MINORITY WORKING FAMILIES IN WISCONSIN FALLING BEHIND

Latino Immigrants at Greatest Risk; Study Concludes State Can Address the Problem

MADISON – A sharp racial/ethnic divide has emerged within the world of low-income working families, posing a critical equity and economic challenge to Wisconsin and the nation, a new study concludes.

Unless lawmakers in Wisconsin are willing to pursue policies that would improve conditions, African-Americans and Latinos will continue to emerge as a larger – but under-prepared and underpaid – segment of the workforce.

The disturbing portrait of America’s low-income working families was sketched by the Working Poor Families Project based on new analysis of the most recent data from the U.S. Census Bureau. The Project’s study sheds a fresh light on what’s happening inside the world of the working poor, where adults are working hard but find it difficult if not impossible to get ahead. And within this world at the bottom of America’s economic spectrum, a stark divide has emerged between white and Asian families compared to black and Latino families.

In Wisconsin, there are 179,873 low-income working families, meaning their total income fell below 200 percent of the official poverty rate. Some 64 percent of all black working families fall into the low-income category, as do 72 percent of all Hispanic working families.

“Wisconsin has the unfortunate distinction of generating some of the worst racial disparity in the nation,” said Laura Dresser, Associate Director for COWS. “That disparity starts in our labor market. Taking a hard look at the data provides a shared understanding of the problem that can help us build consensus on steps to bridging the chasm that divides this state.”

Latinos are particularly at risk because so many of their low-income working families include at least one immigrant parent, the data show. Despite a high work ethic, Latino immigrants are among the most disadvantaged with lower earnings, less education and little healthcare. Nationally, some 14 million of the 24 million children who live in low-income working families belong to racial or ethnic minorities. This bodes poorly for the nation’s future as children who grow up in low-income families face the very real prospect of never escaping poverty, the study found.

"Wisconsin has been thrust into the national discussion on race relations recently. What we know from the data is that broad racial disparity exists in Wisconsin across measures attributable to opportunity in our country—education, healthcare, job access and quality,” stated Michele Mackey, Senior Consultant for COWS, “These issues do not occur and cannot be addressed in isolation. Real solutions require policies that extend opportunity.”
Disparities cannot be erased overnight, but policymakers can start to reduce the gaps with a two-pronged approach that simultaneously increases access to education and training while enacting policies that “make work pay,” the researchers assert. State governments have demonstrated success with policy initiatives including:

- Raising the minimum wage.
- Increasing need-based financial aid for postsecondary education and expanding child care assistance and other supports for students with children.
- Supporting programs that link education to career opportunities and helping English language learners.
- Extending Medicaid benefits to all who are eligible.
- Encouraging employers to provide paid sick leave for all workers.

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The Center on Wisconsin Strategy (COWS) is a nonprofit, nonpartisan “think-and-do tank” dedicated to improving economic performance and living standards in the state of Wisconsin and nationally. Based at the University of Wisconsin-Madison, COWS works to promote “high road” strategies that support living wages, environmental sustainability, strong communities, and public accountability. For more information, visit www.cows.org.