

By Megan Elliott and Eric Rodriguez\*

- **The overall U.S. labor market situation has remained relatively steady in the period from August to September 2004.**

Between August and September 2004, the share of the nation's workers who were unemployed remained steady, and non-farm payroll jobs (a leading measure of job growth) increased by 96,000, according to the Bureau of Labor Statistics. Many experts note that job growth needs to exceed 150,000 jobs monthly to signal net improvements in the overall U.S. labor market. The static condition of the labor market is not good news, particularly for Latinos,\*\*

given their status in the U.S. workforce.

- **Between January and September 2004, the number of Latinos in the U.S. labor force increased by 3.4%† to 19.4 million.**

Latinos are a growing portion of the overall U.S. workforce, now constituting 13.2%† of the labor force. Latinos – as a group – make up a larger share of those working or looking for work, compared to either White or Black workers. As a result, since January 2004 the number of Latinos employed has increased by 3.6%.†

- **Yet, other labor market indicators signal some concern for Latinos.**

Between August and

September 2004, the number of employed U.S. workers declined, and Latinos constituted more than one-third (35%†) of this decrease. Moreover, the number of individuals not in the labor force increased markedly between August and September (+ 485,000), and over one-quarter (27%†) of this increase was attributable to Latinos. In September, 131,000 more Latinos either stopped looking for work entirely or turned working age and never started looking. Currently, 8.8 million Latinos are considered "not in the labor force," the highest number since February 2004.

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\*\* The terms "Hispanic" and "Latino" are used interchangeably throughout this report and refer collectively to Mexicans, Puerto Ricans, Cubans, Central and South Americans, Dominicans, and others of Spanish and Latin American descent. Latinos can be of any race; therefore, unless denoted as "non-Hispanic," persons of Hispanic origin may be included in both the "Black" and "White" racial categories. Data on Latinos do not include the 2.8 million residents of Puerto Rico.

† Percentages calculated by the National Council of La Raza.

## Employment Status of the Civilian Population by Race and Hispanic or Latino Ethnicity, August and September 2004

**Table 1**

(Numbers in thousands)	Total Population		White		Black or African American		Hispanic or Latino	
	August	September	August	September	August	September	August	September
Civilian Non-Institutional Population	223,677	223,941	182,846	183,022	26,120	26,163	28,243	28,338
Civilian Labor Force	147,704	147,483	121,300	121,016	16,724	16,703	19,482	19,446
Labor Force Participation Rate	66.0%	65.9%	66.3%	66.1%	64.0%	63.8%	69.0%	68.6%
Employment	139,681	139,480	115,547	115,323	14,983	14,981	18,144	18,073
Employment-Population Ratio	62.4%	62.3%	63.2%	63.0%	57.4%	57.3%	64.2%	63.8%
Unemployed	8,023	8,003	5,753	5,693	1,741	1,722	1,338	1,373
Unemployment Rate	5.4%	5.4%	4.7%	4.7%	10.4%	10.3%	6.9%	7.1%
Not in Labor Force	75,973	76,458	61,546	62,006	9,396	9,460	8,761	8,892

Source: U.S. Department of Labor, Bureau of Labor Statistics, *The Employment Situation: September 2004*, October 8, 2004: Table A-1. Employment status of the civilian population by sex and age; Table A-2. Employment status of the civilian population by race, sex and age; and Table A-3. Employment status of the Hispanic or Latino population by sex and age. Percentages, unemployed, and persons not in the labor force figures calculated by the National Council of La Raza

■ In addition, the unemployment rate for Latinos has been steadily increasing since June 2004, when it was 6.7%, the lowest so far this year. Since June the Latino unemployment rate increased by almost half of a percentage point, more than for any other group, and now stands much higher than the unemployment rate of 5.4% for all workers.

■ In order for Latinos, on the whole, to have kept pace with

their labor force status in August, roughly 60,000 more would have needed to be employed nationwide in September. But instead, there were 71,000 fewer Latinos employed in September than in August.

■ Finally, the status of Latinos in the U.S. workforce is becoming increasingly reflected in broader measures of family economic well-being. Other new Census

figures show that Latino households have had the largest percentage drop in median household income between 2002 and 2003 (2.6%).

■ This snapshot suggests that without substantial improvements in the U.S. labor market, Latino income and poverty levels will increasingly move in the wrong direction.

### Sources:

"The Employment Situation: June 2004," Press Release, Washington, DC: U.S. Department of Labor, Bureau of Labor Statistics, July 2, 2004, [http://bls.gov/news.release/archives/emp-sit\\_07022004.pdf](http://bls.gov/news.release/archives/emp-sit_07022004.pdf).

"The Employment Situation: September 2004," Press Release, Washington, DC: U.S. Department of Labor, Bureau of Labor Statistics, October 8, 2004, <http://bls.gov/news.release/pdf/emp-sit.pdf>.

*Income, Poverty, and Health Insurance Coverage in the United States, 2003*, Washington, DC: U.S. Census Bureau, August 2004, <http://www.census.gov/prod/2004pubs/p60-226.pdf>.