

An Equity Profile of Rhode Island Summary

PolicyLink



Communities of color are driving Rhode Island's population growth and are essential to the state's economic success now and into the future. Wide racial gaps in income, health, and opportunity – coupled with a shrinking middle class and uneven wage growth – place the state's economic future at risk.

To secure a prosperous future, the state's leaders must take steps to build a more equitable and sustainable economy by growing good jobs; connecting unemployed and low-wage workers to training, jobs and careers; and opening up access to opportunity. These are critical strategies for putting all Rhode Islanders on the path toward reaching their full potential, and bringing shared economic prosperity statewide.

Overview

Across the country, state and regional planning organizations, community organizations and residents, funders, and policymakers are striving to put plans, policies, and programs in place that build healthier, more vibrant, more sustainable, and more equitable regions.

Equity – ensuring full inclusion of the entire region's residents in the economic, social, and political life of the region, regardless of race, ethnicity, age, gender, neighborhood of residence, or other characteristic – is essential for creating successful plans.

This equity profile of Rhode Island was developed by PolicyLink and the Program for Environmental and Regional Equity (PERE) to help the Sustainable Rhode Island Consortium effectively address equity issues throughout its process of planning for a more integrated and economically prosperous state. We also hope this will be a useful tool for advocacy groups, elected officials, planners, and others as they work to achieve economic vitality and sustainability for the state.

This summary document describes the framework of indicators used to create the profile, presents the key findings of the equity analysis, and shares implications derived from the analysis.

The Equity Indicators Framework

To plan for more equitable regions, communities first need to know where their region stands in terms of equity. To assist communities with that process, PolicyLink and PERE developed an equity indicators framework that communities can use to understand and track the state of equity in their regions. This indicators framework relies on a regional equity database maintained by our organizations that incorporates hundreds of data points from public and private data sources such as the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, the

Behavioral Risk Factor Surveillance Survey, and Woods & Poole Economics.

The equity indicators framework examines four sets of indicators:

- 1) **Demographics:** Who lives in the region and how is this changing?
- 2) **Economic vitality:** How is the region doing on measures of economic growth and well-being?
- 3) **Readiness:** How ready are the region's residents for the 21st century economy?
- 4) **Connectedness:** Are the region's residents and neighborhoods connected to one another and to the region's assets and opportunities?

Defining the Rhode Island region

For the purposes of the equity profile and data analysis, the Rhode Island region is synonymous with the state of Rhode Island. All data for Rhode Island presented in the profile use this regional boundary. Minor exceptions due to lack of data availability are noted in the "Data and methods" section of the complete profile.

Equity Profile Highlights

Demographics: Communities of color are driving growth and change in the state

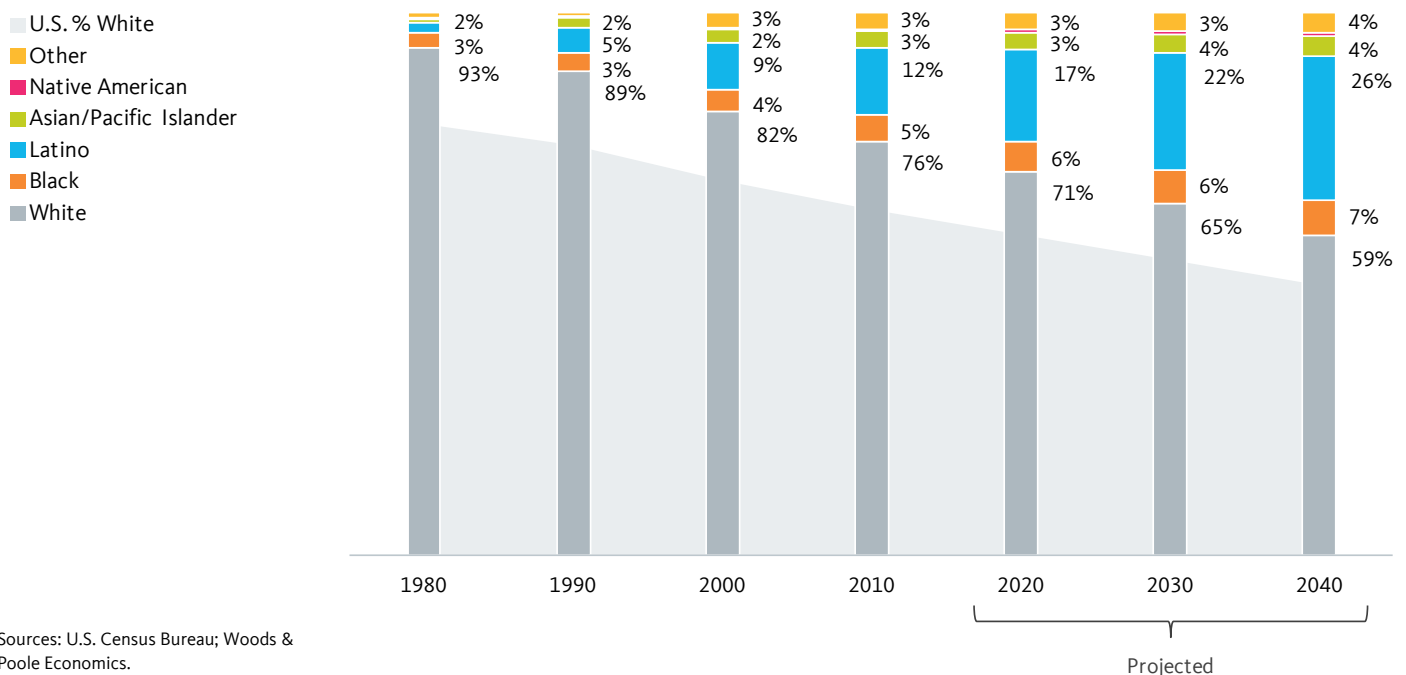
Rhode Island is moderately diverse and is experiencing rapid demographic change. The state's share of people of color increased from 7 to 24 percent between 1980 and 2010. By 2040, 41 percent of Rhode Island's population is projected to be people of color.

All of the state's net population growth since 1990 came from its communities of color. Latinos, Asians, and African Americans are leading the state's growth. The Latino population grew by 44 percent in the past decade, while the Asian population grew 28 percent. For both groups, births to U.S. residents drove population growth more than immigration. The state's African American population grew 23 percent, and its white population shrank 6 percent.

Youth are at the forefront of the state's demographic transformation, and the youth population has changed much more quickly than the senior population. Today 36 percent of Rhode Island's youth are people of color, compared with nine

Rhode Island's share of people of color is projected to increase through 2040

Racial/ethnic composition, 1980–2040



percent of its seniors. This racial generation gap is the 52nd highest among the largest 150 regions.

Economic vitality: Inequality is a threat to the state's future prosperity

Although the state's GDP growth has kept pace with the national average for the past few decades, GDP growth is not translating into jobs. Job growth has been sluggish since the late 1980s, and the state has suffered from high unemployment during and after the Great Recession. Unemployment is highest among the state's fastest-growing groups. Latinos, for example, are more than twice as likely to be jobless as whites.

Income inequality increased steeply in Rhode Island during the 1990s, and has stabilized somewhat over the past decade. Counter to the national trend, wages have increased for workers of all levels over the last thirty years. Unfortunately, wage gains have been highly unequal, with the highest earners seeing the greatest gains and the lowest earners seeing the smallest ones. Rhode Island's middle class is shrinking as the state quickly grows low- and high-wage jobs but loses its middle-

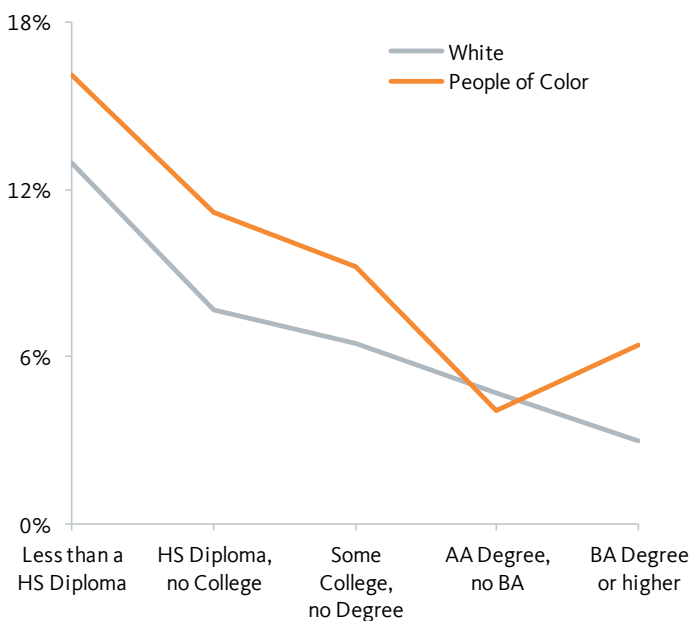
wage ones. The loss of middle-wage jobs is a problem, because these jobs are often accessible to workers without four-year college degrees.

Poverty and working poverty (defined as working full-time for an income below 150 percent of the poverty level) are increasing and are most severe for communities of color. More than one out of every four of the state's African Americans and Latinos live below the poverty level – more than triple the rate for whites. Latinos are much more likely to be among the working poor compared with other groups, with African Americans not far behind.

Racial and gender gaps persist in the labor market. At nearly every education level, people of color have higher unemployment and lower wages than whites. White women and women of color of every level of education earn lower wages than their male counterparts. For example, among college graduates, white men earn \$32 per hour on average while average hourly wages are \$26 for white women, \$25 for men of color, and \$20 for women of color.

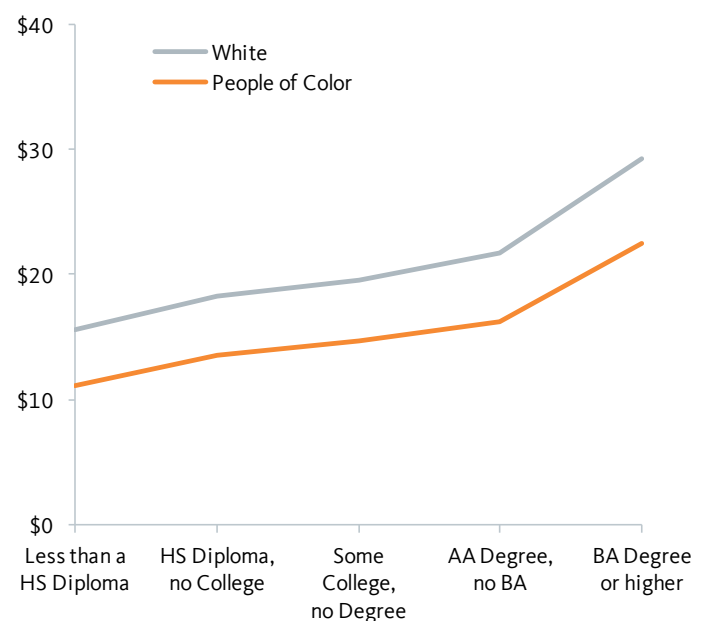
People of color at nearly every education level have higher unemployment and lower wages than whites

Unemployment rate by educational attainment and race/ethnicity, 2006–2010



Source: IPUMS. Universe includes the civilian non-institutional population ages 25 through 64.

Median hourly wage by educational attainment and race/ethnicity, 2006–2010



Source: IPUMS. Universe includes civilian non-institutional full-time wage and salary workers ages 25 through 64.

Readiness: Educational gaps and health challenges persist for communities of color

According to the Georgetown Center for Education and the Workforce, by 2018, 42 percent of Rhode Island's jobs will require an associate's degree or above. Yet, only 30 percent of the state's African Americans, 21 percent of U.S.-born Latinos, and 15 percent of Latino immigrants have at least that level of education.

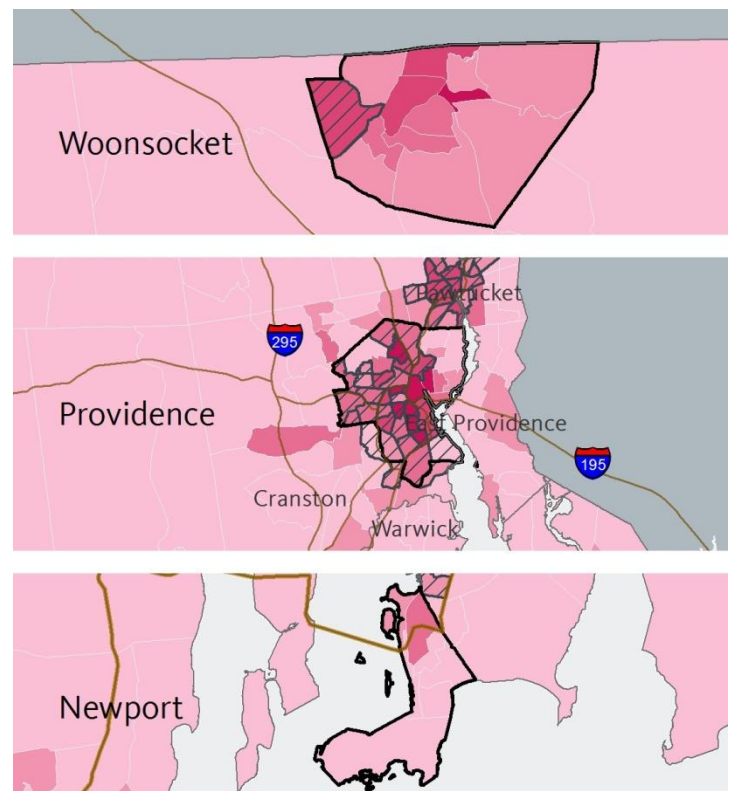
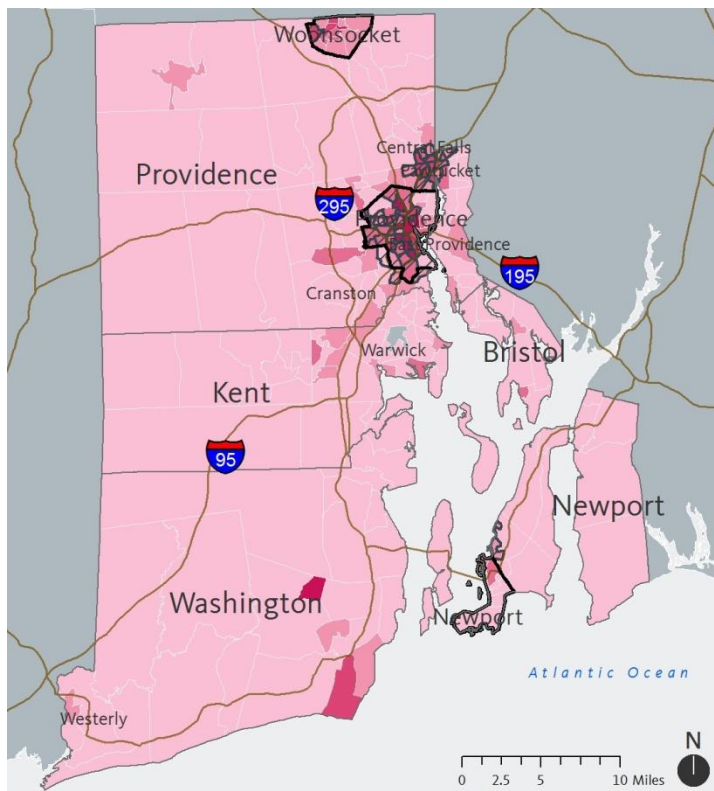
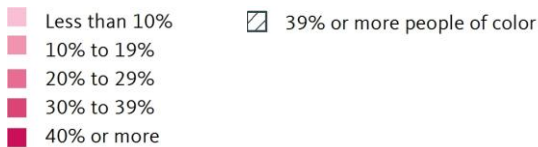
Indicators of how prepared Rhode Island's youth are to enter the workforce and contribute to the state's well-being are mixed. Educational attainment and enrollment for all youth, including youth of color, has increased substantially. Still, Latino immigrants had the smallest improvement since 1990 and continue to have particularly high rates of dropout or non-

enrollment, with one in three lacking and not pursuing a high-school degree. At the same time, the number of "disconnected youth" who are neither in school nor working has increased over the last decade, affecting one of every ten young people.

Some communities of color also face major health challenges, including higher incidences of preventable diseases such as obesity, diabetes, and asthma, which are strongly influenced by social and environmental factors in addition to access to medical care. About 70 percent of African Americans and Native Americans are obese or overweight, for example, compared with 61 percent of whites.

Areas of high poverty (40 percent or higher) are found primarily in the City of Providence

Percent population below the poverty level by census tract and high people-of-color tracts, 2006–2010



Source: U.S. Census Bureau. Areas in white are missing data.

Connectedness: Segregation is decreasing, but many communities of color remain disconnected

On the whole, segregation is decreasing in the state. But when you look specifically at the Latino population, you find that while Latinos are now more likely to live in the same communities as blacks, Asians, and Native Americans, they are less likely to live in communities with whites than they were 20 years ago.

As poverty has increased in the state, the challenge of high-poverty neighborhoods has also increased, and the state's people of color are over four times more likely to live in poor neighborhoods than its white population.

While the region has moderate housing costs overall, communities of color, whether they are renters or homeowners, are more likely to spend too much of their income on housing. Overall, Rhode Island's homeowners have the 25th highest housing burden (spending more than 30 percent of income on housing) among the largest 150 regions. The state's people of color are also more likely to be carless and to live in "food desert" neighborhoods that lack grocery stores.

Implications

As Rhode Island undergoes a rapid demographic transformation, ensuring that all of its residents can participate in and contribute to the state's economy is an economic imperative. To take advantage of its growing, diverse population and build a more equitable and sustainable economy, Rhode Island must take steps to better connect its communities of color to jobs, housing, and quality education from pre-K to college.

Governor Chafee's Executive Order on Diversity, signed in May 2013, is a tremendous step forward. PolicyLink and PERE suggest the following areas of focus as the state continues to build a more equitable economy:

Bridge the racial generation gap.

Bridging the racial generation gap between youth of color and a predominantly white senior population will be critical to the region's economy, because support for strong public schools for all children and workforce training are needed to prepare the region's emerging workforce for the jobs of tomorrow. One way to build these bridges is to plan for multigenerational communities, which "make cities and neighborhoods accessible, safe, and inclusive for children, youth, families, adults, and the

elderly."¹ This will allow the elderly to age in place and at the same time provide safe and healthy environments for families to raise children. By supporting infrastructure investments in community facilities and public spaces, Rhode Island can create built environments that facilitate social interaction between residents of all ages. In addition, promoting active and accessible public engagement in local and regional planning processes will help the state build the diverse leadership it needs to succeed in the future.

Grow good jobs.

Even with slow job growth over the last few decades, Rhode Island has an opportunity to grow better jobs by focusing its economic and workforce development efforts on industry sectors and occupations that show signs of strength and pay living wages. The state should also support strategies that ensure strong and rising wages, especially for low-wage workers.

Connect unemployed and low-wage workers to careers in high-growth industries.

It is vital for Rhode Island to connect its workers who have suffered from job losses and low wage growth with middle-skills jobs that pay good wages and offer career opportunities. Our analysis of strong industries in the state indicates that healthcare and education are sectors in which public and private investment could pay off by expanding middle-wage jobs. Our analysis of occupations suggests that there are particular opportunities to attach lower- and middle-skilled workers to better-quality jobs in these sectors in occupations ranging from secretaries and administrative assistants to nurses, home health aides, and other healthcare support occupations.

Rhode Island must mobilize its economic and workforce development resources to create workforce partnerships between community colleges and employers, ensuring that all workers – including those who face high barriers to employment or who have previously not had success in school – can get the advanced training or education they need to succeed. These partnerships will be essential for building a workforce that is prepared for jobs in the region's strong and growing industries. Additionally, public infrastructure investments present an opportunity to build bridges out of poverty. Construction jobs offer workers without a college degree a viable path to a well-paying career.

Identify educational pathways.

Educational attainment for African Americans and Latinos remains a critical issue, even as progress has been made over the last few decades to close racial gaps. The increasing number of youth not in school or work highlights the importance of increasing high-school and associate degree graduation rates throughout the region.

Create healthier communities.

Investments in healthy communities would reduce health gaps for people of color, create more vibrant places, strengthen economic productivity, and result in overall health care costs savings. By making neighborhoods healthier – with safe streets for all users, access to healthy food, and good community design – the region can create a supportive built environment for reducing these persistent health gaps.

Expand transportation choices and mobility.

It is critical that Rhode Island focus its transportation investments to connect transit-dependent residents to employment centers and housing that is affordable for all incomes. Regional planning must incentivize and prioritize the development and preservation of housing that is affordable for the majority of the region's population and that is co-located with multi-modal transportation investments. To fulfill the state's economic development and growth goals, Rhode Island must coordinate transportation, housing, and economic development investments to address concentrated poverty, segregation, and housing and transportation burdens, all of which have disproportionately negative effects on communities of color.

Conclusion

To secure a prosperous future, Rhode Island needs to implement a growth model that is driven by equity – just and fair inclusion into a society in which everyone can participate and prosper. Addressing high poverty and inequality and creating good jobs for people of all education levels will be critically important. Coordinated investments for, and developed from within, communities of color will be essential to ensure the state's fastest-growing populations are ready to lead the next economy.

Equity Profiles are products of a partnership between PolicyLink and PERE, the Program for Environmental and Regional Equity at the University of Southern California.

The views expressed in this document are those of PolicyLink and PERE, and do not necessarily represent those of A Sustainable Rhode Island Consortium.

¹American Planning Association, "Multigenerational Planning: Using smart growth and universal design to link the needs of children and the aging population." 2011, <http://www.planning.org/research/family/briefingpapers/multigenerational.htm>.