

For Jobless Minorities, Opportunities Are Few

In June Senate Republicans successfully killed a bill that would have extended unemployment benefits to thousands of jobless Americans.

Among a host of other measures, The American Jobs and Closing Tax Loopholes Act of 2010 -- also called the Tax Extenders Bill -- would have extended emergency benefits for nearly a million Americans about to lose their unemployment compensation, and provide an extra \$25 per week in jobless pay through November 2010.

Senate Democrats tried three times to get the bill passed but in the end fell just three votes shy of breaking a Republican filibuster. GOP lawmakers took issue with the cost of the bill, which also would have increased Medicare physician payment rates, at an estimated cost of \$22.9 billion over ten years.

Meanwhile, federal funding that provided up to 99 weeks of additional income support to the unemployed expired on June 2. According to the Economic Policy Institute (EPI), as of June 19, 903,000 workers had lost their benefits, a number that is set to rise to more than 2 million workers by July 3.

Around the country labor activists and jobless Americans rallied in support of the bill. In Philadelphia last Wednesday, a gathering sponsored by the Philadelphia Unemployment Project (PUP) drew about 100 people to Dilworth Plaza to call on lawmakers to pass the legislation.

Speaking to a reporter on June 25, a day after the bill's failure, Faith Whitehead, a job developer with PUP, expressed her dismay at the legislation's demise.

"People aren't finding jobs fast enough and new people are getting laid off every day," she said. "It's really a blow for that bill not to be passed. It's going to affect everyone."

The PUP rally took place as economists were expressing tentative optimism following the release of new unemployment data that showed initial jobless claims dropped from a two-month high during the second week of June. For the week ended June 12, there were 4.58 million Americans collecting unemployment, about 45,000 less than the week prior, the Labor Department reported.

The decline in new claims has been taken as a sign of stabilization by some, but what the data doesn't show is that than 5 million Americans are now collecting extended and emergency benefits, a group that has grown throughout June. In all, there were 15 million jobless Americans at the end

of May, a number that doesn't include the many "discouraged workers" who have given up looking for jobs.

Racial Disparity

A recent report issued by EPI titled "Uneven Pain" reveals that joblessness among minority populations continues to outpace the national average, a trend that has been amplified by the recession.

According to Algernon Austin, the author of the report, in some large metropolitan areas, Black joblessness is more than double that of Whites.

Nationally, African American joblessness grew to 15 percent in May, more than five percentage points above the national average. For Black men, the picture is even bleaker; 17 percent of Black men over the age of 20 are unemployed, according to the most recent data available, while the unemployment rate for Black teenagers of both sexes is approaching 40 percent. In Philadelphia, the unemployment rate for all African Americans in 2009 was 12.2 percent, compared to just seven percent for Whites.

The problem becomes even more glaringly obvious when you look at the makeup of the city's labor force. Blacks make up just 18 percent of the labor force in Philadelphia despite representing 45 percent of the city's population, according to 2008 Census data. Hispanics account for just six percent of the labor force, yet represent 11 percent of the population.

The racial disparity in unemployment has gotten so great that in April a coalition of some 20 advocacy groups asked the United Nations to investigate. The coalition, which includes New York's Urban Justice Center and the National Employment Law Project (NELP), filed a report with the UN's Human Rights Council seeking a formal process for challenging the U.S. government to address racial inequality in the workforce.

Rebecca Smith, of the NELP, who helped pen the draft, says the U.S. is bound by international treaties to confront the problem.

"There are a lot of reasons for minority unemployment and underemployment, not the least of which is structural racism," said Smith. "Human rights treaties to which the U.S. is a party require us to look closely at the effects of our laws and policies and take action to remedy these. This means a program targeted to the most vulnerable among us -- women, people of color, immigrant workers."

A Persistent Problem

Dr. Mark Price, of the Harrisburg-based Keystone Research Center, who studies racial disparities among America's jobless, says the recession has amplified a problem that has persisted for decades.

“Unemployment is up across all groups due to the recession and following the traditional patterns, African Americans face a higher rate of unemployment whether the economy is strong or weak.” Price said.

One reason, he says, is because minorities are often concentrated in urban areas, like Philadelphia, which have been especially susceptible to high rates of unemployment since manufacturing and industrial jobs began disappearing in the 1970s. Price says that as these traditionally stable blue-collar careers receded, they left in their wake a void that was not filled by other gainful employment options.

Add to that an over-taxed educational system that fails to provide effective job preparedness, and Price says you get a recipe for what he calls an “urban underclass” – a group of people, including a large percentage of minorities, effectively shut out of gainful employment.

“There really isn’t the equivalent of a manufacturing job in Philadelphia right now, in terms of a job that you could get with either less than high school education or a high school education that will provide an income that’s sufficient to raise a family and put your kids through college,” said Price. “Those kinds of jobs are few and far between. The workers who lose out first are the younger workers with the least amount of educational attainment.”

Tell that to Jerome Stone, a 56-year-old unemployed certified nurse’s assistant from Northern Liberties. Stone was laid off more than a year-and-a-half ago from Arcadia Health Care and has been unable to find work; his extended benefits ran out on June 5, and he is now without health insurance.

Stone, who is Black, says he faces discrimination in the job market, but not the racial kind.

“I have 16 years of doing [nursing assistant] work and I see they’re hiring more young people coming out of school because they don’t have to pay them a lot of money,” he said. “It’s like you’re being discriminated against when you reach a certain age, especially when you’ve been in a field so long.”

Stone says he’s been unable to get so much as an interview.

“It’s rough, you know, the best thing you can do is just keep striving and hope for the best. This is new for me. I’m not used to this. But I’m still searching. I’m not giving up.”

Creating ‘Good Jobs’

Echoing Price, Austin, the author of the EPI report, says at the root of the racial disparity in unemployment is a dearth of viable employment options for the working class and people of color, even during boom times.

He supports legislation like the Local Jobs for America Act (H.R. 4812), introduced in March by Rep. George Miller [D-CA], which would provide funds to state and local governments, and community-based organizations, to save and create local jobs.

America, he says, has a deficit of so-called “good jobs,” which he defines as jobs that -- at a minimum -- pay wages that would support a family and provide health and retirement benefits. Since 1979 the share of good jobs among all races has declined by seven percent, he says, with minorities hit the hardest.

In 2008, according to Austin’s research, Blacks had a “good-jobs rate” of 21.8 percent, a little more than two-thirds of the White rate of 31.5 percent. Hispanics fared the worst, with a good-jobs rate of just 14.4 percent.

With little in the way of choice, minorities tend to get pigeonholed into specific industries; hence, certain communities feel disproportionate pain when those industries suffer.

For instance, Hispanic men are disproportionately represented in the building trades, an industry that withstood the full impact of the credit crisis. Data shows construction second only to agriculture for Hispanic employment.

In 2008, according to the Center for Construction Research and Training (CPWR), one in four construction workers was of Hispanic origin and more than 87% of Hispanic workers were employed in construction/extraction occupations.

Three years after the housing collapse, new construction remains stagnant. At the end of 2009, the construction trades represented the highest rate of unemployment among all U.S. industries, according to Census data.

Similarly, says Austin, African Americans tend to be concentrated in the manufacturing trades, what few there are left in America.

He calls for targeted job creation focused on the hardest hit communities and aggressive job preparedness training for students.

“We have to begin with high school curricula,” Austin said. “Students need better information and guidance about finding good jobs that do not require a college degree and they also need better advice concerning college selection. Our jobs training programs need to be connected to the current and future labor market and ideally connected to real jobs.”

