

Monthly Latino Employment Report

June 2011

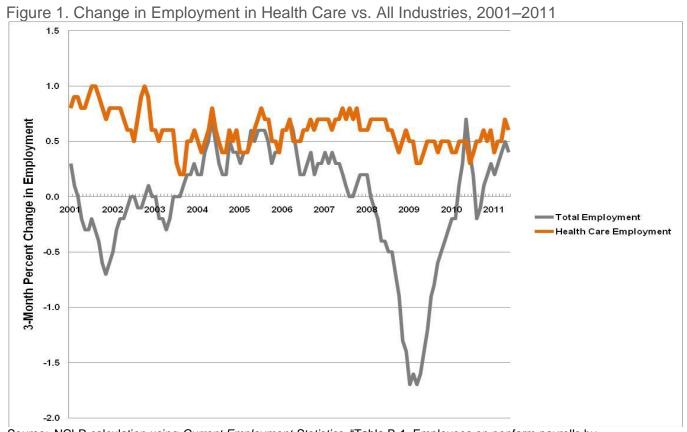
## **Labor Market Healing**

Latinos in the Health Care Industry

#### **Employment Trends in Health Care**

According to the <u>latest report</u> from the Department of Labor, the U.S. economy netted just 18,000 jobs in June, stagnating after averaging a relatively robust 215,000 jobs per month from February through April 2011. A loss of 39,000 government jobs nearly offset a gain of 57,000 employees in the private sector. In order to restore the unemployment rate to its prerecession level of 5%, 11 million jobs are needed.<sup>1</sup>

One industry that has maintained positive job growth before, during, and after the recent recession is health care (see <u>Figure 1</u>). Between May and June 2011, employment grew by 13,500 in the health care industry.<sup>2</sup> In fact, although the health care industry employs 11% of the U.S. workforce—or approximately 14 million individuals—it is responsible for 34% of employment growth over the past year.<sup>3</sup>



Source: NCLR calculation using *Current Employment Statistics*, "Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail," http://www.bls.gov/webapps/legacy/cesbtab1.htm (accessed July 2011). Total employment excludes farm employment.

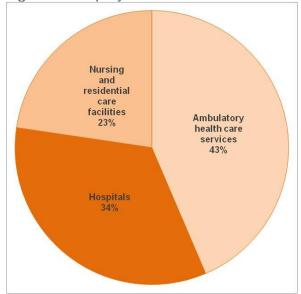


Monthly Latino Employment Report

June 2011

The single largest subsector of health care employment is ambulatory care, which takes place primarily in doctors' offices, outpatient clinics, and patients' homes. As <u>Figure 2</u> shows, ambulatory care employs 43% of all health care workers, or approximately 6.1 million individuals. Together, hospitals and nursing facilities employ the remaining 57% of the health care workforce (4.7 million and 3.2 million individuals, respectively). Establishments in the health care industry also range dramatically in size. Nationally, 48% of nonhospital health care establishments had a staff of less than five employees, while 72% of hospital employees work in establishments that employ more than 1,000 people.<sup>4</sup>

Figure 2. Employment Distribution in Health Care Subsectors, 2011



Source: NCLR calculation using U.S. Bureau of Labor Statistics, *Employment Projections Program*, "Table 1.8. 2008-2018 National Employment Matrix, industry employment by occupation," http://www.bls.gov/emp/ep\_table\_108.htm (accessed July 2011).

#### Latino Contributions to the Health Care Industry

In 2010, 2.1 million Latinos—about 9.2% of the total Latino labor force—worked in the health care and social assistance sector. Four out of five (80%) Hispanic workers in this sector are women, although among Hispanic workers generally only about two out of five (41%) are women.<sup>5</sup>

Compared to their share of the total employed workforce (14.6%), Latinos make up only 10.9% of the health care workforce. Latinos are drastically underrepresented in health care



Monthly Latino Employment Report

June 2011

practitioner and technical occupations, such as pharmacists, clinical laboratory technicians, and dieticians. These occupations are listed in Table 1 in the Appendix.

Despite the shortage of Latinos in health care practitioner and technical jobs, Latinos are by no means absent from the health care industry. In fact, millions of workers support the industry in a wide range of occupations. As <u>Table 2</u> shows, among the top 20 major occupation groups in the health care industry are information and record clerks, building cleaning and pest control workers, and cooks and food preparation workers. Table 3 lists some detailed occupations in these groups. Latinos are overrepresented in several occupations that employ thousands of individuals in the health care industry, as seen in Figure 3 below.

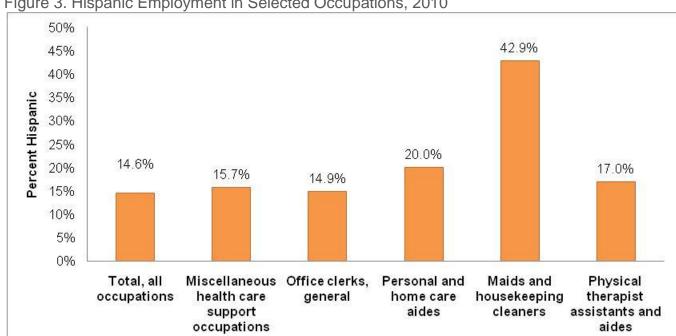


Figure 3. Hispanic Employment in Selected Occupations, 2010

Source: U.S. Bureau of Labor Statistics, Current Population Survey, 2010 Annual Averages, ftp://ftp.bls.gov/pub/special.requests/lf/aat11.txt (accessed July 2011). Percentages are for all industries.

#### Latinos Overrepresented in Low-Wage Health Care Jobs

Among the prevalent occupations in health care, those with higher concentrations of Hispanic workers tend to pay the lowest wages in the industry. For instance, Table 3 shows that 20% of personal and home health care aides are Latino. The mean hourly wage for home health care

Industries are broad groups of businesses or organizations with similar activities, products, or services. Occupations are considered part of an industry based on their employment. The same occupation may be found in multiple industries.



Monthly Latino Employment Report

June 2011

aides is \$9.71, which translates to an annual salary of just \$20,200. The health care industry also employs 257,800 maids and housekeeping cleaners, an occupation that is 42.9% Hispanic and pays about \$10.51 per hour.

By contrast, Latinos tend to be underrepresented in occupations that pay at or above the mean hourly wage for the health care industry: \$22.38. For instance, the 190,900 office managers in the health care industry earn \$23.92 per hour on average, but Latinos represent only 11.3% of office managers. These disparities are evident in Table 3.

#### Barriers to Good Jobs in Health Care

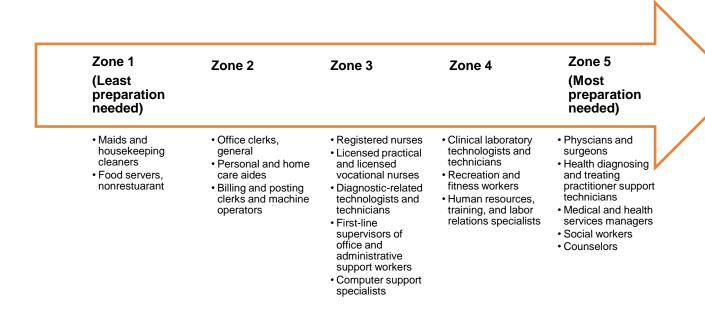
Disparities in educational and skills attainment are largely responsible for the underrepresentation of Latinos in higher-paying health care occupations. This is true for health care practitioner and technical occupations (see <u>Table 1</u>) as well as multi-industry occupations with high levels of employment in health care (see <u>Table 3</u>). Figure 4 shows a range of occupations along a continuum of "job zones," which indicate the level of preparation, including formal education and training, necessary for an occupation. Occupations in Job Zone 1 require little or no preparation and may require a high school diploma or GED certificate. Occupations in Job Zone 2 usually require a high school diploma and may gain experience through an apprenticeship program. Most occupations in Job Zone 3 require an associate's or vocational degree and related on-the-job experience. Job Zone 4 requires considerable preparation, usually a four-year bachelor's degree. The highest level of preparation is required for occupations in Job Zone 5; usually a master's or doctoral degree or higher is required, and many require five to seven years of specialized medical training.



Monthly Latino Employment Report

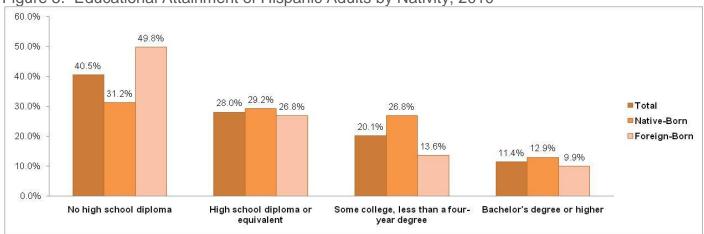
June 2011

Figure 4. Occupations in the Health Care Industry Grouped by Job Zone



Two out of five (40.5%) Latino adults—and nearly half of foreign-born Latino adults (49.8%)— are not prepared to qualify for occupations above Job Zone 1 because they do not have a high school diploma. In fact, education limits the majority of Latino adults to Job Zones 1 and 2. Figure 5 details the educational attainment of Latino adults. Consequently, millions of Latino workers are relegated to low-wage occupations in the health care industry.

Figure 5. Educational Attainment of Hispanic Adults by Nativity, 2010



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2010. Data are for adult civilian workers.

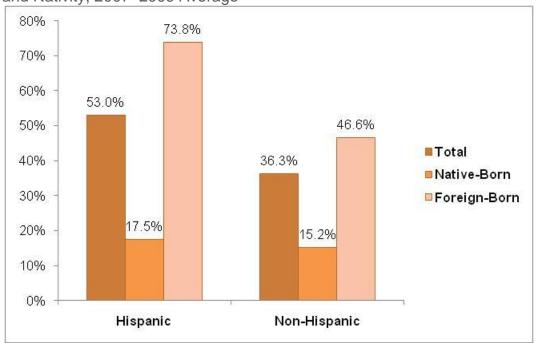


Monthly Latino Employment Report

June 2011

In addition to education, limited English proficiency prevents many Latinos from qualifying for higher-wage jobs and technical occupations in the health care industry (see <u>Figure 6</u>). An estimated 41.9% of working-age Hispanics speak English less than "very well." Among foreignborn adults, an even larger share is limited-English-proficient (LEP): 73.8% of Latino immigrant adults are LEP. Among non-Hispanic immigrant adults, the rate is 46.6%.

Figure 6. Working-Age Adults Who Speak English Less Than "Very Well" by Ethnicity and Nativity, 2007–2009 Average



Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample 3-Year Estimates, 2007–2009. Data are for individuals ages 16–65.

#### Recommendations to Improve Latino Employment in the Health Care Industry

Given the growth of the health care industry and its contributions to the economic recovery, it is critical that all Americans, including Latinos, are prepared to meet the demands of this evolving sector. Public policies that address the needs of low-skilled and LEP individuals are essential to ensuring individuals' economic security and the strength of the new economy. NCLR recommends the following:

Invest in programs that prepare low-skilled workers for college-level learning.
 Without qualified workers to carry forward today's growth industries, including health care, the nascent economic recovery will not take hold. It is critical that Congress appropriate adequate funding in the federal budget for fiscal year 2012 to support promising programs and activities designed to expand and train the health care



Monthly Latino Employment Report

June 2011

workforce. In addition to preventing cuts to Title I and Title II of the Workforce Investment Act, lawmakers should appropriate funds for health care workforce development programs authorized in the Patient Protection and Affordable Care Act (P.L. 111-148).

The publicly funded adult education and workforce development system is designed to assist adults who have aged out of the public school system improve their skills and transition to higher-level jobs. Sector- and occupation-specific training, such as <a href="health-care-career-pathway programs">health-care-career-pathway programs</a>, have demonstrated success in preparing lower-skilled students for credit- or certificate-bearing education and training. Efforts should be made to replicate and scale up these programs with specific attention to the needs of underprepared workers, such as those without high school diplomas or equivalency degrees.<sup>8</sup>

• Integrate occupational skills training with basic education and English language instruction. It has been shown that workers learn and retain literacy, numeracy, and language skills better when they are taught in the context of a specific occupation. Integrated training is crucial for helping LEP individuals make short-term gains in the workplace and improve their education and employment prospects over time. The Senate Committee on Health, Education, Labor, and Pensions recently issued a draft of the Workforce Investment Act that includes important modifications to encourage integrated training strategies. It is crucial that Congress reauthorizes this act to ensure that all workers are equipped to fully contribute to the growing health care industry. In the contribute is the growing health care industry.

#### Conclusion

Latinos are making important contributions to the health care industry, which is an engine of growth for the recovering economy. However, the overrepresentation of Latinos in low-wage jobs threatens the sustainability of the industry's vitality. Investments that build on the successes of adult education and training programs that target low-skill, LEP workers are necessary to improve access to higher-wage jobs for Latino health care workers and ensure the continued strength of the nation's health care industry.



Monthly Latino Employment Report

June 2011

### **Appendix**

Table 1. Hispanic Employees in Health Care Practitioner and Technical Occupations, 2010

Occupations	Total employed (in thousands)	Hispanic percent of total
All occupations	139,064	14.3%
Health care practitioner and technical occupations	7,805	6.2%
Chiropractors	57	2%
Dentists	175	5.7%
Dietitians and nutritionists	105	5.2%
Optometrists	38	_
Pharmacists	255	4.3%
Physicians and surgeons	872	6.8%
Physician assistants	99	9.2%
Podiatrists	12	_
Registered nurses	2,843	4.9%
Audiologists	18	_
Occupational therapists	109	6.1%
Physical therapists	187	5.4%
Radiation therapists	18	_
Recreational therapists	14	_
Respiratory therapists	131	6.6%
Speech-language pathologists	132	6.1%
Therapists, all other	138	10.4%
Veterinarians	73	3.9%
Health diagnosing and treating practitioners, all other	27	_
Clinical laboratory technologists and technicians	342	7.4%
Dental hygienists	141	3%
Diagnostic-related technologists and technicians	349	7.7%
Emergency medical technicians and paramedics	179	3.7%
Health diagnosing and treating practitioner support technicians	505	10.8%
Licensed practical and licensed vocational nurses	573	6.2%
Medical records and health information technicians	118	12.7%
Opticians, dispensing	55	8.1%
Miscellaneous health technologists and technicians	167	8.5%
Other health care practitioners and technical occupations	70	9.6%

Source: U.S. Bureau of Labor Statistics, *Current Population Survey*, 2010 Annual Averages, ftp://ftp.bls.gov/pub/special.requests/lf/aat11.txt (accessed July 2011).



Monthly Latino Employment Report

June 2011

Table 2. Top 20 Occupation Groups in the Health Care Industry Ranked by Employment, 2008

Occupation	Employment (in thousands)	Percent of industry	Percent of occupation
Total, all occupations	14,336	100%	9.5%
Health diagnosing and treating practitioners	3,460	24.1%	74.7%
Nursing, psychiatric, and home health aides	2,030	14.2%	82.7%
Health technologists and technicians	2,004	14.0%	73.7%
Other health care support occupations	1,014	7.1%	73.3%
Secretaries and administrative assistants	771	5.4%	17.7%
Information and record clerks	685	4.8%	12.1%
Counselors, social workers, and other community and social service specialists	521	3.6%	26.8%
Other personal care and service workers	437	3.1%	15.2%
Financial clerks	409	2.9%	10.5%
Building cleaning and pest control workers	374	2.6%	9.5%
Other office and administrative support workers	358	2.5%	8.1%
Other management occupations	259	1.8%	5.7%
Cooks and food preparation workers	229	1.6%	7.8%
Supervisors of office and administrative support workers	191	1.3%	13.1%
Food and beverage serving workers	171	1.2%	2.7%
Occupational and physical therapist assistants and aides	131	0.9%	90.9%
Business operations specialists	127	0.9%	3.2%
Other installation, maintenance, and repair occupations	103	0.7%	3.5%
Top executives	95	0.7%	4.3%
Computer specialists	81	0.6%	2.4%

Source: U.S. Bureau of Labor Statistics, *Employment Projections Program*, "Table 1.8. 2008-2018 National Employment Matrix, industry employment by occupation," http://www.bls.gov/emp/ep\_table\_108.htm (accessed July 2011).



Monthly Latino Employment Report

June 2011

Table 3. Hispanic Employment in Selected Occupations in the Health Care Industry

Occupation	Employees in the health care industry (in thousands)	Percent Hispanic (all industries)	Mean hourly wage <sup>‡</sup>	Mean annual wage
Total, all occupations	14,336	14.6%	\$22.38	\$46,540
Registered nurses	2192.4	5.3%	\$32.57	\$67,750
Miscellaneous health care support occupations	998.9	15.7%	\$12.83	\$26,690
Licensed practical and licensed vocational nurses	619.1	6.5%	\$19.78	\$41,140
Physicians and surgeons	512.5	6.4%	\$88.87	\$184,850
Building cleaning workers	374.2	28.6%	\$11.84	\$24,620
Diagnostic related technologists and technicians	318.3	9.9%	\$24.36– \$33.23	\$50,680– \$69,110
Office clerks, general	298.3	14.9%	\$13.40	\$27,860
Personal and home care aides Clinical laboratory technologists and technicians	283.0 278.8	20.0% 6.2%	\$9.71 \$18.24– \$27.27	\$20,200 \$37,930- \$56,730
Maids and housekeeping cleaners	257.8	42.9%	\$10.51	\$21,870
Health diagnosing and treating practitioner support technicians	233.6	10.7%	\$13.77– \$22.42	\$28,640– \$46,640
Medical and health services managers	206.8	8.3%	\$44.21	\$91,960
Social workers	206.7	11.5%	\$21.61	\$44,940
Billing and posting clerks and machine operators	194.8	13.3%	\$15.89	\$33,050
First-line supervisors/managers of office and administrative support workers	190.9	11.3%	\$23.92	\$49,760
Counselors	171.3	8.3%	\$18.28	\$38,030
Miscellaneous community and social service specialists	142.7	8.7%	\$17.73	\$36,870
Cooks	124.0	30.9%	\$10.55– \$12.41	\$21,950– \$25,810

-

<sup>\*</sup> U.S. Bureau of Labor Statistics, *Employment Projections Program*, "Table 1.8. 2008-2018 National Employment Matrix, industry employment by occupation," http://www.bls.gov/emp/ep\_table\_108.htm (accessed July 2011).

<sup>&</sup>lt;sup>†</sup> U.S. Bureau of Labor Statistics, *Current Population Survey*, 2010 Annual Averages, ftp://ftp.bls.gov/pub/special.requests/lf/aat11.txt (accessed July 2011).

<sup>&</sup>lt;sup>‡</sup> U.S. Bureau of Labor Statistics, *Occupational Employment Statistics*, May 2010, http://stat.bls.gov/oes/home.htm (accessed July 2011).



# Building a New Economy Monthly Latino Employment Report

June 2011

Bookkeeping, accounting, and auditing clerks	117.2	8.9%	\$16.79	\$34,930
Physical therapist assistants and aides	102.8	17.0%	\$12.06– \$23.96	\$25,090– \$49,830
Food servers, nonrestaurant	94.9	11.6%	\$10.30	\$21,430
Industrial machinery installation, repair, and maintenance workers	86.0	10.0%	\$20.10	\$41,800
General and operations managers	76.9	6.1%	\$44.67	\$92,910
Recreation and fitness workers	65.5	7.9%	\$12.16– \$17.04	\$25,290– \$35,440
Human resources, training, and labor relations specialists	50.5	9.0%	\$24.06	\$50,050
Computer support specialists	22.7	4.7%	\$22.21	\$46,200



Monthly Latino Employment Report

June 2011

#### **Endnotes**

http://www.bls.gov/oco/cg/cgs035.htm (accessed July 2011).

NCLR calculation using U.S. Bureau of Labor Statistics, *Current Population Survey*, 2010 March Supplement.

O\*NET OnLine, "O\*NET OnLine Help: Job Zones," http://www.onetonline.org/help/online/zones (accessed July 2011).

<sup>8</sup> Ricardo Estrada and Tom DuBois, *How to Build Bridge Programs That Fit into a Career Pathway* (Chicago: Instituto del Progreso Latino, 2010),

http://www.nclr.org/images/uploads/pages/Instituto2010\_HowToBuildBridgePrograms%20final.pdf (accessed July

2011).

<sup>9</sup> Elizabeth Moore and Emma Oppenheim, *Learning in Context: Preparing Latino Workers for Careers and* Continuing Education (Washington, DC: National Council of La Raza, 2010),

http://www.nclr.org/index.php/publications/preparing latino workers for careers and continuing education (accessed July 2011).

Letter from the National Council of La Raza to the Senate Committee on Health, Education, Labor, and Pensions, July 2011,

http://www.nclr.org/index.php/publications/comments\_in\_response\_to\_the\_proposed\_workforce\_investment\_act\_rea uthorization (accessed July 2011).

<sup>&</sup>lt;sup>1</sup> Economic Policy Institute, "Recession Has Left in Its Wake a Jobs Shortfall of Over 11 Million," The State of Working America (Washington, DC: Economic Policy Institute, 2011), http://www.stateofworkingamerica.org/charts/view/7 (accessed May 6, 2011).

<sup>&</sup>lt;sup>2</sup> U.S. Bureau of Labor Statistics, *The Employment Situation—June 2011*, "Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail," http://www.bls.gov/news.release/empsit.t17.htm (accessed

July 2011).

NCLR calculation using *Current Employment Statistics*, "Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail," http://www.bls.gov/webapps/legacy/cesbtab1.htm (accessed May 29, 2011). <sup>4</sup> U.S. Bureau of Labor Statistics, Career Guide to Industries, 2010—2011 Edition,