

Monthly Latino Employment Report

Issued November 7, 2014

Elections Expose Anxiety about Wages

Across political ideologies, voters in five states supported hikes in the minimum wage

In Tuesday's midterm election, voters sent a clear message to lawmakers that the economy—and low wages in particular—are a major concern and a driver of civic participation. Consistent with earlier polling of Latinos, an <u>election eve poll</u> by Latino Decisions found that after immigration, the economy was the biggest concern for Latino voters. In four states, including at least two where Republicans were elected to the Senate or the governor's office, voters approved ballot initiatives to raise the state minimum wage, underscoring the anxiety that voters are feeling in the low-wage recovery. This *Monthly Latino Employment Report* outlines the latest Latino employment figures and Latino voters' economic priorities.

Latino Employment Statistics for October 2014

The U.S. Department of Labor <u>reported today</u> that U.S. employers added 214,000 jobs in October, which is about on par with average monthly growth for the year. The national unemployment rate dropped 0.1 percentage point to 5.8%. The Latino unemployment rate edged down to 6.8% (see Table 1). Net job gains in food services and restaurants (+42,000 in October), retail (+27,000), transportation and warehousing (+13,000), and construction (+12,000) likely contributed to the increase in Latino employment.

Table 1. The Employment Situation for Latino Workers in October 2014

Indicators	Latinos, October 2014
Employed—Working people over the age of 16, including those temporarily absent from their jobs	23.9 million
Unemployed— Those who are available to work, make an effort to find a job, or expect to be called back from a layoff but are not working	1.7 million
Civilian Labor Force—The sum of employed and unemployed people	25.7 million
Not in the Labor Force— People over the age of 16 classified as neither employed nor unemployed	13 million
Unemployment Rate—Share of the labor force that is unemployed	6.8%
Labor Force Participation Rate— Share of the population over the age of 16 that is in the labor force	66.3%
Employment-Population Ratio— Share of the population over the age of 16 that is working	61.8%

Source: U.S. Bureau of Labor Statistics, "Employment Status of the Hispanic or Latino Population by Sex and Age," Current Population Survey, http://www.bls.gov/news.release/empsit.t03.htm (accessed November 7, 2014), Table A-3.



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Latino Voters Support a Higher Minimum Wage

An <u>election eve poll</u> of Latino voters by Latino Decisions found that immigration is the number one priority that Latino voters want politicians to address (with 45% listing it as a top priority) followed by the economy (34%), education (21%), and health care (17%).

While unemployment is still a concern, Latinos and other voters are troubled by <u>low wages</u> that prevail in many of the industries that have experienced job growth in recent years. For example, in a <u>July poll</u>, 70% of Latino voters reported that they are not earning enough to cover their basic expenses. Recent data show that 23.5% of Latinos <u>live in poverty</u>. Unsurprisingly, Latinos express strong support for raising the minimum wage. The election eve poll found that 78% of Latinos support raising the federal minimum wage from \$7.25 to \$10.10 per hour.

Latinos living in states and localities where the minimum wage was on the 2014 ballot turned their concern into action. While Congress failed to advance legislation to raise the federal minimum wage this year, the minimum wage was on the ballot in five states in the 2014 midterm elections. Voters in Alaska, Arkansas, Nebraska, and South Dakota approved ballot measures to raise their state's minimum wage, while voters in Illinois approved a nonbinding referendum to raise the wage (see Figure 1).

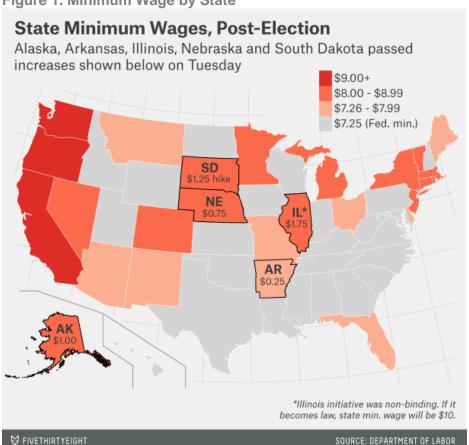


Figure 1. Minimum Wage by State

Source: Ben Casselman, "A Big Night for Minimum Wage Increases," FiveThirtyEight, November 5, 2014, http://fivethirtyeight.com/datalab/a-big-night-for-minimum-wage-increases (accessed November 5, 2014).



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These state minimum wage increases demonstrate that concern for economic issues trumps political ideology. While the minimum wage was on the platform of several Democratic candidates, voters in the five states that approved minimum wage increases elected Republican governors and senators (Alaska's Senate race is still undecided at the time of publication). Voters in Wisconsin, where Republican governor Scott Walker was reelected, also approved minimum wage increases in several localities, as Table 2 shows.

Table 2. States and Localities with 2014 Minimum Wage Ballot Initiatives

State/Locality		Proposal		Binding?	Passed?
		Wage	Indexing?		
Alaska		\$9.75 (by 2016)	Yes	Yes	Yes
Arkansas		\$8.50 (by 2017)	No	Yes	Yes
California	Eureka	\$12.00 (by 2015)	Yes	Yes	No
(3 cities)	Oakland	\$12.25 (by 2015)	Yes	Yes	Yes
	San Francisco	\$15.00 (by 2018)	Yes	Yes	Yes
Illinois		\$10.00 (by 2015)	Yes	No	Yes
Nebraska		\$9.00 (by 2016)	No	Yes	Yes
South Dakota		\$8.50 (by 2015)	Yes	Yes	Yes
Counties: D Eau Claire, Crosse, Milv Portage, Ro	ock, Wood eton, Menasha,	\$10.10	Yes	No	Yes

Source: National Employment Law Project Action Fund, "Big Winners on Election Day: Low-Wage Workers," news release, November 5, 2014.

Conclusion

Voters sent a clear message on Tuesday that they will mobilize on economic issues. Latino voters will be monitoring progress on the minimum wage and related issues in the incoming Congress and will support policymakers who respond to their economic priorities in 2016.

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