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Latino Labor Report, 2006: Strong Gains in Employment

Rakesh Kochhar
Associate Director for Research,
Pew Hispanic Center

Article Highlights:

- The non-seasonally adjusted unemployment rate was 4.9% in the second quarter of 2006, a decrease from 5.8% a year earlier.

The Hispanic unemployment rate reached a historic low of 5.2% in the second quarter of 2006. The gap between the seasonally-adjusted unemployment rates for Latinos and non-Latinos was just 0.6 percentage points—the smallest since 1973, when employment data on Latinos first became available. Wages for Latino workers also rose between the second quarters of 2005 and 2006, and at a faster rate than for other workers. Those developments reflect significant improvement in the labor market for Latinos in 2005-06 and indicate that the jobs recovery from the recession in 2001 is nearing completion for Hispanic workers.

Among the major findings of this report:

- The Hispanic unemployment rate in the second quarter of 2006 was 5.2% on a seasonally adjusted basis, a historic low. The non-seasonally adjusted unemployment rate was 4.9% in the second quarter of 2006, a decrease from 5.8% a year earlier.
- In the second quarter of 2006, the gap between the seasonally adjusted unemployment rate for Hispanics and non-Hispanics was 0.6 percentage points, the lowest since 1973, when data on Latinos first became available.
- The Latino labor force added 867,000 workers between the second quarters of 2005 and 2006, more than any other

group. That accounted for about 40% of all workers added to the U.S. labor force.

- Overall employment for Latinos increased by 993,000, rising 5.3% over the previous 12-month period. Hispanics, who were only 13% of the U.S. labor force, represented 37% of the total increase in employment.
- Foreign-born Latinos continued to dominate the Hispanic labor force. About eight out of every 10 new jobs landed by Latinos in 2005-06 went to foreign-born Latinos. The foreign-born Hispanic labor force also accounted for nine of every 10 new Latino workers in the labor force.
- The unemployment rate for foreign-born Latinos was 3.9% in the second quarter of 2006, a decrease from 4.6% a year earlier. Among native-born Hispanics, the unemployment rate in the second quarter of 2006 was 6.2%, down from 7.2% in the second quarter of 2005.
- After two years of declines, the median weekly earnings for Latino workers rose from \$423 in the second quarter of 2005 to \$431 in the second quarter of 2006.

Source:

The study is based on data from the Bureau of Labor Statistics and the Census Bureau. Most of the data is from the Current Population Survey, a monthly Census Bureau survey of approximately 60,000 households. Data from three to six monthly surveys were combined to create larger sample sizes and to conduct the analysis on a quarterly or semi-annual basis.

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