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America's Hispanic Population: **An Economic Snapshot**

Hispanics are playing an increasingly prominent role in the U.S. economy. They are the youngest and fastest-growing segment of the population and are expected to make up nearly one-third of all people living in the United States by the year 2050. But significant challenges remain for many Hispanics, particularly with respect to poverty, education and health insurance coverage. Comprehensive immigration reform could help address these issues for a number of Hispanic immigrants. This report provides an economic snapshot of the current state of the Hispanic population in the United States.

THE U.S. CONGRESS JOINT ECONOMIC COMMITTEE DEMOCRATIC STAFF
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Demographics

Hispanics play an increasingly important role in the U.S. economy. In 2012, there were roughly 53 million Hispanics living in the United States, making up 16.9 percent of the population.¹ By 2050, the growing Hispanic population is projected to make up almost one-third of the U.S. population, numbering roughly 120 million people.²

Hispanics are highly concentrated in Sun Belt states. California (15 million) has the largest Hispanic population, followed by Texas (10 million) and Florida (5 million). By share of state population, New Mexico (46.8 percent), Texas (38.0 percent) and California (37.9 percent) have the highest percentages of Hispanics. (**Appendix Table 1**)

Age: The U.S. Hispanic population is, on average, younger than other racial and ethnic groups. (**Table 1**) The median age within the Hispanic population stood at 27.8 years in 2012 versus 40.1 years for non-Hispanics of all races. Nearly 18 million Hispanics (33.2 percent) were under the age of 18, whereas 26.4 percent of black persons and only 19.7 percent of white persons were minors.³ Conversely, only 12.8 percent of Hispanics were age 55 or over versus 20.3 percent of the black population and 31.7 percent of the white population. As a result of their growing number and relative youth, Hispanics will make up a greater share of the American workforce in the coming decades.

Table 1. Demographic Characteristics by Race and Hispanic Ethnicity, 2012 Annual Averages				
	All	Hispanic	White	Black
Sex				
Male	49.2%	50.8%	49.2%	47.7%
Female	50.8%	49.2%	50.8%	52.3%
Age				
Under 18	23.5%	33.2%	19.7%	26.4%
18-24	10.0%	12.1%	8.9%	12.0%
25-34	13.5%	16.4%	12.3%	14.1%
35-44	12.9%	14.4%	12.3%	13.1%
45-54	14.1%	11.1%	15.2%	13.9%
55-64	12.3%	6.9%	14.4%	10.9%
65 years and over	13.7%	5.9%	17.3%	9.5%
Education				
Less than a high school diploma	15.3%	38.3%	10.5%	18.3%
High school graduate, no college	27.4%	26.7%	27.5%	30.8%
Some college or associate degree	26.4%	20.5%	27.5%	29.6%
Bachelor's degree or higher	30.9%	14.5%	34.5%	21.2%
Note: Hispanic origin is an ethnicity, not a race. Hispanics may be of any race. Educational attainment data include those age 25 and over. Black educational attainment includes those who identify as both Black and Hispanic. Items in table may not total 100 because of rounding.				
Source: JEC Democratic staff calculations based on data from the U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey and the U.S. Department of Commerce, U.S. Census Bureau.				

Education: The Hispanic population has made significant gains in educational attainment in recent years. The share of Hispanic high school seniors who enrolled in college immediately following graduation has jumped 20 percentage points in the past 12 years, from 49 percent in 2000 to 69 percent in 2012. Hispanic enrollment in college after high school now outpaces that of white (67 percent) and black (63 percent) high school graduates.⁴

Still, a sizable gap in educational attainment remains between Hispanics and other groups. Roughly two out of five Hispanics (38.3 percent) age 25 or over lack a high school diploma, a rate more than twice that of white and black persons and the overall population.⁵ (**Table 1**) Only 14.5 percent of Hispanics

age 25 or over have at least a bachelor's degree, a rate that is less than half that of the overall population (30.9 percent).⁶

Hispanics in the Workforce

There are currently 24.8 million Hispanic workers in the civilian labor force, accounting for 16.0 percent of all workers. In 2012, they made up 15.4 percent (21.9 million) of all employed persons age 16 and over. These numbers will increase in the future as the Hispanic population increases.

Hispanics are somewhat more likely to participate in the labor force than workers in other groups. In 2012, 66.4 percent of working-age Hispanics were in the labor force, compared to 64.0 percent of the white and 61.5 percent of black working-age cohort. The higher labor force participation rate in the Hispanic population, combined with the relative youth and expected increases in the population, suggest that the importance of the Hispanic workforce will continue to grow.

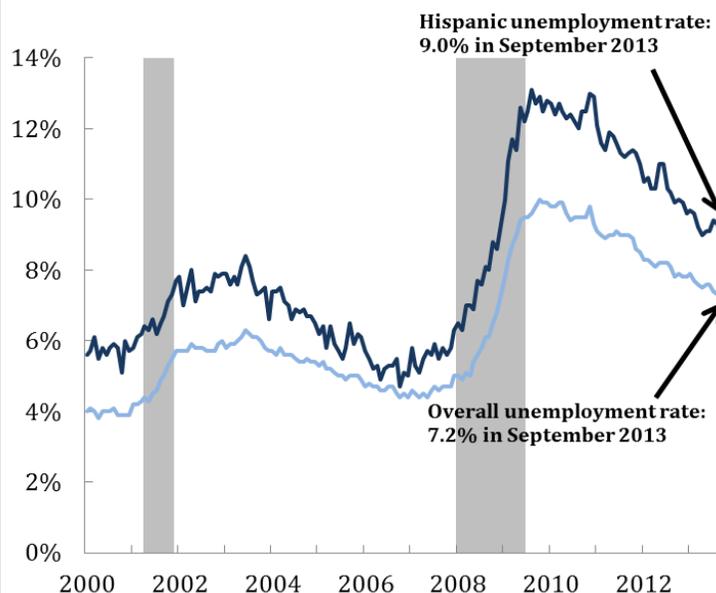
Employment: The employment situation for Hispanics has improved in recent years. Over the past two years (September 2011 to September 2013), employment among Hispanics grew more than three times faster than overall employment, by 10.5 percent versus 3.0 percent. In 2012, four out of five employed Hispanics (80.7 percent) worked full-time.

Unemployment: The unemployment rate for Hispanics has fallen four percentage points from its most recent peak in November 2010, outpacing the drop in the national unemployment rate.⁷ As of September 2013, 2.2 million Hispanic workers were unemployed. The number of unemployed Hispanic workers declined by 8.0 percent (194,000 workers) over the past year.⁸

Despite this improvement, the Hispanic unemployment rate remains above the national rate. As of September 2013, the unemployment rate stood at 9.0 percent, which was 1.8 percentage points above the national average. (Figure 1) Also, Hispanic workers are overrepresented among the unemployed, making up 16.0 percent of the

Figure 1. Unemployment in the Hispanic Community

Monthly unemployment rates, January 2000 to September 2013

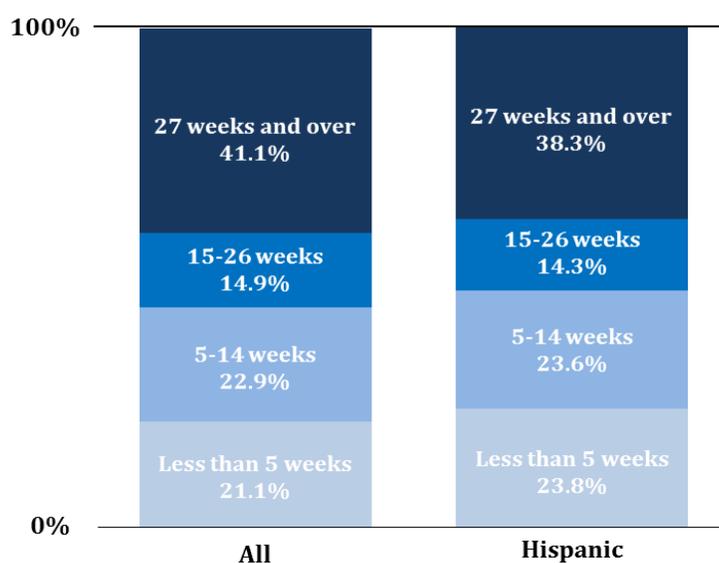


Note: Grey areas designate periods of recession as determined by the National Bureau of Economic Research.

Source: JEC Democratic staff based on data from the Bureau of Labor Statistics.

Figure 2. Unemployment Spells Shorter Among Hispanic Workers

Distribution of unemployed workers by duration, 2012 averages



Source: JEC Democratization staff calculations based on unpublished data from the Bureau of Labor Statistics.

labor force yet accounting for 19.8 percent of the unemployed.⁹

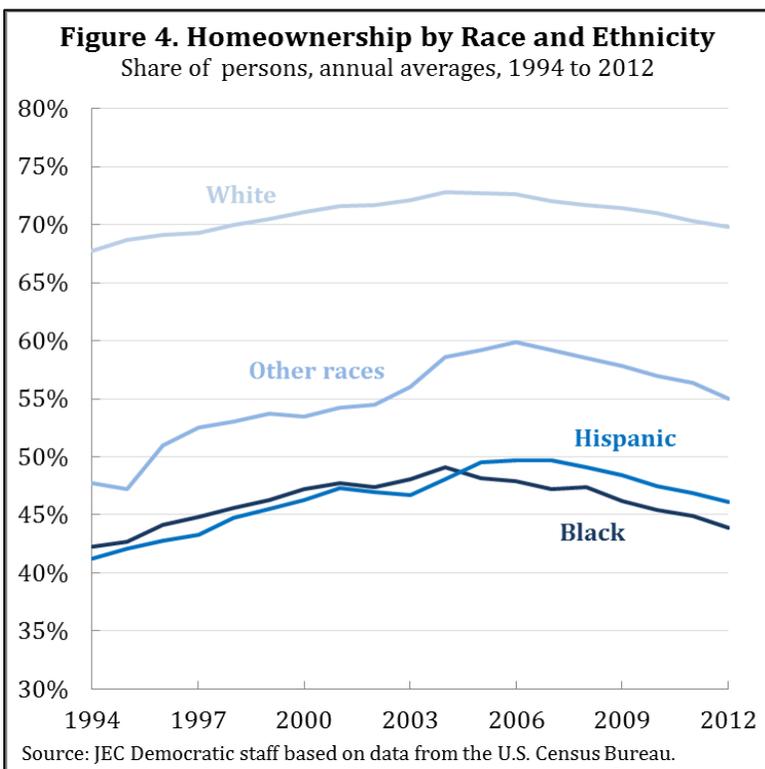
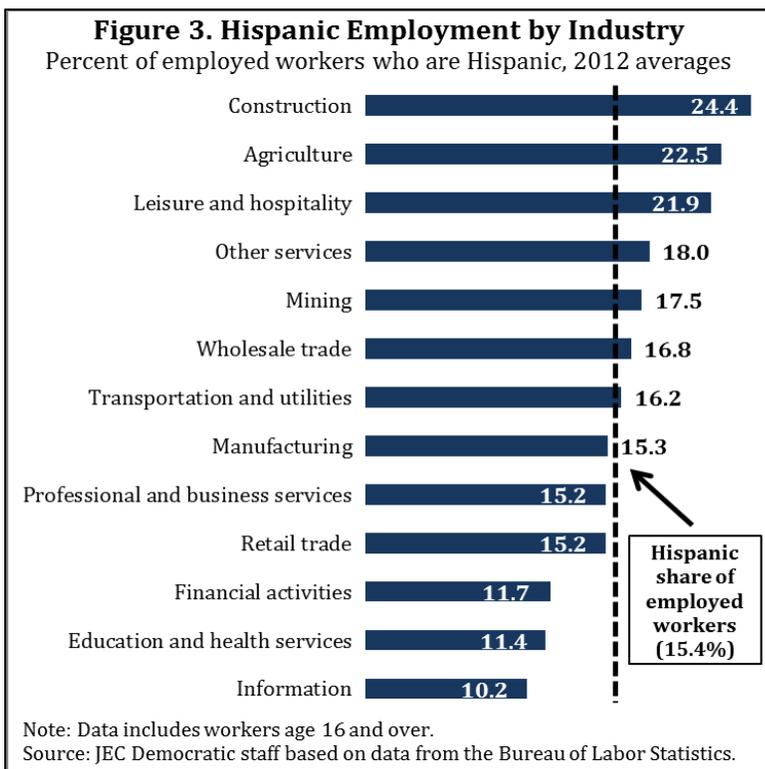
Long-term Unemployment: During the Great Recession and its aftermath, long-term unemployment rates rose for all racial and ethnic groups of workers. Even though, as a percentage of the unemployed, Hispanic workers are less likely to experience long-term unemployment than the general population, these workers still saw their long-term unemployment rate rise from 0.8 percent in 2007 to 4.9 percent in 2010.¹⁰

Hispanics on average experience shorter spells of joblessness than the general population. The average duration of unemployment for Hispanics was 36.7 weeks in 2012, more than eight weeks shorter than the average duration for the black population and 2.7 weeks shorter than for the overall unemployed.

Unemployed Hispanic workers were also less likely to face long bouts of unemployment than other jobless workers: 38.3 percent of unemployed Hispanics were unemployed for 27 or more weeks, versus 41.1 percent of unemployed workers in the overall labor force. **(Figure 2)**

Earnings: Full-time Hispanic workers earned lower median salaries compared to those of white and black workers and the overall workforce. Median weekly earnings of full-time Hispanic workers were \$568 in 2012, \$200 less than the median earnings of full-time workers in the labor force. Over a 12-month period, that would amount to \$10,400 less in earnings for a full-time Hispanic worker. When compared to other groups, Hispanics earned \$224 less than the median full-time white worker and \$53 less than the median full-time black worker each week.¹¹

Industries: Hispanic workers are an important part of many industries including construction (24.4 percent of the workforce), agriculture (22.5 percent), leisure and hospitality (21.9 percent), mining (17.5 percent), wholesale trade (16.8 percent) and transportation and utilities (16.2 percent). **(Figure 3)** Hispanics continue to be underrepresented in one of the fastest-



growing sectors of the economy, education and health services. The number of workers in this industry grew during the recession and continues to do so, gaining 375,000 jobs over the past year alone. This sector is expected to continue to expand for the foreseeable future.

Households & Homeownership

Mirroring the increase in population, over the past five years, the number of Hispanic households grew by almost 2 million to an all-time high of 15.8 million in 2012. The growth of Hispanic households (13.7 percent) far outpaced that of non-Hispanic households (1.8 percent) over this time period.¹² Income of Hispanic households has continued to fall during the recovery, after dropping substantially during the recession. Median household income within the Hispanic population reached its most recent peak of \$43,025 (inflation-adjusted dollars) in 2006 and declined by 9.3 percent to \$39,005 by 2012.¹³

In 2012, 46.1 percent of Hispanic households owned their own homes (7.3 million).¹⁴ Hispanic homeownership rates reached a peak of 49.7 percent in 2006 and 2007 and fell 3.6 percentage points by 2012.¹⁵ **(Figure 4)** Hispanic homeownership rates have fallen more than other groups over the period. However, there have been some positive signs recently for Hispanic homeownership. Homeownership increased by almost 381,000 households from 2011 to 2012.¹⁶ Hispanic households are expected to comprise half of all new homebuyers by 2020.¹⁷

Healthcare

The Hispanic population continued to have the highest uninsured rate (29.1 percent) across all groups in 2012, more than 10 percentage points higher than the black population and 18 percentage points higher than the white population. In 2012, 15.5 million Hispanics had no health insurance, while 37.7 million were insured.¹⁸

Nonetheless, the uninsured rate within the Hispanic population is slowly falling. From 2011 to 2012, the uninsured rate within the Hispanic population fell 1.0 percentage point to 29.1 percent, and it is down by 2.5 percentage points from its most recent high of 31.6 percent in 2009. The increase in healthcare coverage between 2011 and 2012 was due both to an increase in the share of Hispanics receiving coverage from a private insurer (1.1 percentage points) and an increase in Medicare participation (0.6 percentage point).¹⁹

Immigration

Immigration reform could address many of the challenges contributing to lower educational attainment and lower earnings for some immigrant Hispanic workers. In June 2013, the U.S. Senate approved a comprehensive immigration-reform package (S. 744) that would provide a pathway for legal-work authorization, greater educational opportunities and potential U.S. citizenship for millions of immigrants. According to the Congressional Budget Office, enactment of such legislation would reduce federal budget deficits by \$158 billion over the next 10 years and result in a 3.3 percent larger real GDP by 2023 and 5.4 percent larger real GDP in the year 2033.²⁰

Sources:

¹ According to the Bureau of Labor Statistics, Hispanic origin is an ethnicity, not a race. Hispanics may be of any race. For purposes of comparison between Hispanic, white and black populations, white and black populations do not include those who also identify themselves as Hispanic unless otherwise noted.

² JEC Democratic staff calculations based on data from the U.S. Department of Commerce, U.S. Census Bureau, Current Population Reports, Population Projections of the United States by Age, Sex, Race and Hispanic Origin and Cardenas, Vanessa and Sophia Kerby, *The State of Latinos in the United States: Although This Growing Population Has Experienced Marked Success, Barriers Remain*, Center for American Progress, August 2012.

³ JEC Democratic staff calculations based on data from the U.S. Department of Commerce, U.S. Census Bureau, 2012 Annual Estimates of the Resident Population by Sex, Age, Race and Hispanic Origin for the United States.

⁴ Fry, Richard and Paul Taylor, *Hispanic High School Graduates Pass Whites in Rate of College Enrollment*, Pew Hispanic Center, May 2013. <http://www.pewhispanic.org/2013/05/09/hispanic-high-school-graduates-pass-whites-in-rate-of-college-enrollment/>. This report follows National Center for Education Statistics practice and reports the two-year moving averages for the shares of high school seniors who enrolled in college immediately following graduation.

⁵ Educational attainment data for the black population include those who also identify as Hispanic.

⁶ JEC Democratic staff calculations based on data from the U.S. Department of Commerce, U.S. Census Bureau, Current Population Survey, 2012 Annual Social and Economic Supplement, Table 3: Detailed Years of School Completed by People 25 Years and Over by Sex, Age Groups, Race and Hispanic Origin: 2012.

⁷ *Ibid.*

⁸ *Ibid.*

⁹ JEC Democratic staff calculations based on data from the U.S. Department of Labor, Bureau of Labor Statistics, Table A-3: Employment Status of the Hispanic or Latino Population by Sex and Age.

¹⁰ *Ibid.*

¹¹ JEC Democratic staff calculations based on data from the U.S. Department of Labor, Bureau of Labor Statistics, Table 37: Median Weekly Earnings of Full-Time Wage and Salary Workers by Selected Characteristics, 2012.

¹² JEC Democratic staff calculations based on data from the U.S. Department of Commerce, U.S. Census Bureau, Current Population Survey basic monthly microdata and Table 22: Homeownership Rates by Race and Ethnicity of Householder: 1994 to 2012.

¹³ Hispanic median household income amounts are in 2012 dollars. U.S. Department of Commerce, U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, Table H-6: Regions – Hispanic (of any race) by Median and Mean Income: 1975 to 2012.

¹⁴ JEC Democratic staff calculations based on data from the U.S. Department of Commerce, U.S. Census Bureau, Current Population Survey basic monthly microdata and Table 22: Homeownership Rates by Race and Ethnicity of Householder: 1994 to 2012.

¹⁵ *Ibid.*

¹⁶ *Ibid.*

¹⁷ Becerra, Alejandro, *State of Hispanic Homeownership Report: 2012*. National Association of Hispanic Real Estate Professionals. <http://nahrep.org/state-of-hispanic-homeownership>.

¹⁸ JEC Democratic staff calculations based on data from the U.S. Department of Commerce, U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, Table HIB-1: Health Insurance Coverage Status and Type of Coverage by Sex, Race, and Hispanic Origin: 1999 to 2012.

¹⁹ *Ibid.*

²⁰ Letter from the Congressional Budget Office to Senate Committee on the Judiciary Chairman Patrick Leahy regarding S. 744, *Border Security, Economic Opportunity, and Immigration Modernization Act*, July 3, 2013. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/s744aspassed.pdf> and “The Economic Impact of S. 744, the Border Security, Economic Opportunity, and Immigration Modernization Act,” Congressional Budget Office, June 2013. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44346-Immigration.pdf>.

Appendix Table 1. Hispanic Persons in the United States - State-level Data

2012 Annual Averages	Hispanic Population	Hispanic Labor Force	Number of Unemployed	Unemployment Rate
United States	53,027,708	24,391,000	2,514,000	10.3%
Alabama	203,558	70,000	10,000	13.8%
Alaska	50,422	20,000	1,000	5.0%
Arizona	2,028,540	895,000	95,000	10.6%
Arkansas	205,720	80,000	4,000	5.5%
California	14,994,375	6,796,000	861,000	12.7%
Colorado	1,131,582	485,000	61,000	12.6%
Connecticut	531,832	210,000	33,000	15.7%
Delaware	82,059	40,000	4,000	8.9%
District of Columbia	66,135	40,000	3,000	7.8%
Florida	4,570,972	2,211,000	209,000	9.4%
Georgia	941,431	376,000	38,000	10.1%
Hawaii	217,537	59,000	8,000	13.6%
Idaho	192,262	98,000	7,000	7.1%
Illinois	2,149,888	894,000	91,000	10.2%
Indiana	427,525	150,000	14,000	9.4%
Iowa	169,077	85,000	8,000	9.1%
Kansas	329,397	119,000	8,000	6.9%
Kentucky	148,394	72,000	5,000	7.6%
Louisiana	217,417	99,000	8,000	8.5%
Maine	20,023	8,000	1,000	13.6%
Maryland	537,497	290,000	20,000	6.7%
Massachusetts	708,296	280,000	27,000	9.8%
Michigan	481,277	175,000	19,000	10.8%
Minnesota	279,594	111,000	9,000	8.5%
Mississippi	89,105	34,000	4,000	11.2%
Missouri	237,319	93,000	6,000	6.1%
Montana	34,247	9,000	1,000	10.7%
Nebraska	186,155	102,000	8,000	7.4%
Nevada	779,222	343,000	47,000	13.6%
New Hampshire	42,195	22,000	2,000	10.5%
New Jersey	1,697,921	884,000	91,000	10.3%
New Mexico	1,000,780	407,000	36,000	8.9%
New York	3,710,754	1,568,000	181,000	11.5%
North Carolina	883,859	344,000	30,000	8.8%
North Dakota	18,301	10,000	-1,000	4.1%
Ohio	399,212	205,000	18,000	8.8%
Oklahoma	377,578	122,000	5,000	3.7%
Oregon	499,067	185,000	21,000	11.4%
Pennsylvania	823,684	328,000	42,000	12.8%
Rhode Island	145,522	61,000	12,000	19.3%
South Carolina	258,907	75,000	6,000	7.9%
South Dakota	27,414	11,000	1,000	8.9%
Tennessee	325,011	152,000	8,000	5.5%
Texas	10,091,933	4,790,000	370,000	7.7%
Utah	393,267	174,000	14,000	7.9%
Vermont	10,894	-	-	-
Virginia	719,166	283,000	9,000	3.3%
Washington	856,880	324,000	36,000	11.2%
West Virginia	26,035	-	-	-
Wisconsin	370,044	166,000	19,000	11.4%
Wyoming	56,779	25,000	2,000	9.0%

"-" indicates insufficient data.

Source: JEC Democratic staff based on data from the U.S. Department of Commerce, U.S. Census Bureau, Current Population Survey, 2012 Annual Social and Economic Supplement.