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More than half of U.S. black workers earn low wages and lack advancement options, says UC Berkeley Labor Center study

Berkeley — A new report by the University of California, Berkeley's Center for Labor Research and Education finds that more than half of black workers in the United States have jobs that don't pay well, provide retirement and health benefits, or offer avenues for advancement.

The report, "Job Quality and Black Workers: An Examination of the San Francisco Bay Area, Los Angeles, Chicago and New York," analyzes low-wage jobs among black workers, using data from the 2000 U.S. Census.

"It's no surprise that there's a jobs crisis in the black community, but what this report shows is that we really can't keep focusing exclusively on the issue of black unemployment," said Steven Pitts, a labor policy specialist at the center and author of the report. "This is a two-dimensional problem that includes both the crisis of unemployment in the black community and the crisis of low-wage jobs."

While the report analyzes the labor market for black workers in 2000, Pitts said that the findings are relevant today. "The year 2000 was the peak year of the 1990s expansion; while the recession was relatively short, the extremely slow recovery meant that average economic outcomes have barely improved since then," he said. While 22.5 percent of all blacks in the United States lived below the poverty line in 2000, Pitts said that figure rose to 24.7 percent in 2005, the most recent year for which data is available.

The Labor Center report's main findings include:

- 56.5 percent of black workers in the country earn low wages – \$12.87 per hour or less – with the proportions of low-wage black workers ranging from 47.3 percent in Chicago to 53.8 percent in Los Angeles.
- Some 56.5 percent of blacks work in low-wage jobs, versus 43.9 percent of whites, 44.6 percent of Asians and 68.7 percent of Latinos.

- The amount of low-wage work among blacks cannot be attributed to part-time employment: 54 percent of all full-time black workers in the United States work for low wages.
- The retail sector, whose expansion is often promoted as a panacea for black unemployment, includes an especially high number of low-wage jobs for African Americans. Of all of the nation's blacks working in retail, 73.3 percent earn low wages. Among black retail employees working full-time, 69.4 percent receive low wages.
- Black workers are concentrated in industries that pay low wages. Three industry sectors — manufacturing; retail trade; and health care and social assistance — employ approximately 40 percent of all black workers. Two of those industries – retail trade, and health care and social assistance –include larger proportions of black low-wage workers than the national black average of 56.5 percent.
- Almost one-half of black workers are employed in industries that face a reduced threat of being “offshored,” meaning it is likely that these jobs will stay in the United States rather than being sent abroad.

To transform low-wage jobs into higher quality jobs for all workers, the report recommends implementing various public policies including establishing minimum wage, living wage and industry wage laws; establishing community benefits agreements that feature local hiring mandates; requiring businesses to return government subsidies if promises about job creation aren't kept; and linking workforce and economic development programs. It also recommends unionization as an effective tool to improve job quality.

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