

Focus on Hispanic Workers

Washington Workforce Training
Results for Hispanic Participants



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Workforce Training and Education Coordinating Board
128 10th Avenue SW, PO Box 43105, Olympia, 98504-3105
360-709-4600, Fax 360-586-5862
www.wtb.wa.gov



Washington Workforce Training Results for Hispanic Participants

When compared with the rest of Washington’s workforce, Hispanic workers are a third more likely to be unemployed. At the same time, Hispanics earn approximately 60 percent of what the general population earns in median hourly wages.¹

These twin problems—low wages and high unemployment—are what the state’s workforce development system aims to solve through worker retraining programs, apprenticeships, skill-building courses, English language classes and more.

In this report, you’ll see how well Hispanics fared after entering workforce development programs—from how many completed these programs, to the jobs they landed, and the money they earned.

As a group, Hispanics are well-represented in the state's workforce development programs. Yet, while they are just as likely to be employed after leaving a program, they earn less on average than other program participants.

Hispanics are over represented, compared to their proportion of the state population, in several workforce development programs, especially in the Worker Retraining and Apprenticeship programs. Although their program enrollment is high, Hispanic participants complete these programs at a lower rate than other participants. However, for other workforce programs, their completion rates are largely the same as the rest of the population.

Hispanic participation in workforce development programs

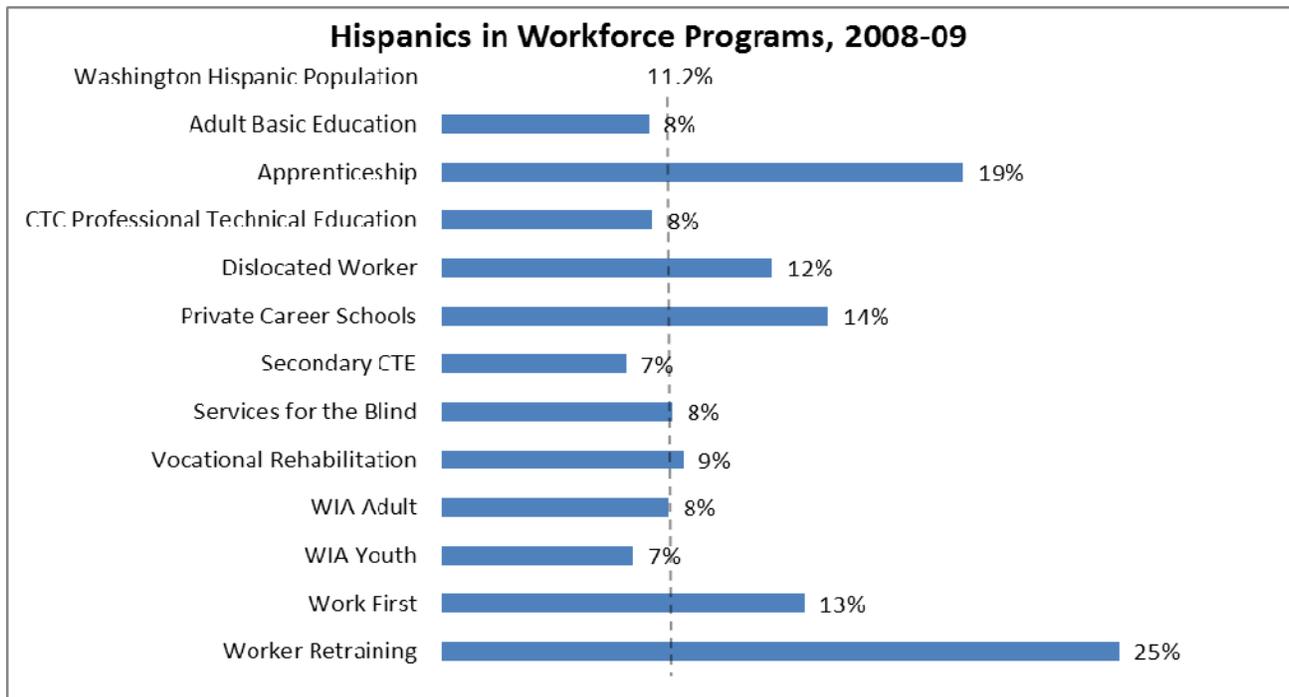
Hispanics are involved in two workforce programs at a significantly higher rate than their proportion of the state population: Worker Retraining and Apprenticeship. The worker retraining program enrollments vary from year to year in response to layoffs, since the Community and Technical Colleges (CTC) Worker Retraining program provides dislocated workers and the long-term unemployed with access to job retraining for a new career. During recessions, the need increases.

Other workforce programs where the rate of Hispanic participation is higher than their share of the general population include private for-profit career schools, Work First and the Dislocated Worker programs. The proportion of Hispanics using these programs has increased. Notably, Hispanics are somewhat overrepresented in the Workforce Investment Act (WIA) Dislocated Worker program.

¹ U.S. Census Bureau’s 2010 American Community Survey.

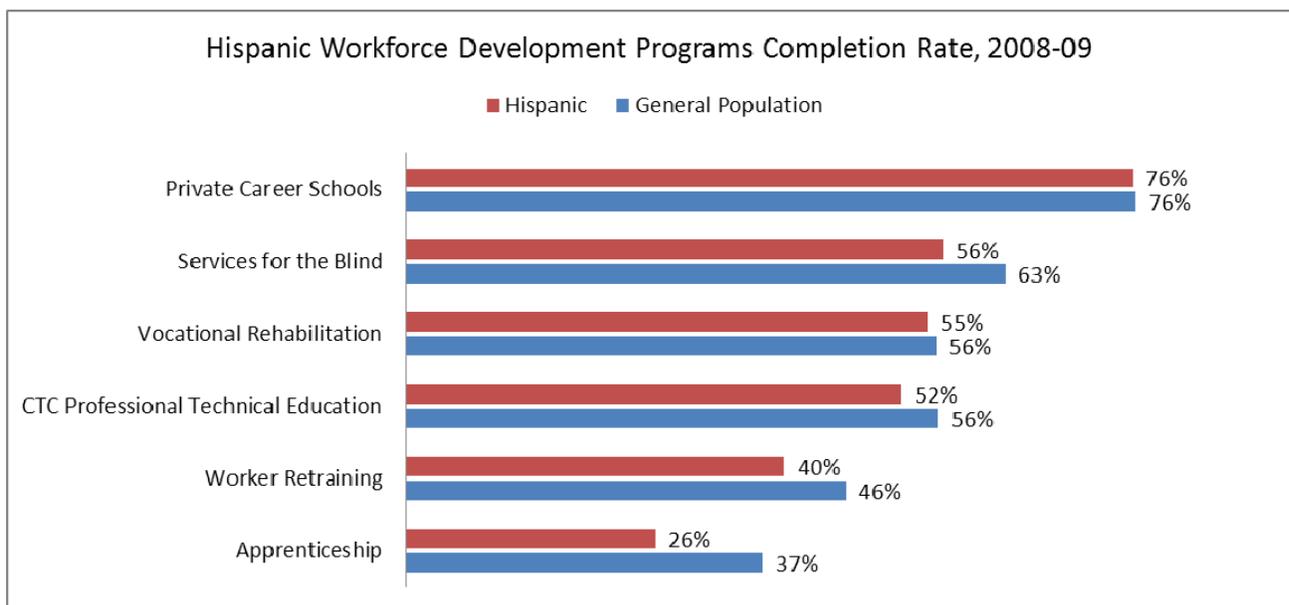


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Workforce Training Results 2011. State Hispanic population estimate, of 11.2 percent, is from the 2010 U.S. Census Bureau's American Community Survey.

Completion rates for Hispanics in workforce development programs are generally equal to or within a seven percentage points of the overall rates. The major exception is within the Apprenticeship program, with Hispanics completing at a 26 percent rate compared to an overall completion rate of 37 percent.



Workforce Training Results, 2011.



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Employment Rates after Participating in a Workforce Development Program

Overall, fifty-four percent of Hispanics were employed after leaving Workforce Training Programs. Although employment outcomes vary by program, when considering all programs, Hispanics are slightly more likely to be working after leaving a workforce training program than the general population. The two programs in which Hispanics are less likely than the general population to be employed after program completion are those enrolled in Apprenticeship and Secondary Career and Technical Education.

Employment of Workforce Training Program Participants, 2009-10		
Workforce Program	Hispanic	General Population
Adult Basic Education	55%	46%
Apprenticeship	57%	61%
CTC Professional Technical	44%	45%
Dislocated Worker	53%	46%
Private Career Schools	54%	49%
Secondary CTE	63%	61%
Services for the Blind	66%	60%
Vocational Rehabilitation	43%	37%
WIA Adult	68%	65%
WIA Youth	74%	71%
Work First	55%	45%
Worker Retraining	64%	58%
Total	54%	50%

Workforce Training Results, 2011. Information is based on participant employment rate 9 months after exiting a program, based on matches to unemployment insurance data.



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Wages and Annual Earnings of Participants in Workforce Programs

Compared to program participants among the general population, Hispanics who participated in Adult Basic Education and Services for the Blind had higher wages after leaving the program. In all other programs, Hispanic annual earnings were significantly lower than the general population participating in the same program. The greatest wage gap was seen among Hispanics who participated in the Apprenticeship program. Annual wages for Hispanic workers who participated in the program stood at just under \$29,400, compared with \$38,200 earned by general population participants.

Median Hourly Wages and Annualized Earnings After Workforce Program Involvement, 2009-10				
Workforce Program	Hispanics		General Population	
	Median Wage	Annualized Earnings	Median Wage	Annualized Earnings
Adult Basic Education	\$11.29	\$18,950	\$10.67	\$16,109
Apprenticeship	\$20.70	\$29,393	\$24.73	\$38,210
CTC Professional Technical	\$12.71	\$21,770	\$14.54	\$24,490
Dislocated Worker	\$14.53	\$26,837	\$15.87	\$28,857
Private Career Schools	\$13.22	\$21,483	\$13.53	\$20,861
Secondary CTE	\$9.74	\$10,344	\$9.87	\$8,645
Services for the Blind	\$12.78	\$21,847	\$12.32	\$20,555
Vocational Rehabilitation	\$10.02	\$13,950	\$10.67	\$11,702
WIA Adult	\$12.09	\$19,574	\$12.76	\$21,082
WIA Youth	\$9.61	\$11,897	\$9.62	\$9,991
Work First	\$10.04	\$12,137	\$10.10	\$12,225
Worker Retraining	\$14.10	\$24,315	\$15.38	\$26,157
Total	\$11.27	\$17,484	\$12.07	\$17,652

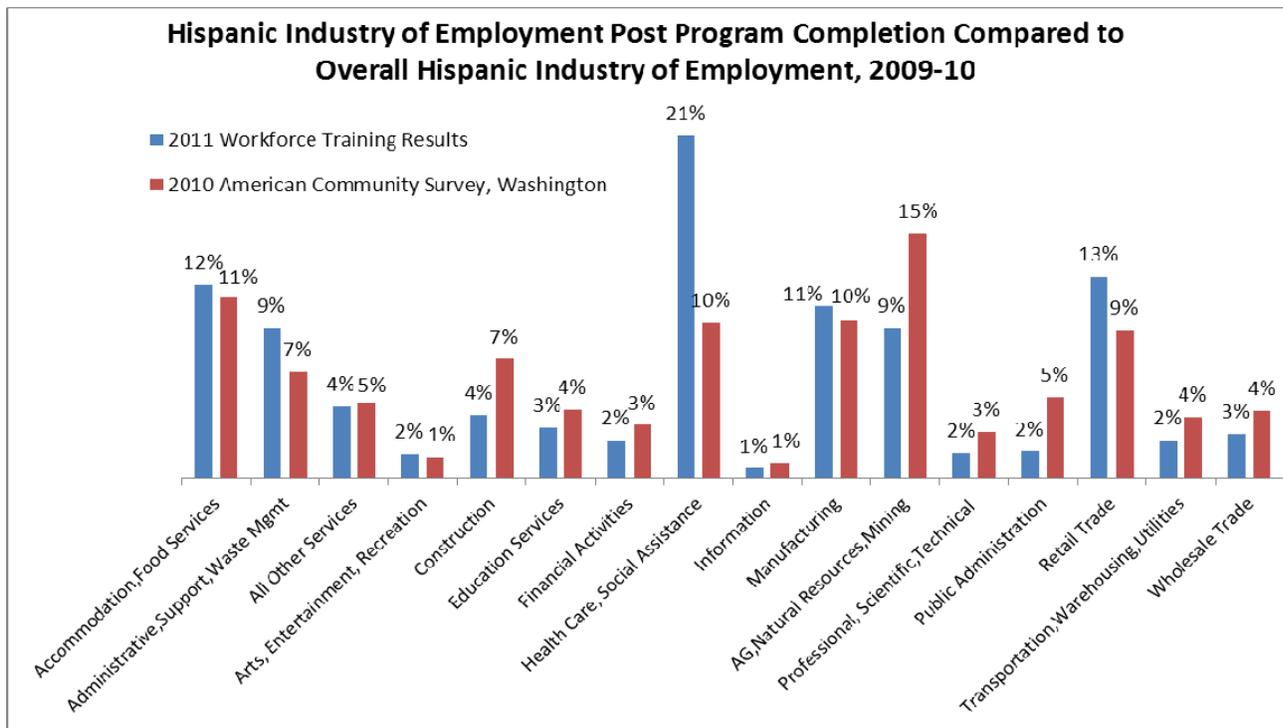
Workforce Training Results, 2011. Information is based on participant employment rate 9 months after exiting a program, based on matches to unemployment insurance data.



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Where Hispanics Work After Exiting a Workforce Development Program

Hispanics involved in a workforce development program were much more likely to be working in the health care industry than the non-program Hispanic population in Washington, according to 2010 American Community Survey (ACS).² For instance, 21 percent of program completers were employed in the health care industry, compared to 10 percent of the overall Hispanic population in the state. This is particularly notable, as the median wage for the healthcare industry is among the highest in the state at \$20.19.



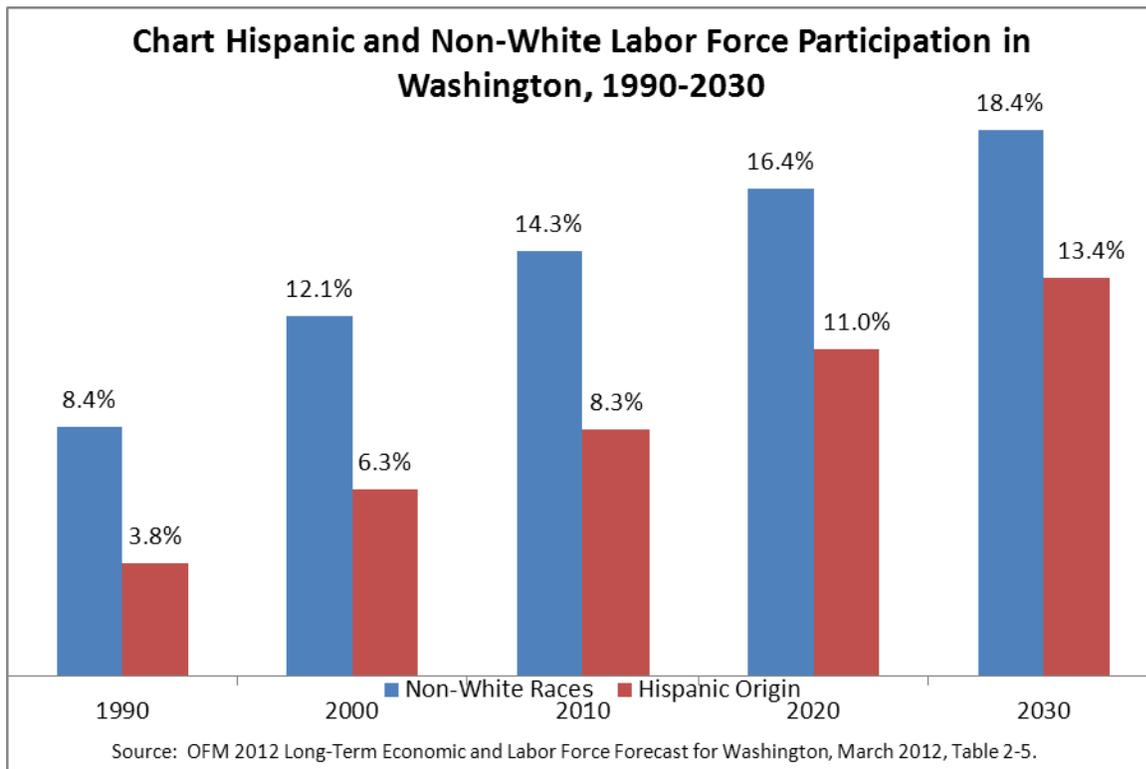
Workforce Training Results, 2011. Information is based on participant employment rate 9 months after exiting a program. Population estimates from U.S. Census Bureau's 2010 American Community Survey.

² 2010 U.S. Census Bureau estimates from the American Community Survey.



Hispanics represent a growing segment of Washington population

In 2000, the Hispanic population in Washington stood at about 7 percent and has steadily increased over the last decade.³ In 2010, Hispanics comprised 11.2 percent of the population.⁴ The percent of Hispanics in the state's labor force is also increasing. In 1990, Hispanics made up less than 4 percent of Washington's labor force; by 2030 the state's share of Hispanic workers is projected to be over 13 percent.



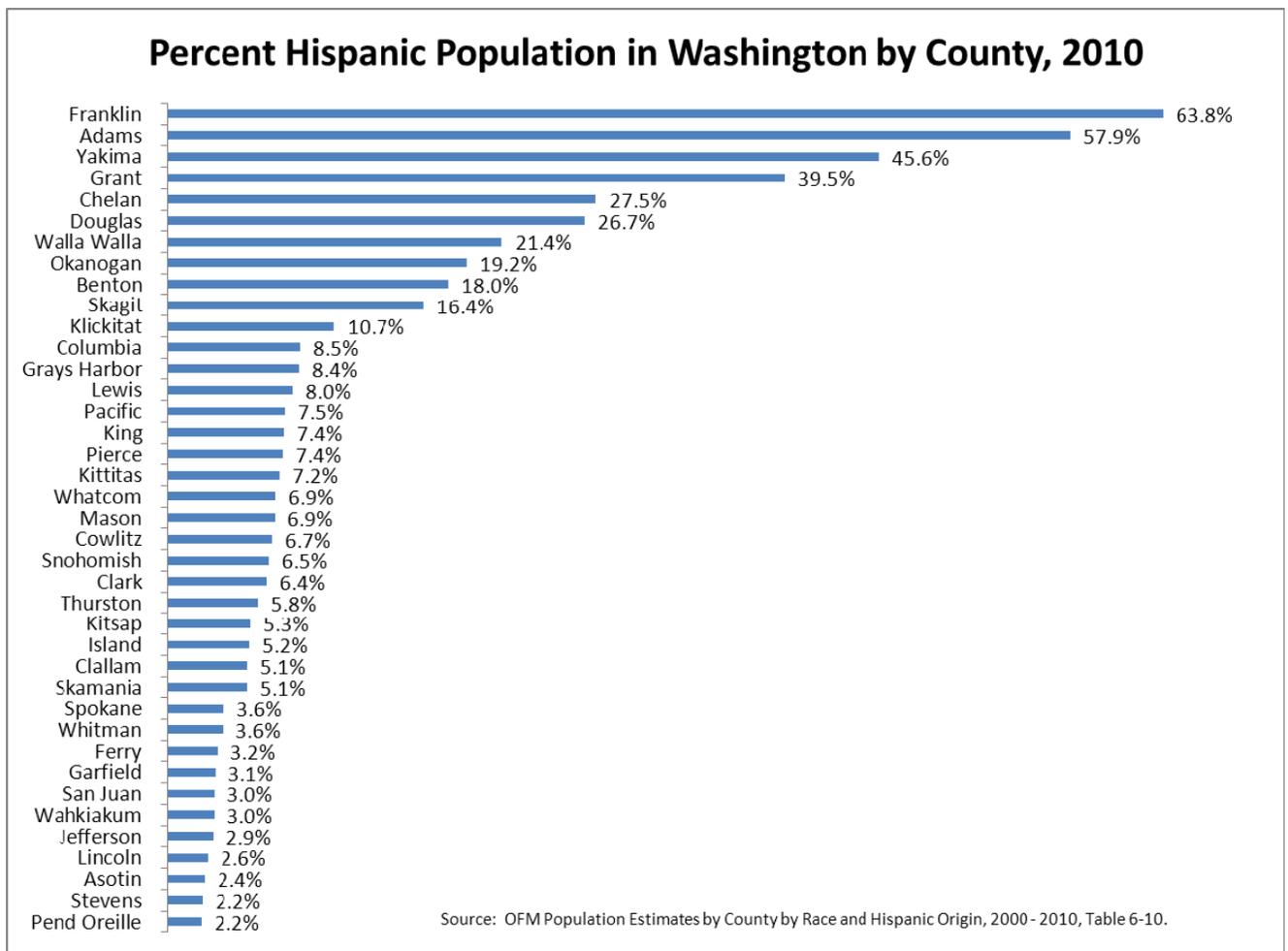
³ Hispanic origin is considered an ethnicity, not a race. Hispanics may be of any race.

⁴ U.S. Census Bureau, 2010. Population Finder for Washington. Accessed via <http://www.census.gov/popfinder/?fl=53>



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Much of the Hispanic population is concentrated in Eastern and Central Washington, the state's farm basket, where many Hispanic workers, including recent immigrants from Mexico and Central America, started working in the fields. In Western Washington, another fairly large concentration of Hispanics, outside the Seattle area, is in Skagit County, where many Hispanics settled after working in Skagit Valley farm fields. In some parts of the state the Hispanic population is actually the majority. This is true in two Eastern Washington counties: Franklin (63.8 percent) and Adams (57.9 percent). In Yakima County, Hispanics constitute nearly half the population (45.6 percent).

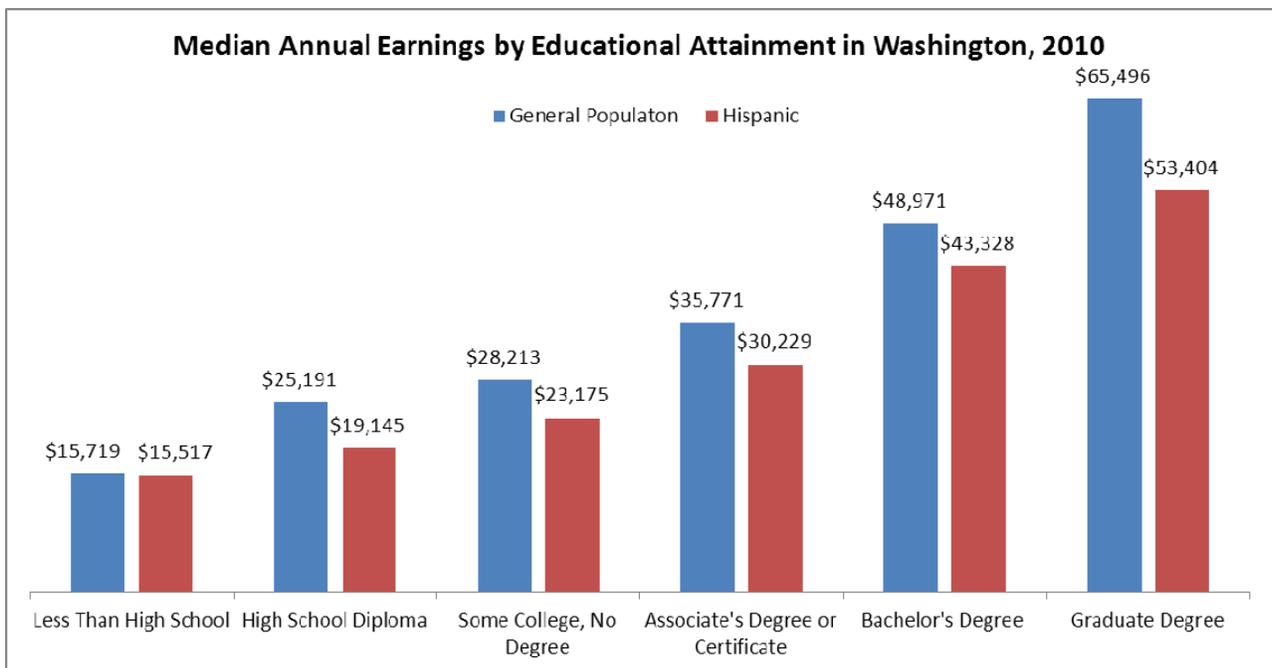




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Washington's Workforce

In general, as the figure below depicts, the more highly educated a person is, the higher his or her wages and the more likely they will be employed. For example, Washington residents with an associate's degree or vocational certificate boosted their pay by nearly 42 percent beyond what they would have earned with only a high school diploma. This median pay translates into \$10,500 more per year. That figure jumps an additional \$12,000 for those with bachelor's degrees.

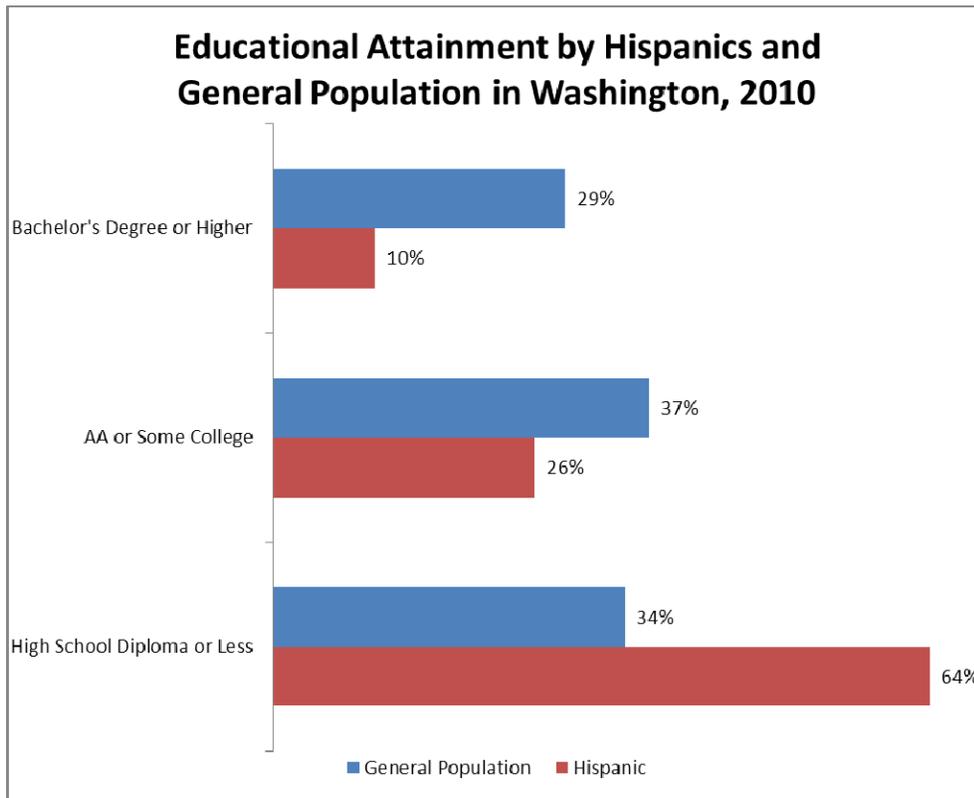


2010 U.S. Census Bureau estimates from the American Community Survey.



Education level among Hispanics

As can be seen in the chart below, the highest educational attainment for more than 60 percent of Washington Hispanics is a high school diploma or less. Hispanic over-representation in low-end educational attainment contrasts with those earning associate's and bachelor's degrees. For example, only 10 percent of Hispanics have earned a bachelor's degree or higher, compared to 29 percent of the general population.



2010 U.S. Census Bureau estimates from the American Community Survey, ages 18 to 64.

Education level impacts employment

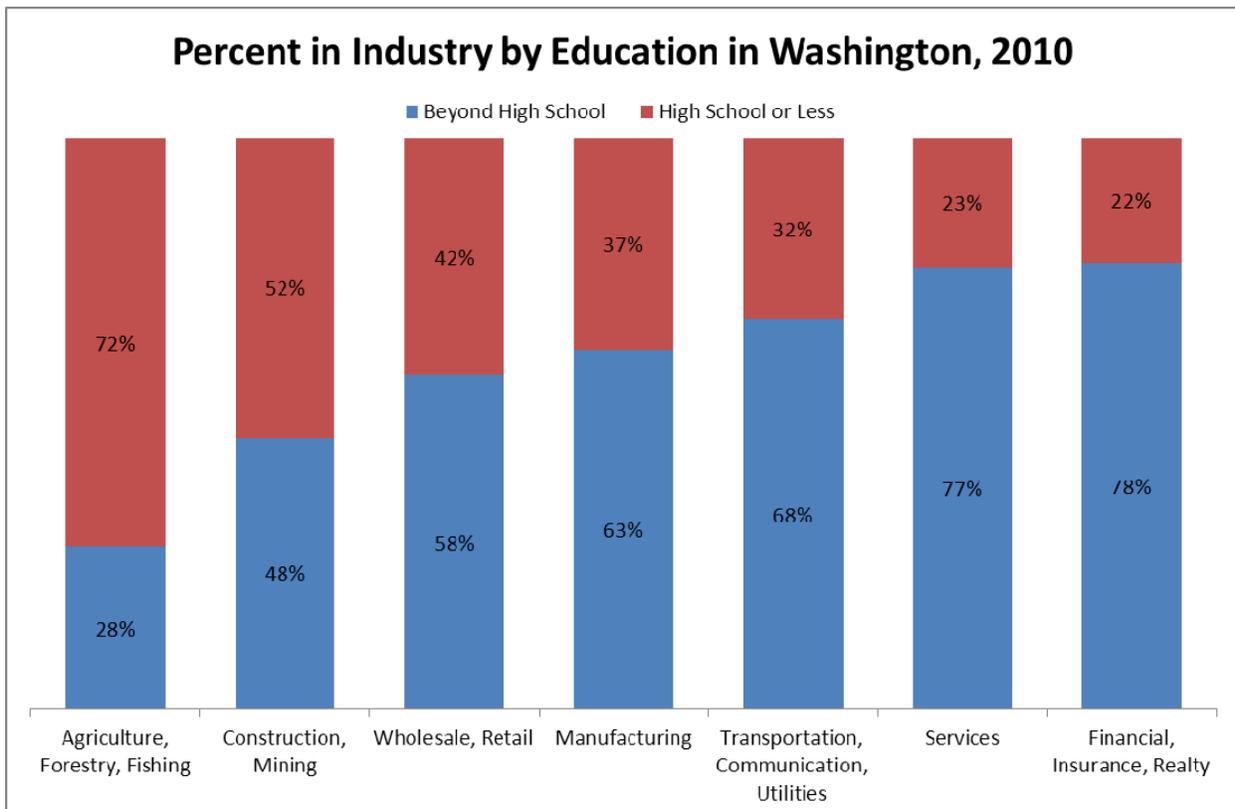
Education influences the ability of workers to find and keep jobs—with lower levels of education leading to higher unemployment rates. Unemployment rates are particularly high for those who lack a high school diploma, as can be seen in data supplied by the U.S. Bureau of Labor Statistics. In 2010, nearly 15 percent of workers who lacked a high school diploma were unemployed, while just over 10 percent of those with high diplomas were unemployed. Those with some college or an associate's degree notched an 8.4 percent unemployment rate that year and those with a bachelor's degree or higher had a 4.7 percent unemployment rate. A lack of education was an even bigger liability during the Great Recession, which hit full stride in 2009. As recently as 2008, the employment rate stood at 8.5 percent for those lacking



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a high school diploma. Just a year later, in 2009, unemployment neared 15 percent for that same group.

In Washington, those who have a high school education or less make up nearly three fourths of the workforce in the agriculture, forestry and fishing industry—one of the lowest paying of the seven industrial categories. Those with some college, a vocational certificate, or an associate’s degree are most often employed in the wholesale/retail industries, with nearly 27 percent of individuals with those levels of education working in the industry within Washington as of 2010 (data not shown). Those with a bachelor’s degree or higher are primarily employed most in the services industry, at over 60 percent in Washington as of 2010 (data not shown).

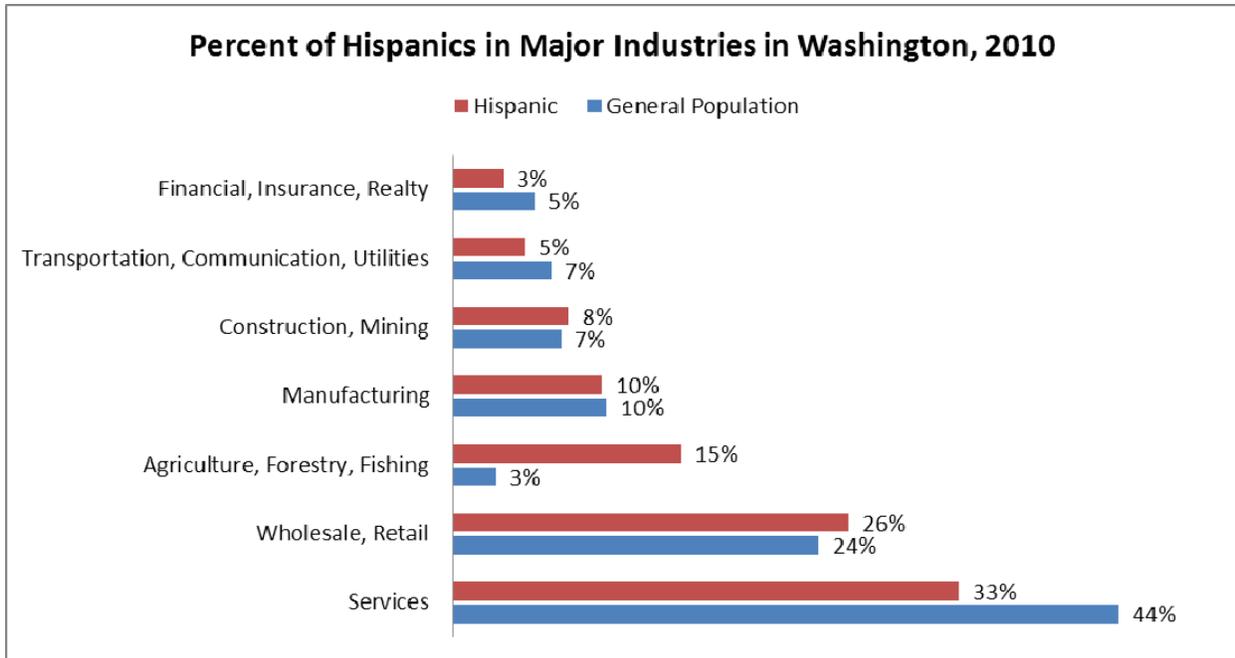


2010 U.S. Census Bureau estimates from the American Community Survey.



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Washington's Hispanic workers are most likely to work in the services industry, but do so at a lower rate than the general population. Hispanics are just as likely as the general population to be working in the wholesale/retail industry. However, they are slightly more likely to be working in construction and mining than the general population and much more likely to work in the agriculture, forestry and fishing industry than the general population.

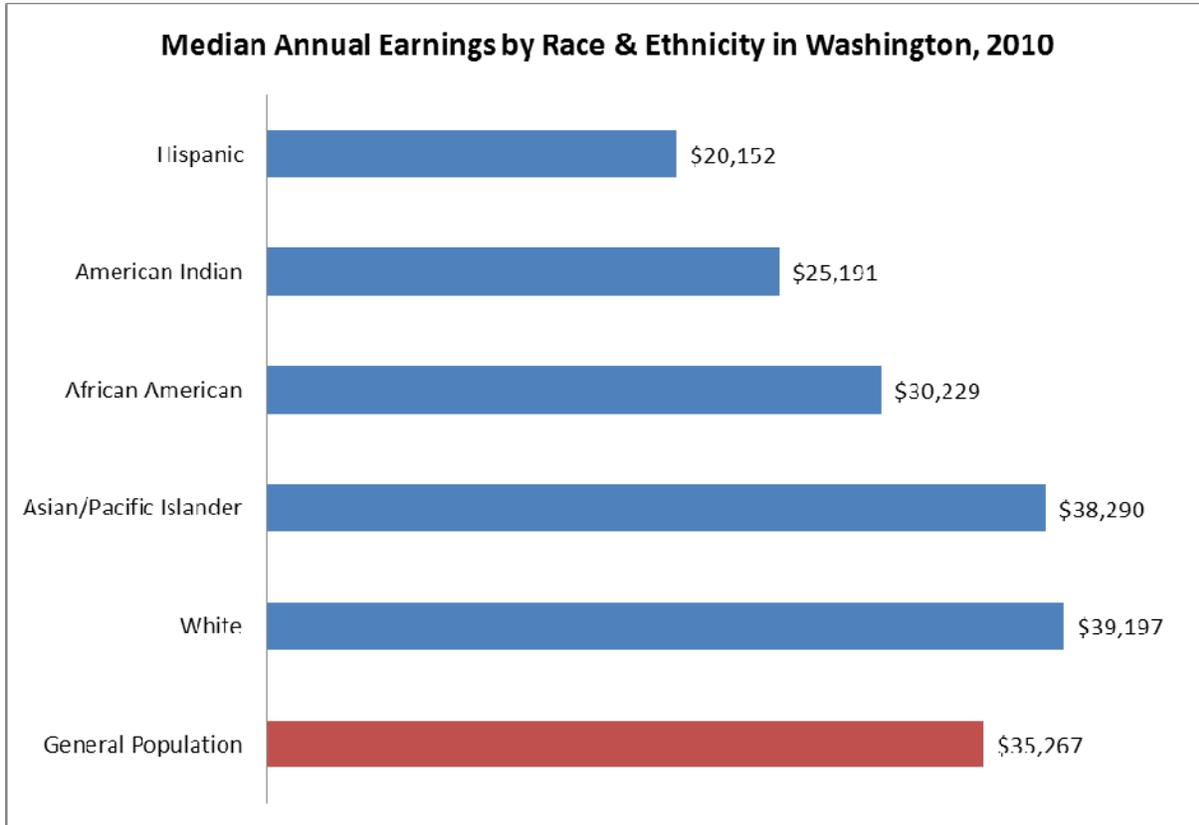


2010 U.S. Census Bureau estimates from the American Community Survey.



Wages among Hispanics the Lowest of Any Race/Ethnic Group

Beyond the education gap exists a wage gap. At \$20,152, the median annual wage earned by Hispanics is nearly \$15,000 lower than the median earnings by all groups. Hispanics earn the lowest annual wages of any racial or ethnic group.

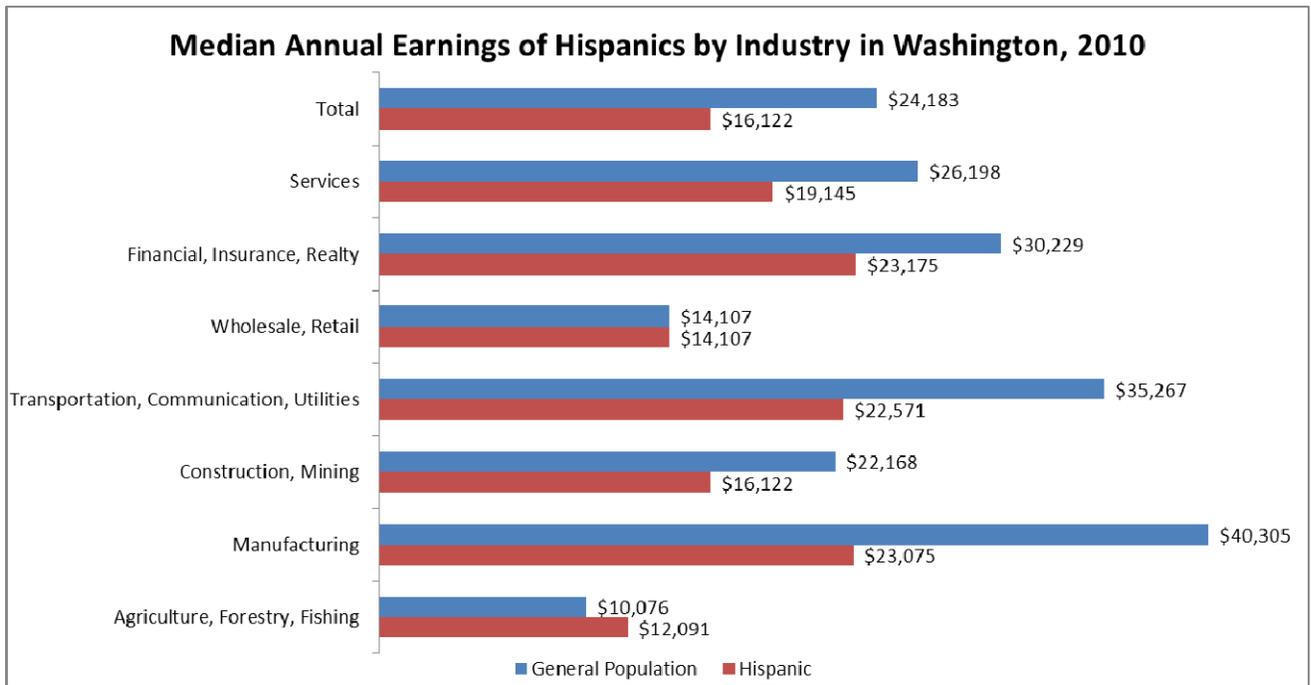


2010 U.S. Census Bureau estimates from the American Community Survey, individuals not in school.



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Based on the 2010 American Community Survey, the industrial sectors that offer the highest median annual earnings for Hispanics in Washington are financial, insurance and realty; manufacturing; and transportation, communication and utilities. The lowest median wages are found in the agricultural, forestry and fishing sector. Even when broken out by industry, the median annual earnings for Hispanics is less than that of the general population in all industry areas except agriculture and wholesale and retail trade.

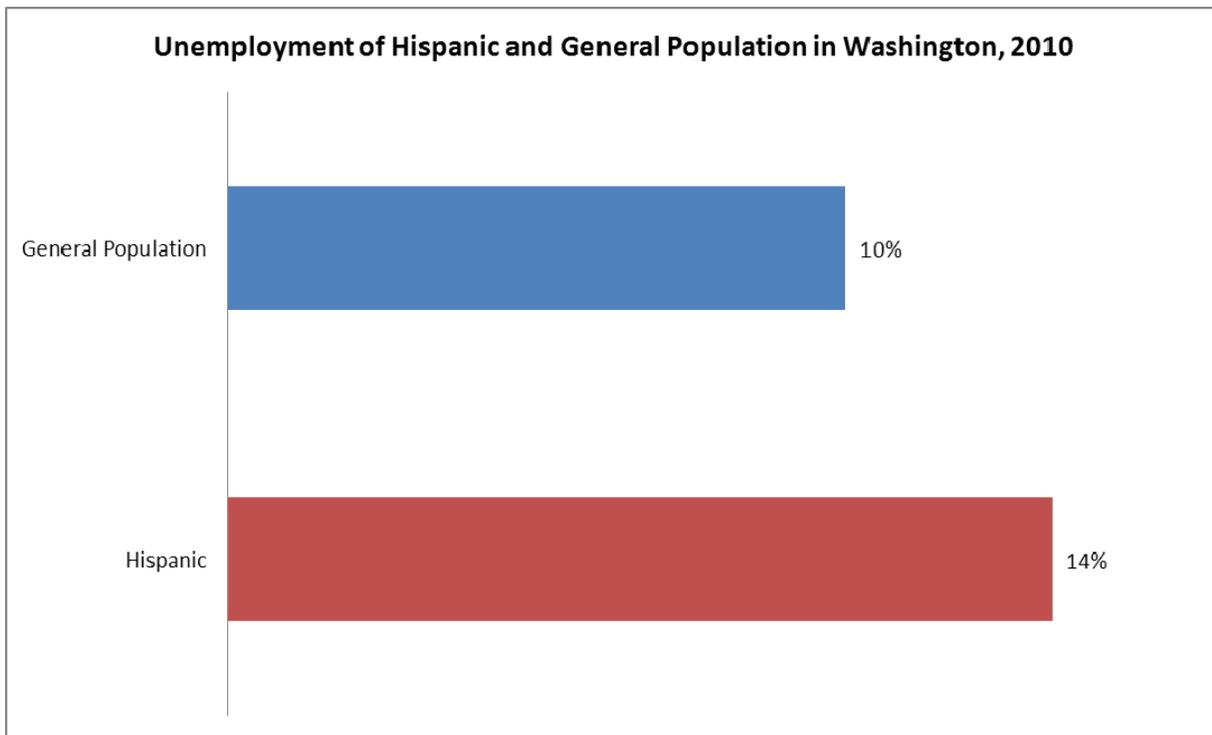


2010 U.S. Census Bureau estimates from the American Community Survey, individuals not in school.



Unemployment among Hispanics

In 2010, unemployment among Hispanics was 40 percent higher than the rate of the general population. Although this disparity is high, this is an improvement compared to the state population surveys in 2008 and 2009, which reported nearly 50 percent more unemployed Hispanic workers compared to the general population.⁵



2010 U.S. Census Bureau estimates from the American Community Survey and is not the official unemployment rate for the state.

Conclusion

Hispanics comprise the largest ethnic minority in Washington and their proportion of the overall population is projected to grow over the next several decades. Despite this, Hispanics on average earn less for the work they do compared to all other racial and ethnic groups. Granted, many Hispanics work in low paying industries, such as agriculture and food services, but this disparity exists in most of the major industries. One important factor affecting the lower annual earnings of Hispanics is lower levels of educational attainment compared to other racial and ethnic populations in Washington. Education beyond high school is beneficial to all individuals in our state, as it leads to lower rates of unemployment and higher wages. Given that nearly two-thirds of the Hispanic population in Washington lacks educational attainment beyond a high school degree, encouraging and preparing the

⁵ 2008 and 2010 Washington State Population Survey. Office of Financial Management. Available at <http://www.ofm.wa.gov/sps/>



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Hispanic population in our state to attend community and technical colleges and private career schools is imperative.

The over-representation of Hispanics enrolled in several workforce development programs, and most notably the Apprenticeship program, is indicative of a desire to improve their occupational opportunities and likelihood of securing higher paying jobs. The results of workforce training programs demonstrate that participants do fare better after completing their training.

A noteworthy program of focus is Integrated Basic Education and Skills Training (I-BEST). Providing greater access to I-BEST programs for Hispanics and others seeking Adult Basic Education would be exceptionally beneficial. Evidence suggests that I-BEST typically improves labor market outcomes, while stand-alone adult education does not.⁶

This publication was produced by the Research Unit of the Workforce Training and Education Coordinating Board. For more information, contact Jon Agnone, jagnone@wtb.wa.gov

⁶ See 2011 Workforce Training Results for Adult Basic Education (ABE), available here: http://www.wtb.wa.gov/Documents/1-ABE-WTR_2011_costbenefits.pdf