



## NEWS FROM EPI

FOR IMMEDIATE  
RELEASE  
Friday,  
October 31, 2008

CONTACT  
Nancy Coleman  
Karen Conner  
202-775-8810  
[news@epi.org](mailto:news@epi.org)

## HISPANIC FAMILIES' INCOME FELL IN THE 2000s

### Unemployment and poverty higher than national average

As the economy continues to tighten, Hispanic workers are facing harder times than most, in large part because, as a group, Hispanics ended the latest economic recovery period worse off than they had been when the recession started. A new report, issued today by the Economic Policy Institute, surveys the state of America's working Hispanics throughout the 2000s recession and recovery cycle. The report, "[\*Hispanics and the Economy: Economic stagnation for Hispanic American workers throughout the 2000s\*](#)," examines the trends in wages, income, employment, and poverty to provide a detailed look at the living standards of America's native-born and immigrant Hispanic population.

The report is coauthored by University of Texas-Pan American economist Marie T. Mora and by sociologist Algernon Austin, who directs EPI's Project on Race, Ethnicity, and the Economy. Summing up the overall picture painted by the data, the authors write: ". . . The most significant economic change [since 2000] was a 2.2% drop in the real median Hispanic family income. . . This lack of economic advancement occurred in spite of the fact that Hispanics worked a great deal over the 2000s, and many worked in some of America's most dangerous jobs. From 2000 to 2007, Hispanics consistently had the highest participation in the labor force of America's major racial and ethnic groups. But the jobs Hispanics held were disproportionately low-wage jobs, and as such, they were most likely to earn wages that could not support a family of four above the poverty level. Additionally, Hispanics have the highest rate of workplace fatalities and some of the lowest rates of health insurance coverage."

The construction boom brought rising work hours and wages, especially for foreign-born Hispanic men. Among this group, wages increased dramatically during the 2000s – 7.6% for those with a high school education and 4.6% for those without one. With the housing boom over, however, opportunities for continuing those wage gains have disappeared. Hours of work, which were high during the boom times, have now declined, bring family incomes down with them.

Among the key facts the authors found are these:

- Since 2000, while productivity grew by 19%, U.S. Hispanic families' real income dropped by 2.2%.
- Real median weekly earnings for Hispanics were \$503 in 2007, just 72% of the overall median.
- Median income trended in opposite directions for U.S.-born and foreign-born Hispanic families, rising 4.4% for the former and dropping 9.1% for the latter.

-More-

- The 2.2% drop in family income during the 2000s contrasts sharply with the 1990s business cycle, when it rose 9.5%. This averages out to an annual growth rate of 0.8% in the 1990s, versus a 0.2% annual drop in the 2000s.
- The gender gap in pay is narrower among Hispanics than for the nation as a whole. Men's weekly earnings exceed women's by about 25% overall, but the gap among Hispanics is about 10%.
- Poverty rose about half a percentage point among Hispanics from 2000 to 2007. Overall, the poverty rate among Hispanics remains about twice as high as the national overall rate: 19.7% vs. 9.8% in 2007.

###