

Labor-Market Outcomes

Part of the “State of Asian Americans and Pacific Islanders” Series

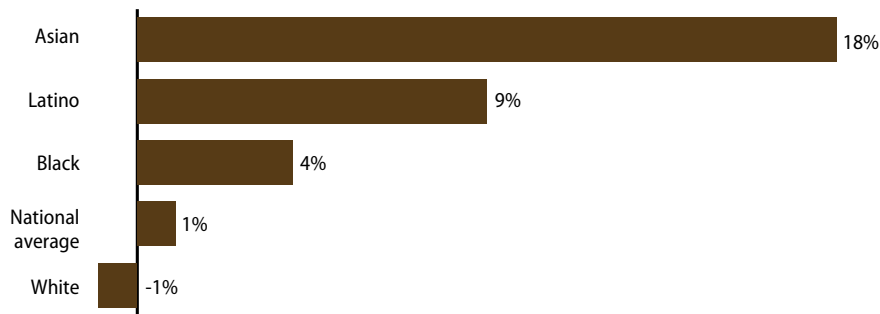
By Karthick Ramakrishnan and Farah Z. Ahmad July 21, 2014

The importance of Asian American and Pacific Islander, or AAPI, communities to the U.S. economy is evident—not only in their role as consumers and entrepreneurs but also as workers. There are distinct patterns that emerge when we examine labor-market outcomes such as unemployment rates, labor-force participation by gender, occupation, and industry specialization. These distinct patterns emerge not only across racial groups but also in terms of national origin differences within the AAPI community.

Asian Americans are the most rapidly growing segment of the U.S. labor force

In 2013, out of a total labor force of about 155 million, Asian Americans accounted for about 8.6 million, or 5.5 percent, and Pacific Islanders accounted for another 0.6 million, or 0.4 percent. Notably, the Asian American labor force has grown by nearly 20 percent since 2010, when there were 7.2 million residents in the labor force. This growth was higher than the labor-force growth of any other group. In fact, comparable rates for other racial groups during this period were an increase of 9 percent among Latinos, 4 percent for blacks, and a reduction of 1.4 percent among whites. The overall labor force during this period grew by only 1 percent, from 153.9 million to 155.4 million.¹

FIGURE 7.1
Change in labor force, 2010 to 2013



Source: 2010 data from Bureau of Labor Statistics, Labor Force Characteristics by Race and Ethnicity, 2010 (U.S. Department of Labor, 2011), available at <http://www.bls.gov/cps/cpsrace2010.pdf>; Bureau of Labor Statistics, "Employment status of the civilian noninstitutional population by age, sex, and race," available at <http://www.bls.gov/cps/cpsaat03.htm> (last accessed July 2014); Bureau of Labor Statistics, "Employment status of the Hispanic or Latino population by age and sex" available at <http://www.bls.gov/cps/cpsaat04.htm> (last accessed July 2014).

The labor-force participation rate of Asian Americans and Pacific Islanders is higher than the national average

Asian Americans and Pacific Islanders rank higher than the national average when it comes to their labor-force participation rate, which is defined by the U.S. Bureau of Labor Statistics as the “share of the population 16 years and older working or seeking work.”² According to our analysis of pooled Current Population Survey, or CPS, data, the overall labor-force participation rate among Asian Americans in 2013 was 64.8 percent, nearly 1.5 percentage points higher than the national average. (see Table 1)

TABLE 7.1
Labor force participation rates in 2013

Population percentage, by race and gender

	Total	Men	Women
National average	63.4	70.0	57.4
Asian	64.8	73.1	57.4
Native Hawaiian and Pacific Islander	70.3	73.8	67.0
White	63.6	70.5	57.1
Latino	66.1	76.2	56.0
Black	61.4	63.7	59.5
Native American	59.2	65.1	53.6

Source: Authors' analysis of monthly 2013 Current Population Survey data, see Current Population Survey, "Basic Monthly CPS," available at http://thedataweb.rm.census.gov/ftp/cps_ftp.html (last accessed July 2014).

This higher rate was driven entirely by the higher participation rates of Asian American men, who rank 3 percentage points higher than the national employment average, while the participation rate for women was in line with the national average. By contrast, at 70.3 percent, the labor-force participation rate among Pacific Islanders is the highest among all racial and ethnic groups. And while Pacific Islanders have a labor-force participation rate that is higher than the national average for both men and women, they have the highest rates of women’s labor-force participation of any racial group at 67 percent. Finally, looking within the Asian American community, there are significant differences in labor-force participation rates. (see Table 2) Filipinos and Indians tend to have the highest rates of labor-force participation, and they are particularly high for Asian Indian men and Filipino American women. By contrast, Japanese Americans and Korean Americans tend to have rates of labor-force participation less than the average for Asian Americans.³

TABLE 7.2
Labor force participation rates for Asian Americans, 2013

	Total	Men	Women
Asian American average	64.8%	73.1%	57.4%
Asian Indian	68%	82%	53%
Chinese	63%	68%	59%
Filipino	69%	73%	66%
Japanese	59%	71%	50%
Korean	61%	69%	53%
Vietnamese	65%	72%	60%

Source: Authors’ analysis of monthly 2013 Current Population Survey data, see Current Population Survey, “Basic Monthly CPS,” available at http://thedataweb.rm.census.gov/ftp/cps_ftp.html (last accessed July 2014).

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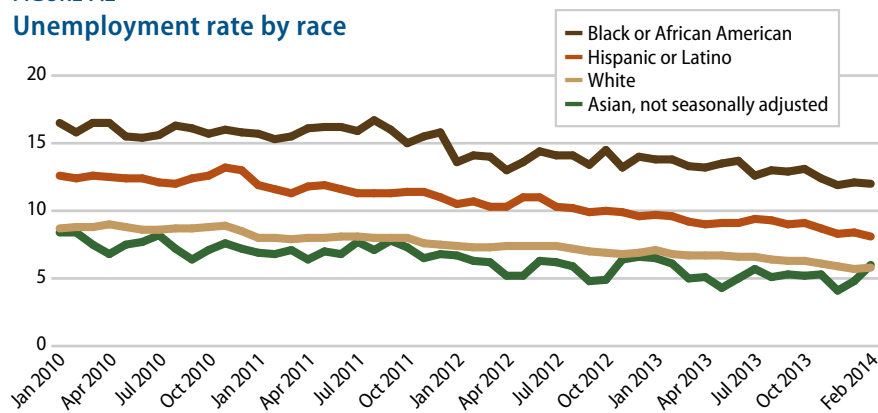
Asian Americans have lowest unemployment rates—but among the jobless, their unemployment duration has been among the longest

Since 2010, the unemployment rate among Asian Americans has consistently been among the lowest for any racial or ethnic group. As indicated in Figure 2, the unemployment rate averaged around 7 percent in 2010 and 2011, before declining to around 6 percent in 2012 and 5 percent in 2013. Given the relatively smaller sample size of Asian American respondents in the monthly CPS, the Bureau of

Labor Statistics does not report seasonally adjusted unemployment data for Asian Americans, making unemployment comparisons over time particularly difficult because of the potential impacts of seasonal influences. Furthermore, the CPS does not report any monthly unemployment data for Pacific Islanders.⁴

FIGURE 7.2

Unemployment rate by race



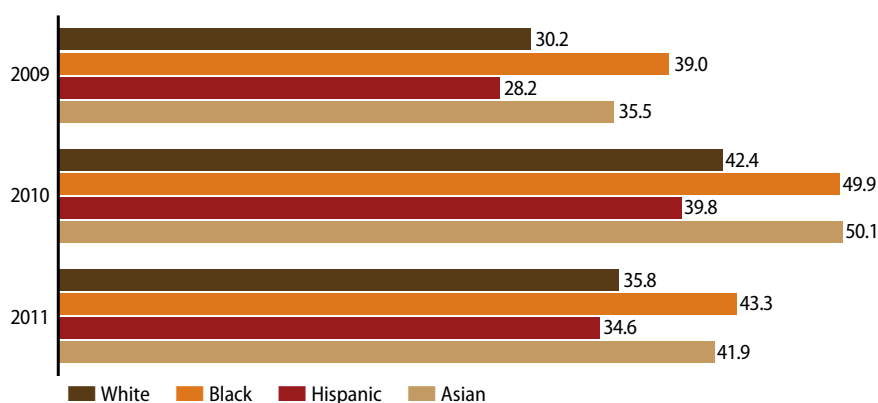
Source: Bureau of Labor Statistics, "Employment Situation Archived News Releases," available at http://www.bls.gov/schedule/archives/empst_nr.htm (last accessed July 2014).

However, when we pool the monthly data in 2013, we see that the average unemployment rate among Pacific Islanders was 10.3 percent. These average annual figures are not seasonally adjusted and are on par with the average rate for Latinos—9.2 percent—in 2013 and significantly higher than the unemployment rate for whites and Asian Americans, at 6.6 percent and 5.3 percent, respectively. Pooling the data across 2013 also allows us to examine national origin differences in unemployment for Asian Americans. At 3.4 percent, Japanese Americans had the lowest unemployment rates during this period, followed by Chinese at 4.4 percent; Asian Indians at 4.7 percent; Vietnamese at 5.1 percent; Koreans at 5.4 percent; and Filipino Americans at 5.8 percent.⁵

While Asian Americans have had the lowest rates of unemployment in recent years, they are among those with the longest duration of unemployment. (see Figure 3) In 2011, for example, the long-term unemployed—those unemployed for 27 weeks or more—accounted for one out of every two Asian Americans who were unemployed, or 50.1 percent—a figure that was comparable for African Americans who were unemployed—49.9 percent—and significantly higher than the rates of long-term unemployment among whites and Latinos who were unemployed—42.4 percent and 39.8 percent, respectively.⁶ While these figures dropped

for all groups in 2013, the long-term unemployed still constitute a larger share of the Asian American unemployed. In fact, 41.9 percent of the unemployed Asian American population were long-termed unemployed in 2013, compared to 35.8 percent of the white unemployed and 34.6 percent of the Latino unemployed.⁷ The sample sizes of Pacific Islanders and detailed Asian groups are too small to provide information on the long-term unemployment rates among the unemployed. However, we do have sufficiently large samples to know that the long-term unemployment is higher for Asian American women than men, at 45 percent and 40 percent, respectively, and for those who are foreign born versus native born, at 44 percent and 38 percent, respectively.⁸

FIGURE 7.3
Share of long-term unemployed, among all unemployed



Source: Authors' analysis of monthly 2013 Current Population Survey data, see Current Population Survey, "Basic Monthly CPS," available at http://thedataweb.rm.census.gov/ftp/cps_ftp.html (last accessed July 2014); Algernon Austin, "Asian Americans continued to suffer the most from long-term unemployment in 2011" (Washington: Economic Policy Institute, 2012), available at <http://www.epi.org/publication/ib3235-asian-american-unemployment-update/>; Marlene Kim, "Unfairly disadvantaged? Asian Americans and unemployment during and after the Great Recession (2007-10)" (Washington: Economic Policy Institute, 2012), available at <http://www.epi.org/publication/ib323-asian-american-unemployment/>.

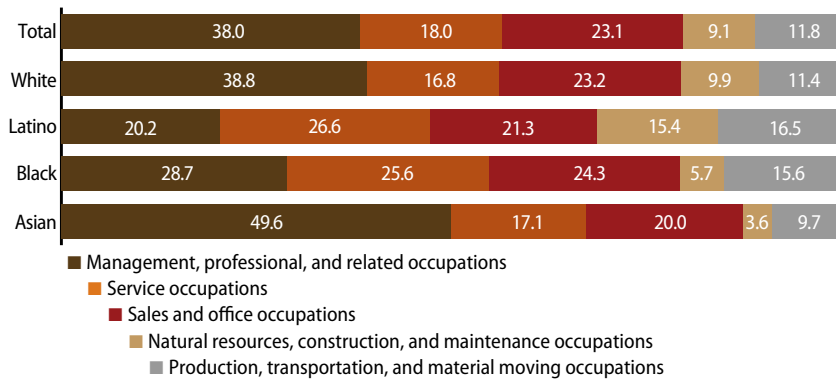
The occupational diversity of Asian Americans varies significantly from other groups.

Among the employed, Asian Americans are significantly more likely than other groups to be concentrated in management, professional, and related occupations. (see Figure 4) Thus, while nearly one in two Asian Americans employed in 2013 worked in these types of jobs, only about one in five Latinos and more than one in four African Americans did so.⁹ When compared to Latinos and African Americans, Asian Americans are also considerably less likely to work in service occupations and in those jobs classified by the federal government as

production, transportation, and material moving occupations.¹⁰ Finally, when compared to whites, Asian Americans are more likely to work in management and professional occupations and less likely to work in natural resources, construction, and maintenance occupations.¹¹

FIGURE 7.4
Occupation among employed persons, 2013

Percent of total population, by race and ethnicity



Source: Bureau of Labor Statistics, "Employed persons by occupation, race, Hispanic or Latino ethnicity, and sex," available at <http://www.bls.gov/cps/cpsaat10.htm> (last accessed July 2014).

While it appears that Asian Americans have the strongest representation in management, professional, and related occupations—which tend to be higher paying jobs compared to service occupations and production-related jobs—there are important national-origin differences in occupational patterns among the Asian American community.¹² Although the Current Population Survey, or CPS, does not have sufficiently large sample sizes to examine occupational diversity within the Asian American community, we can do this analysis using pooled data from the American Community Survey, or ACS. (see Figure 5a) As the results indicate, certain groups, including Asian Indians, Sri Lankans, and Chinese Americans, rank among the highest in terms of their concentration in management and professional occupations. Meanwhile, other groups, such as Vietnamese and Thai Americans, are disproportionately more likely than other Asian Americans to work in service occupations.¹³ Significantly, Southeast Asian refugee populations—from Cambodian, Hmong, Laotian, and Vietnamese populations—rank significantly higher than the group average for occupations related to production, transportation, and material moving.¹⁴

In a similar manner, an examination of occupational diversity in the ACS reveals important differences within the Native Hawaiian and Pacific Islander, or NHPI, racial group. (see Figure 5b) Native Hawaiians and Melanesians are the groups with the highest proportion of jobs in management and professional occupations, while Tongans are among those most likely to be employed in service professions, and Samoans are among those most likely to work in occupations related to production, transportation, and material moving.¹⁵

FIGURE 7.5a
Occupation among employed persons by national origin, Asian

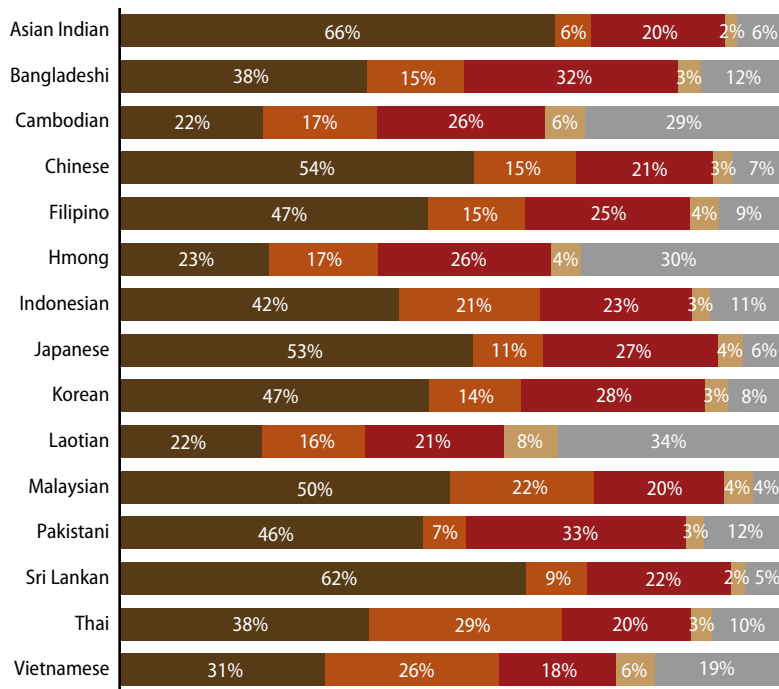
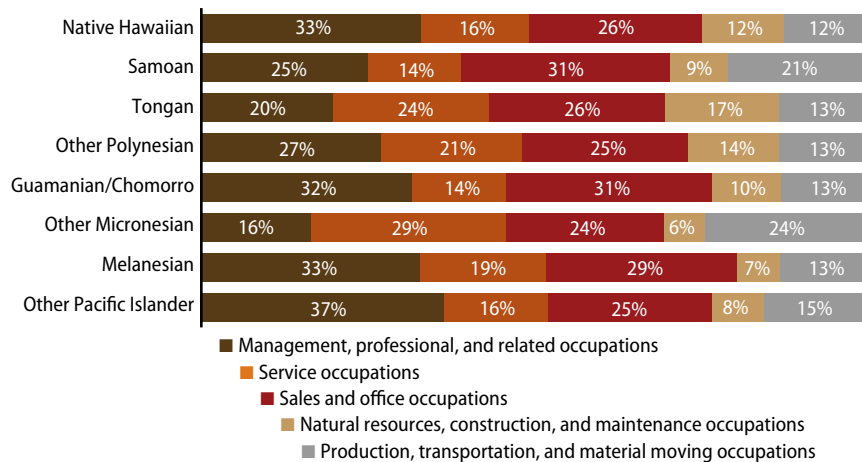


FIGURE 7.5b
Occupation among employed NHPI persons by origin



Source: Authors' analysis of data from Bureau of the Census, "American Community Survey 2008-2012 5-Year Estimates," available at https://www.census.gov/acs/www/data_documentation/2012_release/ (last accessed July 2014).

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Newly released reports and infographics at <http://aapidata.com/labor>.

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Acknowledgments

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Endnotes

- 1 2010 data from Bureau of Labor Statistics, *Labor Force Characteristics by Race and Ethnicity, 2010* (U.S. Department of Labor, 2010), available at <http://www.bls.gov/cps/cpsrace2010.pdf>.
- 2 Bureau of Labor Statistics, "Working in the 21st Century," available at <http://www.bls.gov/opub/working/page3b.htm> (last accessed July 2014).
- 3 Authors' analysis of Bureau of Labor Statistics, "Employment status of the civilian noninstitutional population by age, sex, and race," available at <http://www.bls.gov/cps/cpsaat03.htm> (last accessed July 2014).
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- 5 Authors' analysis of monthly 2013 Current Population Survey data, see Current Population Survey, "Basic Monthly CPS," available at http://thedataweb.rm.census.gov/ftp/cps_ftp.html (last accessed July 2014).
- 6 Algernon Austin, "Asian Americans continued to suffer the most from long-term unemployment in 2011" (Washington: Economic Policy Institute, 2012), available at <http://www.epi.org/publication/ib323s-asian-american-unemployment-update/>.
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