The Asian-American Labor Force in the Recovery

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U.S. Department of Labor

THE ASIAN-AMERICAN LABOR FORCE IN THE RECOVERY

Asian-Americans and Hawaiians and Pacific Islanders are a growing share of the United States labor market. They are also a diverse population who identify their ethnicity as Asian Indian, Chinese, Filipino, Japanese, Korean, Vietnamese and several other ethnicities. Aggregate numbers show that the Asian-American community as a whole exhibits better labor market outcomes than other racial groups, but the aggregate measurements veil the wide variations within this highly diverse group. Numbers broken down by gender, by age and by country of origin, illustrate that there exists significant disparity within those who identify their race as Asian . These numbers demonstrate that some Asian-Americans face greater challenges and therefore need more attention and assistance than the aggregate data suggest.

THE ASIAN-AMERICAN LABOR FORCE IN GENERAL

In 2010, the United States labor force included 7.2 million people of Asian descent[1] 0.4 million people of Native Hawaiian or Other Pacific Island descent.[2] Together these two groups were 5.0 percent of the labor force in 2010. Asians are expected to comprise 5.6 percent of the U.S. labor force by 2018.[3]

In 2010, nearly 60 percent of Asian-Americans aged 16 and over were employed and just under one in six of those employed were working part-time. Forty-six (46) percent of all employed Asians in 2010 were women, similar to the percentage among employed whites, but lower than the figure of 50 percent among Native Hawaiians and Other Pacific Islanders. The labor force participation rate of Asian-American women (57.0 percent) in 2010 was lower than the labor force participation rate of white women (58.5 percent) and of Native Hawaiian and Other Pacific Islander women (65.5 percent).

Asian-Americans are more likely than either whites or blacks to be employed as wage and salary workers in the private sector, with more than 8 in 10 employed Asians working in the private sector. Conversely, Asians are less likely to work for government than are either whites or blacks. Self-employment is a growing alternative to private sector employment among Asians. In 2010, 6.3 percent of Asians were self-employed. According to the most recent Census Bureau Survey of Business Owners (2007), the number of Asian-owned businesses expanded at a rate (40.4 percent), a rate that more than doubles the national average between 2002 and 2007.

The median wage of Asian-Americans is higher than other racial groups. Half of Asian-Americans working full-time earned $855 or more per week in 2010. This median weekly wage exceeds that earned by whites by nearly 12 cents for every dollar. Asian-Americans' median weekly earnings have consistently been greater than those earned by whites during the last decade; the difference reached a high of 16 cents in 2008 and 2009 before declining in 2010.

One reason that median wages are higher for Asian-Americans is because a much larger proportion of Asians are college graduates: 57.5 percent of employed Asian-Americans who are 25 or older have a college degree. This proportion is 60 percent more than whites, and more than twice that of blacks. The high share of college graduates highlights why aggregate data for Asian-Americans is more likely to hide the challenges of some in the community. While a large proportion is highly-skilled, those with fewer skills face significant challenges that are too easily overlooked when focusing on the larger group. Later in the report we detail some of the challenges of education and wages for specific groups within Asian-Americans

1 This includes Asian-Americans and others who self-identify as "Asian" in the Current Population Survey (CPS), regardless of their citizenship or nation of origin. Native Hawaiians or Pacific Islanders are a separate racial category and include survey respondents who only identify as "Native Hawaiian or Pacific Islander." These categories comply with Office of Management and Budget (OMB) Statistical Policy Directive No. 15, Race and Ethnic Standards for Federal Statistics and Administrative Reporting, http://www.whitehouse.gov/omb/fedreg_1997standards

2 We have included statistics about Native Hawaiians and Other Pacific Islanders where data are available; however detailed statistics are limited due to insufficient sample size for statistical analysis.

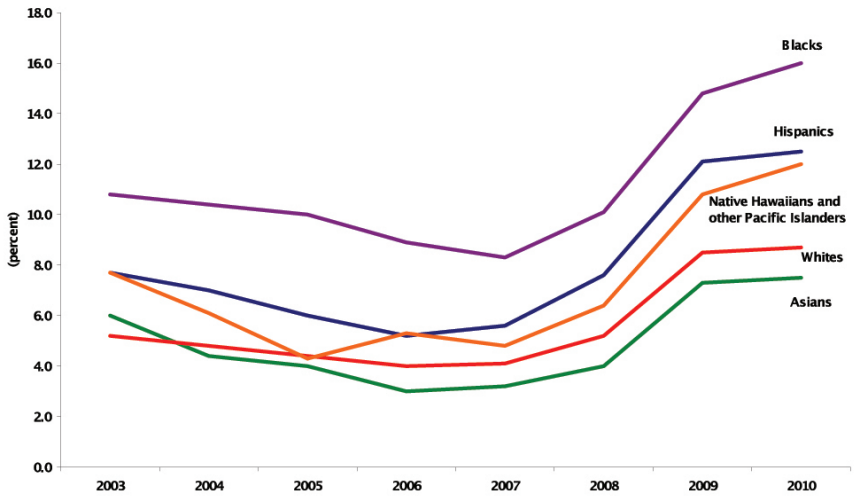
3 As noted above, due to the limited sample size of Native Hawaiians and Other Pacific Islanders, the Bureau of Labor Statistics (BLS) is unable to forecast data for this group.

Table 1. Unemployment, employment, and earnings characteristics by race and Hispanic ethnicity, 2010 annual averages				
	Asians	**Whites**	**Blacks**	**Hispanics**
Characteristics of the employed				
% Employed (employment -population ratio among those 16 and older)	59.9	59.4	52.3	59.0
% Usually working part time	16.2	20.1	17.5	19.1
% Women (age 16 and over)	46.5	46.3	54.3	40.7
% College graduates (age 25 and over)	57.5	36.1	26.0	16.9
% Working in the private sector (wage and salary workers)	82.0	77.8	76.3	82.6
% Working in the public sector	11.5	14.6	19.8	11.0
% Self-employed (unincorporated)	6.3	7.4	3.8	6.3
Weekly earnings				
Total	$855	$765	$611	$535
Men	$936	$850	$633	$560
Women	$773	$684	$592	$508
Characteristics of the unemployed				
Unemployment rate	7.5	8.7	16.0	12.5
% Women (age 16 and over)	43.8	40.7	45.7	39.8
Median duration of unemployment in weeks	25.9	20.3	25.9	18.8
% Long-term unemployed (27 weeks or more)	48.3	41.9	48.4	39.3
Source: Bureau of Labor Statistics, Current Population Survey.				
Note: Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Those identified as White, Black or Asian includes those Hispanics who selected White, Black or Asian when queried about their race.				

RECENT UNEMPLOYMENT TRENDS

As illustrated in Chart 1, people of Asian descent have the lowest unemployment rates compared to other groups, while unemployment among Native Hawaiians and Other Pacific Islanders is higher than that of whites, but lower than that faced by Hispanics and blacks. In 2007, the year in which the recession started, the unemployment rate for Asians was 3.2 percent, which was lower than the figure of 4.1 percent among whites, 4.8 percent among Native Hawaiians and Other Pacific Islanders, 5.6 percent among Hispanics and 8.3 percent among blacks. In 2010, the Asian-American unemployment rate averaged

Chart 1: Unemployment Rate by Race and Hispanic ethnicity Annual Averages, 2003-2010



Source: Bureau of Labor Statistics, Current Population Survey

7.5 percent, more than doubling its 2007 level, while the Native Hawaiian and Other Pacific Islander unemployment rate was 12.0 percent. In comparison, unemployment rates were 8.7, 12.5 and 16.0 percent for whites, Hispanics and blacks, respectively.

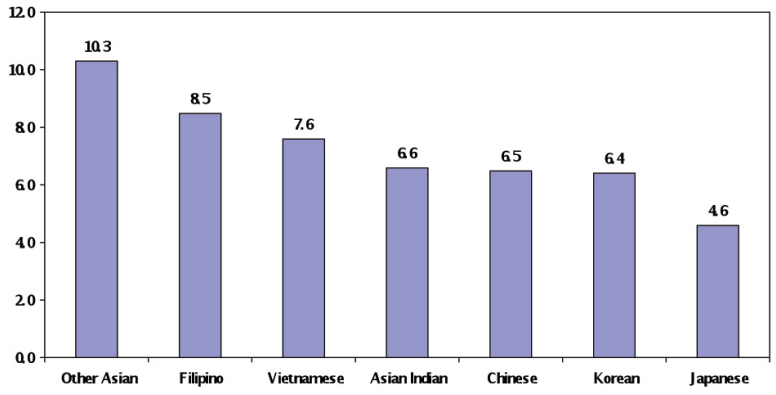
The change in the unemployment rate for Asians echoed the national trend in general. The national unemployment rates rose substantially from the start of the recession in 2007 through 2009, reaching a peak in October 2009. The Asian-American unemployment rate had a similar trend, rising 4.1 percentage points from 2007 to 2009. The jobless rate for Asians rose only 0.2 percentage points to reach 7.5 percent in 2010. In the first half of 2011, the Asian-American unemployment rate was 6.8 percent, which was an improvement over the 7.7 percent rate in the first half of 2010.

While Asians are less likely to be unemployed, those who are unemployed face longer durations of unemployment and are more likely to join the ranks of the long-term unemployed compared to either whites or Hispanics. However, the lower rate of unemployment among all Asians means that a smaller share of the total Asian-American population will experience long-term unemployment than any of the other racial or ethnic groups.

ASIAN-AMERICAN UNEMPLOYMENT BY ETHNICITIES

The unemployment rate of Asian-Americans varies by ethnicity. As shown in Chart 2, people of Japanese ethnicity had the lowest unemployment rate in 2010 at 4.6 percent, while the highest rate at 10.3 percent was found among Other Asians--who are people from Asian ethnicities that are not separately identified in the Current Population Survey (CPS).[4] The unemployment rate of people with Filipino ethnicity (8.5 percent) and Vietnamese ethnicity(7.6 percent) were higher than people of Asian Indians (6.6 percent), Chinese (6.5 percent) and Korean (6.4 percent) ethnicity.

Chart 2: Unemployment Rates by Asian Ethnicities
2010 Annual Averages



Source: Special tabulation from the Current Population Survey (CPS), Bureau of Labor Statistics

EDUCATIONAL DISPARITY AMONG THE EMPLOYED

Overall, employed Asians are substantially more likely to have a college degree than are whites, blacks or Hispanics. Nearly three out of five employed Asians aged 25 and over have earned a bachelor's degree or higher; this is 60 percent greater than whites and more than double and triple the proportions for blacks and Hispanics, respectively. However, these race/ethnicity gaps in college graduation among the employed were even larger in 2007.

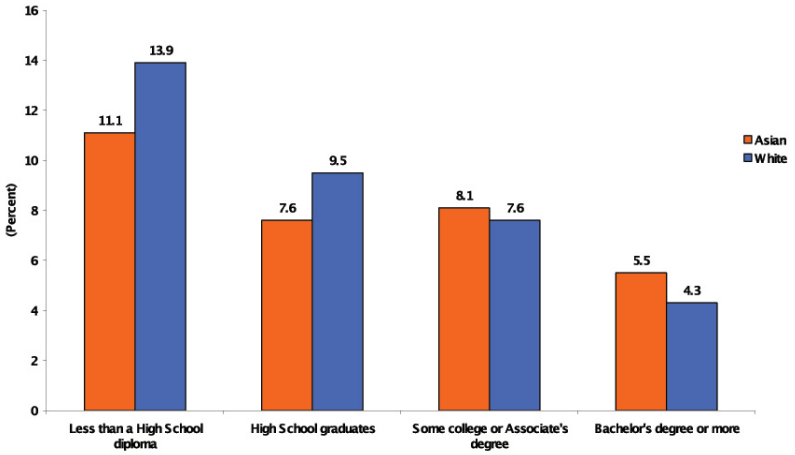
Even though a large proportion of Asian-Americans have a college degree, there are educational disparities worth noting. For instance, about three quarters of employed people with Asian Indian ethnicity had a bachelor's degree or more while only about 30 percent of employed people of Vietnamese ethnicity had earned that level of education.[5] Approximately three-fifths of employed people of Chinese, Filipino, Japanese and Korean ethnicity had a college degree, respectively.

As is true for all race and ethnicity groups, there is a strong link between greater educational attainment and employment outcomes among Asians. As Chart 3 illustrates, those aged 25 and over with a bachelor's degree have the lowest

4 The CPS asks people who select Asian as their race to further self-identify as one of seven Asian groups: "Asian Indian, Chinese, Filipino, Japanese, Korean, Vietnamese, or other Asian."
5 These are pooled 2008-2010 averages to account for the small survey sample size.

unemployment rates, while high school drop-outs have the highest rates. However, the differences in unemployment rates by education are less pronounced among Asians than they are among other groups. Asian-American college graduates are more likely than white college graduates to be unemployed and that is also true for those with some college. In contrast, Asian-Americans who are high school graduates and those who are high school drop-outs are less likely than their white counterparts to be unemployed

Chart 3: Unemployment Rate for Asians by Educational Attainment

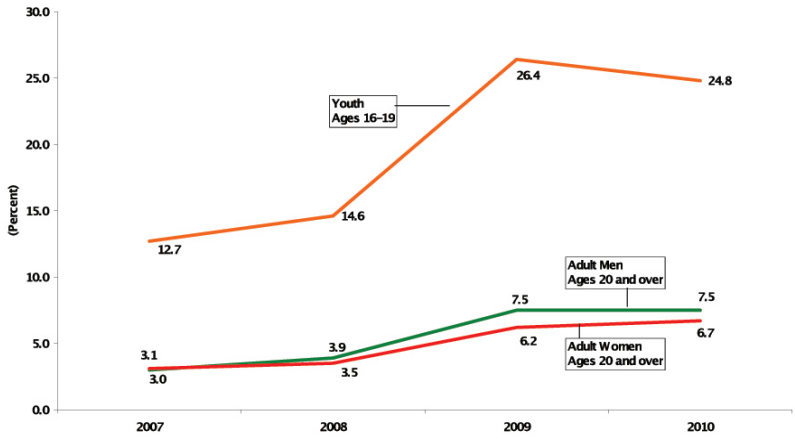


Source: Bureau of Labor Statistics, Current Population Survey

GENDER AND AGE DIFFERENCES AMONG ASIAN-AMERICANS

The unemployment rates of adult Asian-American men and adult Asian-American women were quite similar in 2007 and 2008 (see Chart 4).[6] However, as the recession progressed unemployment rates rose most for Asian-American men and a notable gap emerged. This gap narrowed slightly in 2010 as the unemployment rate among adult Asian-American men was unchanged, while the jobless rate rose among adult Asian-American women.

Chart 4: Asian Unemployment Rate by Age and Sex
Annual Averages, 2007-2010



Source: Bureau of Labor Statistics, Current Population Survey

THE ASIAN-AMERICAN LABOR FORCE BY AGE

Among all but the oldest Asian-Americans, labor force participation is on a downward trend; furthermore, declines are greatest among those who are young. These trends are similar to those seen among all Americans

In 2007, 24.5 percent of Asian-American teens (aged 16 to 19) were in the labor force (either employed or unemployed); by 2010 only 22.0 percent were.[7] This decline in labor force participation largely came from teens in school who became less likely to either work or look for a job. Among Asian-American youth aged 20 to 24, labor force participation fell to 53.6 percent in 2010 from 59.7 percent in 2007. This decline is even greater than the decline experienced by Asian-American teenagers. However, there was a large increase in the proportion of Asians aged 20 to 24 remaining in school—60.1 percent in October 2010 compared to 54.2 percent in October 2007.[8]

6 Monthly seasonally adjusted data are not available for Asian men, women, and youth. As such, annual averages provide a more accurate picture of changes in unemployment for these groups over time.
7 The labor force is made up of the employed and the unemployed. The remainder—those who have no job and are not looking for one—are counted as "not in the labor force." Many who are not in the labor force are going to school or are retired. Family responsibilities keep others out of the labor force.
8 October data are used here because that is the month when students are usually enrolled in school regardless of type of school or school calendar.

Declines in Asian-American labor force participation were much less for those aged 25 to 54, and the rate actually rose for those aged 55 and over. Among all Asian-Americans, 64.7 percent were in the labor force in 2010, down from 66.5 percent in 2007. A more substantial decline occurred among Hawaiians and Other Pacific Islanders, whose labor force participation rate declined from 73.0 percent in 2007 to 68.4 percent in 2010

UNEMPLOYMENT VARIATIONS BY STATE

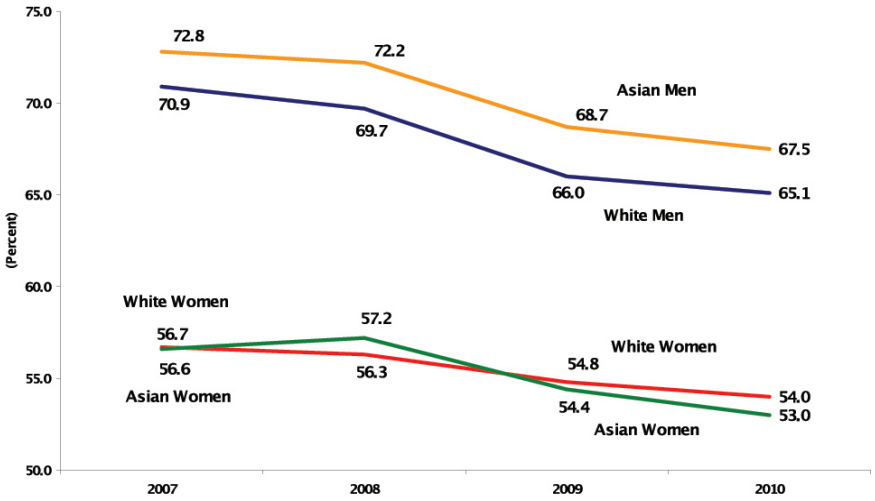
Unemployment varies across the United States and the unemployment rate of Asians, like that of other groups, differs depending on the state in which they live. In 2010, Asians facing the highest unemployment rates were in Nevada (11.8 percent), Minnesota (11.7 percent), Ohio (11.6 percent), Alabama (11.5 percent), and Wisconsin (11.2 percent), while those facing the lowest rates are in South Carolina (0.9 percent), New Mexico (1.2 percent), Delaware (2.5 percent), and the District of Columbia (3.0 percent).

The supplemental map at the end of this report highlights the states where the largest numbers of unemployed Asian-American workers reside. As one would expect, states with the largest Asian-American populations had large numbers of unemployed Asian-American workers. Overall in 2010, California (222,000), New York (34,000), Texas (30,000), Illinois (24,000), and Washington (22,000) had the most unemployed Asians. The unemployment rates in these states were: California (9.4 percent), New York (4.9 percent), Texas (5.5 percent), Illinois (8.3 percent), and Washington (7.8 percent).

ASIAN-AMERICAN EMPLOYMENT

Employment rates of both white men and Asian-American men have declined similarly since the start of the recession in 2007 (Chart 5). And while employment rates have fallen more among men than among women since the recession began in 2007, the employment rates among Asian-American women have fallen more than the employment rates of white women. The proportion of all Asian-American women employed increased between 2007 and 2008, on average, before declining sharply after 2008. At the start of the recession, white and Asian-American women were almost as likely to be employed. However, in recent years employment has declined more for Asian-American women than for white women, in part because labor force participation among Asian-American women declined at twice the rate of white women between 2009 and 2010. As such, Asian-American women were less likely than white women to be employed in 2010.

Chart 5: Percent Employed by Race and Sex
Annual Averages, 2007-2010



Source: Bureau of Labor Statistics, Current Population Survey

Among the various Asian ethnicity groups in 2010, people of Asian Indian descent were the most likely to be employed (64.7 percent) while people of Japanese descent were least likely to work (52.8 percent). Other Asian-American groups had employment rates between 55.4 percent and 60.5 percent: Filipino (61.5 percent), Vietnamese (60.5 percent), Chinese (59.6 percent), Other Asian (58.2 percent), and Korean (55.4 percent).

In terms of industry, Asian-American employment declined most significantly in financial services, professional and business services, manufacturing and construction during the recession years from 2007 to 2009. Together, these industries accounted for nearly 300,000 jobs lost among Asian-American workers. In 2010, job losses either stabilized

or slightly recovered in nearly all the major industries. Even during the recent recession, Asian-American workers experienced job gains in education and health services and the leisure and hospitality industries, as did white, black, and Hispanic workers.

As Table 2 shows, the professional, scientific and technical service industry is expected to grow the fastest (3.0 percent annually) and 2.6 million additional jobs are projected for 2018 compared to 2008. In 2010, 7.8 percent of jobs in this industry went to Asian-American workers, making them well represented in this high-growth industry, compared to their overall representation in the labor force. Asians are similarly well represented in science, technology, engineering and math (STEM) occupations—accounting for nine percent or more of jobs—in math and science related occupations, such as computer and mathematical occupations (16.1 percent), life, physical, and social science occupations (10.8 percent), and architecture and engineering occupations (9.0 percent). If trends continue as expected, Asian-American workers are in a strong position to take advantage of projected growth in these good, high-wage careers.

Table 2: Industries with largest expected employment growth, BLS Employment Projections 2008-2018

Industry	Annual average rate of change 2008-2018[1]	Asians as a percent of total employed by industry in 2010[2]
Professional, scientific, and technical services	3.0%	7.8%
Education services	2.4%	3.9%
Health and social services	2.3%	5.4%
Construction	1.7%	1.7%

Source: Bureau of Labor Statistics.
[1]Employment Projections presented here are based on Current Employment Statistics data. The projections are found at http://www.bls.gov/news.release/archives/ecopro_12102009.pdf
[2]These data are 2010 annual averages from the Current Population Survey

However, it should be noted that Asian workers are under-represented in education and construction careers. While this may have insulated them from the major job losses in those industries experienced during the 2007-2009 recession, it also prevents them from benefiting from the fast rate of employment growth projected in these industries through the end of this decade.

OCCUPATIONAL SAFETY AND HEALTH

As is true for employment, education, and income information, Asian-Americans are an internally diverse group with respect to occupational safety and health outcomes. Specific job categories in which different ethnic groups predominate are more likely to be exposed to extremely high rates of fatal traumatic injuries (e.g., small, late-night retail workers, taxi drivers, commercial fishers), to non-fatal traumatic injuries (restaurant workers, hotel housekeeping workers, home care, nursing), or to chemical exposures (dry cleaning operators, nail salon workers).

According to data for 2009, a total of 141 Asian-American and 7 Native Hawaiian or Pacific Islander workers died on the job.[9] For Asians, assaults and violent acts— including violence by other persons, self-inflicted injuries, and attacks by animals —were the type of fatal event with the highest percentage of fatal work injuries (48 percent). The second highest percentage of fatal occupational injuries to Asians (26 percent) resulted from transportation incidents—including incidents on highways and non-highways, as well as those involving air, rail, and water transportation. Compared published counts of with workers of other races, a lower percentage of fatal work injuries to Asian-American workers resulted from work related trauma, including contact with objects and equipment, and exposure to harmful substances and environments.

9 Data on the specific type of fatal event for 7 fatally-injured Native Hawaiians or Pacific Islanders did not meet BLS publish-ability criteria

In 2009, Asian-American workers and Native Hawaiian and Pacific Islander workers accounted for 1.4 percent of all non-fatal occupational injuries and illnesses requiring days away from work, with 14,160 and 3,700 incidents, respectively, out of a total of 1,238,490.[10] This is similar to the proportion of total incidents from 2008, when Asians and Native Hawaiians and Pacific Islanders respectively accounted for 16,260 and 3,540 non-fatal injuries and illnesses out of a total of 1,355,820.[11] In 2009, the private sector industry with the most non-fatal injuries or illnesses for Asian-American workers was health care and social assistance (2,910 incidents), followed by manufacturing (1,990), and accommodation and food services (1,970). Health care and social assistance (670 incidents); other services (460 incidents) – a broad category including services such as industry and machine repair; religious, grant making and advocacy; dry-cleaning and laundry services; and retail trade (400 incidents) were among industries with a high number of injuries and illnesses for Native Hawaiian and Pacific Islander workers.

LOOKING FORWARD

While Asian-American workers have fared relatively well compared to other racial or ethnic groups, it is important to ensure that all workers have access and opportunities to seek the jobs they want and that they are protected while on the job. The Department of Labor is working alongside other agencies in the Obama Administration to address the challenges in the labor market facing Asian-American and Pacific Islanders (AAPI) workers, including:

Reaching AAPI Workers: Secretary Solis hosted a roundtable discussion in May 2010 to discuss the challenges faced by AAPI workers, especially those in high-risk and low-wage industries, such as taxi driving, domestic work, and garment production. AAPI community and labor leaders were invited to discuss workplace safety and health, wage issues, and unique barriers faced by AAPI women workers. Recently, the Secretary met with Vietnamese, Laotian, and Cambodian workers and fishermen in the Gulf Coast region.

Connecting AAPIs to the Public Workforce System: The Department promotes policies that ensure meaningful access to services in One-Stop Career Centers by all individuals, including those with limited English proficiency. The Department has in place guidance and resources for state workforce agencies, local workforce areas, and One-Stop Career Centers to serve customers with diverse ethnic and linguistic backgrounds. During calendar year 2010, the Department's Wagner-Peyser (Employment Service) program served 649,000 AAPIs at One-Stop Career Centers, roughly three percent of total participants.

Improving Employment Opportunities for AAPI Adults: The Department has several programs connecting AAPI and other adults to employment and training services. The Workforce Investment Act (WIA) Adult and Dislocated Worker Programs served roughly 90,300 AAPI participants during calendar year 2010, and nearly 60,000 AAPIs exited these programs from October 2009 through September 2010. As of March 31, 2011, 5,723 AAPIs have been served by the Department's Community Based Job Training grants, 3,492 AAPIs have been served through the Department's High Growth Job Training Initiative, and 1,601 AAPIs have been served through the Department's American Recovery and Reinvestment Act (ARRA) High Growth and Emerging Industry grants.

Improving Employment Opportunities for AAPI: The Department is investing in employment opportunities for AAPI youth. During the summer months (May – September) of 2009 and 2010, 6,848 Asians were served using Recovery Act funds. As of December 2010, 10,783 of youth served by the Recovery Act's Workforce Investment Act Youth funds were AAPIs. In addition, programs such as the Department's Job Corps and YouthBuild programs are intended to provide job training and educational opportunities for low-income or at-risk youth ages 16 to 24, including AAPI youth. Job Corps assists youth across the United States, including its territories. The Hawaii Job Corps Center and its Maui satellite center, for example, currently receive students from U.S. territories in the Pacific where AAPIs comprise a majority or plurality of the local population. AAPIs comprised 77 percent of students enrolled at the Hawaii Job Corps Center in PY 2009.

10 Race or ethnic origin was not reported for 37 percent of the cases in 2009.

11 Race or ethnic origin was not reported for 36.3 percent of the cases in 2008.

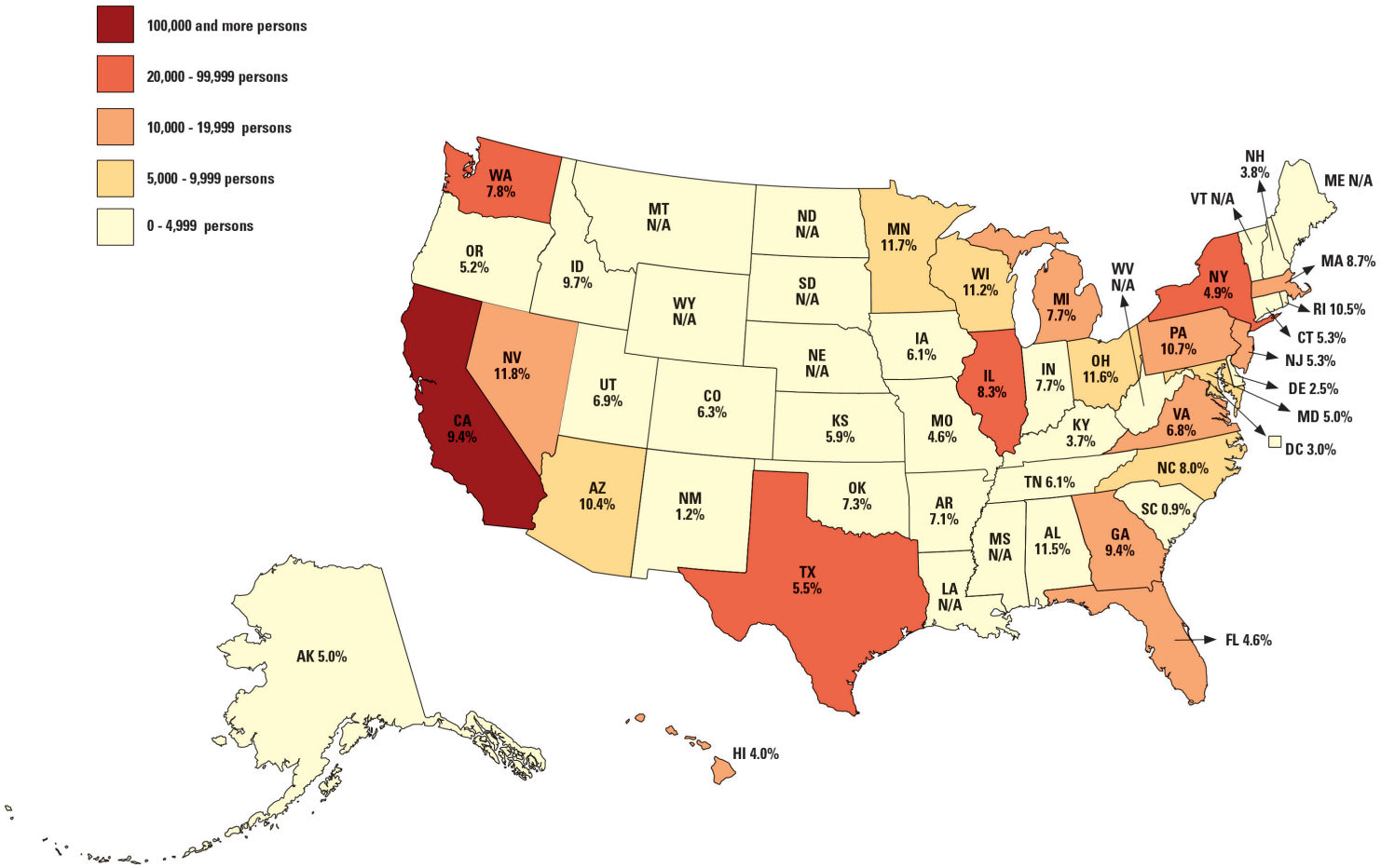
Restoring Worker Protection Agencies' Staffing Levels: The Department made significant progress in restoring worker protection agencies' staffing back to 2001 levels, including hiring 710 enforcement personnel. Occupational Safety and Health Administration (OSHA) hired over 100 investigators and Wage and Hour Division (WHD) hired 300 new investigators. This increase in investigators helps to empower workers with information about their rights and enforcing the laws that were written to provide standards in the labor market that our nation has agreed are important to protect workers and provide fairness between employers and employees. The Office of Federal Contract Compliance Programs (OFCCP) enforces the civil rights of those employed by federal contractors and subcontractors in more than 200,000 establishments with contracts amounting to approximately $700 billion. OFCCP has hired nearly 200 new compliance officers to increase its ability to investigate and resolve cases and its materials are available in a number of Asian-American languages. This year the OFCCP celebrates the 45th anniversary of Executive Order 11246 which requires those who do business with the U.S. government — both contractors and subcontractors — to ensure equal opportunity for all job seekers and wage earners.

Increasing Education and Outreach: In April 2010, the Department launched the "We Can Help" nationwide campaign, an effort spearheaded by the Department's Wage and Hour Division. This campaign connects America's most vulnerable and low-wage workers with the broad array of services offered by the Department. The WHD reached out to AAPI advocacy groups and has translated materials and public service announcements into Chinese, Hmong, Korean, Vietnamese, Thai, and Tagalog. These materials, in combination with the nearly 70 previous WHD publications already translated into Asian-American languages, are designed to ensure that workers understand the law and know where to go for help. For example, in New York, the WHD has worked to provide a direct telephone line to assist Chinese-speaking workers in industries with a history of paying low-wages. In addition, the Department's Employee Benefits Security Administration (EBSA) educates workers about their health insurance and pension benefits. EBSA Benefits Advisors have provided technical guidance and assistance in Mandarin, Cantonese, Vietnamese, Korean, Thai, Hindi, Tagalog, Lao, Khmer (Cambodian), and Bengali. The Department's Occupational Safety and Health Administration has also launched a robust outreach and education campaign to the AAPI community that includes newly translated material in Asian-American languages, hosting (along with the Department's Wage and Hour Division and the Office of Federal Contract Compliance) an AAPI Worker Protection Summit in July 2011 and providing grant funds to organizations to provide health and safety information to workers and employers in the AAPI community.

Worker Protection and Gulf Coast Oil Spill Cleanup: The Department's Occupational Safety and Health Administration (OSHA) staff deployed throughout the Gulf coast to monitor the safety and health of oil spill clean-up workers, including auditing training sessions, conducting air monitoring for hazardous chemicals and evaluating data from BP, the Environmental Protection Agency and the National Oceanic and Atmospheric Administration. They made over 4,260 visits to ensure that BP and its contractors meet its obligations to protect all workers involved in the shoreline cleanup. OSHA also published worker safety educational materials in English, Spanish, and Vietnamese and distributed tens of thousands of copies to employees involved with the oil spill cleanup along the Gulf Coast. The materials supplement the required training that employees must receive before they can engage in cleanup activities. WHD has also mobilized its workforce to address concerns related to volunteering, training time, and other compensation-related issues and has arranged to meet with workers and their advocates to ensure that those working in the area understand their rights and the remedies available to them in exercising those rights.

Asian-American Unemployment

(2010 Annual Averages)



Source: Bureau of Labor Statistics, Current Population Survey, 2010 annual average data.