

ECONOMIC PROGRESS OF THE HISPANIC COMMUNITY DURING THE OBAMA ADMINISTRATION

Introduction

At more than 55 million strong, Hispanics comprise the fastest-growing segment of the U.S. population and are the youngest major racial or ethnic group in the United States. Throughout his presidency, President Obama has worked to expand economic opportunities for all Americans, including the Hispanic community, by strengthening the economy, ensuring access to affordable health care, and investing more in education.

In the final months of 2008, just before the President took office, the economy was in the midst of the worst recession since the Great Depression, losing 800,000 jobs per month and shrinking at an annual rate of over 8 percent. Many economic indicators, from household wealth to the stock market, were falling faster than they had during the Great Depression.

Today, thanks to the resilience of the American people and the bold actions of the President and other policymakers, the U.S. economy has experienced a historic turnaround. Businesses have created over 15 million jobs since early 2010, and the economy has seen the longest streak of total job growth on record. As the recovery continues to strengthen, wage growth has accelerated for middle-class families, including Hispanic families. In 2015, the typical household saw its income rise \$2,800, or 5.2 percent, the fastest rate on record, and the poverty rate fell by the largest amount since the 1960s.

Hispanic Americans have seen particularly strong economic gains over the past eight years. In 2015, Hispanic Americans saw the fastest income growth of any major racial or ethnic group, the largest decline in the poverty rate, and substantial gains in insurance coverage. The unemployment rate for Hispanic Americans has been cut by more than half from its Great Recession peak and is now below its average level before the recession. As the major provisions of the Affordable Care Act have been implemented, the uninsured rate has declined by more for Hispanic Americans than for the nation as a whole. Lastly, Hispanic Americans have seen

a sharp increase in educational attainment, with the high school graduation rate and Bachelor's degree attainment each rising by 5 percentage points.

Many of the President's policies, along with the determination and hard work of the Hispanic community, have contributed to these substantial improvements in economic outcomes. For example, in the depths of the recession, the President acted decisively to pass the Recovery Act and nearly a dozen other measures to reinvest in our economy, rescue the auto industry, support struggling homeowners, and stabilize the financial system. These actions helped quickly [shift the economy's trajectory](#) and lay the groundwork for stable, sustainable, and broad-based economic growth. The Affordable Care Act has also ensured that all Americans can access [affordable health care coverage](#), with 20 million Americans gaining coverage and the price of health care rising at its slowest rate in 50 years. Finally, the President has [increased investments in education](#) at all levels, from expanding access to high-quality pre-K to supporting higher standards in K-12 classrooms to making historic investments in the affordability of and access to higher education.

More work remains to continue strengthening economic growth and ensuring that all Americans can share in that growth, including addressing the continued gaps that Hispanic Americans face in employment and opportunity. That is why the President will continue to take steps to strengthen economic growth and boost living standards by [promoting higher wages](#); [boosting competition](#) across the economy; [supporting innovation](#); and calling on Congress to [increase investments in infrastructure](#), [pass the high-standards Trans-Pacific Partnership](#), and [expand the Earned Income Tax Credit](#) for workers without dependent children.

Below, we examine the progress that Hispanic Americans have made across key economic outcomes during the Obama Administration, including employment, income, and poverty; health care; and education.

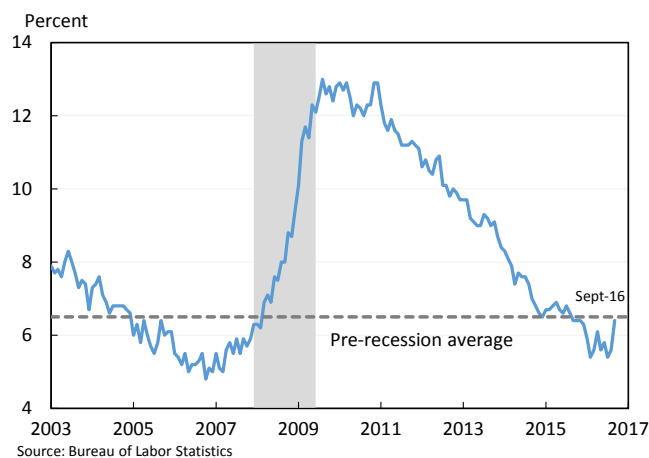
Employment and Income

Unemployment is now lower for Hispanic Americans than before the recession

At 6.4 percent as of September 2016, the Hispanic unemployment rate has been cut by more than half from its Great Recession peak. It has fallen 6.6 percentage points since peaking at 13.0 percent in August 2009. The unemployment rate today is below its pre-recession average of 6.5 percent (its average rate in the last expansion, from December 2001 to December 2007), but remains higher than the rate for the United States as a whole, indicating that more work remains.

The recovery in unemployment holds for both Hispanic women and men. The unemployment rate for Hispanic women is 6.4 percent, down 5.7 percentage points from its peak in November 2010. The unemployment rate for Hispanic men is 5.4 percent, down 7.4 percentage points since its peak in August 2009.

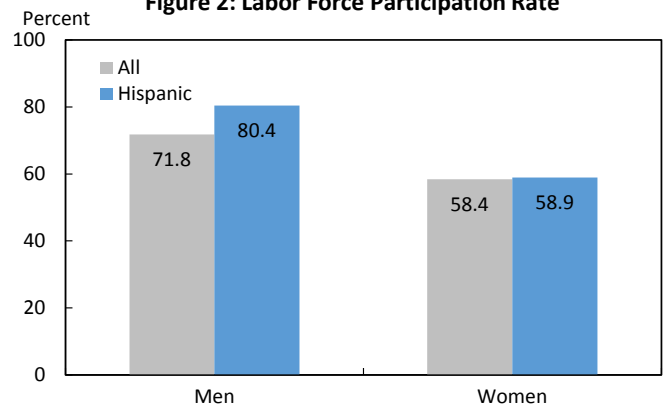
Figure 1: Unemployment Rate for Hispanic Americans, 2003–2016



Hispanic Americans participate in the labor force at higher rates

The labor force participation rate, or the share of the population either working or actively looking for work, is a key contributor to economic growth and an important component of the well-being of families. At 80.4 percent, the Hispanic male labor force participation rate is 8.6 percentage points higher than the comparable [participation rate for all men](#). At 58.9 percent, the labor force participation rate among Hispanic women is slightly above the participation rate for all women of 58.4 percent.

Figure 2: Labor Force Participation Rate



Source: Bureau of Labor Statistics

Note: Bars show the labor force participation rate as of September 2016 for those age 20 and older.

Recent income gains for Hispanic households have been strong

Between 2014 and 2015, real median household income among all Americans rose \$2,800, or 5.2 percent, to \$56,500. While household income rose across all racial and ethnic groups, Hispanic Americans saw the largest gains: income rose 6.1 percent for Hispanic households, 4.1 percent for African American households, 3.7 percent for Asian households, and 4.4 percent for non-Hispanic White households. This increase brought the median income of Hispanic households in 2015 to \$45,150, an increase of 7.4 percent in real terms from 2009. While these income gains represent substantial progress, more work remains to continue raising incomes for Hispanic American families, which remain lower than median incomes for the United States as a whole.

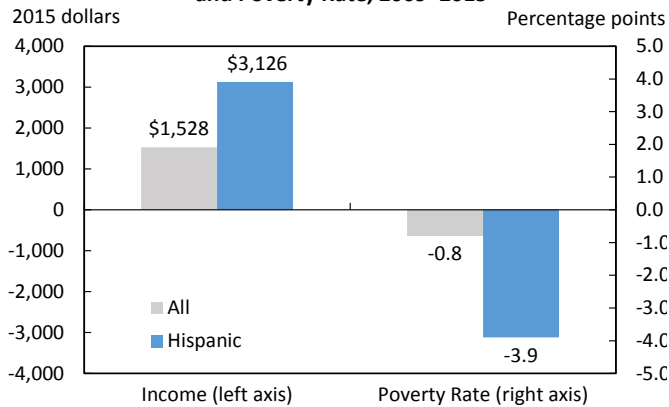
The poverty rate for Hispanic households has fallen

The poverty rate for Hispanics was 21.4 percent in 2015, down 3.9 percentage points from 2009. The gap between the poverty rate for Hispanics and non-Hispanic Whites closed by 3.6 percentage points over this period. From 2014 to 2015, the poverty rate fell for all racial and ethnic groups. The largest declines over this period were for Hispanics and African Americans, which decreased by 2.2 percentage points and 2.1 percentage points, respectively. For both groups, this was the largest one-year decrease since 1999.

Despite these meaningful gains, the poverty rate among Hispanic families remains unacceptably high. Actions taken by the Administration, such as expanding overtime and extending minimum wage protections to home

health-care workers, represent important steps for helping workers and families. Further steps that the President has advocated such as raising the minimum wage, expanding the Earned Income Tax Credit for households without dependent children, and ensuring that all young children can access high-quality child care and pre-K would help build on this progress.

Figure 3: Change in Real Median Household Income and Poverty Rate, 2009–2015



Source: Census Bureau, Current Population Survey, Annual Social and Economic Supplement
 Note: Median household income adjusted to constant 2015 dollars using the CPI-U-RS

Health Insurance, Health Care, and Health Outcomes

Health insurance coverage has expanded dramatically for Hispanic families

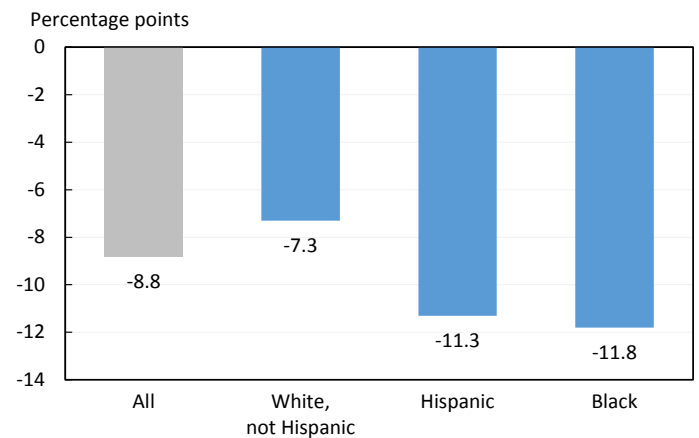
The major coverage provisions of the Affordable Care Act have reduced the uninsured rate among Hispanics ages 18–64 by 11.3 percentage points, corresponding to 4 million Hispanics gaining insurance coverage. While all racial and ethnic groups have seen their uninsured rates decline under the Affordable Care Act, the gains for Hispanic Americans have been particularly large, as illustrated in Figure 4.

The coverage gains under the Affordable Care Act would have been considerably larger had all States opted to take advantage of the generous support the law provides to States that elect to expand their Medicaid programs. Researchers at the Urban Institute estimate that if the 19 States that have not yet expanded their Medicaid programs did so in 2017, at least 4 million people would gain health insurance coverage. Notably, many of the States that have not yet expanded their Medicaid programs, including Florida and Texas, have large Hispanic populations, and the Urban Institute

researchers estimate that approximately 1 million Hispanics would gain coverage in 2017 if all remaining States took up the Medicaid expansion.

Under the ACA, Americans now enjoy improvements in private insurance coverage, including bans on discrimination based on pre-existing conditions and on lifetime or annual limits on care, a limit on annual out-of-pocket spending, and access to recommended preventative services without cost-sharing. For example, 17 million Hispanics with private insurance now have access to expanded preventive services, including immunizations and certain cancer screenings with no co-pay or deductible. And the ACA allows young adults to stay on their parents' health care plan until age 26.

Figure 4: Change in the Uninsured Rate, 2013–2016



Source: Department of Health and Human Services
 Note: Bars show the percentage point change from the beginning of ACA Open Enrollment in October 2013 through February 2016 in the share of 18- to 64-year-olds without health insurance.

Key health outcomes have also improved for Hispanic Americans

Life expectancy continues to rise among Hispanics, up 1.5 years over the last decade. Teen pregnancy among Hispanic women is falling: the teen birth rate decreased 51 percent among Hispanic teens between 2006 and 2014, as the national teen birth rate fell to an all-time low.

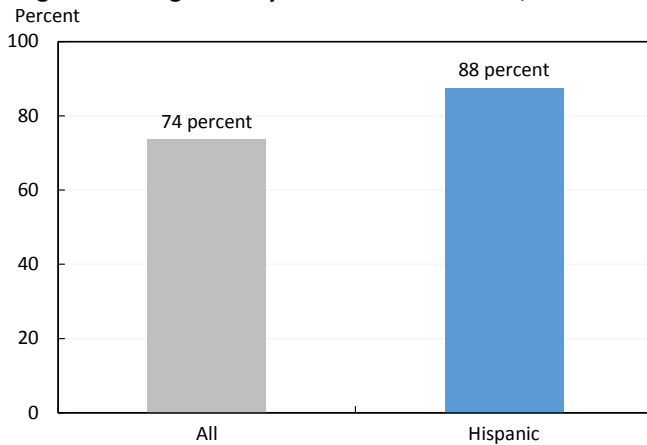
Education

Early childhood programs serve many Hispanic families

President Obama has expanded Early Head Start over the course of his time in office. The number of Hispanic infants and toddlers in Early Head Start programs has

almost doubled since 2008. The President has also invested an additional \$4 billion in Head Start programs to provide early learning opportunities for more children across the country. Thirty-eight percent of Head Start participants are Hispanic (while representing 17.8 percent of general population). And more than 2.6 million Hispanic children—close to half of Hispanics under the age of five—have been served by Race to the Top – Early Learning Challenge grants. The Administration has also supported investments in programs for our country’s youngest dual language learners, including many Hispanic children.

Figure 5: Change in Early Head Start Enrollment, 2008-2014

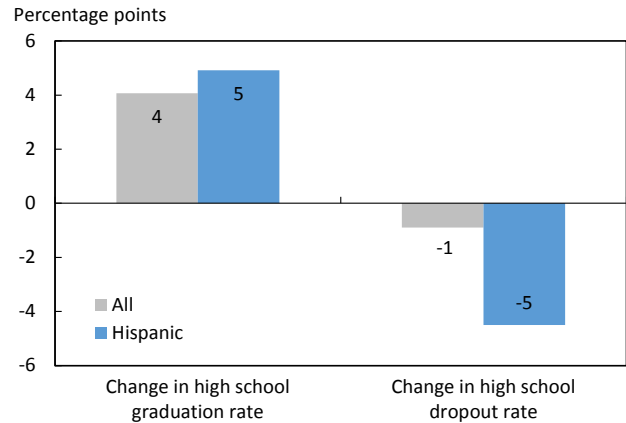


Source: Department of Health and Human Services

High school graduation rates for Hispanic youth have risen substantially

At 82 percent, our nation’s overall high school graduation rate is at an all-time high, due in part to significant gains made by Hispanic students. The high school graduation rate for Hispanic students has risen 5 percentage points since 2010—larger than the gain in the graduation rate overall (4 percentage points). Since 2010 the dropout rate for Hispanic students has fallen by 5 percentage points, far outpacing the decline for the overall dropout rate (1 percentage point). Even with these striking gains, the high school graduation rate for Hispanics still remains somewhat lower, at 76 percent, than the overall national rate, and it remains vital to build on the progress over the past eight years to continue closing this gap.

Figure 6: Change in High School Graduation and Dropout Rates, 2010-2014



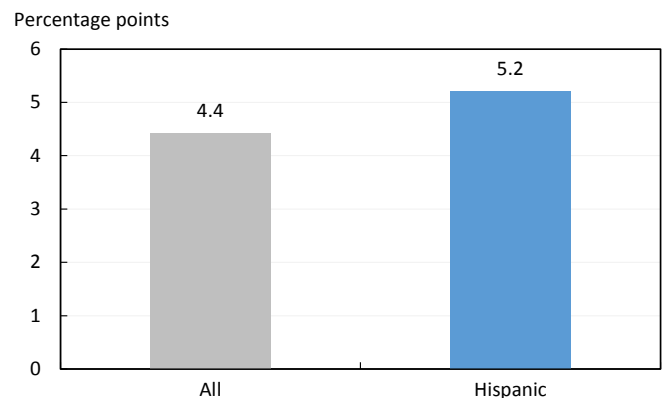
Source: Department of Education; National Center for Education Statistics
 Note: 2014 is the most recent year for which data are available.

College enrollment and completion have increased for Hispanic students

In 2016, 3.4 million Hispanic students are enrolled in college—800,000 more than in 2009, amounting to an increase of more than 30 percent. This represents the largest increase among all major racial and ethnic groups. College enrollment among Hispanics is expected to increase by 125,000 next year.

More Hispanic students are graduating college than ever before; 864,000 young Hispanic adults had a Bachelor’s degree or higher education in 2015, up 295,000 since 2009, an increase of 5.2 percentage points—growing faster than the rate for the population as a whole (a 4.4 percentage point increase). And President Obama has supported substantial investments in community colleges—where nearly half of all Hispanic college students are pursuing education and training.

Figure 7: Change in Bachelor's Degree Attainment Rate, 2009-2015



Source: Census Bureau, Current Population Survey
 Note: Bars show the percentage point change from 2009 to 2015 in the share of 25- to 29-year-olds with a Bachelor's degree or more.