

# Race and the Work of the Future: Advancing Workforce Equity in the United States

November 2020

**PolicyLink**



**USC Dornsife**  
*Equity Research Institute*

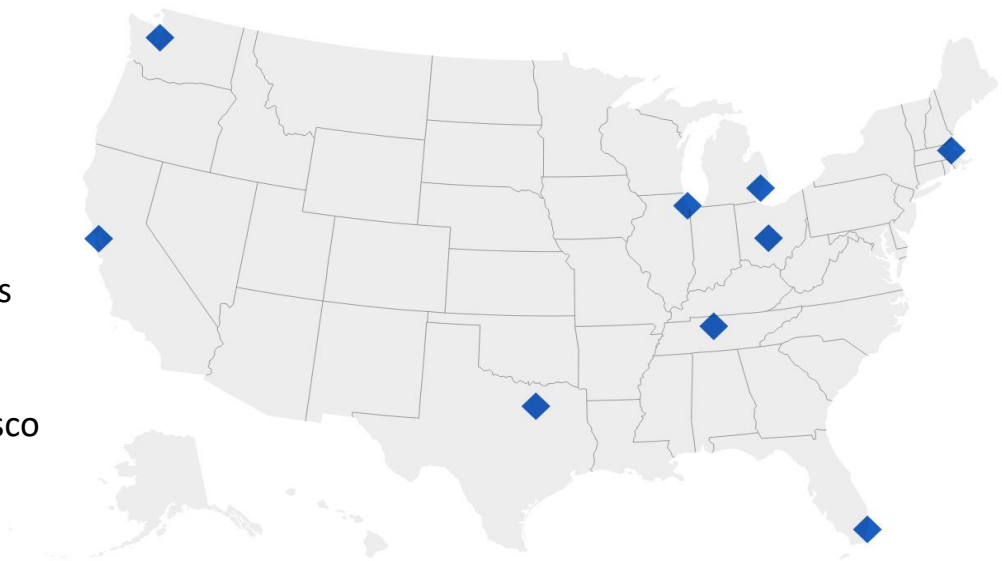


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- Chat is disabled. We encourage you to submit all questions using the Q&A function found at the bottom of your screen.
  - *We will do our best to answer all questions during the Q&A portion of the webinar.*
- This webinar is being recorded. An archive will be posted online and shared with all webinar registrants via email.
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# Speakers

## About the National Equity Atlas

The National Equity Atlas is America's most detailed report card on racial and economic equity, produced through a partnership between PolicyLink and the USC Equity Research Institute. We equip movement leaders and policymakers with actionable data and strategies to advance racial equity and shared prosperity.

# About the National Equity Atlas

- Produce innovative research to inform the field and influence policy debates
- Partner with community organizations to create tailored analyses that advance local campaigns
- Democratize access to equity data



# About Burning Glass Technologies

Burning Glass Technologies is an analytics software company that has cracked the genetic code of an ever-changing labor market.

Powered by the world's largest and most sophisticated database of labor market data and talent, we deliver real-time data and breakthrough planning tools that inform careers, define academic programs, and shape workforces.

Burning Glass data have been built over 15 years with robust taxonomies and the industry's largest in-house data science team.

**3.4 million**

Active unique jobs collected daily

**50,000**

Sources across the web - job boards and corporate sites

**>1 million**

Firms represented, from large corporations to SME's



**80%**

Deduplication ensuring integrity and consistency

**300 million**

Resumes processed per annum

**>1 billion**

Historical job market records

## Dynamic Labor Market Taxonomy

23	Career Areas
1700	Occupations
18,000	Skills
60,000	Skill Variants

# The Workforce Is Growing More Diverse



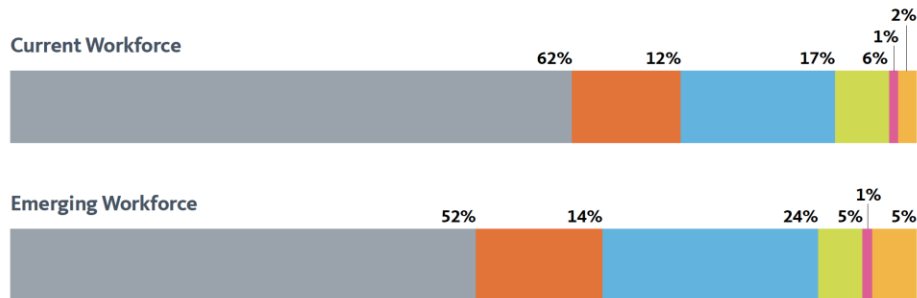


# Latinx, Black, and other/mixed-race individuals will make up an increasing share of the next generation workforce.

People of color make up about 38 percent of the current workforce, but nearly half of youth under the age of 25.

**Current and Emerging Workforce by Race/Ethnicity, United States, 2018**

- White
- Black
- Latinx
- Asian or Pacific Islander
- Native American
- Mixed/other



**Source:** Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe of emerging workforce includes all people under the age of 25 years old while current workforce includes all people between the ages of 25 and 64. Data reflect a 2014–2018 average.

## As the workforce grows more diverse, racial inequities in employment and wages threaten economic prosperity.

Workforce equity and shared prosperity are essential to a strong, resilient economy.. In 2018, the US economy could have been \$2.3 trillion stronger if there had been no racial gaps in income for the working-age population.



**\$2.3 trillion**

**Estimated annual boost to the US economy if racial inequities in income were eliminated.**

# Structural Changes in the Labor Market Underpin Mounting Inequities

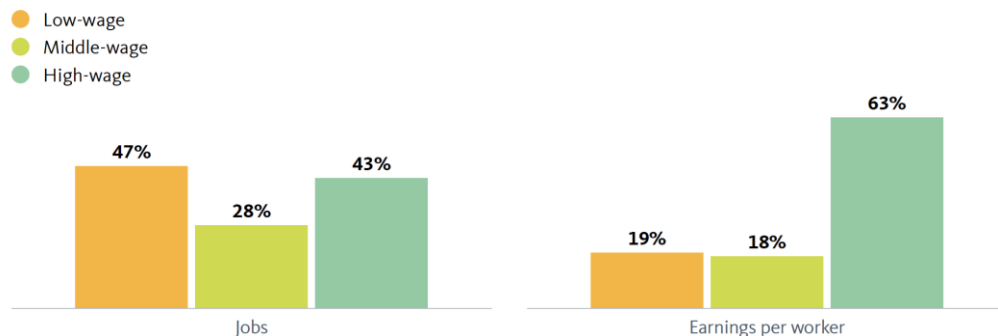


## Growth in middle-class job opportunities has lagged in recent decades, while high-wage earners have captured most earnings growth

Low-wage jobs have grown at 1.5 times the rate of middle-wage jobs since 1990.

Meanwhile, the earnings of high-wage workers have increased at more than triple the rate of other workers.

Growth in Jobs and Earnings by Wage Level, United States, 1990–2018



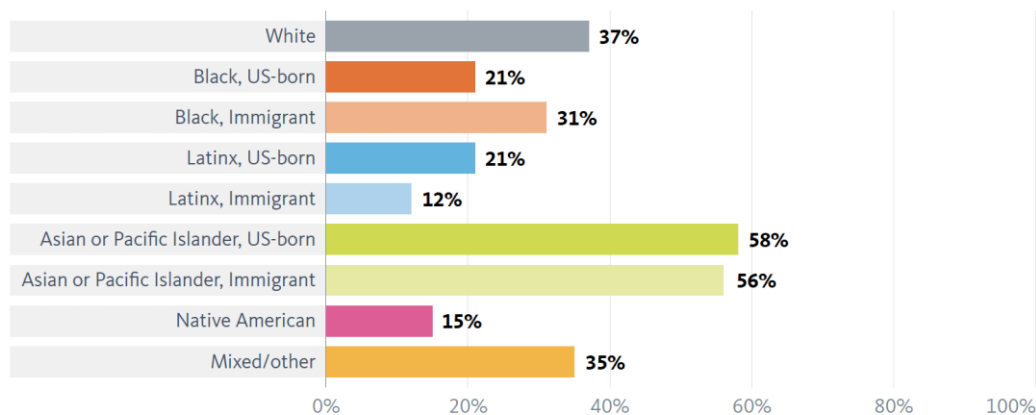
**Source:** National Equity Atlas, PolicyLink/USC Equity Research Institute.<sup>15</sup> **Note:** Universe includes all jobs covered by the federal Unemployment Insurance (UI) program.

## Higher educational correlates with lower rates of joblessness and better job quality, but benefits only a small share of Native American, Latinx, and Black workers.

White adults are slightly more likely than average, and Asian or Pacific Islander adults are nearly twice as likely as the overall population, to have a bachelor's degree.

Just one in eight Latinx immigrants, one in six Native Americans, and one in five Black or US-born Latinx adults have a bachelor's degree.

Share of Adults With at Least a Bachelor's Degree by Race/Ethnicity and Nativity, United States, 2018

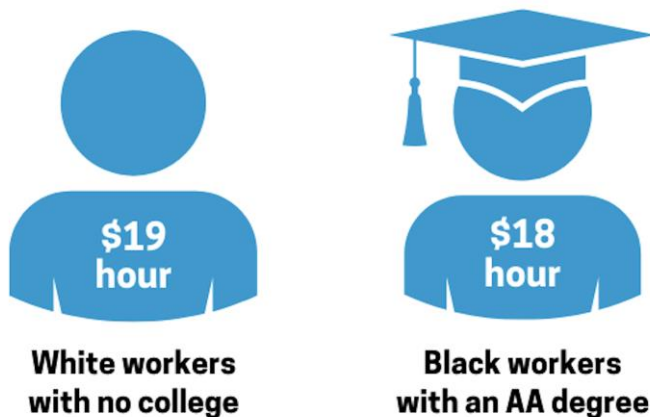


**Source:** Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64. Data reflect a 2014–2018 average.

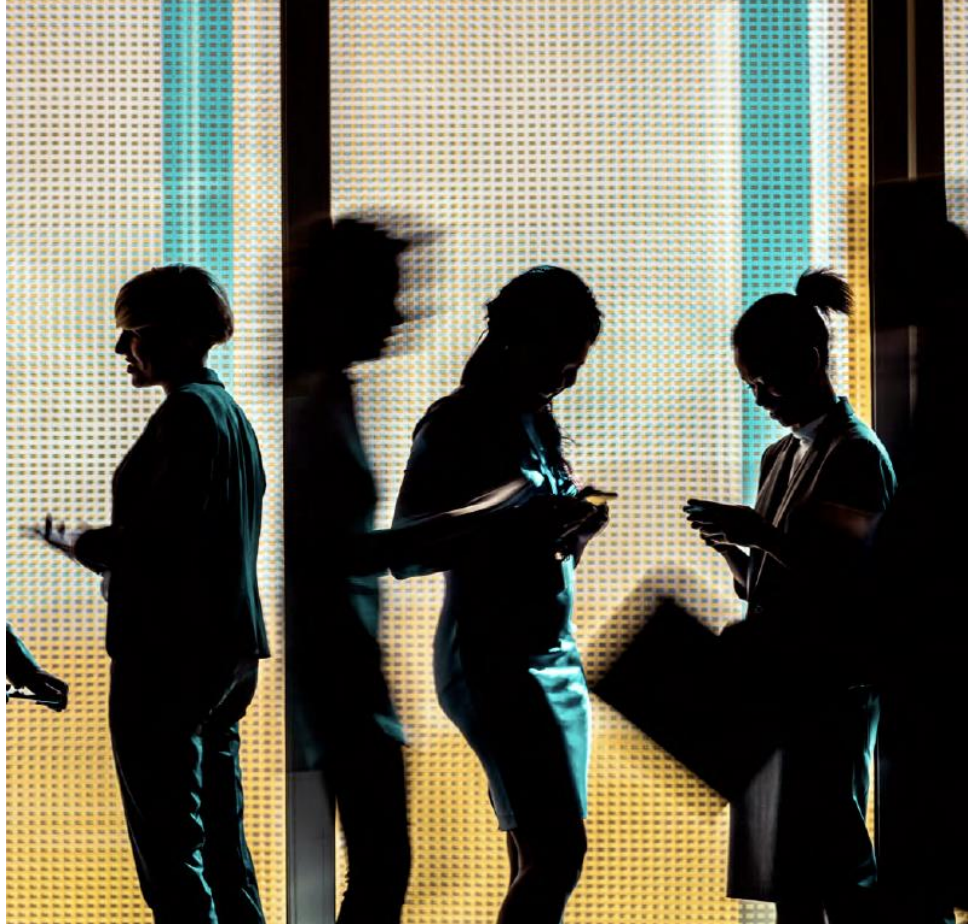
## Higher educational attainment does not explain racial gaps in wages, and Black, Latinx, and Native American workers earn less than their White counterparts at every level.

The median hourly wage premium for earning an AA degree as opposed to a high school diploma is highest for Asian or Pacific Islander individuals at 40 percent (a \$6 increase).

The same educational achievement carries just a 19 percent median wage increase for Native Americans, and a 20 percent premium for Black workers.



# Workers of Color Face a Good-Jobs Gap



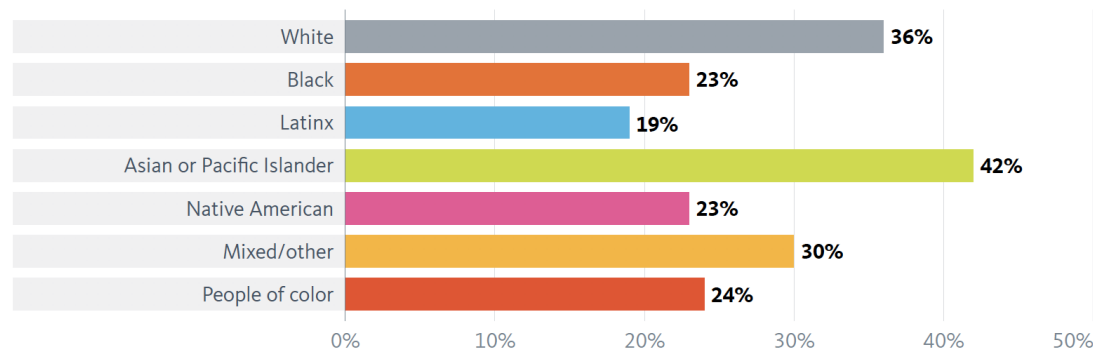


## Overall, White workers are 50 percent more likely than workers of color to hold good jobs.

Using available data, we classify good jobs as those that provide:

- A reasonable expectation of job stability;
- Insulation from automation and technological change; and
- Family-sustaining compensation

Share of Workers in Good Jobs by Race/Ethnicity, United States, 2018



**Source:** Authors' analysis of Bureau of Labor Statistics 2018 occupational projections and worker characteristics table, and demographic characteristics from 2018 5-year American Community Survey.

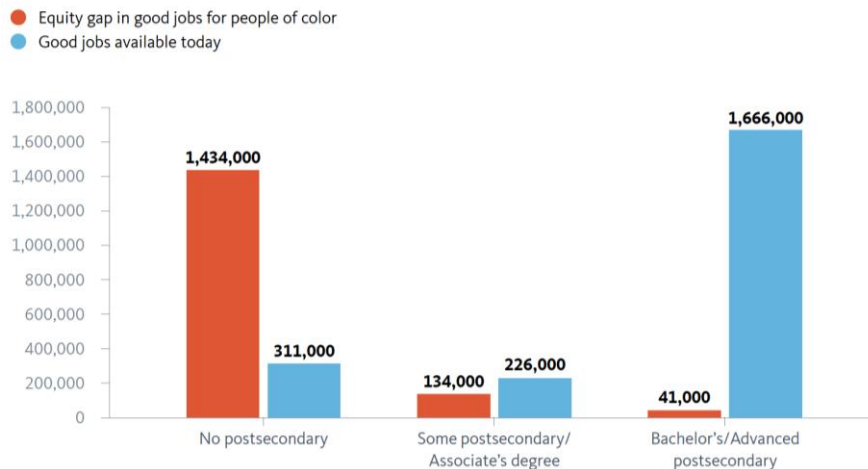


## Currently available jobs could only 22 percent of the racial gap in good jobs that don't require postsecondary education.

Closing racial gaps in who holds good jobs, while controlling for education attainment, would require job upgrades for 1.6 million workers of color – most of them in jobs that do not require postsecondary education.

Overall, for every good job available today there are 50 workers in need of a job upgrade.

**Equity gaps (racial underrepresentation) in good jobs and good jobs available in October 2020, United States**



Source: Authors' analysis of Burning Glass job posting data (September 2020); occupational employment from Bureau of Labor Statistics 2018 occupational projections and worker characteristics table, and demographic characteristics from 2018 5-year American Community Survey microdata from IPUMS USA.

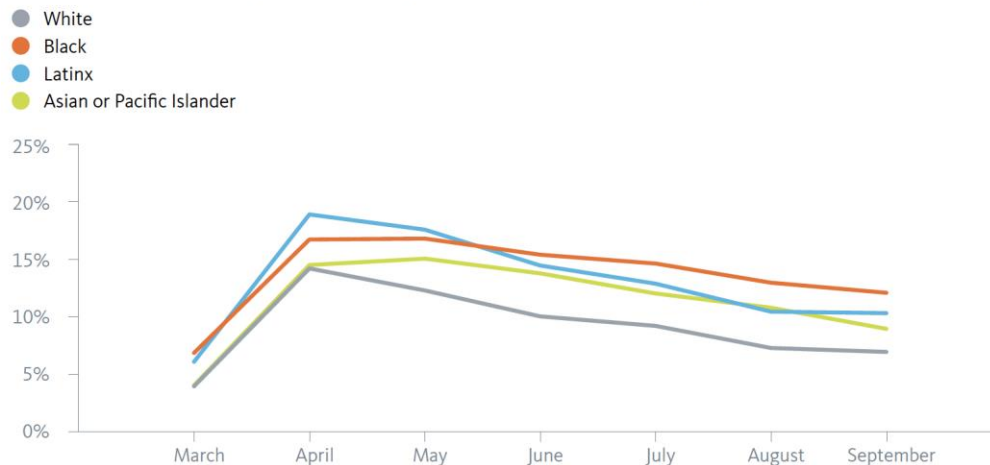
# Covid-19 Is Deepening Racial Economic Exclusion



## Unemployment spiked most dramatically for Latinx workers, but Black workers are experiencing the slowest recovery.

If recovering jobs went proportionately to the workers who held those jobs prior to the crisis, unemployment for Black workers would have decreased by 36 percent since April — significantly more than the 25 percent decrease that has actually occurred.

Unemployment Rates by Race/Ethnicity, United States, March to September, 2020

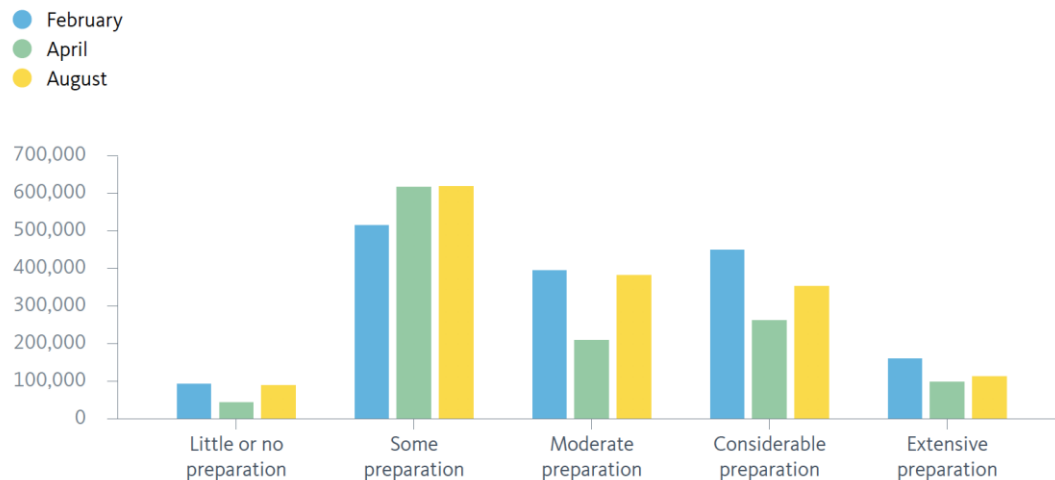


**Source:** Unemployment estimates from the Bureau of Labor Statistics "Employment Situation Summary" Tables A-1 & A-2 (April-September, 2020). Unemployment rates are seasonally adjusted. Race and ethnicity are not mutually exclusive; all groups other than Latinx include those of Hispanic or Latino origin who identify with that particular racial group.

## The early labor market recovery has been concentrated in jobs that require only some preparation and training.

In the early months of the pandemic, postings for jobs requiring only some experience and education have rebounded most quickly, highlighting the importance of low-preparation, low-wage work to the recovery.

**Monthly Job Postings by Degree of Preparation Required, United States, February to August, 2020**



**Source:** Authors' analysis of Burning Glass Technologies data on monthly job postings, using O\*NET occupational classifications.

**Note:** For more information on job zone definitions, see <https://www.onetonline.org/help/online/zones>.

# Automation Threatens Job Quality and Quantity



## Automation and digitalization are projected to eliminate about 85 million jobs in the US over the next five years.

Given the profile of the jobs and workers at the greatest risk of automation, people of color and low-income workers will make up a large share of those displaced, with no clear path for them to connect to the new jobs likely to be created by these technological changes.



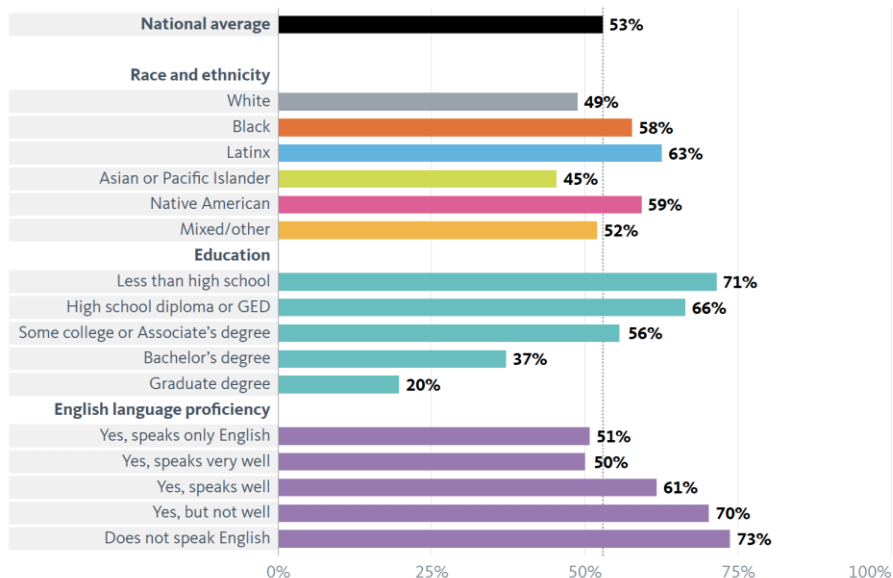
# 50%

Percentage of US workforce potentially displaced by technological changes in the next five years.

# COVID-19 is accelerating automation, and not all workers are equally affected.

People of color, workers without a 4-year college degree, and those with limited English proficiency are at increased risk of automation-drive job disruption that may push them into more precarious, marginalized work or displace them from the labor market altogether.

Automation Vulnerability by Worker Characteristics, United States, 2019



Source: Occupation-level automation scores from "The Future of Employment: How Susceptible Are Jobs to Computerisation" (Frey and Osborne, 2013), and worker characteristics from 2018 5-year American Community Survey (ACS) microdata from IPUMS USA.



# Strategies for an Equitable Recovery & Future of Work





## Workforce equity means racial income gaps have been eliminated, all jobs are good jobs, and everyone who wants to work has access to family-supporting employment.

- Make racial equity a priority—and develop systems to track and measure progress.
- Ensure people of color and low-income residents are prepared to enter and succeed in the labor market.
- Dismantle barriers and develop targeted strategies to connect people of color to quality employment opportunities.
- Invest in innovative training and credentialing models.
- Design programs and partnerships to address inequities in the social determinants of work.
- Engage employers to commit to systems change in employment practices and culture.
- Proactively implement automation resiliency approaches that prioritize vulnerable workers.
- Ensure high standards of job quality for all workers.

# Future Research and Additional Resources



## Read the Full Report

### Race and the Work of the Future: Advancing Workforce Equity in the United States

#### Additional Resources

Race, Risk, and Workforce Equity in the Coronavirus Economy (PolicyLink, ERI, Burning Glass)

Principles for a Common-Sense, Street-Smart Recovery (PolicyLink)

COVID-19: The Pandemic's Impact on Jobs (Burning Glass)

Solidarity Economics—for the Coronavirus Crisis and Beyond (Manuel Pastor and Chris Benner)

Filling the Lifeboats (Burning Glass)

COVID & Race commentary (PolicyLink)

# Thank you!

Visit us at: <https://nationalequityatlas.org>

*Questions?*

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