

Chapter 1

Today's Latino Workforce: Diverse and Growing



Nearly 21.8 million Latinos* are at work in the United States, representing 14.2% of the labor force.¹ Between 2000 and 2007 alone, the U.S.-born Hispanic labor force grew by 34.2% and the foreign-born Hispanic labor force grew by 53.7%.² Despite the economic recession, 395,000 Latinos joined the workforce in 2008, accounting for over half (54%) of the new labor force entrants. As the Hispanic workforce continues to grow, their labor market contributions become increasingly important to the economy as a whole; by 2050, it is expected that one in three working Americans will be Latino.³

Several characteristics distinguish Latinos from the rest of the workforce:

- **Fast growth.** As in the population overall, Latinos are the fastest-growing segment of the American workforce.
- **Relative youth.** Latino workers, especially immigrants, are significantly younger than the workforce overall.
- **High rate of participation.** Hispanic men are more likely to be working or actively searching for a job than any other group in the labor force.
- **Large foreign-born population.** Many indicators of job quality look quite different for Latinos born in the U.S. and those born abroad. More than half of Latino workers are foreign-born.
- **Lower educational attainment and English proficiency.** These challenges are more profound for immigrant Latinos, although they also limit the job opportunities of many U.S.-born Latinos.

DEMOGRAPHIC CHARACTERISTICS

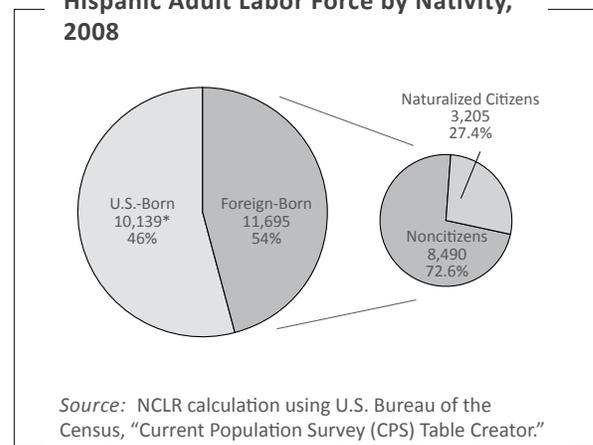
As a group, Latino workers tend to be younger and are more likely to be foreign-born than their peers. Yet much like the Hispanic population as a whole,

the Latino workforce itself is quite diverse. A Latino worker's experience in the labor market can depend on differences in a number of factors:

Age. Latino workers tend to be younger than Black and White workers. The average age among Hispanic adult civilian workers is 37, versus 40 for Blacks and 42 for Whites. Naturalized Latino workers tend to be older than Hispanic noncitizen workers. The average ages for these two subgroups are 44 and 36, respectively.⁴

Nativity. In 2008, more than 10.1 million Latino workers were U.S.-born, while more than 11.7 million were foreign-born, as seen in Figure 1.1.⁵ Immigrants and their children are projected to drive the growth of the Latino workforce in the coming decades.⁶

FIGURE 1.1
Hispanic Adult Labor Force by Nativity, 2008



Source: NCLR calculation using U.S. Bureau of the Census, "Current Population Survey (CPS) Table Creator." Housing and Household Economics Statistics Division. Washington, DC, 2008, http://www.census.gov/hhes/www/cpstc/cps_table_creator.html (accessed June 2009).

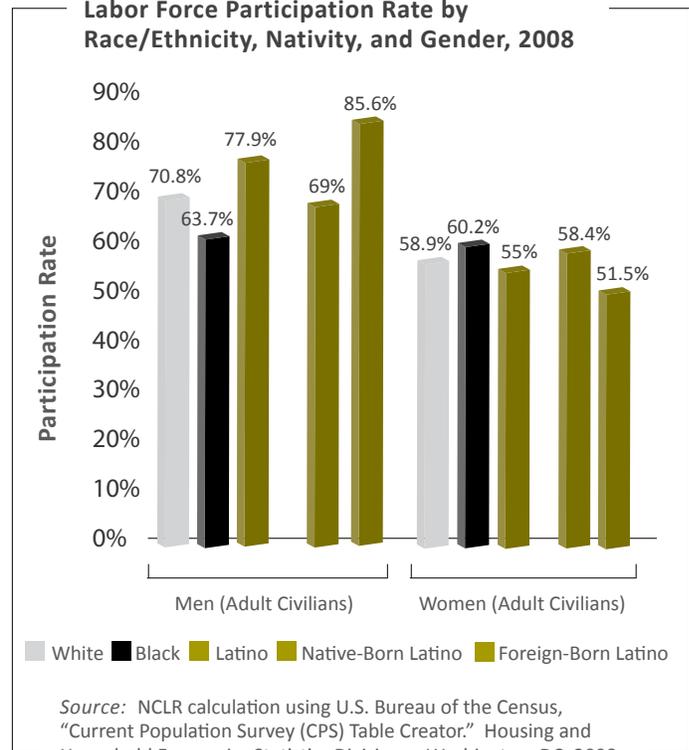
*Numbers are in thousands.

* The terms "Hispanic" and "Latino" are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

Gender. Hispanic men and women have the highest and lowest participation rates in the overall U.S. labor force, respectively (individuals who are actively searching for a job, as well as individuals who are currently employed, are counted as participants in the labor force). Only four in ten Hispanic workers are female. As seen in Figure 1.2, more than three-quarters (77.9%) of working-age Latino men are in the labor force versus 70.8% of non-Hispanic White men and 63.7% of non-Hispanic Black men. Foreign-born Latino men are even more active in the workforce, participating at a rate of 85.6%. By contrast, foreign-born Hispanic women are less likely to participate in the workforce than their native-born counterparts. Slightly more than half (51.5%) of immigrant Latinas are in the workforce, compared to 58.4% of native-born Latinas. Overall, 55% of Hispanic women of working age participate in the workforce, compared to 58.9% of White women and 60.2% of Black women.⁷

Immigration status. Of the 11.7 million adult Hispanic immigrant workers, 3.2 million are naturalized citizens while 8.5 million are not U.S. citizens. Noncitizens include legal permanent residents (LPRs), refugees and asylees, undocumented workers, and those who are in the process of naturalizing or adjusting their immigration status. During the past decade, a shift occurred in the composition of incoming immigrants from Mexico and Latin America, changing from a majority undocumented to a majority legal.⁸ Nevertheless, these areas were still the most common origins of the undocumented population in the U.S.; in 2008, an estimated seven million undocumented individuals residing in the U.S. were from Mexico, 1.35 million were from Central America, 775,000 were from South America, and 500,000 were from the Caribbean. In all, an estimated 8.3 million undocumented immigrants were in the U.S. labor force in 2008.⁹

FIGURE 1.2
Labor Force Participation Rate by Race/Ethnicity, Nativity, and Gender, 2008



Source: NCLR calculation using U.S. Bureau of the Census, "Current Population Survey (CPS) Table Creator." Housing and Household Economics Statistics Division. Washington, DC, 2008, http://www.census.gov/hhes/www/cpstc/cps_table_creator.html (accessed June 2009).

HUMAN CAPITAL

In addition to demographic factors, human capital can shape the types of jobs available to Latinos in the labor market.¹⁰ Employment qualifications frequently differ between native-born, naturalized, and noncitizen workers. For instance, Latino immigrants are more likely to have difficulty speaking English as well as fewer years of formal education; when combined, these factors can substantially limit a worker's employment options.

Educational attainment. Education is indisputably tied to success in the job market. In addition to opening doors to higher-paying jobs, educational attainment also affects workers' upward employment mobility between and within generations. In general, Latino workers tend to have lower levels of education than Black and White workers. As Figure 1.3 shows, in 2008, only 67.1% of adult Latino workers

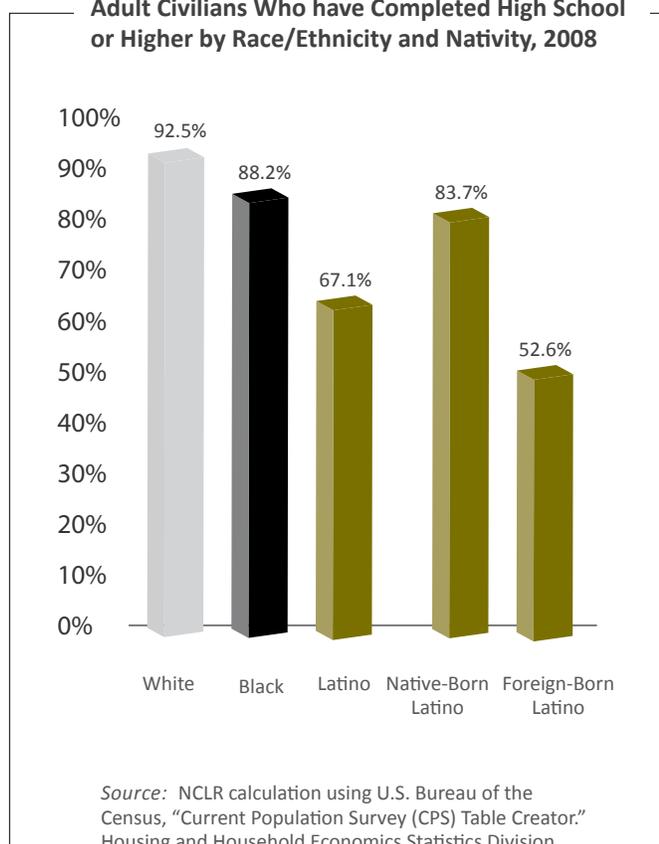
had completed high school or postsecondary education, compared to 92.5% of White workers and 88.2% of Black workers. Educational disparities narrow considerably when immigrants are excluded from the comparison; 83.7% of U.S.-born Latino adults have attained a high school education or higher.¹¹

Among Latino workers, the share of immigrants who have completed high school or college has risen over the past five years, although immigrants still trail native-born workers in their educational attainment. In 2008, 72.9% of naturalized Latino immigrants had at least a high school education, compared to 63.5% in 2003.¹² The portion of noncitizen Latinos with a high school education has also grown, from 42.3% in 2003 to 45% in 2008. Although fewer in number, Hispanic women in the workforce have significantly higher levels

of education than their male counterparts; 74% of Latina workers have a high school degree or higher, compared to 62.3% of Hispanic men.

English language proficiency. Limited proficiency in English is a major impediment for a significant portion of Latino workers. Within the Hispanic adult population, limited-English-proficient (LEP) individuals are predominantly, though not exclusively, foreign-born; in 2006, 13.4% of native-born and 73% of foreign-born Hispanics of working age spoke English less than “very well.”¹³ LEP workers tend to also have low levels of education, which often bars access to higher-wage jobs. In the 2000 Census, 83% of foreign-born workers with less than a 9th grade education were LEP, and 84% of low-wage immigrants at that education level were LEP.¹⁴

FIGURE 1.3
Adult Civilians Who have Completed High School or Higher by Race/Ethnicity and Nativity, 2008



Source: NCLR calculation using U.S. Bureau of the Census, “Current Population Survey (CPS) Table Creator.” Housing and Household Economics Statistics Division. Washington, DC, 2008, http://www.census.gov/hhes/www/cpstc/cps_table_creator.html (accessed June 2009).

Difficulties with English can also block the path to well-paying jobs for highly educated or highly skilled workers. Highly skilled LEP workers are twice as likely as English-proficient individuals to work in unskilled occupations that require only “modest on-the-job training.”¹⁵ Despite these challenges, progress in English acquisition is evident between first-generation Latinos and their children. While only 23% of first-generation Latinos speak English very well, 88% of second-generation Latinos do. Among the third generation, English language proficiency improves significantly to 94%.¹⁶

Endnotes

¹ NCLR calculation using U.S. Bureau of the Census, "Current Population Survey (CPS) Table Creator." Housing and Household Economics Statistics Division. Washington, DC, 2008, http://www.census.gov/hhes/www/cpstc/cps_table_creator.html (accessed September 3, 2008).

² Algernon Austin and Marie T. Mora, *Hispanics and the Economy: Economic stagnation for Hispanic American workers, throughout the 2000s* (Washington, DC: Economic Policy Institute, 2008), <http://www.epi.org/publications/entry/bp225> (accessed November 1, 2008).

³ Jeffrey J. Passel and D'Vera Cohn, *U.S. Population Projections: 2005-2050* (Washington, DC: Pew Research Center, 2008), <http://pewhispanic.org/files/reports/85.pdf> (accessed March 2008). Not all working-age adults are in the labor force.

⁴ U.S. Bureau of the Census, "CPS Table Creator."

⁵ Ibid.

⁶ Jeffrey J. Passel and D'Vera Cohn, *U.S. Population Projections: 2005-2050*.

⁷ U.S. Bureau of the Census, "CPS Table Creator."

⁸ Jeffrey Passel and D'Vera Cohn, *Trends in Unauthorized Immigration: Undocumented Inflow Now Trails Legal Inflow* (Washington, DC: Pew Research Center, 2008), <http://pewhispanic.org/reports/report.php?ReportID=94> (accessed November 2008).

⁹ Jeffrey Passel and D'Vera Cohn, *A Portrait of Unauthorized Immigrants in the United States* (Washington, DC: Pew Hispanic Center, 2009), 12, 21, <http://pewhispanic.org/files/reports/107.pdf> (accessed April 2009).

¹⁰ For a detailed look at how human capital impacts the economic mobility of several generations of Hispanics, see Sonia Perez, *Moving Up the Economic Ladder: Latino Workers and the Nation's Future Prosperity* (Washington, DC: National Council of La Raza, 1999).

¹¹ U.S. Bureau of the Census, "CPS Table Creator."

¹² Ibid.

¹³ Pew Hispanic Center, "Table 19. Language Spoken at Home and English-Speaking Ability by Age, Race and Ethnicity: 2006," *Statistical Portrait of Hispanics in the United States, 2006* (Washington, DC: Pew Hispanic Center, 2008), <http://pewhispanic.org/files/factsheets/hispanics2006/Table-19.pdf> (accessed January 2008).

¹⁴ Randolph Capps et al., *A Profile of the Low-Wage Immigrant Workforce* (Washington, DC: Urban Institute, 2003), <http://www.urban.org/url.cfm?ID=310880> (accessed April 2008).

¹⁵ Jeanne Batalova, Michael Fix, and Peter Creticos, *The Employment Pathways of Skilled Immigrants in the United States* (Washington, DC: Migration Policy Institute, 2008), <http://www.migrationpolicy.org/pubs/BrainWasteOct08.pdf> (accessed November 2008).

¹⁶ Shirin Hakimzadeh and D'Vera Cohn, *English Usage Among Hispanics in the United States* (Washington, DC: Pew Hispanic Center, 2007), <http://pewhispanic.org/reports/report.php?ReportID=82> (accessed May 12, 2008).