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New Report Highlights Disparities for Workers of Color in the Ocean State

Community Leaders Respond to Stark Findings

Providence, RI – A new report from the Economic Progress Institute, “The State of Working Rhode Island 2015: Workers of Color” documents the challenges faced by workers of color who fall behind in employment opportunities, earnings and educational attainment.

“This report pulls together data that have been highlighted by different communities and sources over the years to provide a full picture of how workers of color are faring in the Ocean State,” said Rachel Flum, Executive Director of the Institute. “The significantly higher rates of unemployment for Latino and Black Rhode Islanders and lower wages for these communities and Southeast Asians – should set off alarm bells for business leaders and policy makers.”

The report also includes a set of policy recommendations for lawmakers, as Doug Hall, the Institute’s Director of Economic and Fiscal Policy and lead author of the report noted. “We need to do more to close persistent gaps in how workers of color experience the economy. Because workers of color have lower rates of both high school and college completion, we need to strengthen supports to close those gaps. We also need to keep our safety net strong. The accompanying policy recommendations are aimed at addressing these factors.”

Key points from the report include:

- **Labor force is changing:** By 2040, workers of color will comprise 38% of the workforce – up from 21% at the start of the decade.
- **Job Deficit Remains a Problem:** While slow population growth since the recession mitigates the size of the jobs deficit, Rhode Island needs close to 13,000 jobs to reach pre-recession levels.
- **Unemployment Worse for Latinos and Blacks:** Throughout the Great Recession and subsequent recovery, the gap between White unemployment rates and the rates for Black and Latino workers was stark, with Latino unemployment rates more than double the rates for White workers and Black unemployment rates nearly double White rates.

- **Latino Unemployment the Worst in Nation in 2014:** The Latino unemployment rate was the highest in the nation from 2009 until 2014 - at 16.2% percent - more than double the national Latino unemployment rate of 7.4%.
- **Wages Stagnant but Worse for Minorities:** Median wages in Rhode Island have been stagnant for more than a decade for all racial/ethnic groups. There has been a consistently large (over \$7.00) gap between Latino and White wages over the last decade.
- **Southeast Asians Wages Worse Than Other Asians:** In Rhode Island's Asian community, there is a noticeable split in median wages, with South Asians and "other" Asian workers enjoying the highest median wages in the state (\$50,000), while median wages for Southeast Asians falls at the lower end of the wage spectrum (\$30,621).
- **Educational Attainment Bad for All - Especially for Minorities:** Workers with higher levels of education tend to earn higher wages. In Rhode Island, across all racial/ethnic groups, a higher share of the population lacks a high school diploma than both the national average and in our neighboring states. Over one-third of Latinos and one-fourth of Blacks in Rhode Island lack a high school diploma.
- **Employment Sectors Matter:** Rhode Island Latino and Black workers are both heavily concentrated in three sectors that pay median wages significantly below the overall median wage – health care and social assistance, arts and entertainment, and retail trade.

A number of organizations that represent Rhode Island communities of color responded to the report:

“Since Latinos are a growing and significant share of our state’s population and workforce, we know how critical it is to have two-generation strategies to support economic security for families. We need pre-school opportunities for our kids and the best public education that ensures that all children succeed. We need more resources focused on helping adults learn English so that they can gain the skills they need to support their children’s education and so they can get better jobs. We also need dual language strategies that can provide equitable career training opportunities for adults with language barriers. Government needs to step up investments and efforts in partnership with non-profits like ours to make sure all families have the opportunity to succeed.” **Mario Bueno, Executive Director, Progreso Latino Inc.**

“The NAACP Providence Branch is very concerned about the crisis status of black Rhode Islanders. The economic and education disparity gaps between blacks and whites in our state is alarming. For all of Rhode Island to prosper, we must recognize that black unemployment being twice that of whites, black median income being 58% of whites and blacks without a high school diploma (25%) being 32% higher than the national average is clearly unacceptable and must be immediately addressed.” **James Vincent, President, NAACP Providence Branch**

“It is imperative to look behind broad census labels of populations to understand how sub-populations are faring. While Asians are typically thought of as doing very well economically, the report confirms what has been highlighted in earlier reports – the Southeast Asian community in Rhode Island is not doing very well – with median wages below whites and below other Asian populations. It is my hope that we continue to look at sub-populations through a different lens so that we are able to provide a much accurate picture.” **Chanda Womack, President, Cambodian Society of RI, INC**

“This report underscores the need for Rhode Island to pivot towards the worker. When we do that, we not only maximize our economic potential but we also fully value all Rhode Islanders.” **Anna Cano-Morales, Director of the Latino Policy Institute at Roger Williams University.**

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About the Institute

The Institute is a non-partisan research and policy organization that works for policies that improve economic security and opportunity for Rhode Islanders. For more information visit www.economicprogressri.org.