

## HISPANIC FAMILIES ARE BEING SQUEEZED

**With mounting job losses, stagnating wages, rising prices, and a collapsing housing market, most Americans are feeling the strains of a weak economy. Many of America's Hispanic families are struggling to stay out of poverty and maintain health insurance. Now more than ever we need a new direction in economic policy, aimed at restoring broad-based growth, reducing the high costs of energy and health care, improving retirement security, and increasing prosperity for all Americans.**

**Hispanic Families Are Being Squeezed By Rising Expenses.** Median Hispanic family income is lower than median family income overall, so rising costs eat up larger share of their family budgets. Between 2000 and 2006, Hispanic families saw median family income fall by 0.8 percent, to \$41,147, a loss of \$334.\* Since 2000, the average price of gasoline has increased 145 percent to \$4.06 per gallon, the average family health insurance premium has jumped 41 percent to \$11,765, and the average cost of child care for two children is now \$1,041 per month. [U.S. Census Bureau, Current Population Survey, available [here](#); Energy Information Administration, available [here](#); U.S. Department of Health and Human Services, available [here](#); National Association of Child Care Resource & Referral Agencies, available [here](#).]

**Wage Growth Has Stalled For Hispanic Workers.** During the 2000s economic recovery, Hispanic workers' inflation-adjusted wages grew at an annual rate of only 0.5 percent. For all workers, inflation-adjusted wages grew by 0.3 percent annually, far less than productivity, which grew by 2.6 percent per year. [U.S. Department of Labor, Bureau of Labor Statistics, available [here](#) and JEC analysis.]

**Hispanics Are Now Losing Jobs.** After years of lackluster employment gains, the economy is now shedding jobs: Hispanics have lost 340,000 jobs since December 2007. Hispanic unemployment rose from 5.6 percent in 2000 to 7.7 percent in 2008. Unemployment for Hispanics is higher than unemployment for whites (4.9 percent) and just below unemployment for African Americans (9.2 percent). There are now 1.7 million Hispanic workers unemployed—727,000 more than when President Bush took office. [U.S. Department of Labor, Bureau of Labor Statistics, available [here](#).]

**The Subprime Mortgage Crisis Is Impacting Hispanic Homeowners.** On the Bush Administration's watch, unregulated mortgage originators were given financial incentives to sell risky, unaffordable subprime mortgages to vulnerable borrowers. Evidence suggests that those lenders targeted minority, elderly and female borrowers. During the subprime boom, Hispanic home-buyers were nearly two and a half times more likely than whites to receive a high cost home loan. The Joint Economic Committee estimates the number of U.S. subprime foreclosures will total 2 million by the end of 2009; a disproportionate share will likely be Hispanic homeowners. [ACORN Fair Housing, available [here](#); JEC April 2008 Impact of Subprime Foreclosures report, available [here](#).]

**One-in-Five Hispanics Were Living in Poverty in 2006.** Nationwide, 9.2 million Hispanics – or 20.6 percent of the Hispanic population – were living below the poverty line in 2006. More than one quarter (26.9 percent) of Hispanic children were living below the poverty line, more than twice the total national poverty rate of 12.3 percent. There were 550,000 more poor Hispanic children in 2006 than there were in 2000. [U.S. Department of Commerce, Bureau of the Census, available [here](#); JEC August 29, 2007 Fact Sheet on Poverty, available [here](#).]

**3.5 Million More Uninsured Hispanics Since 2000.** In 2006, 15.3 million Hispanics (34.1 percent of Hispanics) had no health insurance, of which 3.4 million were children (22.1 percent of Hispanic children) had no health insurance. Across the country, the number of all Americans without health insurance totals 47 million (15.8 percent of the population), up 8.6 million since 2000. [U.S. Department of Commerce, Bureau of the Census, available [here](#) and [here](#); JEC August 29, 2007 Fact Sheet on Health Insurance Coverage, available [here](#).]

\* All dollars values (except gas prices, which are current) are in 2007 CPI-U-RS adjusted dollars.