

Young Latino Men's Employment Prospects

Highlights from the New NCLR Report on Millennials

Practitioners and researchers generally agree that early work experience offers young people vital skills that benefit them throughout their careers. This *Monthly Latino Employment Report* highlights key findings from a new NCLR report, [Giving Them an Edge? The Effects of Work Experience on the Employment Prospects of Latino Young Men](#).

Latino Employment Statistics for June 2014

June was a strong month for job growth. The [U.S. Department of Labor](#) reported today that employers added 288,000 jobs last month and the U.S. unemployment rate dropped from 6.3% to 6.1%. The Latino unemployment disparity grew as the Latino unemployment rate rose slightly to 7.8%. The slight increase in Latino unemployment appears to be due to more Latinos coming off the sidelines of the labor market and actively searching for work.

Table 1. The Employment Situation for Latino Workers in June 2014

Indicators	Latinos, June 2014
Employed —Working people over the age of 16, including those temporarily absent from their jobs	23.4 million
Unemployed —Those who are available to work, make an effort to find a job, or expect to be called back from a layoff but are not working	2.0 million
Civilian Labor Force —The sum of employed and unemployed people	25.4 million
Not in the Labor Force —People over the age of 16 classified as neither employed nor unemployed	12.9 million
Unemployment Rate —Share of the labor force that is unemployed	7.8%
Labor Force Participation Rate —Share of the population over the age of 16 that is in the labor force	66.3%
Employment-Population Ratio —Share of the population over the age of 16 that is working	61.1%

Source: U.S. Bureau of Labor Statistics, "Employment Status of the Hispanic or Latino Population by Sex and Age," *Current Population Survey*, <http://www.bls.gov/webapps/legacy/cpsatab3.htm> (accessed July 3, 2014), Table A-3.

Disparities in Unemployment and Underemployment among Young People of Color

The Great Recession exacerbated and prolonged the typically high unemployment rates for millennials—defined as individuals between the ages of 16 and 30 years old in 2012.¹ The employment situation for millennials of color is especially troubling; unemployment rates for Blacks are nearly double those of Whites, a staggering 49% for Black men ages 16–19 and 42% for Black women ages 16–19 (see Table 2).

Table 2. Millennial Unemployment Rates by Age and Race/Ethnicity, 2012

Age	Latino		Black		White	
	Male	Female	Male	Female	Male	Female
16–19	34%	31%	49%	43%	24%	20%
20–25	15%	16%	29%	25%	13%	10%
26–30	10%	12%	21%	19%	8%	7%

Source: NCLR calculations based on 2012 American Community Survey, 1-year sample.

Unemployment is an imperfect measure of economic well-being because it fails to count workers who are not employed at their full potential or who are detached from the labor market but still able to work. It is useful, therefore, to measure *underemployment*, which includes individuals who are out of work, working part time but prefer full-time work, or gave up searching for a job but are still available to work. Underemployment paints a more vivid picture of the employment challenges that millennials, particularly millennials of color, currently face. For example, 41.9% of Latino millennials who lack a high school degree are underemployed (see Table 3).

Table 3. Millennial Underemployment Rates by Age, Education, and Race/Ethnicity, 2014

Age and Educational Attainment	Latino	Black	White
Ages 17–20 with a high school degree only	41.9%	56.6%	36.8%
Ages 21–24 with a bachelor's degree	16.3%	25.5%	15.8%

Source: Economic Policy Institute unpublished analysis of U.S. Bureau of Labor Statistics, *Current Population Survey* monthly microdata, seasonally adjusted.

Findings from NCLR's Report on Young Latino Men in the Workforce



The short- and long-term consequences of employment disparities among young people of color have generated an urgent national conversation among young people, business leaders, the philanthropic sector, and government leaders. In recent years, advocates for young people have brought to light the barriers to success faced by “disconnected youth,” who are neither working nor enrolled in secondary or postsecondary education. Latinos are overrepresented among the disconnected youth population.² In February 2014, President Obama announced a multistakeholder initiative called “My Brother’s Keeper” to collect solutions to improve life outcomes for boys and young men of color.

NCLR’s new issue brief, [*Giving Them an Edge? The Effects of Work Experience on the Employment Prospects of Latino Young Men*](#), contributes new knowledge to shape this national conversation. The

focus of the issue brief is on how prior work experience boosts employment prospects. NCLR’s analysis found significant differences between Latino males and their peers:

- Latino men in their twenties have the most work experience compared to their peers.
- Work experience boosts employment prospects for Latino young men. This is not the case for all millennials.
- Work experience makes no difference in the likelihood that Latino men in their late twenties will work full time, contrary to other millennials.

Issues

While individual life circumstances vary, NCLR’s findings paint a general picture of how Latino male millennials benefit from additional work experience differently than their peers. These disparities are likely the result of one or more structural issues that affect labor market outcomes for Latino young men. These include:

- **Occupational clustering.** Research finds that Latino men, especially new immigrants, are concentrated in specific sectors, or “clusters,” of the economy in which they compete for lower-wage jobs with similarly qualified Latinos.
- **Social networks.** Reliance on networks of friends and family to access job opportunities could limit the jobs available to Latino men, especially in higher-paying full-time jobs.
- **Immigration status.** Approximately 18% of Latinos ages 16–19, 31% of Latinos ages 20–25, and 46% of Latinos ages 26–30 are foreign-born.³ Lack of work authorization could severely limit the employment prospects of some immigrants, relegating them to low-wage jobs in industries such as construction, retail, and other services.
- **Hiring bias.** Bias in how employers value work experience may compound the existing unconscious racial and ethnic biases that already affect Latinos and other minority job applicants.



Recommendations

The clear benefits of additional work experience for Latino male millennials' employment call for enhanced efforts to expand job opportunities for young men. However, the fact that additional work experience alone is not sufficient to enable Latino men to break into full-time jobs requires a set of effective responses to address structural barriers. Young men cannot solve these challenges on their own; policymakers and businesses are among the many actors that have important roles to play.

Recommendations for federal policymakers

- **Create high-quality work experiences targeted toward Latino male millennials.**
- **Incentivize the public education and workforce development systems to provide full-time jobs for Latino men in their late twenties.**
- **Enact comprehensive immigration reform that includes employment strategies for formerly undocumented young people.**

Recommendations for businesses

- **Reexamine how work experience is valued in recruitment and hiring.**
- **Leverage people and technology to recruit and hire Latino male millennials.**
- **Combat unconscious racial and ethnic bias in hiring.**

For detailed discussion and recommendations, please download *Giving Them an Edge? The Effects of Work Experience on the Employment Prospects of Latino Young Men* at www.nclr.org/index.php/publications/giving_them_an_edge.

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Endnotes

¹ The exact age range of the so-called millennial generation varies by source. For a discussion on how millennials compare to other generations, refer to Scott Keeter and Paul Taylor, "The millennials," December 10, 2009, <http://www.pewresearch.org/2009/12/10/the-millennials> (accessed March 2014).

² Ana Hageage, *Plugged In: Positive Development Strategies for Disconnected Youth* (Washington, DC: NCLR, 2011), www.nclr.org/index.php/publications/plugged_in_positive_development_strategies_for_disconnected_latino_youth (accessed January 2014).

³ NCLR calculations using 2012 American Community Survey, 1-year estimates.