



Economic Security for Black and Hispanic Families

By Molly Cain and Sunny Frothingham June 2016

Introduction and summary

One of the biggest concerns for millions of working parents across the United States is their families' economic security, especially as costs increase and incomes stagnate. Many black and Hispanic families face an even more challenging path to financial stability and economic prosperity, as they typically face lower median incomes and higher poverty and unemployment rates. These families should have the opportunity to achieve economic security. Progressive policies—such as paid family and medical leave; paid sick days; increased access to high-quality, affordable child care; and fair wages—would help offer them that opportunity. Unfortunately, conservative policies fail to substantively address—and at times even exacerbate—the challenges that families of color face. Through obstructionism, poor policy proposals, and program cuts, many conservatives create additional hurdles for black and Hispanic families.

Black and Hispanic families are major groups within the rising American electorate—which includes Millennials, people of color, and women—and will have an increasing impact on future elections. The voting power of nonwhite voters is growing, and their policy priorities will affect elections now more than ever.¹ In 2016, nearly one in three eligible voters on Election Day will be a person of color.² Among women voters, 74 percent of newly eligible voters since 2000 will be women of color.³ While work-family policies poll well with American voters overall, new polling finds that these issues are especially compelling for black and Hispanic women voters. This spring, Latino Decisions conducted a groundbreaking poll for the Center for American Progress of black and Hispanic women who are registered to vote across four battleground states in the 2016 election: Colorado, Nevada, Virginia, and Florida.⁴ The poll explored key policy priorities for black and Hispanic women, above and beyond well-established support around issues such as immigration reform and civil rights.⁵ Latino Decisions finds that black and Hispanic women face significant sources of work-related worry and hardship due to an absence of paid sick leave, a lack of reliable child care, and low pay. Nearly 90 percent of black and Hispanic women voters said that the economic well-being of working families was the “top most important priority” or “one of a

few important priorities” for the next president. And data from the polling suggest that both communities, like members of other American demographics, strongly support action on issues related to economic security. The poll showed high support for policies such as paid family and medical leave, affordable child care, and equal pay—policies that conservative elected officials frequently have opposed.

This report explores the economic challenges that black and Hispanic families disproportionately face and how these challenges are only made worse by conservative policies—or conservative obstructionism of progressive policies—across an array of economic security issues. Below is a brief summary of the inadequacy of conservative policies, which the following report will elucidate in greater detail:

- **Paid family and medical leave.** Black and Hispanic workers, like every worker, should not have to choose between work and caring for themselves during an illness, caring for a new baby, or caring for an ill family member. Without paid family and medical leave, however, too many workers face impossible choices between work and family. Instead of supporting comprehensive paid family and medical leave, conservatives have proposed insufficient alternatives—such as “pregnancy 401(k)s” and tax incentives—that would do little to help black and Hispanic workers balance work and family.
- **Paid sick leave.** Black and Hispanic workers are, on average, less likely to have access to paid sick days than white workers. All workers need to be able to earn paid sick leave so that they do not have to choose between a necessary paycheck and their health. Instead, conservative proposals rely on compensatory time, or “comp time,” which requires workers to work extra hours without pay in order to possibly take off time in the future—and there are no requirements on employers to actually allow workers to take it. Comp time fails to provide the support workers need or to keep families and workplaces healthy.
- **Child care.** In 2015, child care for an infant and a preschooler in a child care center cost, on average, more than one-half of the median income for black households with children and nearly one-half of the median income for Hispanic households with children.⁶ Conservative policies would do little to make child care more affordable for black and Hispanic families, as they have sought to slash federal funding for state child care programs, a move that puts child care further out of reach.⁷

- **Pay equity.** Even as they are working hard to support their families, black and Hispanic women are not paid fairly compared with white, non-Hispanic men. Conservatives have obstructed comprehensive attempts to address this wage gap and instead have offered limited proposals that would do little to change the status quo.⁸
- **Unions.** Workers, especially black and Hispanic women, earn more money, on average, when they are members of a union. Despite this fact, conservatives have continued to attack unions through right-to-work laws and other legislation, undermining wages for black and Hispanic women.
- **Overtime.** In May 2016, the U.S. Department of Labor announced its final rule expanding overtime protections for workers, which would directly benefit nearly one-third of all salaried black and Hispanic workers if implemented as planned in December 2016.⁹ Yet as soon as the rule was announced, conservatives in Congress mobilized to delay or block it, undermining millions of black and Hispanic workers' ability to be paid for overtime hours they work.¹⁰
- **Minimum wage.** If the federal minimum wage were increased to \$12 by 2020, more than one-third of black and Hispanic workers would receive a raise.¹¹ Despite the benefits, however, conservatives have consistently opposed increasing the federal minimum wage.

With declining median household incomes and a variety of other economic challenges, black and Hispanic families need more than the insufficient policies and outright obstructionism offered by conservative lawmakers, which do not give black and Hispanic women the tools they need to strengthen their families' economic security. This report examines the challenges these families face, as well as the gap between conservative rhetoric and the economic realities of black and Hispanic working families.

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And we believe an effective government can earn the trust of the American people, champion the common good over narrow self-interest, and harness the strength of our diversity.

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