

# Despite overall unemployment under 4 percent, black unemployment exceeds 6 percent in 14 states and D.C.

The highest African American unemployment rate is in the District of Columbia at 12.4 percent, while the highest white unemployment rate is in West Virginia at 5.1 percent

**State Jobs by Race & Ethnicity** • By [Janelle Jones](#) • August 9, 2018

In the second quarter of 2018, African American workers had the highest unemployment rate nationally, at 6.4 percent, followed by Hispanic (4.7 percent), white (3.2 percent), and Asian workers (2.9 percent).<sup>1</sup>

This report provides a state-by-state breakdown of unemployment rates by race and ethnicity, and racial/ethnic unemployment rate gaps for the second quarter of 2018. While there have been state-by-state improvements in prospects for black and Hispanic workers, their unemployment rates remain high relative to those of white workers. Following are some key highlights of the report:

- While the African American unemployment rate is at or below its pre-recession level in 17 states (of the 23 states and the District of Columbia for which these data are available), in 10 states and the District of Columbia, African American unemployment rates exceed white unemployment rates by a ratio of 2-to-1 or higher.
- The District of Columbia has a black–white unemployment rate ratio of 8.2-to-1, while South Carolina and Florida have the highest ratios among states (3.5-to-1 and 2.7-to-1, respectively).
- The highest African American unemployment rate is in the District of Columbia (12.4 percent), followed by Illinois (9.0 percent), New York (8.1 percent), and South Carolina (8.1 percent). The highest Hispanic state unemployment rate is in Connecticut (8.2 percent). Meanwhile, the highest white state unemployment rate is only 5.1 percent, in West Virginia.
- While the Hispanic unemployment rate is at or below its pre-recession level in 12 states (of the 16 states for which these data are available), there is no state in which the Hispanic unemployment rate is equal to or lower than the white rate.
- In four states and the District of Columbia, Hispanic unemployment rates exceed white unemployment rates by a ratio of 2-to-1 or higher (Nebraska, 3.3-to-1; Connecticut, 2.8-to-1; District of Columbia, 2.8-to-1; Idaho, 2.0-to-1; Massachusetts, 2.0-to-1).

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# Background

In June 2018, the national unemployment rate was 4.0 percent, down from 4.1 percent at the end of the first quarter of 2018.<sup>2</sup> State unemployment rates in June ranged from a low of 2.1 percent in Hawaii to 7.1 percent in Alaska.<sup>3</sup> According to a previous EPI analysis of unemployment by state, from March to June 2018, 29 states saw their unemployment rates decline, 10 states saw unemployment rates rise, and 11 states and the District of Columbia saw no change.<sup>4</sup>

## State unemployment rates, by race and ethnicity

EPI analyzes state unemployment rates by race and ethnicity, and racial/ethnic unemployment rate gaps, on a quarterly basis to generate a sample size large enough to create reliable estimates of unemployment rates by race and ethnicity at the state level. We only report estimates for states for which the sample size of these subgroups is large enough to create an accurate estimate. For this reason, the number of states included in our map and data tables varies based on the analysis performed (unemployment rate, change in unemployment rate since the fourth quarter of 2007, and ratio of African American or Hispanic unemployment rate to white unemployment rate).

### Trends among white workers

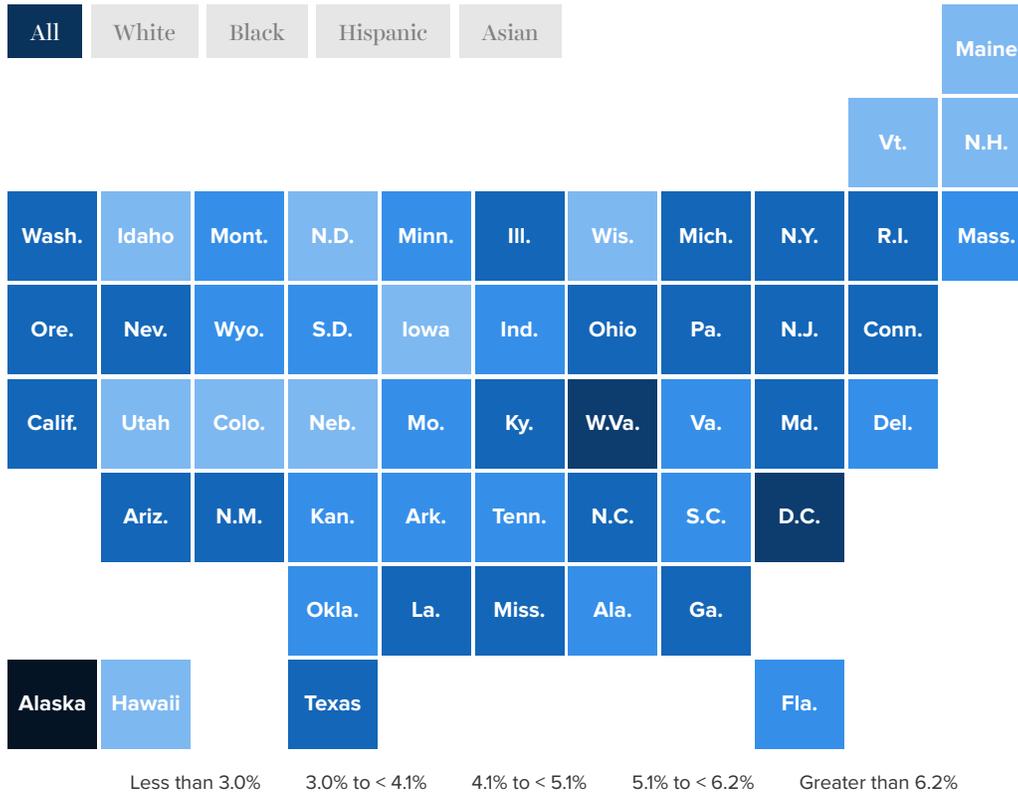
In the second quarter of 2018, the white unemployment rate was lowest in the District of Columbia (1.5 percent) and highest in West Virginia (5.1 percent), as shown in the interactive map, which present state unemployment rates by race and ethnicity. Among states, Hawaii had the lowest unemployment rate for white workers (1.7 percent).

**Table 1** displays changes in state unemployment rates by race and ethnicity from the fourth quarter of 2007—the last quarter before the Great Recession—to the second quarter of 2018. The white unemployment rate remained most elevated above its pre-recession level in Louisiana, at 1.1 percentage points higher than in the fourth quarter of 2007. The white unemployment rate is at or below its pre-recession level in 40 states and the District of Columbia. The largest declines in white unemployment since the end of 2007 have occurred in Hawaii (down 2.3 percentage points), Maine (down 2.2 percentage points), Michigan (down 1.9 percentage points), Wisconsin (down 1.9 percentage points), Rhode Island (down 1.7 percentage points), and Massachusetts (down 1.6 percentage points). The white unemployment rate is above but within 0.5 percentage points of its pre-recession level in seven states.

### Trends among African American workers

African American unemployment rate estimates are available for 23 states and the District

## State unemployment rates, by race/ethnicity and overall, 2018Q2



**Note:** The map reports unemployment rates only for state subgroups with sample sizes large enough to create accurate estimates.

**Source:** EPI analysis of Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) data and Current Population Survey (CPS) data

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of Columbia. For the second consecutive quarter, among states, the unemployment rate for African Americans was lowest in Indiana (3.7 percent) and highest in Illinois (9.0 percent); in the District of Columbia, it was 12.4 percent. The District of Columbia also had the highest black unemployment rate during the previous seven quarters.

In the second quarter of 2018, of the 23 states with African American unemployment rate estimates, all had black unemployment rates below 10 percent; in 12 of these states, the rate was at or below the second quarter national average for African American workers (6.4 percent).

As shown in **Table 2**, which displays the black–white and Hispanic–white unemployment rate ratios in the second quarter of 2018, Indiana had the smallest black–white rate gaps of the 23 states and the District of Columbia. Black unemployment in Indiana was only 1.2 times the white unemployment rate. Meanwhile, as in the previous seven quarters, the largest gap was in the District of Columbia, where the black unemployment rate was 8.2 times the white rate. The next highest unemployment ratios were in South Carolina

Table 1

### Change in state unemployment rates by race and ethnicity from 2007Q4 to 2018Q2 (percentage points)

State	White	Black	Hispanic	Asian
<b>United States</b>	<b>-0.8</b>	<b>-2.2</b>	<b>-1.2</b>	<b>-0.6</b>
<i>Alabama</i>	-0.6	0.2	NA	NA
<i>Alaska</i>	0.1	NA	NA	NA
<i>Arizona</i>	0.4	NA	-0.5	NA
<i>Arkansas</i>	-1.4	-2.9	NA	NA
<i>California</i>	-1.5	-3.1	-1.9	-1.8
<i>Colorado</i>	-0.9	NA	-2.3	NA
<i>Connecticut</i>	-0.5	NA	-0.1	NA
<i>Delaware</i>	0.3	0.1	NA	NA
<i>District of Columbia</i>	-0.2	2.6	NA	NA
<i>Florida</i>	-1.2	1.2	-2.0	NA
<i>Georgia</i>	-0.5	-1.0	-2.4	NA
<i>Hawaii</i>	-2.3	NA	NA	-0.9
<i>Idaho</i>	-0.5	NA	NA	NA
<i>Illinois</i>	-1.0	-3.3	-1.1	0.4
<i>Indiana</i>	-1.2	-7.7	NA	NA
<i>Iowa</i>	-1.3	NA	NA	NA
<i>Kansas</i>	-0.9	NA	NA	NA
<i>Kentucky</i>	-1.3	NA	NA	NA
<i>Louisiana</i>	1.1	-2.0	NA	NA
<i>Maine</i>	-2.2	NA	NA	NA
<i>Maryland</i>	-0.2	0.8	NA	NA
<i>Massachusetts</i>	-1.6	NA	NA	NA
<i>Michigan</i>	-1.9	-8.8	NA	NA
<i>Minnesota</i>	-1.4	NA	NA	NA
<i>Mississippi</i>	-0.2	-3.8	NA	NA
<i>Missouri</i>	-1.3	-6.2	NA	NA
<i>Montana</i>	-0.1	NA	NA	NA
<i>Nebraska</i>	-0.7	NA	NA	NA
<i>Nevada</i>	-0.4	NA	-0.9	NA
<i>New Hampshire</i>	-0.8	NA	NA	NA

Table 1  
(cont.)

State	White	Black	Hispanic	Asian
<b>United States</b>	<b>-0.8</b>	<b>-2.2</b>	<b>-1.2</b>	<b>-0.6</b>
<i>New Jersey</i>	-0.1	-1.0	0.2	0.4
<i>New Mexico</i>	0.9	NA	0.4	NA
<i>New York</i>	0.2	0.1	-2.0	-0.6
<i>North Carolina</i>	-0.2	-2.9	-1.8	NA
<i>North Dakota</i>	0.0	NA	NA	NA
<i>Ohio</i>	-0.6	-7.9	NA	NA
<i>Oklahoma</i>	-0.3	NA	NA	NA
<i>Oregon</i>	-1.4	NA	NA	NA
<i>Pennsylvania</i>	0.0	-1.4	NA	NA
<i>Rhode Island</i>	-1.7	NA	NA	NA
<i>South Carolina</i>	-1.4	-3.0	NA	NA
<i>South Dakota</i>	0.5	NA	NA	NA
<i>Tennessee</i>	-1.3	-4.6	NA	NA
<i>Texas</i>	-0.4	-1.5	0.1	-0.4
<i>Utah</i>	0.3	NA	-0.8	NA
<i>Vermont</i>	-1.5	NA	NA	NA
<i>Virginia</i>	-0.4	-0.5	-0.3	NA
<i>Washington</i>	-0.6	NA	1.0	0.0
<i>West Virginia</i>	0.4	NA	NA	NA
<i>Wisconsin</i>	-1.9	NA	NA	NA
<i>Wyoming</i>	0.6	NA	NA	NA

**Note:** The table reports data only for state subgroups with sample sizes large enough to create accurate estimates.

**Source:** EPI analysis of Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) data and Current Population Survey (CPS) data

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(3.5-to-1), Florida (2.7-to-1), Georgia (2.6-to-1), and Illinois (2.6-to-1).

The black unemployment rate in the second quarter of 2018 was at or below its pre-recession level in 17 states: Arkansas, California, Georgia, Illinois, Indiana, Louisiana, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, and Virginia. (Data on the change in black unemployment over this period are available for 22 states and the District of Columbia).

Table 2

## Black–white and Hispanic–white state unemployment rate ratios, 2018Q2

State	Black–white ratio	Hispanic–white ratio
<b>United States</b>	<b>2.0</b>	<b>1.5</b>
<i>Alabama</i>	2.1	NA
<i>Alaska</i>	NA	NA
<i>Arizona</i>	NA	1.4
<i>Arkansas</i>	1.9	1.1
<i>California</i>	2.2	1.6
<i>Colorado</i>	NA	1.1
<i>Connecticut</i>	NA	2.8
<i>Delaware</i>	1.6	NA
<i>District of Columbia</i>	8.2	2.8
<i>Florida</i>	2.7	1.3
<i>Georgia</i>	2.6	1.7
<i>Hawaii</i>	NA	NA
<i>Idaho</i>	NA	2.0
<i>Illinois</i>	2.6	1.4
<i>Indiana</i>	1.2	NA
<i>Iowa</i>	NA	NA
<i>Kansas</i>	NA	1.6
<i>Kentucky</i>	NA	NA
<i>Louisiana</i>	1.9	NA
<i>Maine</i>	NA	NA
<i>Maryland</i>	2.5	NA
<i>Massachusetts</i>	1.4	2.0
<i>Michigan</i>	1.6	NA
<i>Minnesota</i>	NA	NA
<i>Mississippi</i>	1.9	NA
<i>Missouri</i>	1.8	NA
<i>Montana</i>	NA	NA
<i>Nebraska</i>	NA	3.3
<i>Nevada</i>	NA	1.5
<i>New Hampshire</i>	NA	NA

Table 2  
(cont.)

State	Black–white ratio	Hispanic–white ratio
<b>United States</b>	<b>2.0</b>	<b>1.5</b>
<i>New Jersey</i>	2.0	1.4
<i>New Mexico</i>	NA	1.2
<i>New York</i>	2.1	1.3
<i>North Carolina</i>	1.4	1.2
<i>North Dakota</i>	NA	NA
<i>Ohio</i>	1.5	NA
<i>Oklahoma</i>	NA	1.7
<i>Oregon</i>	NA	1.3
<i>Pennsylvania</i>	1.4	1.4
<i>Rhode Island</i>	NA	NA
<i>South Carolina</i>	3.5	NA
<i>South Dakota</i>	NA	NA
<i>Tennessee</i>	1.5	NA
<i>Texas</i>	2.1	1.5
<i>Utah</i>	NA	1.1
<i>Vermont</i>	NA	NA
<i>Virginia</i>	1.8	1.3
<i>Washington</i>	NA	1.6
<i>West Virginia</i>	NA	NA
<i>Wisconsin</i>	NA	NA
<i>Wyoming</i>	NA	NA

**Note:** The table reports data only for state subgroups with sample sizes large enough to create accurate estimates.

**Source:** EPI analysis of Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) data and Current Population Survey (CPS) data

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## Trends among Hispanic workers

Hispanic unemployment rate estimates are available for 24 states and the District of Columbia, and data on the change in Hispanic unemployment rates since the fourth quarter of 2007 are available for 16 states. In the second quarter of 2018, among states, the Hispanic unemployment rate was highest in Connecticut (8.2 percent), Washington (6.8 percent), and Nebraska (6.3 percent). The rate was lowest in Colorado (2.9 percent) and Utah (3.1 percent).

The Hispanic unemployment rate is at or below its pre-recession level in 12 states: Arizona,

California, Colorado, Connecticut, Florida, Georgia, Illinois, Nevada, New York, North Carolina, Utah, and Virginia. The Hispanic unemployment rate was most elevated above its pre-recession level in Washington (1.0 percentage points).

In no state was the Hispanic unemployment rate lower than the white unemployment rate. The ratio of Hispanic unemployment to white unemployment was highest in Nebraska (3.3-to-1), Connecticut (2.8-to-1), and the District of Columbia (2.8-to-1).

## Trends among Asian workers

Asian unemployment rate estimates are available for 12 states, and data on the change in Asian unemployment rates since the fourth quarter of 2007 are available for seven states. The Asian unemployment rate was lowest in Georgia (1.5 percent). For the second consecutive quarter, the highest Asian unemployment rate was in Massachusetts (4.8 percent). The Asian unemployment rate was at or below its pre-recession level in California, Hawaii, New York, Texas, and Washington. In two states the Asian unemployment rate was above its pre-recession level: Illinois and New Jersey (0.4 percentage points higher in both).

## Methodology

The unemployment rate estimates in this report are based on the Local Area Unemployment Statistics (LAUS) and the Current Population Survey (CPS) from the Bureau of Labor Statistics. The overall state unemployment rate is taken directly from the LAUS. CPS six-month ratios are applied to LAUS data to calculate the rates by race and ethnicity. For each state subgroup, we calculate the unemployment rate using the past six months of CPS data. We then find the ratio of this subgroup rate to the state unemployment rate using the same period of CPS data. This gives us an estimate of how the subgroup compares with the state overall.

While this methodology allows us to calculate unemployment-rate estimates at the state level by race and ethnicity by quarter, it is less precise at the national level than simply using the CPS. Thus, the national-level estimates may differ from direct CPS estimates.

In many states, the sample sizes of particular subgroups are not large enough to create accurate estimates of their unemployment rates. We report data only for groups that had, on average, a sample size of at least 700 in the labor force for each six-month period.

## Endnotes

1. EPI analysis of Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS) data and Current Population Survey (CPS) data.
2. "Labor Force Statistics from the Current Population Survey: Unemployment Rate," Series Id. LNS14000000 [online data table], U.S. Bureau of Labor Statistics, July 27, 2018.

3. “State Employment and Unemployment—June 2018,” U.S. Bureau of Labor Statistics, July 20, 2018.
4. “The March toward Full Employment Continues in a Majority of States” (press release), Economic Policy Institute, July 20, 2018.