2			
Hispanic Employment Rate	e, by Origi	n Group ar	nd Gender,
Ages 16–64, 2014			
(percent)			
· ·	All	Men	Women
Hispanic	66.9	75.4	58.3
Mexican	66.3	76.1	56.2
Puerto Rican	62.1	66.1	58.3
Cuban	70.1	74.4	65.5
Dominican	64.9	69.3	61.2
Costa Rican	70.8	79.8	62.3
Guatemalan	72.7	84.9	56.3
Honduran	70.5	81.7	58.5
Nicaraguan	73.8	79.4	68.7
Panamanian	66.4	69.0	64.6
Salvadoran	72.6	81.8	62.5
Other Central American	64.8	72.8	57.4
Argentinean	74.4	83.1	65.1
Bolivian	73.3	74.1	72.7
Chilean	68.8	73.4	64.6
Colombian	70.6	79.0	64.2
Ecuadorian	72.4	79.8	64.6
Paraguayan	70.6	79.1	63.8
Peruvian	73.6	80.4	67.9
Uruguayan	74.5	80.5	67.2
Venezuelan	67.9	75.8	60.8
Other South American	71.9	84.7	57.8
Spaniard	68.2	72.3	64.3
All Other	64.2	67.6	61.0
White	71.2	75.6	67.0
Black	61.7	61.1	62.1
Asian	68.0	74.1	62.6
Source and notes: CEPR analy	ysis of Ame	erican Comn	nunity
Survey (ACS), 2014.			

## **Wages**

In addition to having lower wages, wage inequality among Hispanic workers has generally been lower than among workers of other races/ethnicities. One common measure of inequality is the ratio of the typical high-paid worker's wages to the typical low-wage worker's wages. For this report, the typical high-paid worker is defined as a worker at the 90<sup>th</sup> percentile of the wage distribution who has wages that are lower than 10 percent of workers and higher than 90 percent of workers. The typical low wage worker is at the 10<sup>th</sup> percentile of the wage distribution and makes less than 90 percent of workers and more than 10 percent of workers. The median worker (at the 50<sup>th</sup> percentile) is at the middle of the wage distribution and makes more than half of workers and less than the other half of workers.

Using the inequality measure above, the ratio of the typical high-paid to low-paid Hispanic worker is about 5-to-1, compared to 6-to-1 for whites, 7-to-1 for Asians, and 5-to-1 for Blacks (**Figure 2-4** and **Table 2-3**). Among Hispanic workers, Argentinians and Bolivians have the highest ratio (7-to-1) and Guatemalans, Hondurans, Salvadorans, and Paraguayans have the lowest (4-to-1).

FIGURE 2-4
Annual Wages of Full-Time, Full-Year Hispanic Workers, by Selected Wage Percentiles and Origin Group, 2014



**TABLE 2-3** 

Annual Wages of Full-Time, Full-Year Hispanic Workers, by Wage							
Percentile, 2014							
(thousands of dollars)							
	10th	50th	90th				
Hispanic	15.1	30.3	74.6				
Mexican	15.0	30.3	69.6				
Puerto Rican	17.1	37.1	85.7				
Cuban	15.1	35.3	95.8				
Dominican	14.1	30.3	70.6				
Costa Rican	17.8	38.3	92.8				
Guatemalan	13.1	25.2	56.5				
Honduran	14.1	25.2	58.5				
Nicaraguan	15.1	32.3	80.7				
Panamanian	18.2	44.4	100.8				
Salvadoran	15.1	28.2	60.5				
Other Central American	16.1	35.3	75.6				
Argentinean	19.2	45.4	131.1				
Bolivian	18.4	40.3	121.0				
Chilean	20.2	45.4	100.8				
Colombian	17.1	38.3	98.8				
Ecuadorian	15.1	34.3	81.7				
Paraguayan	20.2	36.3	80.7				
Peruvian	15.7	35.3	83.7				
Uruguayan	15.7	40.3	96.8				
Venezuelan	20.2	47.2	124.0				
Other South American	20.2	46.0	90.8				
Spaniard	20.2	50.3	112.9				
All Other	16.1	35.3	84.7				
White	20.2	48.6	118.0				
Black	15.5	35.3	80.7				
Asian	20.2	52.4	131.1				
Source and notes: CEPR analysis	of American Com	munity Survey	(ACS), 2014.				

### **Poverty**

Hispanic workers are more likely than workers of any other race/ethnicity to be in poverty (**Figure 2-5**). 13.0 percent of Hispanic workers are members of the working poor, compared to 12.0 percent of Blacks, 6.3 percent of Asians, and 5.4 percent of whites. Guatemalans (19.1 percent), Hondurans (17.7 percent), Dominicans (14.2 percent), and Mexicans (14.1 percent) have particularly high levels of poverty, while Chileans (5.3 percent) and other South Americans (5.6 percent) have poverty rates comparable to whites.

FIGURE 2-5 Share of Hispanic Workers in Poverty, by Origin Group, 2014 Guatemalan Honduran 17.7 Dominican 14.2 14.1 Mexican Salvadoran 12.3 Ecuadorian 11.5 Puerto Rican 11.0 Other Central American 10.0 All Other 9.7 Cuban 9.7 Nicaraguan 8.8 Paraguayan 8.4 Costa Rican 8.2 Argentinean 8.0 Colombian 7.9 Venezuelan 7.2 Bolivian 6.9 Spaniard 6.7 Peruvian 6.6 Panamanian 6.5 Uruguayan 6.4 Other South American 5.6 Chilean 5.3 Hispanic 13.0 White 5.4 Black 12.0 Asian 6.3 0 5 10 15 20 25 Percent Source and notes: CEPR analysis of American Community Survey

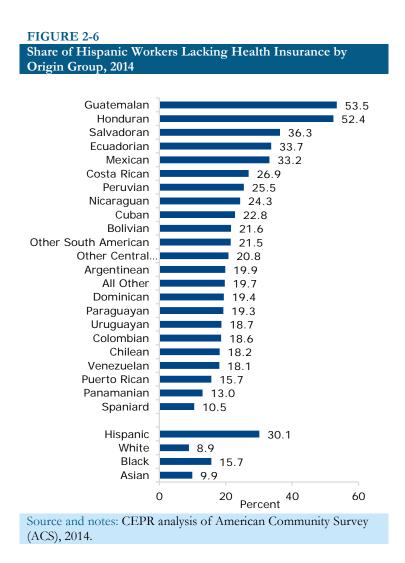
Hispanic Workers in the United States

(ACS), 2014.

#### **Health Insurance**

About 30 percent of Hispanic workers did not have health insurance of any kind in 2014 (**Figure 2-6**). This is much higher than workers of other races/ethnicities, with 15.7 percent of Black workers, 9.9 percent of Asian workers, and 8.9 percent of white workers lacking health insurance.

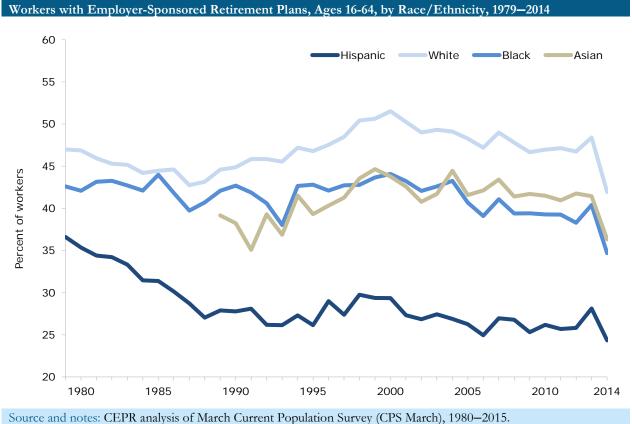
Over half (53.5 percent) of Guatemalan workers lack health insurance, followed by 52.4 percent of Honduran workers. These shares are striking, even among Hispanics workers, given that the next highest level is for Salvadorans (36.3 percent), followed by Ecuadorians (33.7 percent), and Mexicans (33.2 percent). Spaniards (10.5 percent), Panamanians (13.0 percent), and Puerto Ricans (15.7 percent) are the least likely to lack health insurance.



#### **Retirement Plan**

The share of Hispanic workers with employer- or union-sponsored retirement plans has declined over the years, and remains lower than workers of other races/ethnicities (**Figure 2-7**).<sup>3</sup> In 2014, only 24.3 percent of Hispanic workers had retirement plans, compared to 34.7 percent of Blacks, 36.3 percent of Asians, and 41.9 percent of whites.

FIGURE 2-7

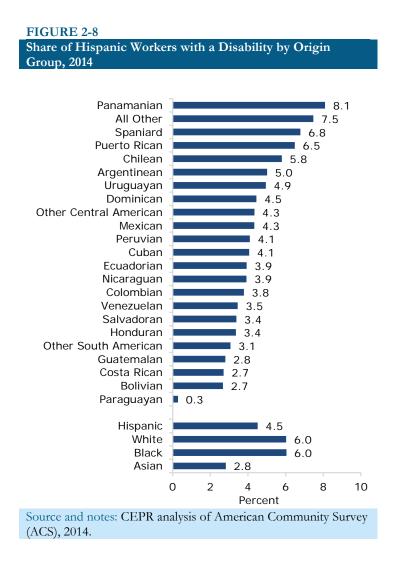


and defined contribution plans.

<sup>3</sup> This report defines workers as having retirement plans if their employer or union sponsors a retirement plan and the worker participates, whether or not the employer contributes to the plan. The March CPS does not differentiate between defined benefit

### **Disability**

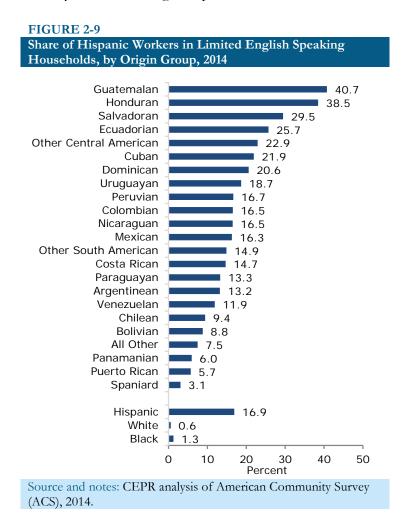
Hispanic workers are less likely than their Black and white peers to report having any disability (**Figure 2-8**). 4.5 percent of Hispanic workers have a disability, while 6.0 percent of Black and white workers do. The corresponding share for Asian workers is 2.8 percent. Among Hispanic workers, Panamanians are the most likely to have a disability (8.1 percent), followed by all other (7.5 percent), Spaniards (6.8 percent), Puerto Ricans (6.5 percent), and Chileans (5.8 percent).



#### Language

The ACS defines a limited English speaking household as "one in which no member 14 years old and over (1) speaks only English at home or (2) speaks a language other than English at home and speaks English 'very well."<sup>4</sup>

About 17 percent of Hispanic workers live in limited English speaking households (**Figure 2-9**). Asian workers are not far behind (14.8 percent), while Black (1.3 percent) and white (0.6 percent) workers are much less likely to live in limited English speaking households. However, looking at the overall Hispanic rate can mask large differences among different origin groups. For example, 40.7 percent of Guatemalan workers and 38.5 percent of Honduran workers live in limited English speaking households. Spaniards (3.1 percent), Puerto Ricans (5.7 percent), and Panamanians (6.0 percent), are much less likely than the average Hispanic worker to live in such a household.



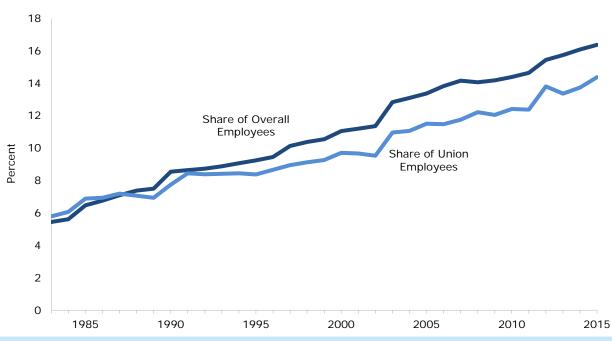
<sup>4</sup> U.S. Census Bureau (2015), p. 46 https://www2.census.gov/programs-surveys/acs/tech\_docs/subject\_definitions/2014\_ACSSubjectDefinitions.pdf.

# 3 The Effect of Union Representation

One way that Hispanic workers have responded to the challenges mentioned in the previous section is by joining labor unions. Unions in particular work to boost the pay and access to benefits of not only those workers who are represented by unions, but also non-union workers. They accomplish this by putting pressure on non-union employers to provide better pay and benefits when competing for workers.<sup>5</sup>

Hispanic workers have increased their share of both the overall and union workforce (**Figure 3-1**). In 2015, Hispanic workers accounted for 14.4 percent of union workers and 16.4 percent of the total workforce.<sup>6</sup> In 1983, the earliest year with comparable union data, Hispanic workers were slightly overrepresented in the union workforce, accounting for 5.8 percent of the union workforce, but only 5.4 percent of the overall workforce.





Source and notes: CEPR analysis of Current Population Survey Outgoing Rotation Group (CPS ORG), 1983-2015

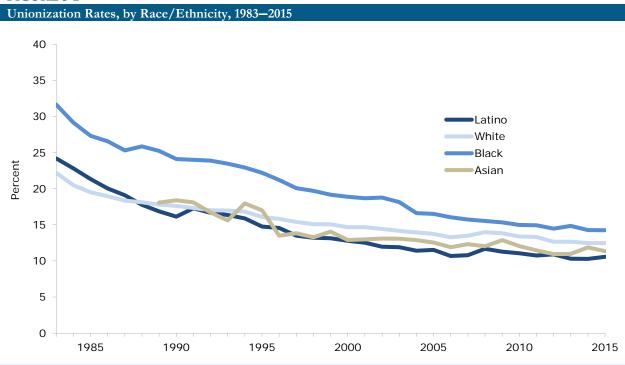
Like workers of other races/ethnicities, Hispanic workers have seen a sharp decline in their unionization rate since the early 1980s (**Figure 3-2**). In 1983, 24.2 percent of Hispanic workers were

<sup>5</sup> Rosenfeld, Denice, and Laird (2016) http://www.epi.org/files/pdf/112811.pdf.

<sup>6</sup> This paper defines a union worker as someone who is either a member of, or represented by, a union at their current place of employment.

represented by unions, compared to 22.2 percent of white workers, and 31.7 percent of Black workers. Since then, Hispanic workers' unionization rate has dropped 56.3 percent. In 2015, only 10.6 percent of Hispanic workers were represented by unions, compared to 12.5 percent of white workers (a 43.8 percent decline), and 14.2 percent of Black workers (a 55.0 percent decline). Union data on Asian workers were not available in the CPS until 1989, when they had a unionization rate of 18.1 percent. By 2015, the Asian unionization rate had dropped to 11.3 percent, a decline of 37.2 percent.

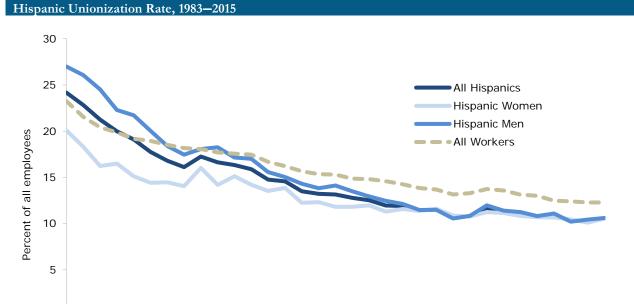
FIGURE 3-2



Source and notes: CEPR analysis of Current Population Survey Outgoing Rotation Group (CPS ORG), 1983-2015

Hispanic men have seen their unionization rate fall over 60 percent, from 27.0 percent in 1983 to 10.6 percent in 2015 (**Figure 3-3**). Hispanic women's unionization rate has declined from 20.1 percent in 1983 to 10.5 percent in 2015, for a drop of 47.6 percent. Over the same time period, the unionization rate of the overall workforce fell from 23.3 percent to 12.3 percent, for a 47.2 percent decrease.

FIGURE 3-3



Source and notes: CEPR analysis of Current Population Survey Outgoing Rotation Group (CPS ORG), 1983-2015

Despite falling unionization rates across the board, unions still significantly boost the wages of workers. This is particularly true for Hispanics. Even after controlling for fundamental differences between union and non-union workers, Hispanic union workers on average earn 24.9 percent (about \$3.99 per hour) more than their non-union peers (**Table 3-1**). This wage premium is even higher for Hispanic men (29.7 percent or \$4.99 per hour). Hispanic women also have a sizable union wage premium (18.7 percent or \$2.79), as do Hispanic workers in low-wage occupations (23.6 percent or \$2.62).

Dollar value increases are calculated by applying the wage premium to the following mean hourly wages of non-union workers in each group: all Hispanics (\$16.01), Hispanic women (\$14.93), Hispanic men (\$16.81), and Hispanics in low-wage occupations (\$11.09). The low-wage occupations include: food preparation and serving workers, cashiers, cooks, child care workers, packers and packagers, maids and housekeeping cleaners, personal and home-care aides, stock clerks, janitors, grounds maintenance workers, teacher assistants, laborers and freight workers, nursing, psychiatric and home health aides, security guards, and first-line supervisors of food prep and serving workers. These occupations were chosen according to the criteria used by Schmitt, Waller, Fremstad, and Zipperer (2007).

TABLE 3-1

Regression-Adjusted Union Wage, Health, and Retirement Advantage for Hispanic Workers, 2010-2015 (percent of all workers within each origin and gender group)

		Hourly wage	Health i	Health insurance		ent plan
	Unionization rate (percent)	Union premium (percent)	Union premium (p.p.)	Coverage increase (percent)	Union premium (p.p.)	Coverage increase (percent)
All	10.6	24.9	25.1	70.8	26.2	113.6
Women	10.5	18.7	19.6	52.2	24.9	99.7
Men	10.7	29.7	30.3	89.0	27.7	128.1
In low-wage	8.7	23.6	24.1	112.1	19.0	144.4

Source and notes: CEPR analysis of CEPR extract of the Current Population Survey Outgoing Rotation Group (CPS ORG) and March CPS. Regressions include controls for age, age squared, education (LTHS, high school, some college, college, and advanced), gender (when men and women appear in the same regression), state, and two-digit industry. The wage regressions use ordinary least squares and the health and retirement regressions are probits. Union wage premiums in percent are converted from log points by taking the antilog of regression coefficients and subtracting one. Union health insurance and retirement coverage figures are percentage-point (p.p.) increases associated with union coverage. Coverage increases in percent terms are relative to the current coverage rates for non-union workers. Health and retirement coverage refer to 2009–2014; wages refer to 2010–2015. All regression results are significant at the 1 percent level.

Hispanic workers in unions also enjoy better access to health and retirement benefits. They are 25.1 percentage points more likely than their non-union counterparts to have employer-provided health insurance and 26.2 percentage points more likely to have employer-sponsored retirement plans. Hispanic men in unions are 30.3 percentage points more likely to have health insurance and 27.7 percentage points more likely to have a retirement plan. Hispanic union women are 19.6 percentage points more likely to have health insurance and 24.9 percentage points more likely to have a retirement plan than their non-union counterparts. Hispanic workers in low-wage occupations also enjoy sizable union benefit premiums of 24.1 percentage points for health insurance and 19.0 percentage points for retirement plans.

Workers are defined as having health insurance if their employer or union provides health insurance and pays for some, or all of, the health insurance premium. This report defines workers as having retirement plans if their employer or union sponsors a retirement plan and the worker participates whether or not the employer contributes to the plan. The March CPS does not differentiate between defined benefit and defined contribution plans.

## References

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# **Data Appendix**

The data in this report come from three separate U.S. Census Bureau datasets: the American Community Survey (ACS), Current Population Survey Outgoing Rotation Group (CPS ORG), and the March supplement to the CPS (March CPS).

#### **American Community Survey**

The ACS is a large, nationally-representative survey of people who reside in the United States. Because of its large sample size (over three million in 2014), and wide range of topics covered, the ACS can be used to analyze small geographies and groups that is not possible with other data sources such as the CPS. For the purposes of this report, the ACS includes a question on Hispanic origin that allows for analysis of 23 ethnic subgroups within the Hispanic population. The ACS data in this report refer to 2014 and are restricted to the civilian non-institutionalized population.

#### **Current Population Survey Outgoing Rotation Group**

The CPS ORG is a monthly survey of the civilian non-institutionalized population in the United States. Because of sample size limitations, the CPS ORG does not contain detailed Hispanic origin data beyond several large subgroups. Therefore, the CPS ORG is used throughout this report to show various trends in the overall Hispanic population from 1979 to 2015.

#### **March Current Population Survey**

The March CPS is a supplement to the Current Population Survey that is fielded to a subsample of CPS households during the month of March. The March CPS is used to determine the health and retirement benefits data in this report.

#### Data

All of the data used in this report can be found at http://ceprdata.org. **Table A-1** below shows the sample sizes for the regressions in Table 3.1.

TABLE A-1

Sample Sizes for Regressions in T	CPS ORG	Marc	ch CPS
	Wages	Health Insurance	Retirement Plan
All	80,133	9,090	9,083
Women	36,498	4,030	4,034
Men	43,635	5,053	4,991
In low-wage occupations	21,918	2,387	2,326
Source and notes: CEPR analysis of	CEPR extract of the Curre	ent Population Survey Outgoir	ng Rotation Group (CPS
ORG) and March CPS, 2010-2015.			