30% of Hispanic Households in Worcester Earn Less Than $15,000

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In Worcester, where the Hispanic population accounts for more than 20% of the city, over 30% of the Hispanic and Latino families in the city live below the poverty line and only 6.2% of families earn over $100,000.

On top of that, nearly 25% of the 23,000 Hispanic and Latino households in the entirety of Worcester County are living below the poverty line.

In the Bay State, Hispanics are on the wrong end of the wealth gap spectrum. More than ten percent of the population in Massachusetts is Hispanic, and they have the most difficult time of any collective race trying to earn a living.

“This gap is mostly due to the nature of high skilled jobs that are required for jobs in the various sectors and the fact that Latinos lag behind academically,” said Worcester School Committee member and Assistant Director of the Latino Education Institute at Worcester State University. “While we are entering colleges we are not completing degrees. Many factors affect the reason why we don’t complete ranging from having to use financial aid for remedial courses to having to work two jobs and attend college.”

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Over ¼ of the nearly 200,000 Hispanic and Latino families in the entire Commonwealth live below the poverty line, while only 12.5% of Hispanic and Latino households earn more than $100K.

According to data from the 2013 U.S. Census, only 10 percent of the Hispanic and Latino households in the county earn more than $100,000.

“The way this society defines Hispanic is overly simplistic and it encompasses so many different groups of people that among themselves are fragmented because their backgrounds and realities before they came here have nothing in common,” said Deborah Gonzalez, Director of Community Bridges at Quinsigamond Community College. “Therefore, they have no cultural capital to go from and thrive from like with other ethnic or cultural groups that come here and help each other out. The person from Uruguay comes from a completely different background than a Puerto Rican who is burdened by unemployment in the island or a Cuban who fled the Castro regime. We all come from really different realities that separate us as a community.”

How Does MA Stack Up in the U.S.?

According to a recent study by Wallethub, Hispanics have the lowest median household income of any race in the state. To make matter worst, Hispanics also have the highest gap in front of them for homeownership, education attainment and poverty rate.

In order to draw attention to the areas where the biggest gaps exist, Wallethub compared incomes, unemployment rate, poverty rate and education attainment gap of people with at least a high school diploma between Whites (63% of the U.S. population) and Hispanics, Blacks and Asians.

There’s more than a 50% difference between Hispanics and Whites in Massachusetts in median household income, homeownership, and poverty rate. There’s a 272% percent difference Whites and Hispanics in educational attainment.

“Hispanics are already in a disadvantaged position in MA,” said Gonzalez. “That cycle is difficult to break given the
resources poor Hispanic families have in education. Mothers and fathers working around the clock to make ends meet can't help their children with homework at home specially if they don't speak the language in which their children are taught. They can't be involved in their children's schools either.

Overall, according to WalletHub’s findings, Massachusetts ranks as the state with the 8th highest financial gap between race/ethnicity. See map below.

New England States Nearly Polar Opposites

Of the six New England states, Massachusetts, Connecticut and Rhode Island have the three largest wealth gaps among Hispanics in the United States.

Hispanics are at the tail end of the wealth gap in the three states to the north (Vermont, New Hampshire, Maine). However, Vermont and New Hampshire have two of the four lowest wealth gaps among Hispanics. The race that has the most difficulty in Maine are Blacks.

“The racial income gap has been pretty persistent over the past decades,” said Brandeis University Scientist and Senior Lecturer, Tatjana Meschede, in the report. “The racial wealth gap, on the other hand, has been growing during and after the recession. There are a number of reasons, including targeted sub-prime mortgage loans to communities of color, resulting in high rates of foreclosure and wealth loss.”
Related Slideshow: The Household Income Gaps of Worcester County Cities and Towns

The below slides list the most financially unequal cities and towns in Worcester County, in order of least to most unequal. For each community, the percent of residents with household incomes at the very bottom and the very top of the income scale are listed. In addition, the median household income, which is the amount made by those in the middle, and the percent of those at the median are also provided for each community. The degree of inequality is measured by comparing the combined percent of those at the top and bottom with the percent of those in the middle. If the total percent of those at the top and bottom exceeds that for the middle, the community is has greater financial inequality than the one where most income earners are in the middle. Higher scores indicate greater financial inequality. Lower scores indicate less.

#60

Phillipston

Percent of households earning under $14,999: 1.6
Percent of households earning over $100,000: 25.2
Median household income: $71,989
% in Median bracket: 24.7

Inequality Score: 2.1

Score Key: The lower the score, the more equal household income is in the city or town.
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