

IDAHO AT A GLANCE

Hispanics: Labor Force & Economy November 2010

Highlights

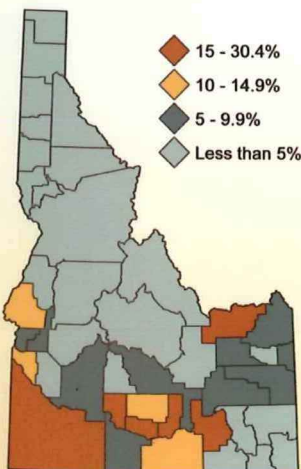
- Idaho's 63,000 Hispanic workers make up 9% of the state's civilian labor force, compared to 14% in the U.S. civilian labor force as a whole.
- Hispanic workers in Idaho tend to have lower wages and jobs in lower-skilled sectors than other workers. In 2009, median earnings were about \$29,300 for Hispanic males compared to roughly \$42,000 for non-Hispanic males.
- The recession has hit Idaho's Hispanic workers especially hard. In 2007, their unemployment rate was 7%. By 2009, Hispanic unemployment increased to 15%.
- Undocumented workers—foreign born, non-citizens of any background who do not have legal immigrant status—make up a smaller share of Idaho's labor force (3%) than in the U.S. as a whole (5%).

This report is the second of three in our *At A Glance* series on Idaho's Hispanics. The first focused on demographics (June 2010), and the third will focus on education.

Business Ownership and Buying Power

In 2007, there were 3,874 Hispanic-owned businesses in Idaho, up from 2,775 in 2002. One-quarter of these businesses were in construction. In terms of average sales, Hispanic businesses were significantly smaller than non-Hispanic businesses.

Hispanic buying power, 2009 (% of county total)



Between 2002 and 2007:

- The number of Hispanic-owned businesses grew by 40%. Receipts for Hispanic-owned businesses grew from \$352 million to \$450 million, a 28% increase.
- The number of non-Hispanic-owned businesses grew by 24%. Receipts for non-Hispanic-owned businesses grew from \$72 billion to \$124 billion, a 71% increase.

"Buying power" is the money people have to spend after taxes. As the Hispanic population has doubled in the last 20 years, so has Hispanic buying power. In 2009, Hispanic buying power was \$2.5 billion, compared to \$41.3 billion for non-Hispanics.

Hispanic buying power is relatively higher in parts of southern Idaho where farming is important and Hispanics make up a large share of the population.

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Hispanics in Idaho's Labor Force

Hispanics are more likely than other Idahoans to be in the labor force—employed or available for work. This largely reflects the age distribution of the population. As a group, Hispanics are younger and less likely to be retired than non-Hispanics.

Industry make-up of the Hispanic labor force

Many industries—or types of businesses—hire Hispanics. In 2009, four industries each employed more than 10% of Idaho's 63,000 Hispanic workers: 1) manufacturing; 2) education, health, social assistance; 3) agriculture, forestry, fishing, hunting, mining; and 4) arts, entertainment, recreation, accommodation, food services.

Agricultural businesses employed 13% of Idaho's Hispanic workers and only 4% of non-Hispanics. The state's Hispanic workers were also more likely than non-Hispanics to work in manufacturing, specifically, in food processing.

Construction businesses employed roughly the same share of Idaho's Hispanic and non-Hispanic workers.

Occupational make-up of the Hispanic labor force

Idaho's Hispanics hold a variety of occupations—or types of jobs—but a quarter of Hispanic workers are employed in lower-wage service occupations. About 11% of the state's Hispanics work in agricultural jobs, compared to only 1% of non-Hispanics. Nationwide, only 2% of Hispanics work in agricultural jobs.

These low-wage occupations reflect educational levels among Hispanics, which tend to be lower than those among other Idahoans. In 2009, just over half of Hispanic adults aged 25 years or older had a high school diploma, and only 7% had a college degree. In contrast, 92% of non-Hispanic adults had a high school diploma and 25% had a college degree. Hispanics are about half as likely as non-Hispanics to be enrolled in college.

This education gap has important policy implications. If the gap persists and Idaho's Hispanic population continues to grow, total earnings in the state could decline. Reducing the gap by providing educational opportunities for Hispanic children and workforce skills for Hispanic adults has the potential to prevent the decline.

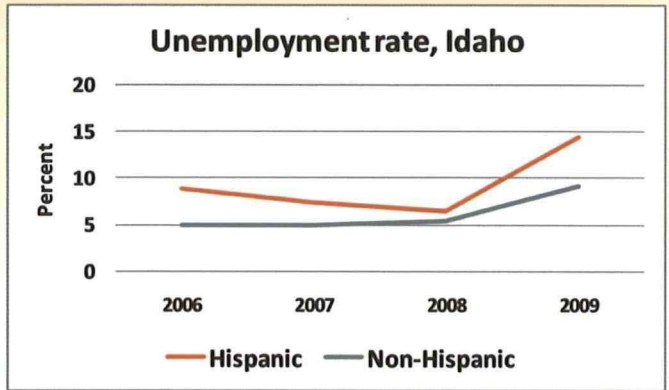
| <i>Labor force structure, 2009</i> | Idaho | | U.S. | |
|--|------------|--------------|---------------|----------------|
| | Hispanic | Non-Hispanic | Hispanic | Non-Hispanic |
| <i>Number (thousands)</i> | | | | |
| Employed workers age 16+ | 63 | 623 | 20,055 | 120,547 |
| <i>Percent of employed workers</i> | | | | |
| ALL INDUSTRIES | 100 | 100 | 100 | 100 |
| Manufacturing | 17 | 9 | 11 | 10 |
| Education, health, social assistance | 14 | 23 | 16 | 24 |
| Agriculture, forestry, fishing, hunting, mining | 13 | 4 | 3 | 2 |
| Arts, entertainment, recreation, accommodation, food service | 13 | 9 | 13 | 9 |
| Retail trade | 9 | 12 | 11 | 12 |
| Construction | 9 | 8 | 11 | 6 |
| All other sectors | 26 | 35 | 34 | 38 |
| ALL OCCUPATIONS | 100 | 100 | 100 | 100 |
| Service | 24 | 18 | 26 | 16 |
| Production, transportation | 19 | 11 | 17 | 11 |
| Management, professional | 18 | 34 | 19 | 39 |
| Sales, administrative | 17 | 26 | 22 | 26 |
| Farming, fishing, forestry | 11 | 1 | 2 | 0 |
| Construction, maintenance | 11 | 10 | 14 | 8 |

Hispanics have been hit hard by the latest recession

Historically, Hispanic unemployment rates in Idaho have been higher than those among non-Hispanics. And while the recent recession has been difficult for many Idahoans, Hispanics have seen a greater spike in unemployment than have non-Hispanics. Between 2007 and 2009, Hispanic unemployment rates in Idaho climbed from 7% to 15%, compared to an increase from 5% to 9% for non-Hispanics. Nationally, the Hispanic unemployment rate grew from 7% in 2007 to 12% in 2009.

Since the recession began, Hispanic employment fell the most in construction; transportation, warehousing and utilities; and agriculture. Some industries gained Hispanic workers: education, health care and social assistance; and wholesale trade.

Because they are more likely to work in lower-wage industries and occupations, Hispanics earn less on an annual basis than non-Hispanics. In 2009, median earnings for full-time, year-round workers were about \$29,300 for Hispanic males and \$22,500 for Hispanic females compared to roughly \$42,000 for non-Hispanic males and \$29,900 for non-Hispanic females.



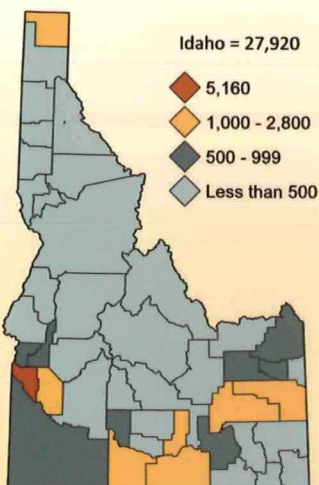
Note: The difference between the Hispanic and non-Hispanic rate in 2008 is too small to be statistically significant.

Unauthorized workers and migrant workers

“Unauthorized” workers are those who are foreign-born, non-citizens without legal immigrant status. Estimates of unauthorized workers do not differentiate between Hispanic and non-Hispanic workers. The Pew Hispanic Center estimates that Idaho was home to 20,000 unauthorized workers in 2009—about 3% of the state’s total labor force. In comparison, the U.S. had an estimated 7.8 million unauthorized workers who made up 5% of the national labor force.

Another group of workers are migrant and seasonal farm workers—those whose principle employment is in agriculture on a seasonal basis.* In 2006 in Idaho, there were an estimated 27,920 migrant and seasonal workers, and almost 52,000 people lived in migrant and seasonal households. These estimates also do not differentiate between Hispanics and non-Hispanics.

Migrant and seasonal farm workers, 2006



Counties with the largest numbers of migrant and seasonal farm workers included Canyon (5,160), Bingham (2,790) and Twin Falls (2,399).

At the national level:

- 75% of migrant and seasonal farm workers were born in Mexico.
- 79% were employed by growers and packing firms.
- Only half of migrant and seasonal farm workers had completed more than a 6th grade education.
- Average family income was \$15,000 to \$17,500.
- 8% had employer-provided health insurance.

* Includes those who work in field and orchard agriculture, food processing, and horticultural specialties, but not those who work with livestock.

Selected social and economic indicators

| | IDAHO | | |
|--|----------|--------------|--------|
| | Hispanic | Non-Hispanic | Total |
| LABOR FORCE | | | |
| Civilian employed workers age 16+ | | | |
| 2009 (thousands) | 62 | 623 | 685 |
| 2000 (thousands) | 43 | 594 | 636 |
| Change (%), 2000-2009 | 47 | 5 | 8 |
| Labor force participation rate (%), 2009 | 72 | 65 | 65 |
| Unemployment rate (%) | | | |
| 2009 | 15 | 9 | 10 |
| 2007 | 7 | 5 | 5 |
| Employment by industry (% of group total), 2009 | | | |
| All industries | 100 | 100 | 100 |
| Manufacturing | 17 | 9 | 10 |
| Education, health and social assistance | 14 | 23 | 22 |
| Agriculture, forestry, fishing, hunting, mining | 13 | 4 | 5 |
| All other sectors | 56 | 64 | 63 |
| Employment by occupation (% of group total), 2009 | | | |
| All occupations | 100 | 100 | 100 |
| Service | 24 | 18 | 18 |
| Management, professional | 18 | 34 | 33 |
| Farming, fishing, forestry | 11 | 1 | 2 |
| All other occupations | 47 | 47 | 47 |
| EARNINGS & POVERTY | | | |
| Median earnings for full-time, year-round workers (\$), 2009 | | | |
| Males | 29,287 | 42,019 | 40,440 |
| Females | 22,539 | 29,889 | 29,122 |
| Poverty rate (%), 2009 | 29 | 13 | 14 |
| DEMOGRAPHICS | | | |
| Total population | | | |
| 2009 (thousands) | 165 | 1,381 | 1,546 |
| 2000 (thousands) | 102 | 1,192 | 1,294 |
| Change (%), 2000-2009 | 63 | 16 | 19 |
| EDUCATION | | | |
| Population aged 25+ (%), 2009 | | | |
| High school graduate | 52 | 92 | 88 |
| College graduate | 7 | 25 | 24 |

HISPANIC: An ethnicity that refers to those who identify themselves as "Spanish," of "Hispanic origin," or "Latino." Hispanics may be of any race.

SOURCES: U.S. Census Bureau (Census of Population & Housing, American Community Survey, Population Estimates Program, Survey of Business Owners), U.S. Department of Agriculture (Economic Research Service), Idaho Department of Labor, Pew Hispanic Center, National Center for Farmworker Health Inc.

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NOTES ABOUT THE DATA:

1) Most data in this report come from the U.S. Census Bureau's American Community Survey (ACS), an ongoing survey sent to a sample of the U.S. population. It provides estimates of the population's characteristics and replaces the long form of the decennial census. Especially in the case of small populations (like Idaho's Hispanics), ACS data are subject to sampling error, which occurs as a result of selecting a sample rather than surveying the entire population. For more information about the ACS and sampling error, please visit: http://www.census.gov/acs/www/Downloads/data_documentation/Accuracy/ACS_Accuracy_of_Data_2009.pdf.

2) Most data in this report are presented as rounded numbers to avoid the appearance of unwarranted precision in the estimates.

3) The U.S. Census Bureau does not ask people about their immigration status.

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