

## Fast Facts about the Economic Status of Hispanic Americans

*While Hispanic Americans were hit hard by the pandemic, the ongoing economic recovery and the active role of public policy during times of hardship has helped these workers and their families*

- While Hispanic workers were disproportionately hurt by the economic impact of the pandemic given their [disproportionate representation](#) in low-wage occupations, the [American Rescue Plan](#) and other [pandemic relief](#) spurred the economic recovery that has helped reduce the Hispanic unemployment by nearly half since President Biden came into office.
- Significant progress has been made to reduce poverty among Hispanic children in the last 30 years, thanks [in large part](#) to programs such as the Supplemental Nutrition Assistance Program, the Earned Income Tax Credit, the Child Tax Credit and rental assistance. But challenges remain, as the Hispanic child poverty rate remains nearly three times higher than that of white children.

*Hispanic workers are strengthening economic growth and the recovery, but face disadvantages in the labor market*

- Hispanic workers continue to serve as an [engine of economic growth](#). The total economic output of Hispanic Americans is estimated to be well over \$2 trillion and Hispanic Americans alone accounted for over half of all the population growth in the United States over the last decade.
- Hispanic workers are strongly engaged with the U.S. labor market. In 2022, almost 2 out of 3 (66.3%) of Hispanic Americans were working or actively looking for work. This participation rate is more than 5 percentage points higher than their white counterparts.
- During the pandemic, the unemployment gap between Hispanic and white workers widened as the Hispanic unemployment rate jumped to 16.7%. This was largely because Hispanic workers remain overrepresented in the low-wage and frontline industries that were hit hardest by the pandemic.
- The policy response to the pandemic recession has helped narrow the unemployment gap between Hispanic and white workers, bringing the Hispanic unemployment rate down to 4.1% in the second quarter of 2022. However, disparities persist due to systemic discrimination in the labor market, as the white unemployment rate remains more than 41% lower than that of Hispanic workers.

*Hispanic entrepreneurs help drive the productivity of the U.S. economy but face financial challenges*

- Nearly [5 million](#) Hispanic-owned businesses contribute over \$800 billion to the U.S. economy annually. Hispanic employer businesses employ about 3 million workers.

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- The overwhelming majority of Hispanic-owned businesses employ at least one employee, and more than one-third of these businesses employ five workers or more. The number of Hispanic-owned businesses [increased](#) by 14% between 2012 and 2017, more than twice as fast as the national average.
- Hispanic businesses struggle with [barriers to financing](#). The most common source of capital is personal savings for nearly 70% of Hispanic entrepreneurs in the U.S. Despite faster revenue growth and comparable credit performance, less than one-quarter of Hispanic-owned businesses receive funding over \$100,000 from national banks, compared to an approval rate of nearly 50% for white-owned businesses.

### *Wealth disparities limit the economic security of Hispanic families*

- The median wealth, or net worth, of white families is [five times](#) higher than the median net worth of Hispanic families.
- While an increasing number of Hispanic Americans own their homes, they lag behind white Americans in home ownership. [Less than half](#) of Hispanic families own their homes, relative to nearly three-quarters of white families.
- Given disparities in employment, earnings and wealth, Hispanic Americans are generally less financially prepared for [retirement](#) than any other racial or ethnic group. Only about a quarter of Hispanic Americans have a retirement account, compared to almost 6 in 10 white Americans.