

2022 Metro Latino GDP Report

Miami - Fort Lauderdale - West Palm Beach



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California
Lutheran
University

UCLA Health

Center for the Study of
Latino Health and Culture

Dr. David Hayes-Bautista, PhD

Dr. Hayes-Bautista is a Distinguished Professor of Medicine and the Director of the Center for the Study of Latino Health and Culture at the David Geffen School of Medicine at UCLA. He has spent over 40 years working to improve public understanding of Latinos and their health, history, culture, and contributions to California and the nation.



Dr. Matthew Fienup, PhD

Dr. Fienup is the Executive Director of the Center for Economic Research & Forecasting (CERF) at California Lutheran University. CERF is a nationally recognized forecasting center and a member of the Wall Street Journal Economic Forecasting Survey. His other specialties include applied econometric analysis, the economics of land use and environmental markets.



Latino Gross Domestic Product (GDP)

Why GDP?

- Broad Measure of Economic Activity
- Nearly-universal *summary statistic* for the performance of an economy

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As a summary statistic for the performance of Latinos in the U.S., the Latino GDP is impressive

- Total economic output of U.S. Latinos is very large - \$2.6 Trillion in 2018
- U.S. Latino GDP is growing rapidly – 74% faster than Non-Latino GDP (2010-18)
- Single biggest driver of Latino GDP growth is rising consumption
2010-2018: Latino real consumption grew 135% faster than Non-Latino

Estimating the Latino GDP - Methodology

We conduct a detailed, bottom-up construction of Latino economic activity leveraging publicly available data from major U.S. agencies

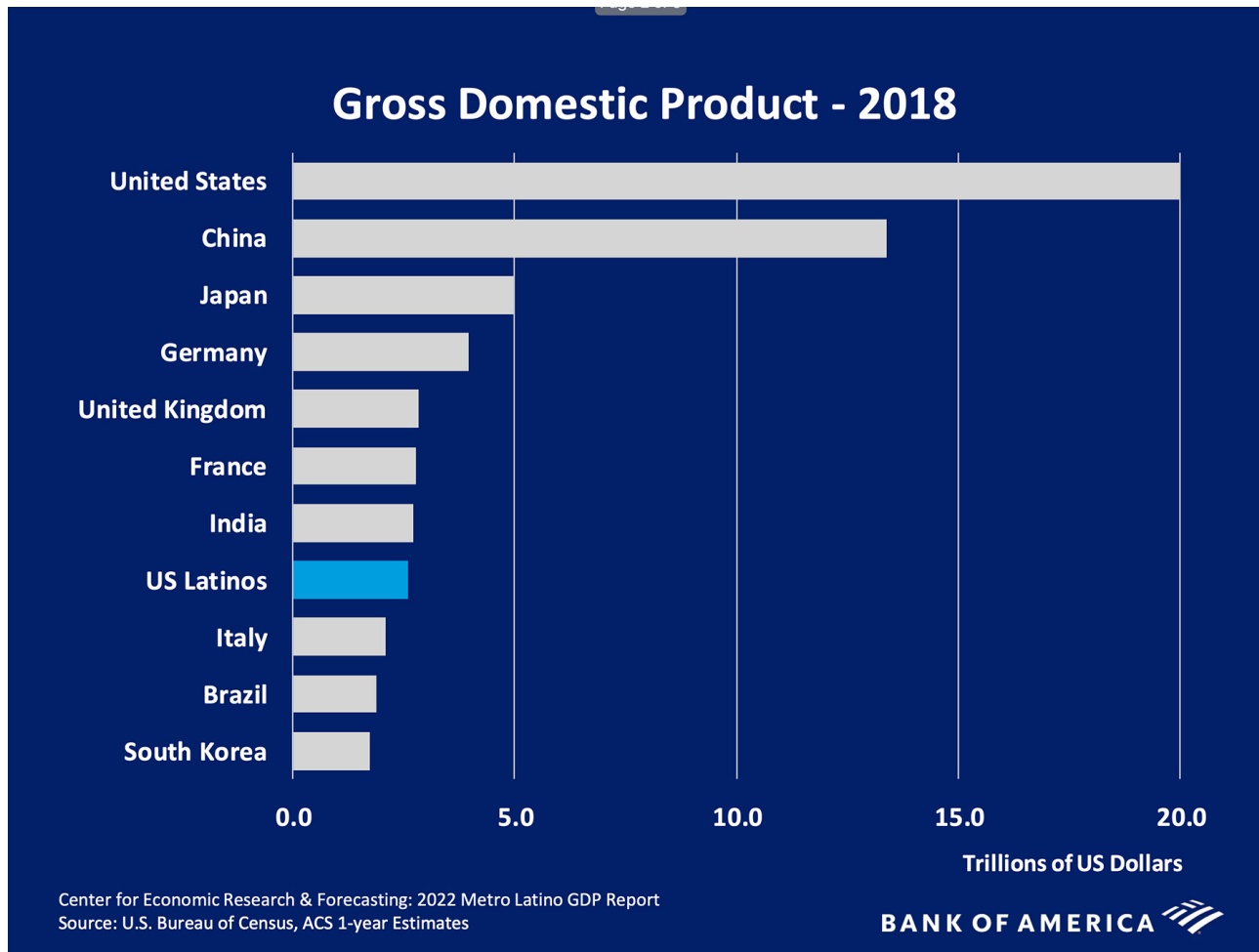
Bureau of Economic Analysis (BEA) provides detailed input-output (I-O) tables

- Broad and deep measure of economic activity across 71 industrial sectors
- The most recent year for which this core building block is available is 2018

We combine the BEA I-O tables with data from the Census Bureau (BOC) & Bureau of Labor Statistics (BLS) to produce Latino I-O tables, which yield Latino-specific calculations of the major GDP components

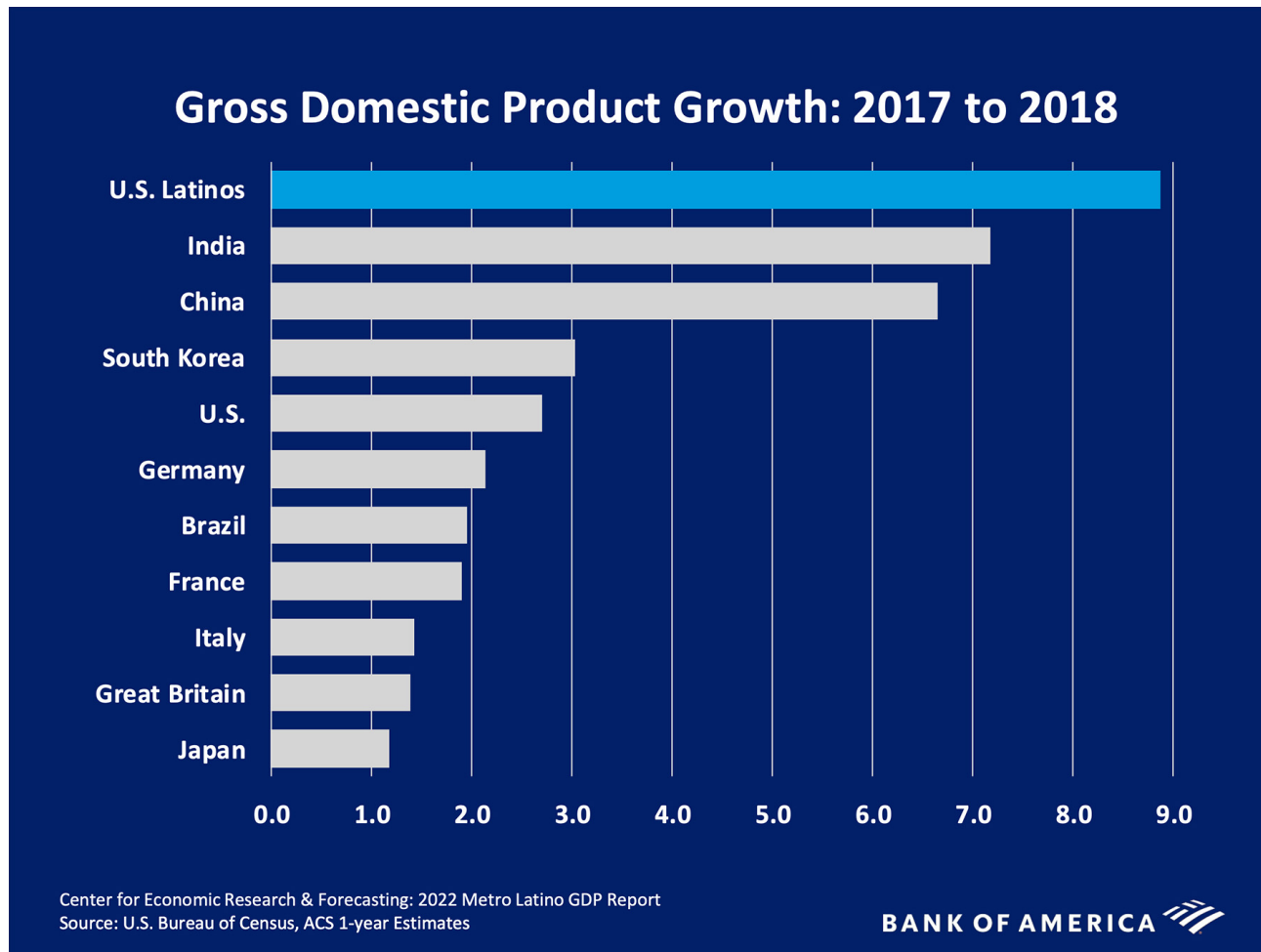
- BOC and BLS provide breakouts of differences in income, spending, home ownership, educational attainment, labor market patterns and demographics

U.S. Latino Gross Domestic Product (GDP)



If it were an independent country, Latino GDP would be 8th largest in the world

U.S. Latino Gross Domestic Product (GDP)



Among the ten largest GDPs, Latino GDP is *single* fastest growing

U.S. Latino Gross Domestic Product (GDP)

The single largest driver of rapid Latino GDP growth is personal Consumption growth

- From 2010-2018, Latino real consumption grew 135% faster than Non-Latino
- This dramatic increase is driven by large gains in personal income, which naturally flow from Latinos' rapid gains in educational attainment and strong labor force participation.

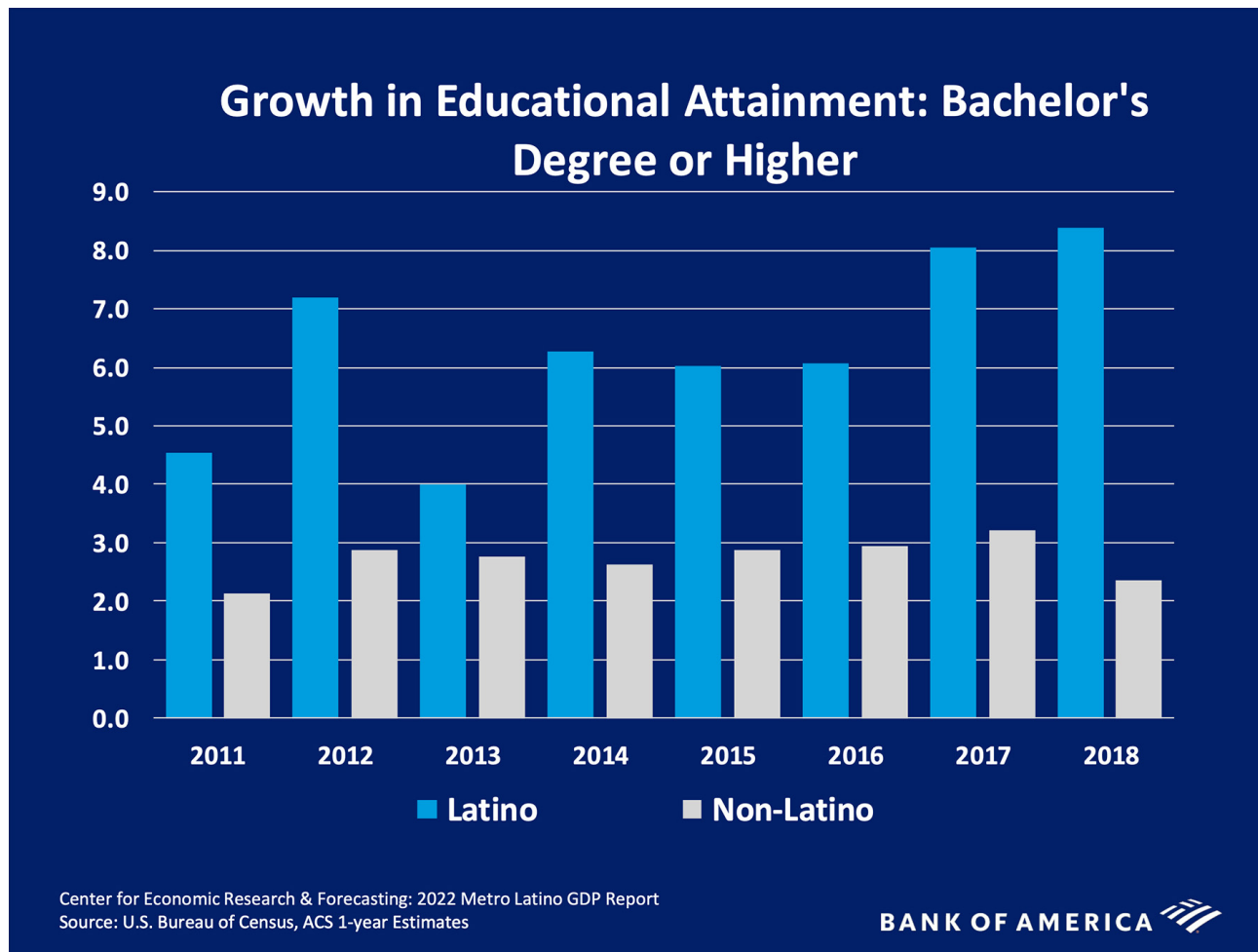
U.S. Latino Gross Domestic Product (GDP)

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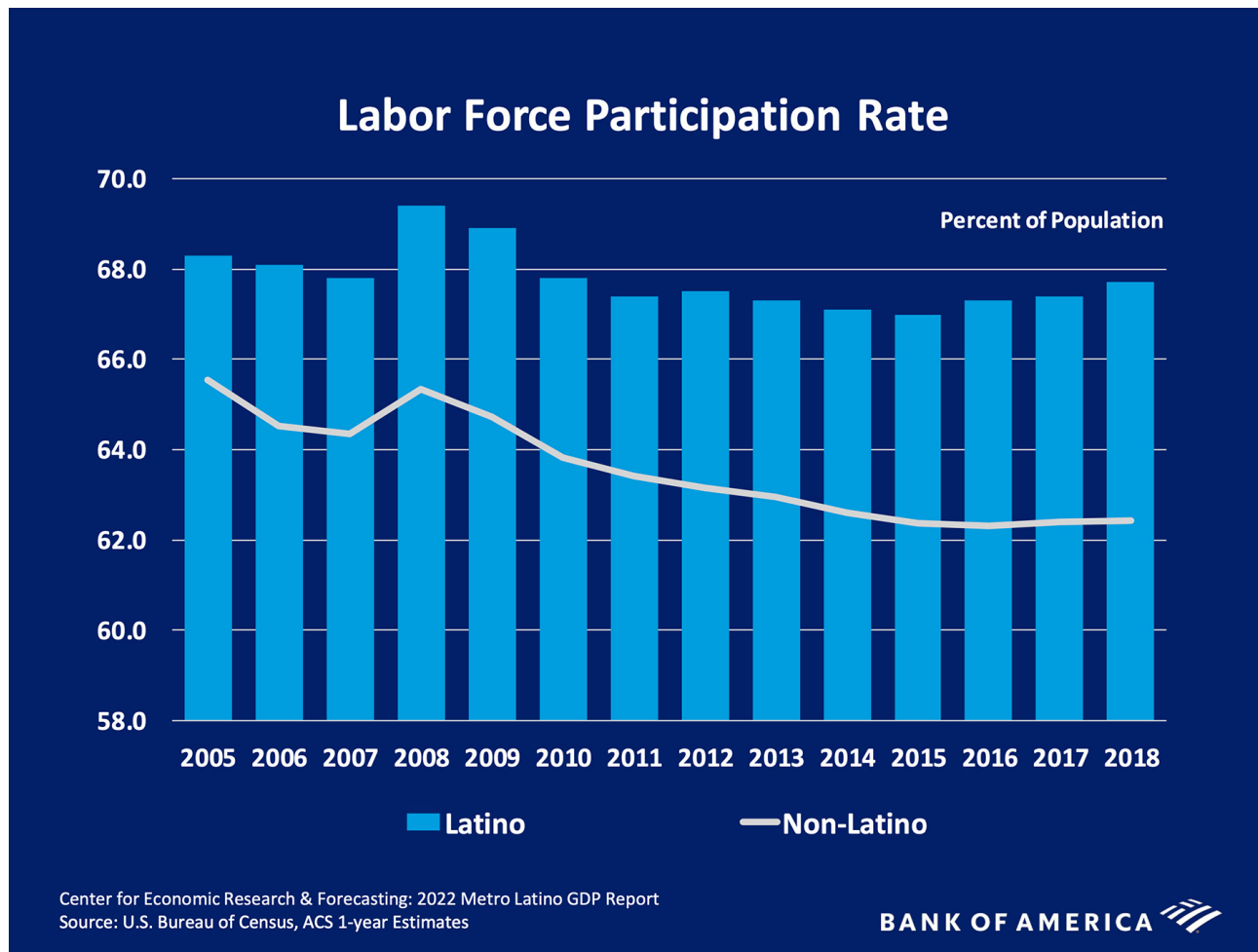
Growth of the Latino GDP is the result of rapid human capital accumulation

Drivers of the Latino GDP



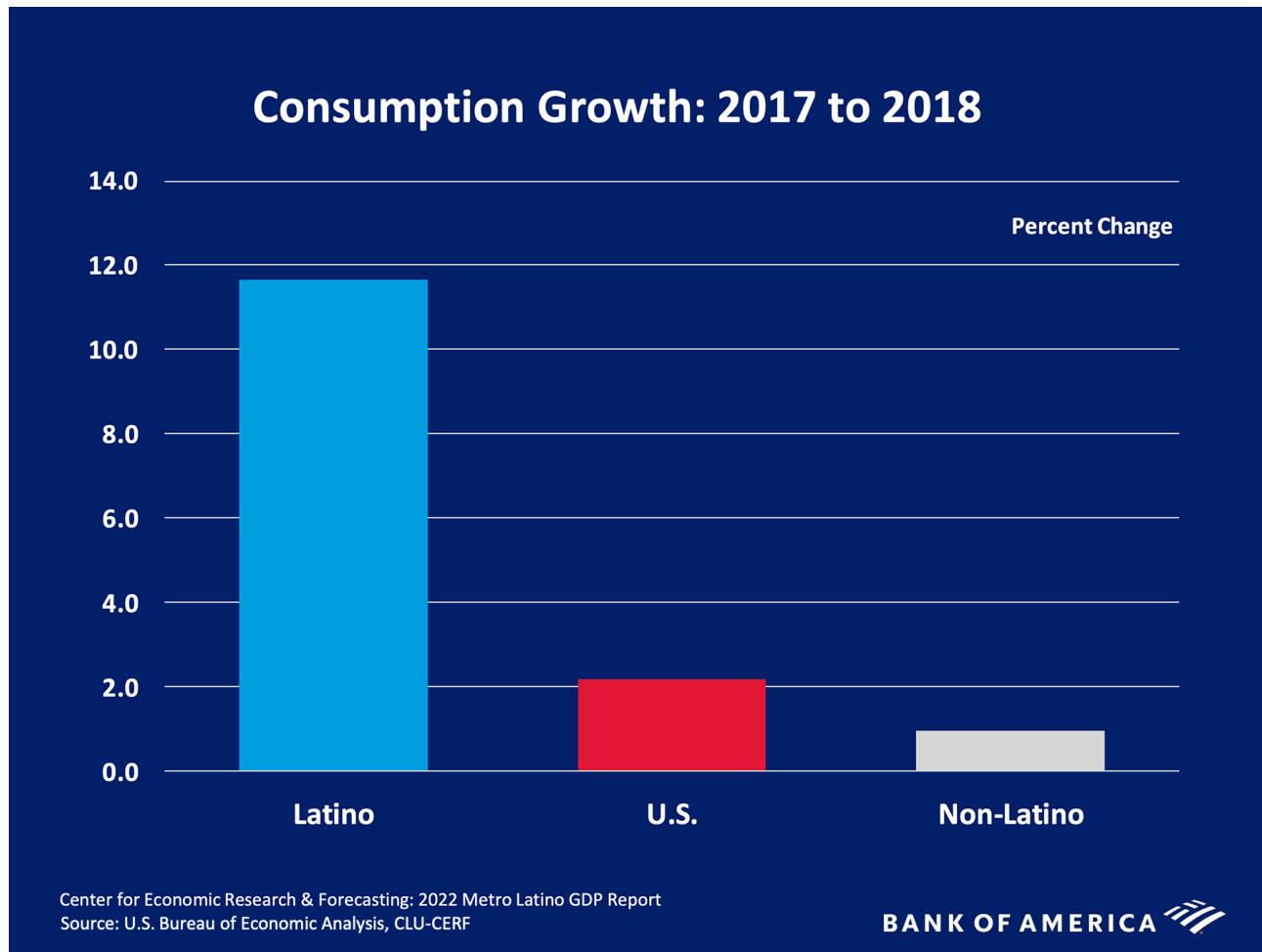
Educational attainment growth is 2.6x faster among Latinos than non-Latinos

Drivers of the Latino GDP



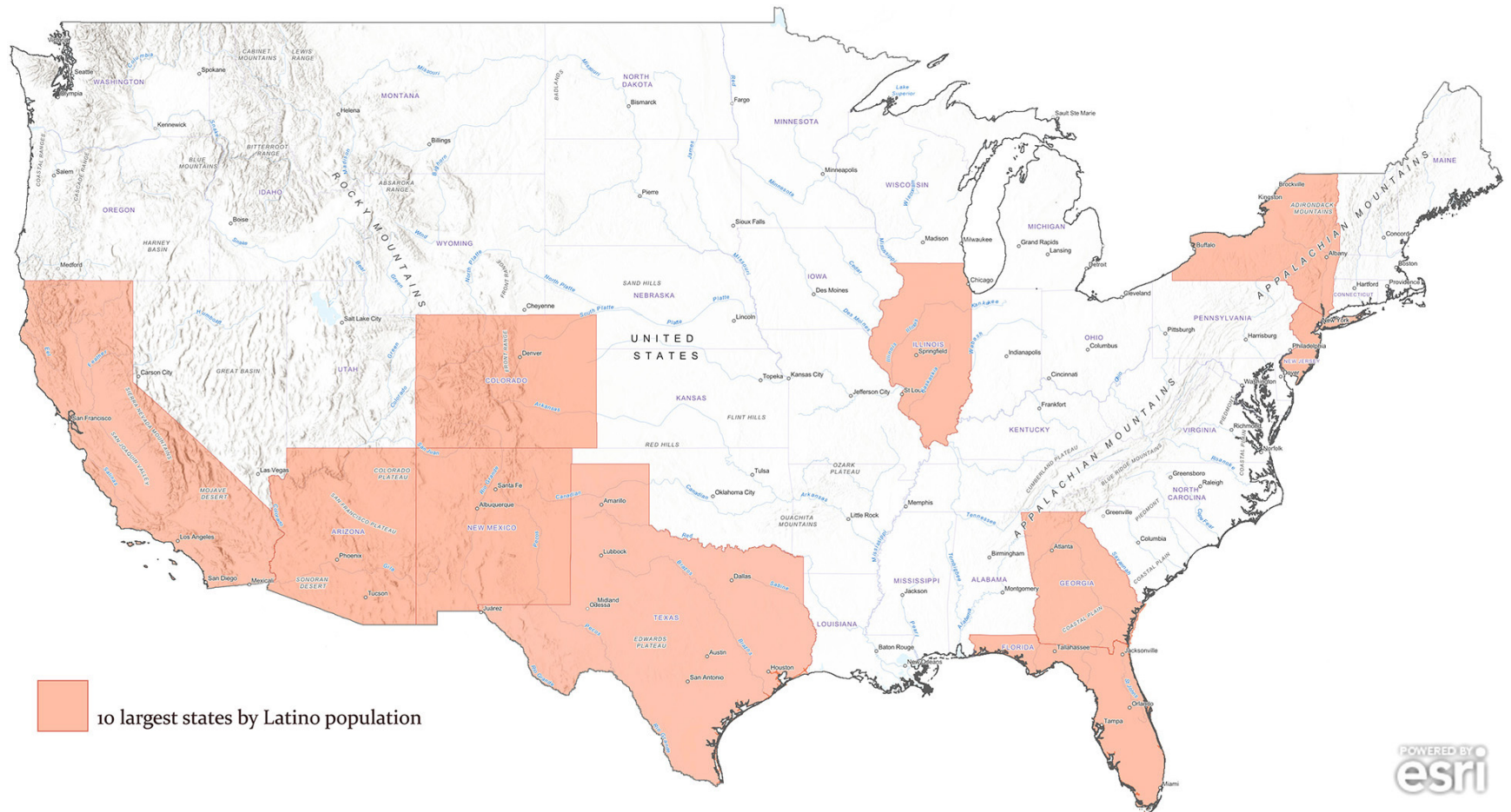
Latinos are significantly more likely than Non-Latinos to be actively working

Drivers of the Latino GDP



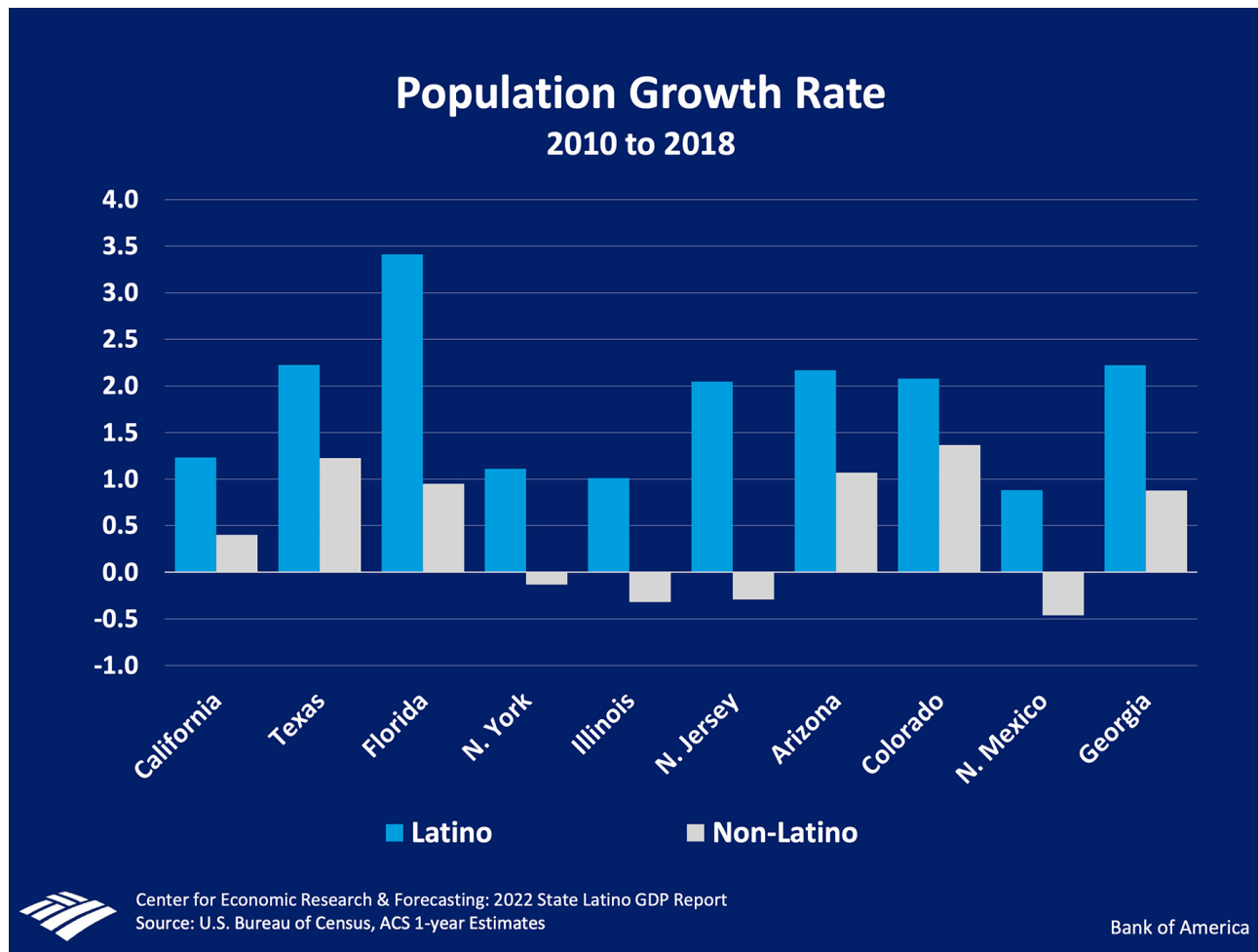
2017-18 Latino real consumption grew 12.2 times faster than Non-Latino

Latino Gross Domestic Product (GDP) by State



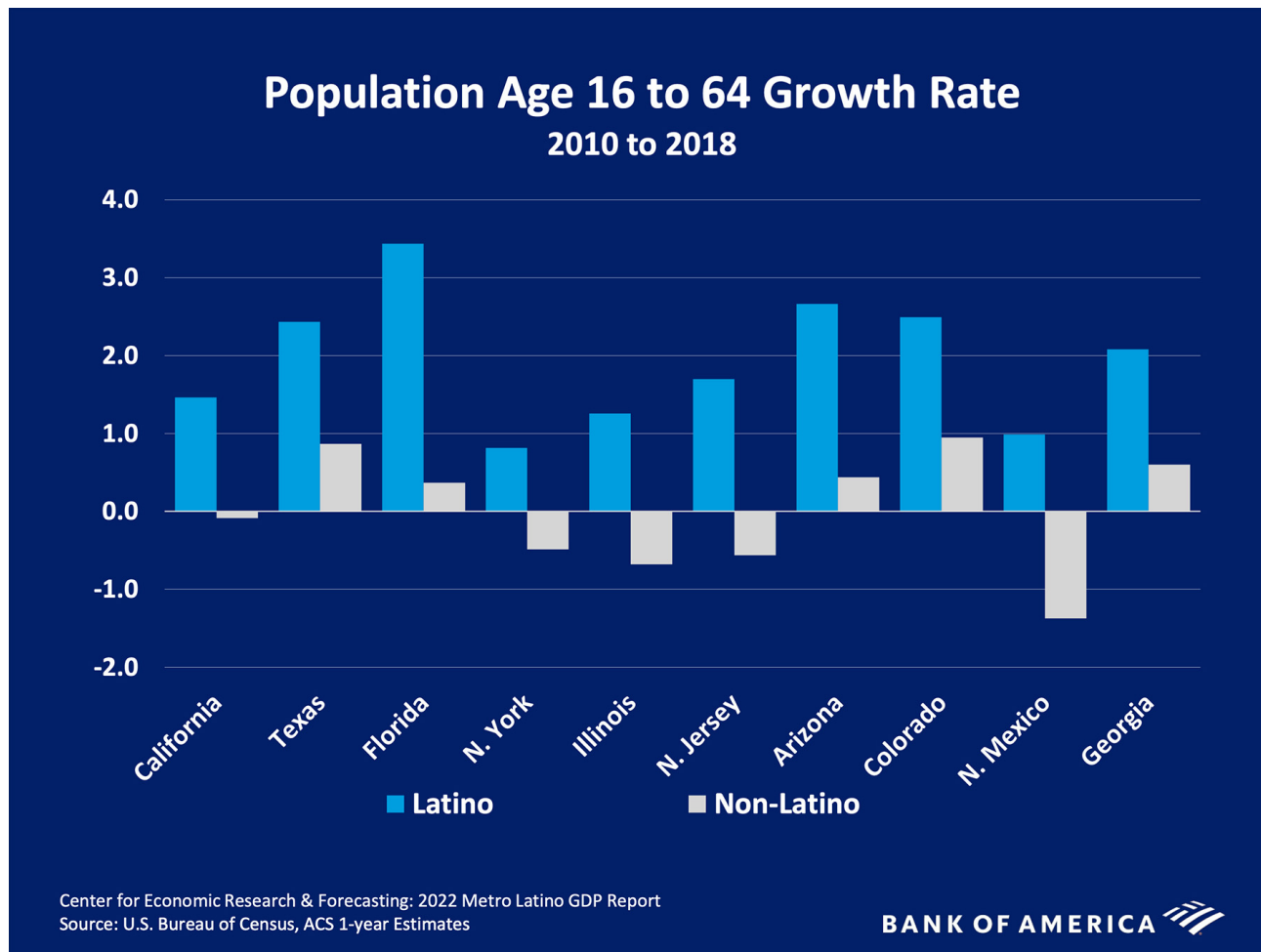
Latinos in 10 U.S. states account for more than $\frac{3}{4}$ of the U.S. Latino GDP. These 10 states have a combined Latino GDP of \$2.1 trillion.

Drivers of the Latino GDP



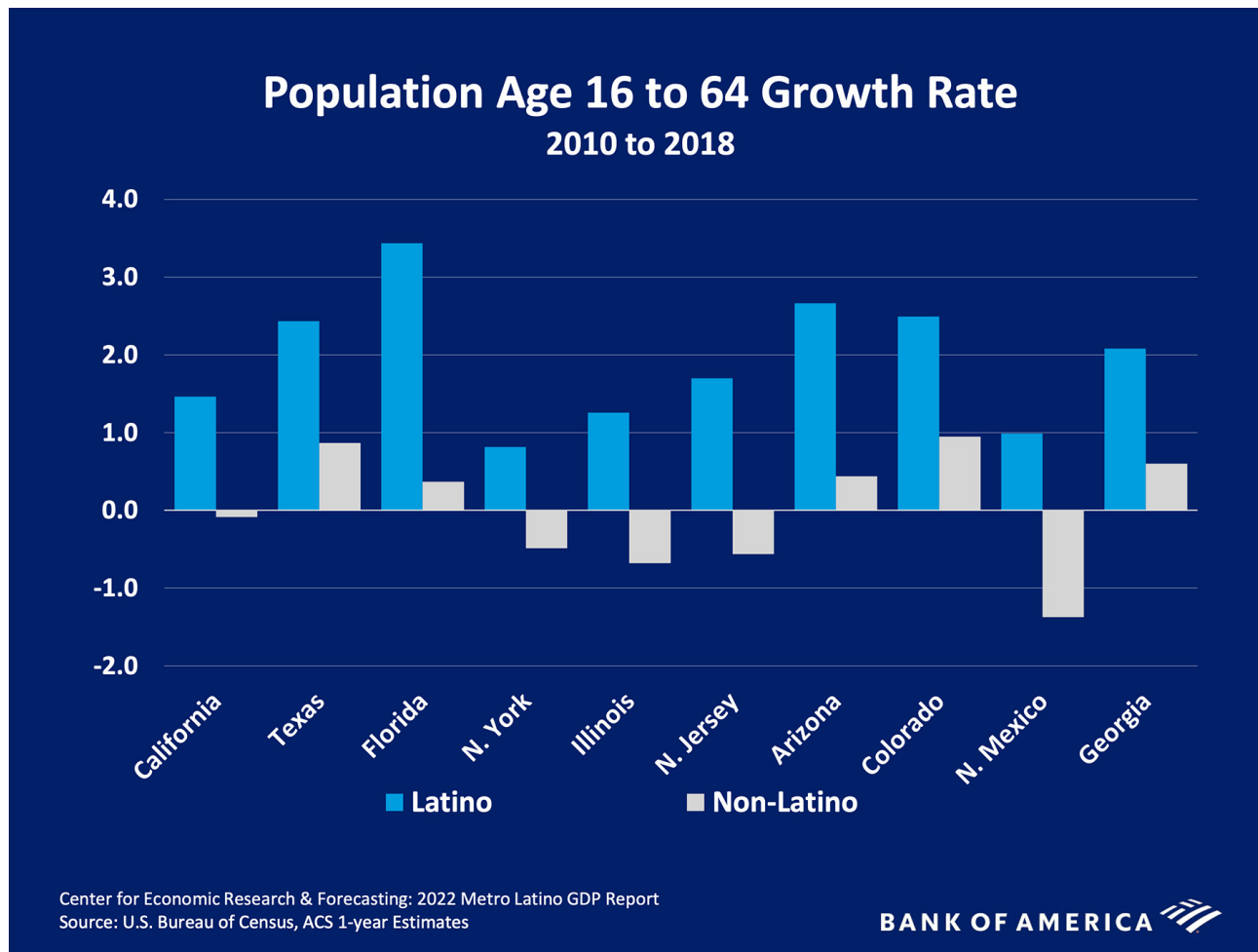
Across all 10 states, Latino population growth is 3.8 times that of Non-Latinos

Drivers of the Latino GDP



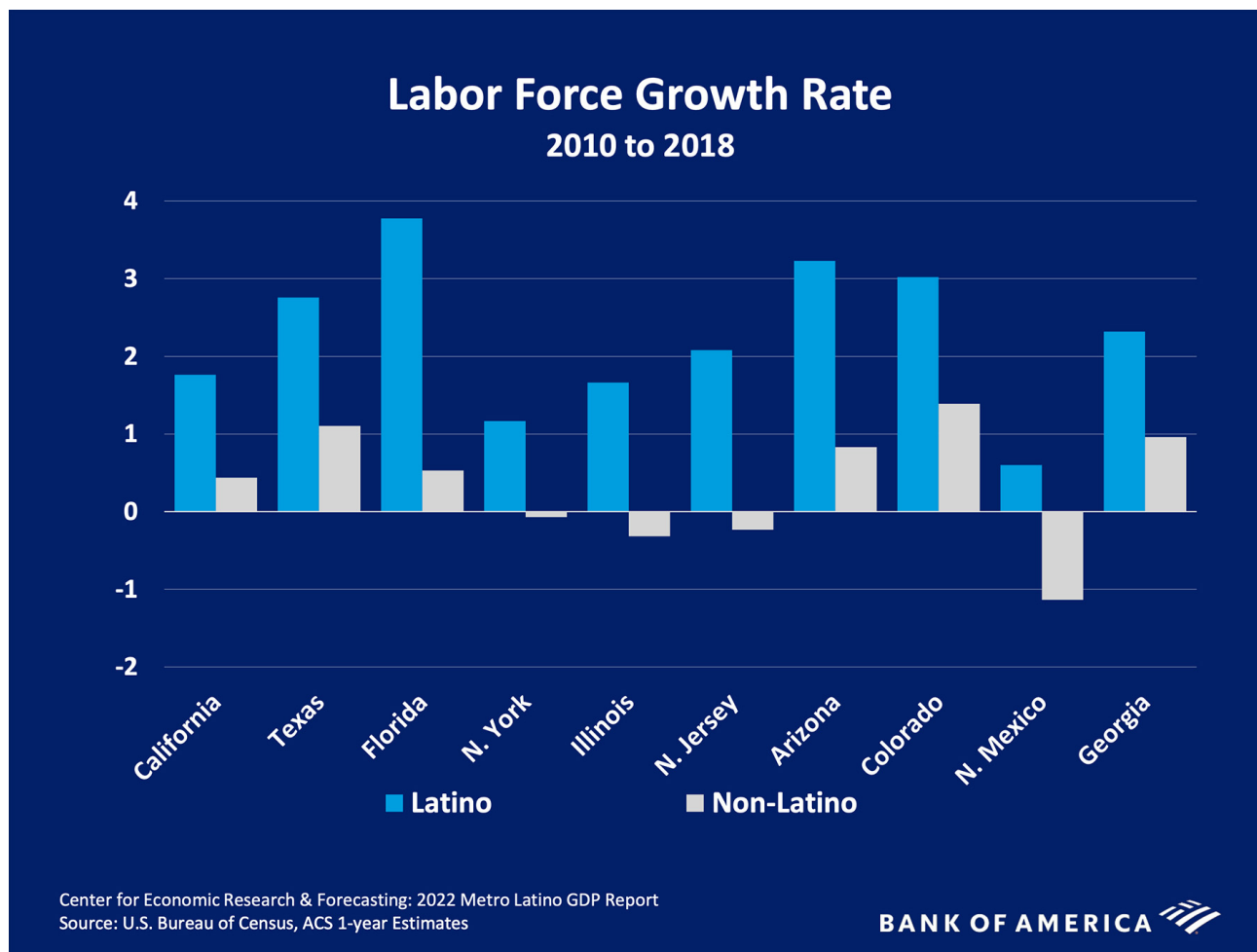
Median age of U.S. Latinos is 29.5, compared to 40.6 for Non-Latinos

Drivers of the Latino GDP



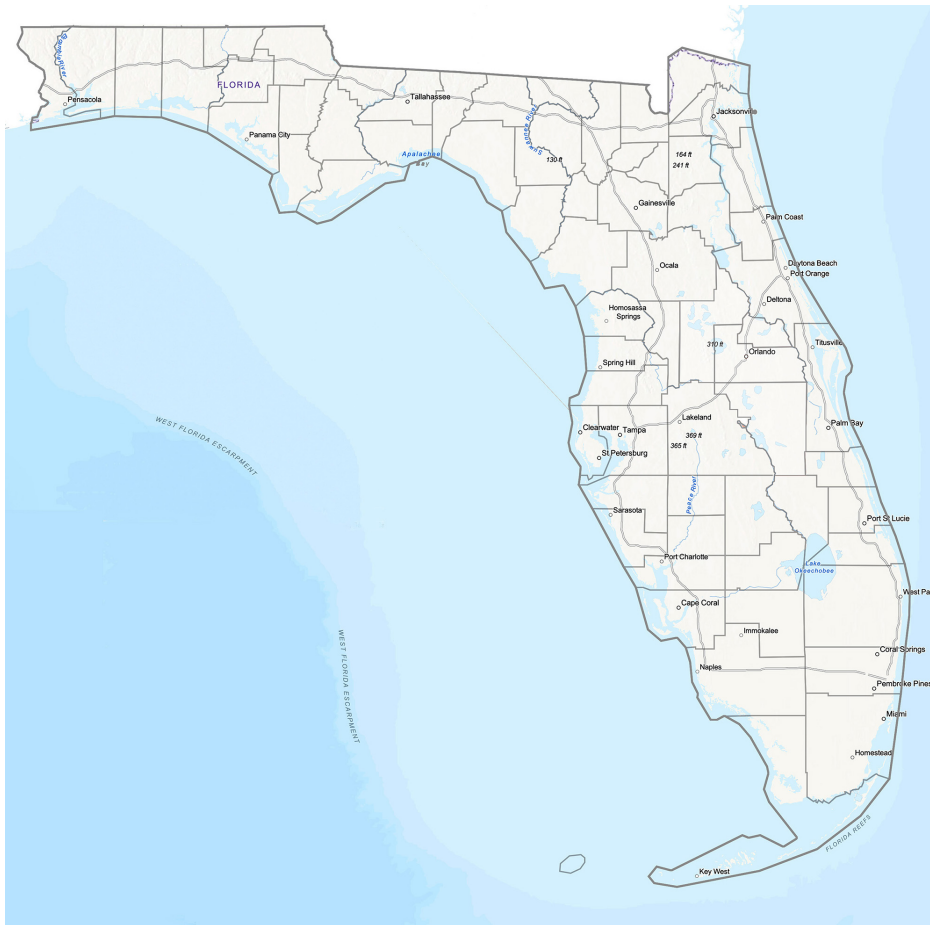
2060: Latinos projected to contribute 30 million additional working age adults

Drivers of the Latino GDP



Latinos are responsible for 78% of U.S. labor force growth since Great Recession

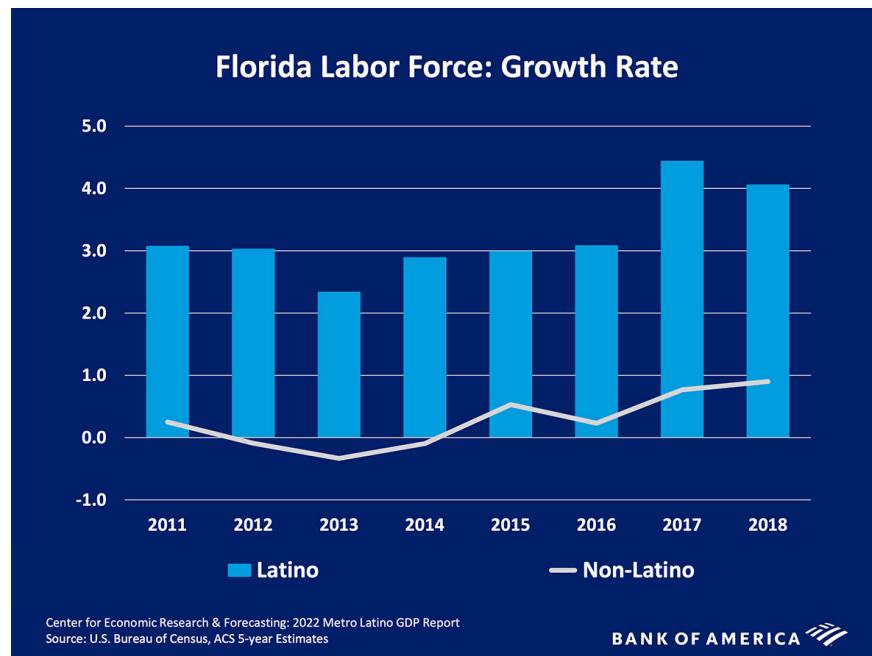
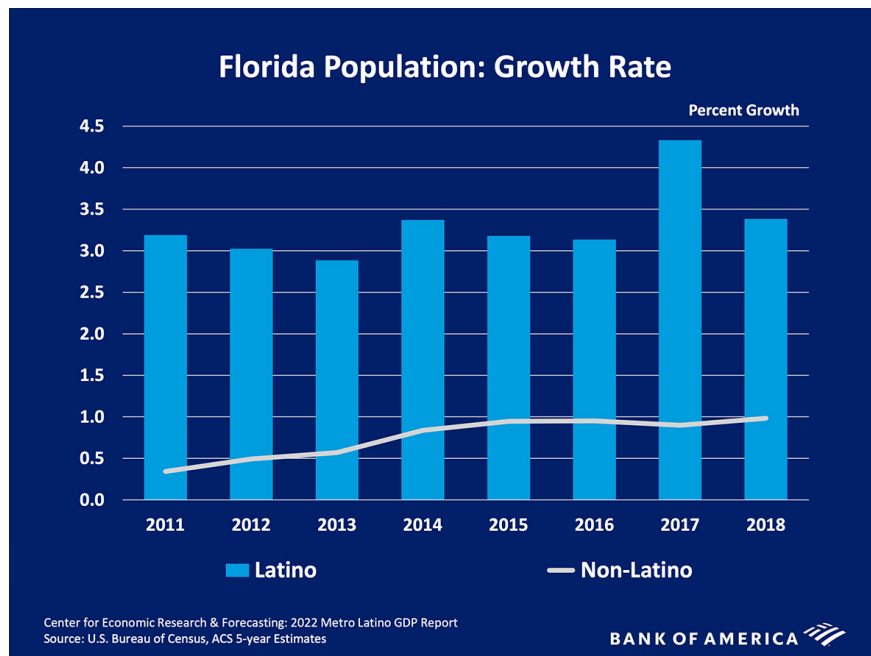
State Latino GDP: Florida



2018 Florida Latino GDP

- **\$259 billion of economic activity**
 - Larger than the entire economy of the state of Louisiana
 - Largest component is consumption which totals \$177 billion

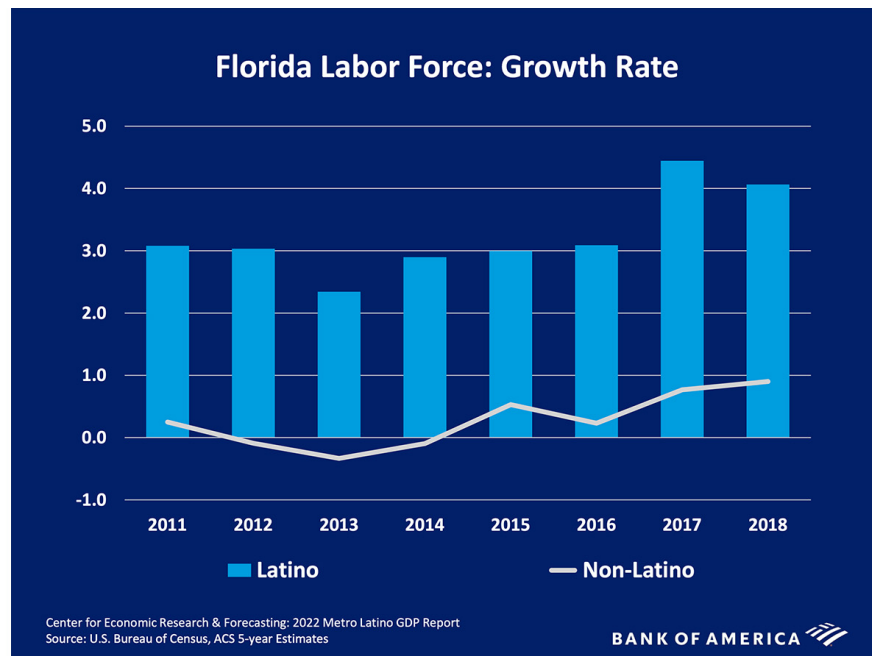
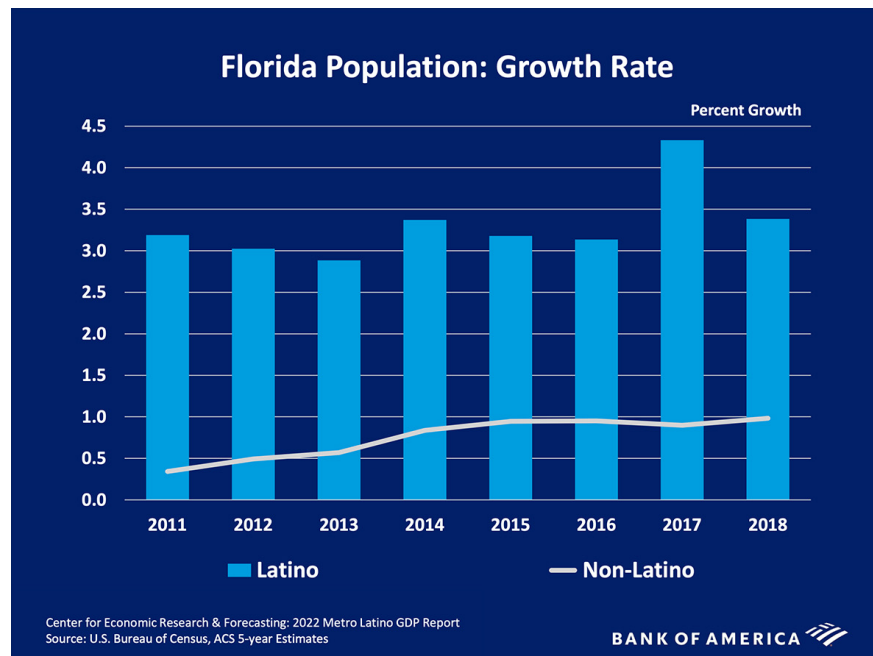
Florida Latino GDP - Education & LFP



Latinos are making strong and consistent contributions to Florida's population and labor force.

- From 2010-18, Latino population growth was 5 times that of Non-Latinos (30 percent for Latinos compared to only 6 percent for Non-Latinos)

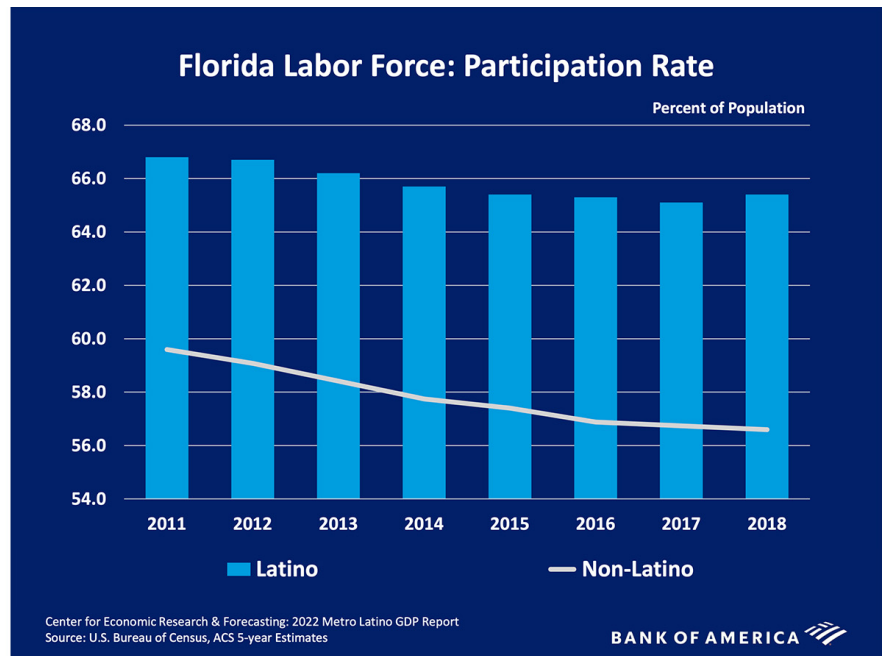
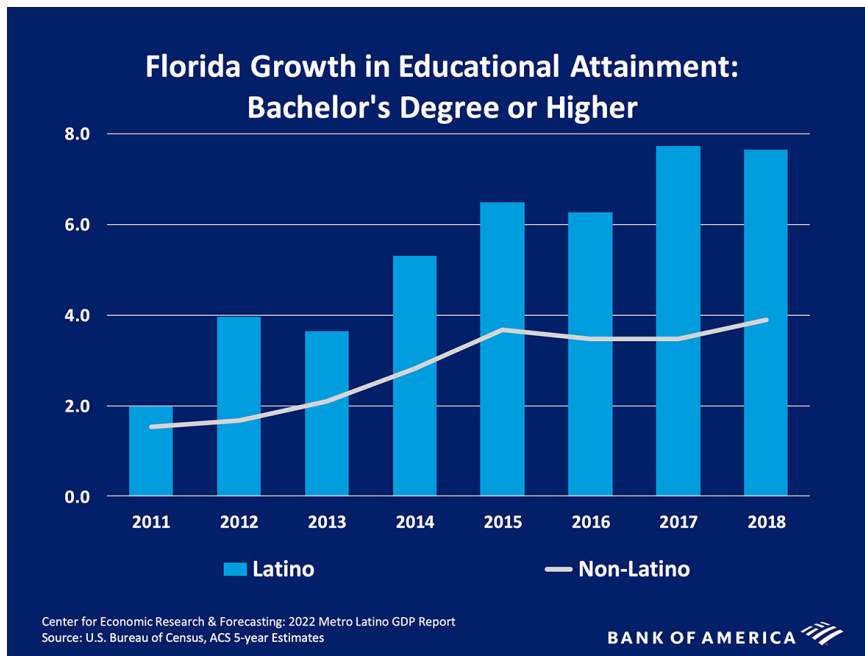
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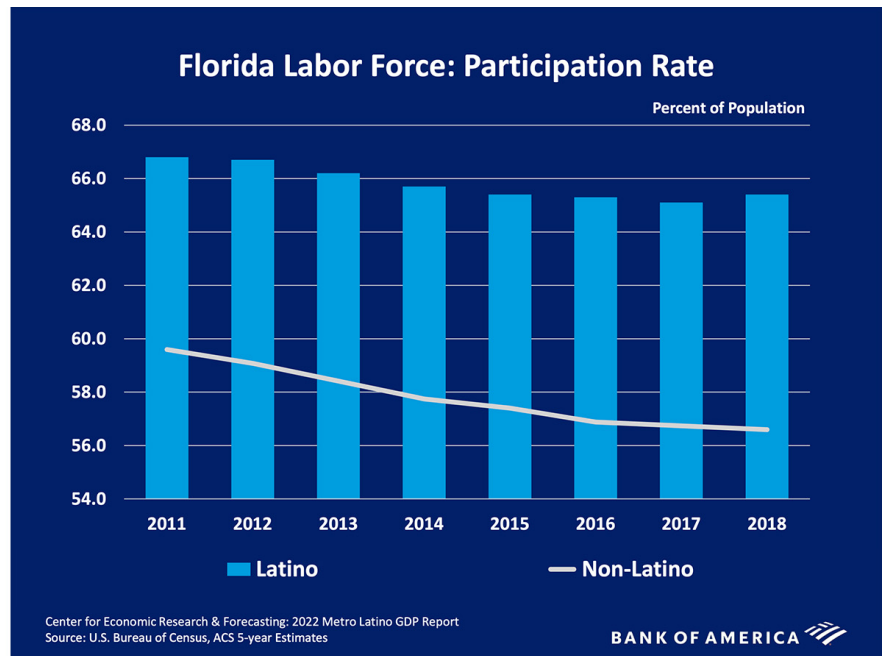
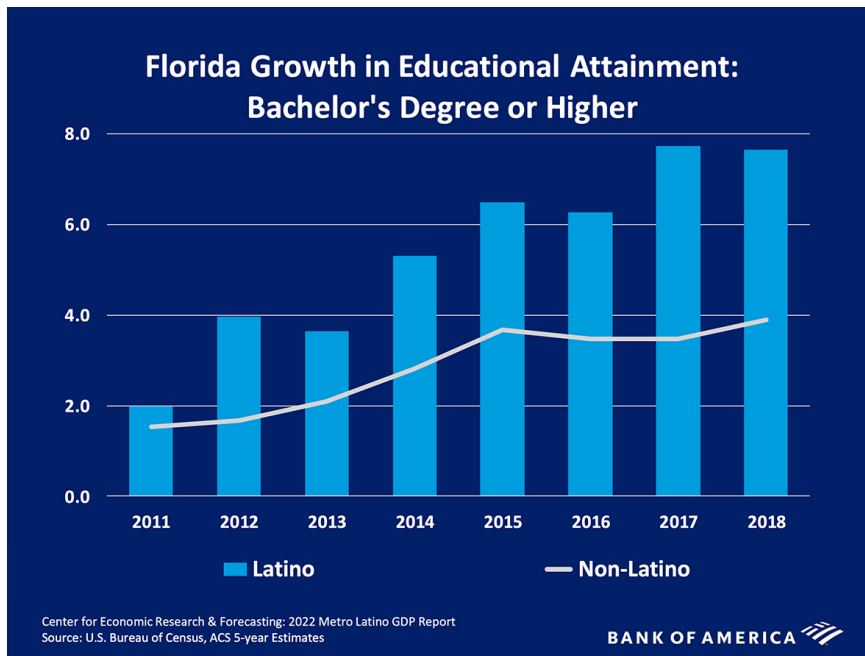
- From 2010-18, Latino population growth was 5 times that of Non-Latinos (30 percent for Latinos compared to only 6 percent for Non-Latinos)
- From 2010-18, Latino labor force growth was more than 13 times that of Non-Latinos (29 percent compared to only 2 percent)

Florida Latino GDP - Education & LFP



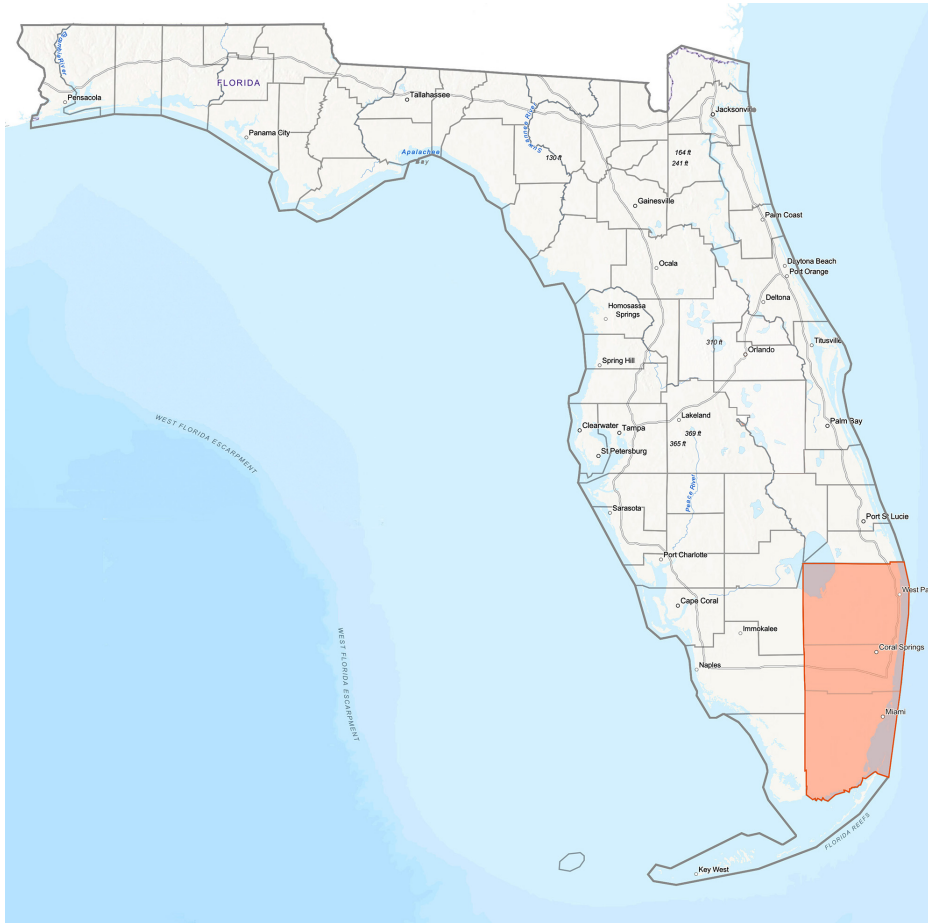
Educational attainment of Florida Latinos is growing *2.1 times* faster than that of Non-Latinos

Florida Latino GDP - Education & LFP



From 2010-18, Latino labor force participation was an average of 7.9 percentage points higher than Non-Latino.

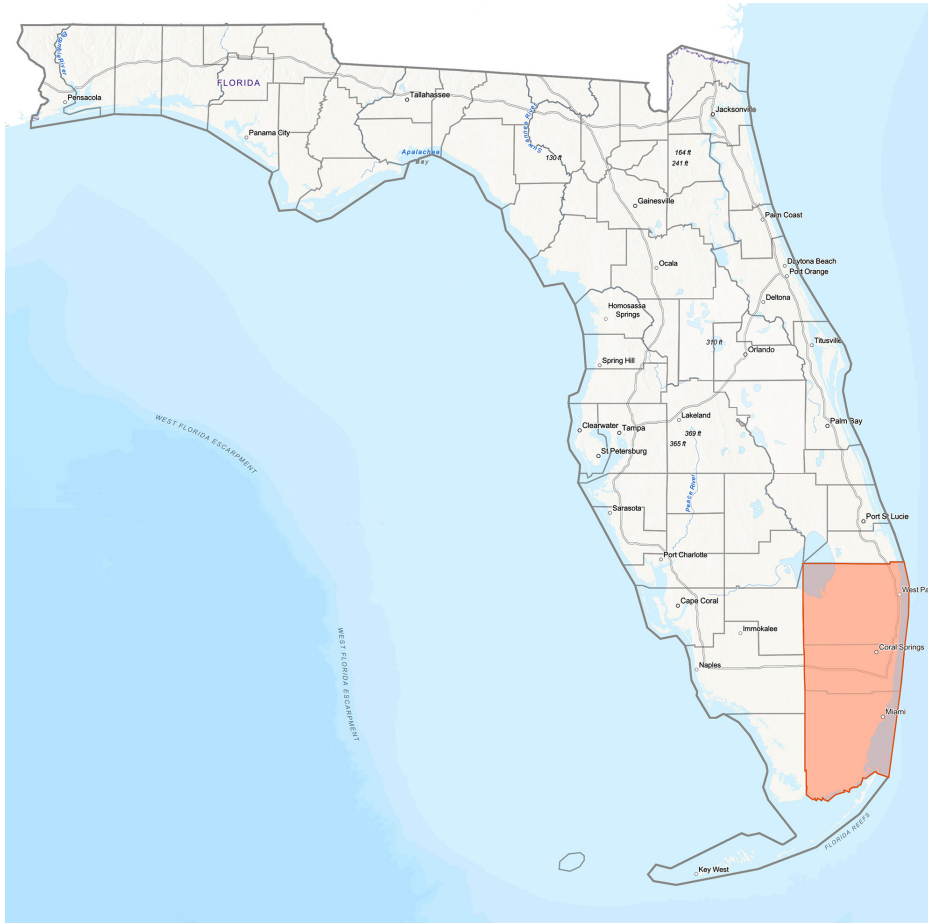
Latino GDP: Miami - Fort Lauderdale - West Palm Beach MSA



Miami Metro Area

- 2018 Single largest MSA in Florida
 - Miami-Dade, Broward & Palm Beach Counties
 - 6.2 million people of all ethnicities in 2018 (29% of state's population)

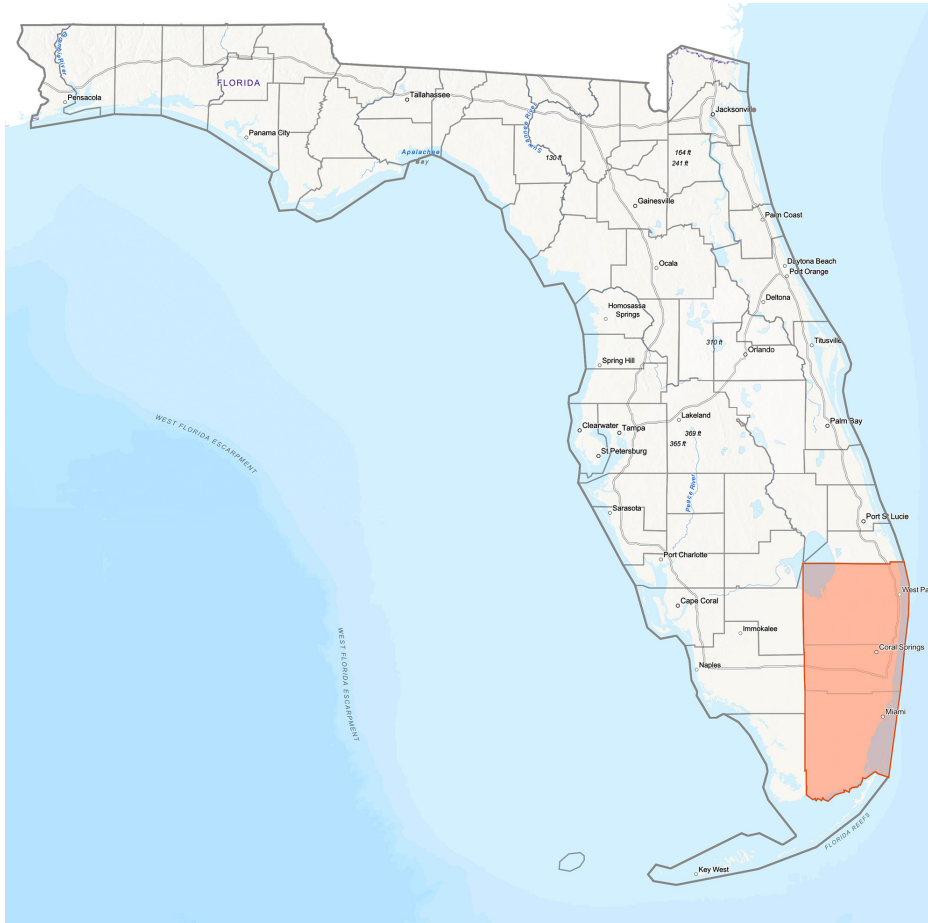
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 - Miami-Dade, Broward & Palm Beach Counties
 - 6.2 million people of all ethnicities in 2018 (29% of state's population)
- 2018 Latino population: 2.8 million
 - Latinos are 46% of total metro area population
 - 3rd largest MSA in the U.S. by Latino population

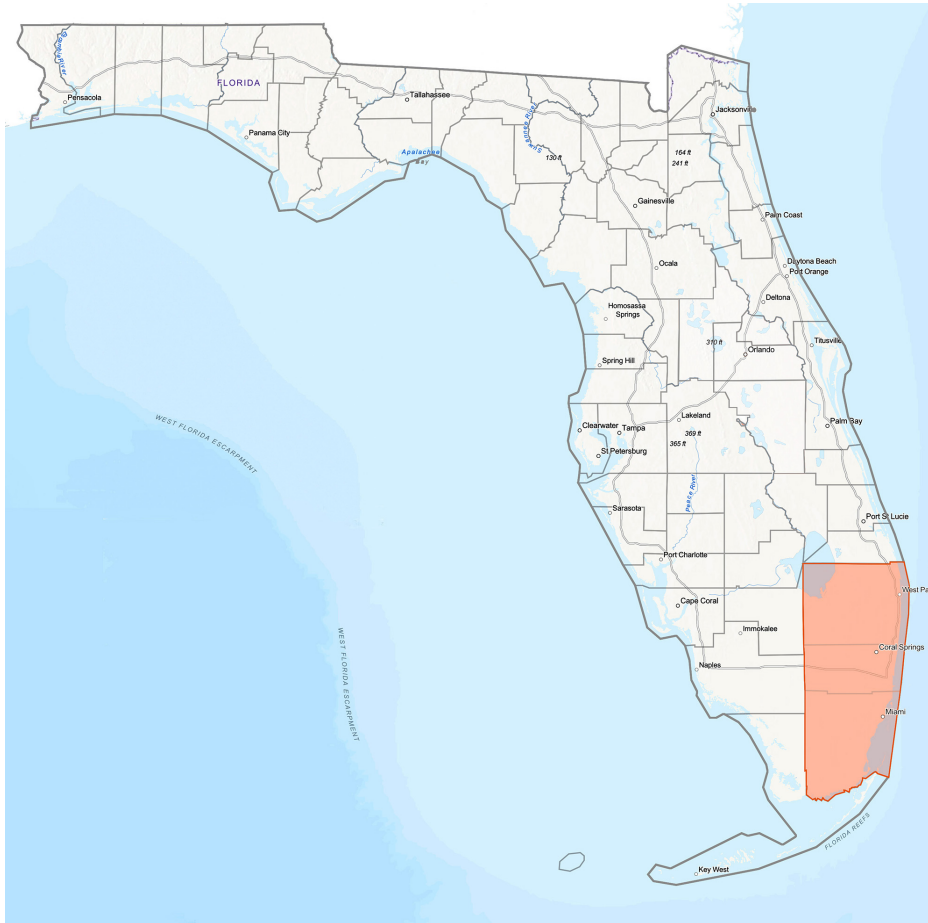
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 - 6.2 million people of all ethnicities in 2018 (29% of state's population)
- 2018 Latino population: 2.8 million
 - Latinos are 46% of total metro area population
 - 3rd largest MSA in the U.S. by Latino population
- Latino population growth is 7 times that of Non-Latinos from 2010-18
 - Latino population grew 22.1% compared to only 3.2% for Non-Latinos

Latino GDP: Miami - Fort Lauderdale - West Palm Beach MSA



2018 Miami Metro Latino GDP

- **\$148.9 billion of economic activity**
 - Larger than the entire economy of the State of Nebraska or Washington D.C.
 - Largest component is personal consumption, which equals \$104.1 billion

Latino GDP: Miami - Fort Lauderdale - West Palm Beach MSA

Miami Metro: Gross Domestic Product		
	Metro Latino GDP by Industry <i>billions of dollars</i>	Metrowide GDP by Industry <i>billions of dollars</i>
Agricultural/Natural Resources	0.7	1.5
Mining/Quarrying	0.1	0.3
Construction	10.0	17.6
Durables Manufacturing	3.6	6.9
Non-Durables Manufacturing	4.1	4.2
Wholesale Trade	13.2	35.4
Retail Trade	10.7	24.0
Transportation/Warehousing/Utilities	10.5	20.9
Information/Technology	6.5	18.0
Finance/Insurance/Real Estate	23.8	89.7
Professional/Business Services	22.0	48.8
Education/Healthcare/Social Assistance	24.4	31.5
Leisure/Hospitality	7.8	19.1
Personal/Repair/Maintenance Svcs	5.1	9.8
Government Services	6.3	32.5
Total All Industries	148.9	360.2

Sources: U.S. Bureau of Economic Analysis, Cal Lutheran University-CERF

The Miami Metro's top 4 Latino GDP sectors are Education & Healthcare, Finance & Real Estate, Professional & Business Services, and Wholesale Trade

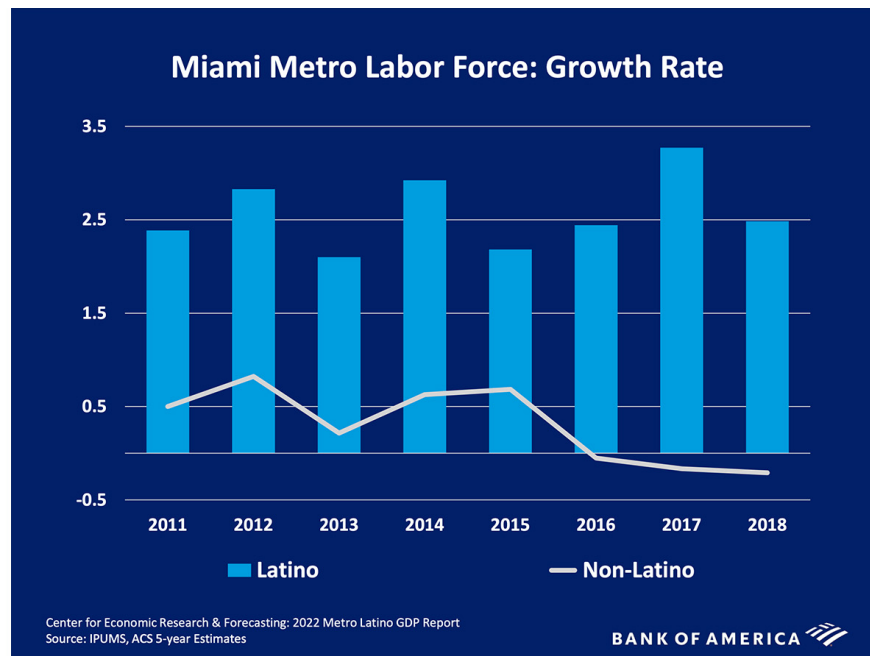
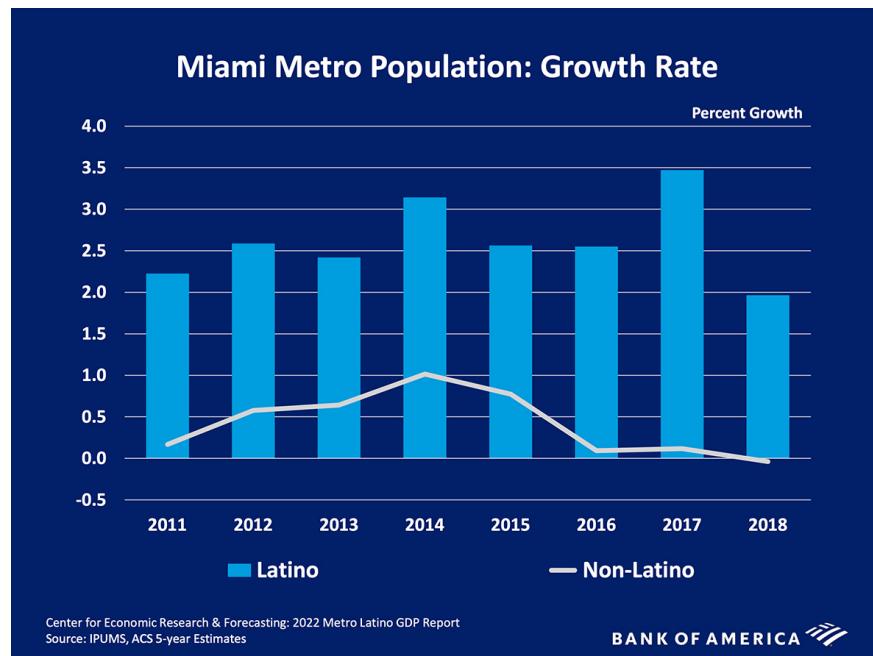
Latino GDP: Miami - Fort Lauderdale - West Palm Beach MSA

Miami Metro: Gross Domestic Product		
	Metro Latino GDP Industry Share <i>percent</i>	Metrowide GDP Industry Share <i>percent</i>
Agricultural/Natural Resources	0.5	0.4
Mining/Quarrying	0.1	0.1
Construction	6.7	4.9
Durables Manufacturing	2.4	1.9
Non-Durables Manufacturing	2.8	1.2
Wholesale Trade	8.9	9.8
Retail Trade	7.2	6.7
Transportation/Warehousing/Utilities	7.1	5.8
Information/Technology	4.4	5.0
Finance/Insurance/Real Estate	16.0	24.9
Professional/Business Services	14.7	13.6
Education/Healthcare/Social Assistance	16.4	8.7
Leisure/Hospitality	5.2	5.3
Personal/Repair/Maintenance Svcs	3.4	2.7
Government Services	4.3	9.0
Total All Industries	100	100

Sources: U.S. Bureau of Economic Analysis, Cal Lutheran University-CERF

The Miami Metro Area's Latino economy is highly diversified. Five different sectors account for out-sized shares of the Miami Metro Latino GDP.

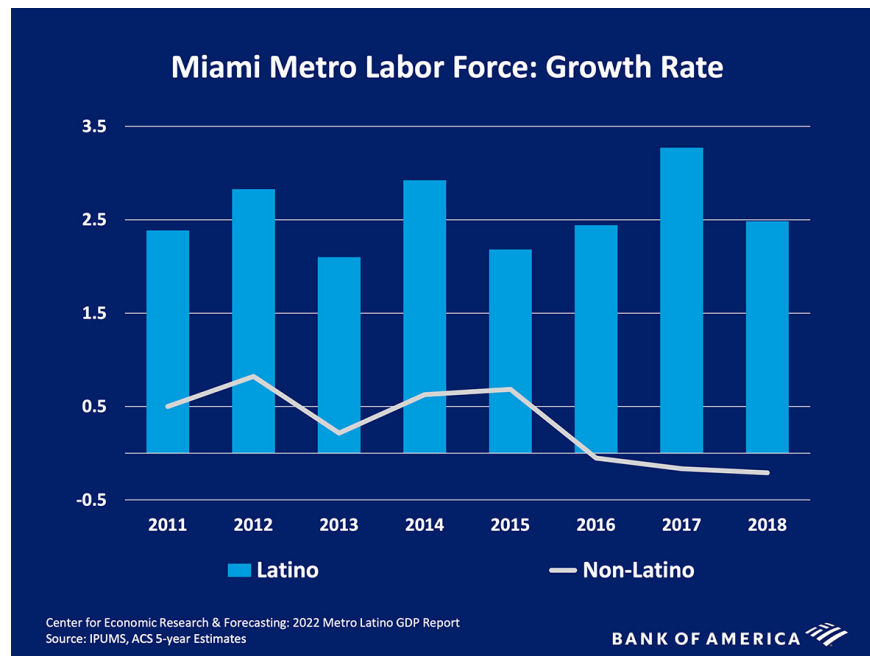
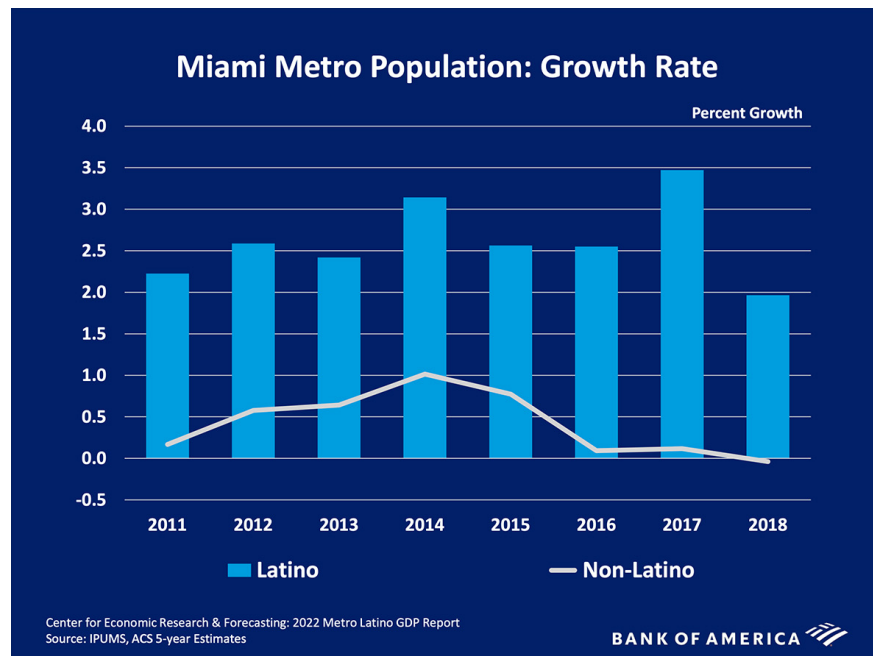
Miami Metro Latino GDP - Population & Labor Force



Latinos are making strong and consistent contributions to the Miami Metro's population and labor force

- From 2010-18, Latino population growth was 6.8 times that of Non-Latinos (22.9 percent for Latinos compared to only 3.4 percent for Non-Latinos)
- From 2010-18, Latino labor force growth was 9.3 times that of Non-Latinos (22.6 percent compared to only 2.4 percent)

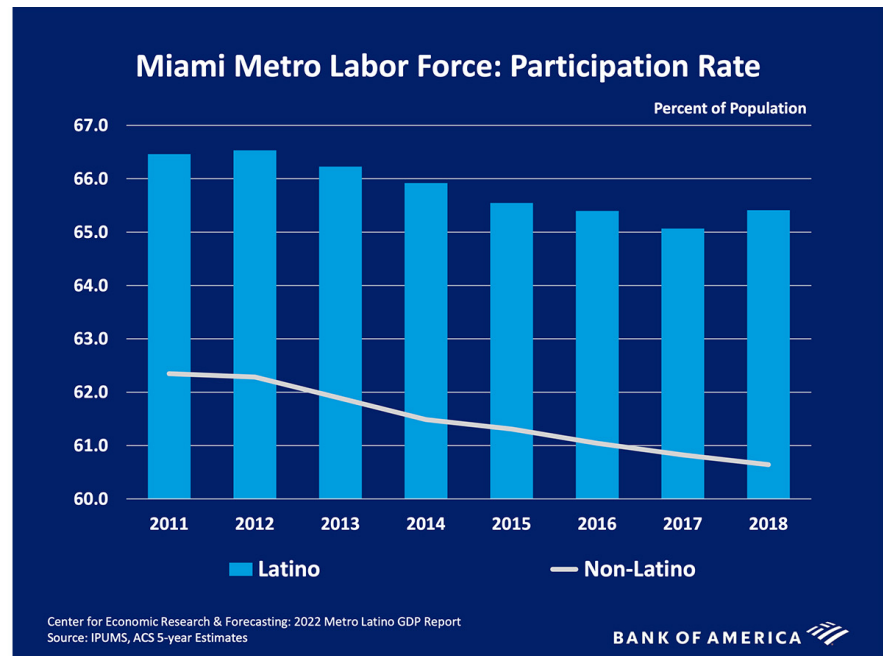
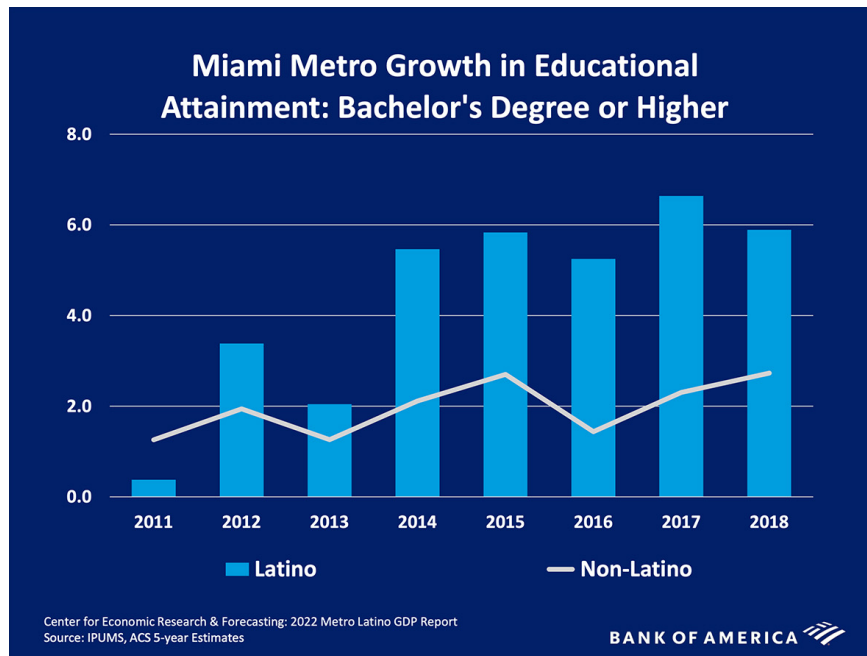
Miami Metro Latino GDP - Population & Labor Force



The three most recent years, 2016-18, are particularly striking

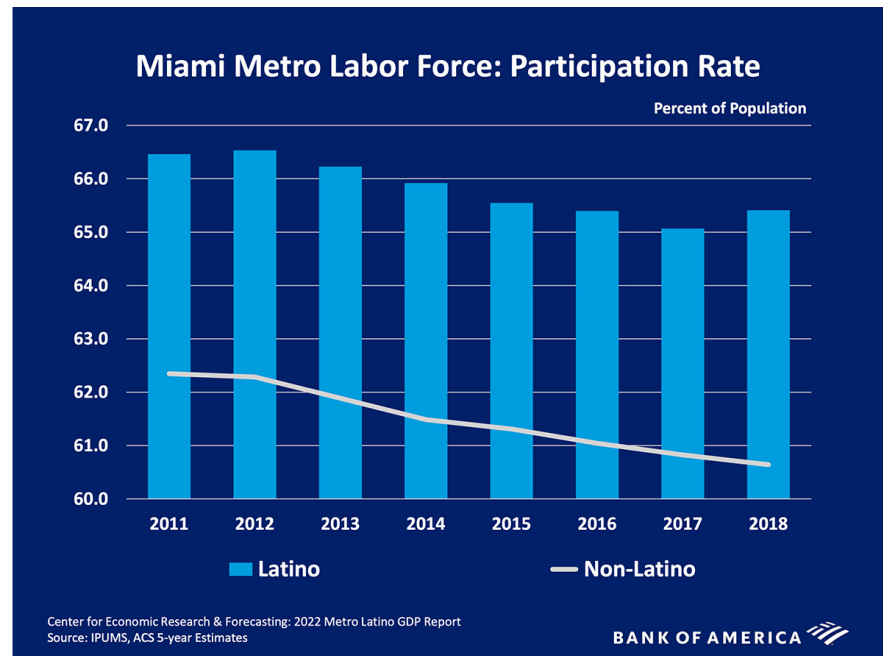
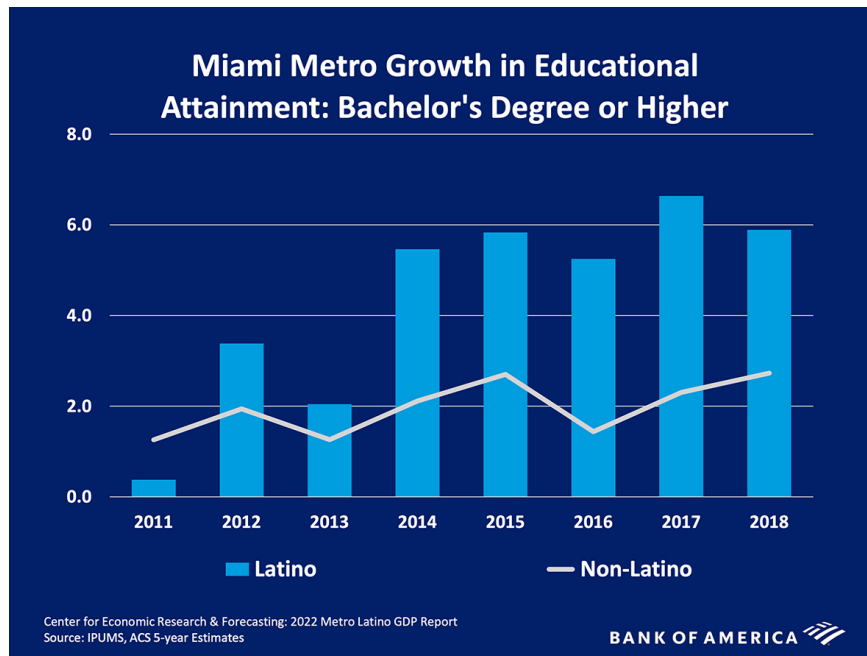
- During that period, the Non-Latino population grew just 0.1 percent while the Latino population grew 5.5 percent (a rate *70 times* that of Non-Latinos)
- During that period, the Latino labor force grew 5.8 percent even as the Non-Latino labor force contracted in each year

Miami Metro Latino GDP - Education & LFP



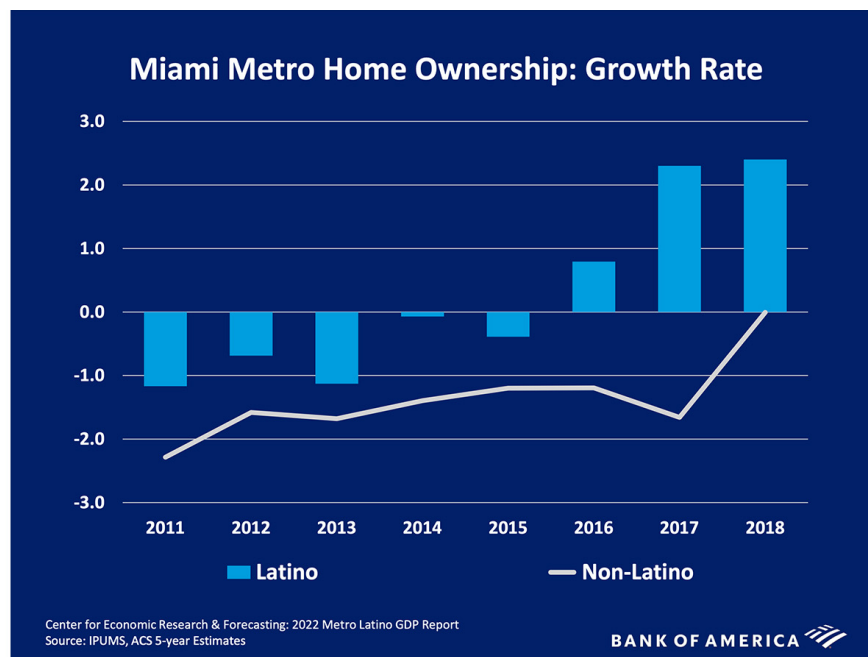
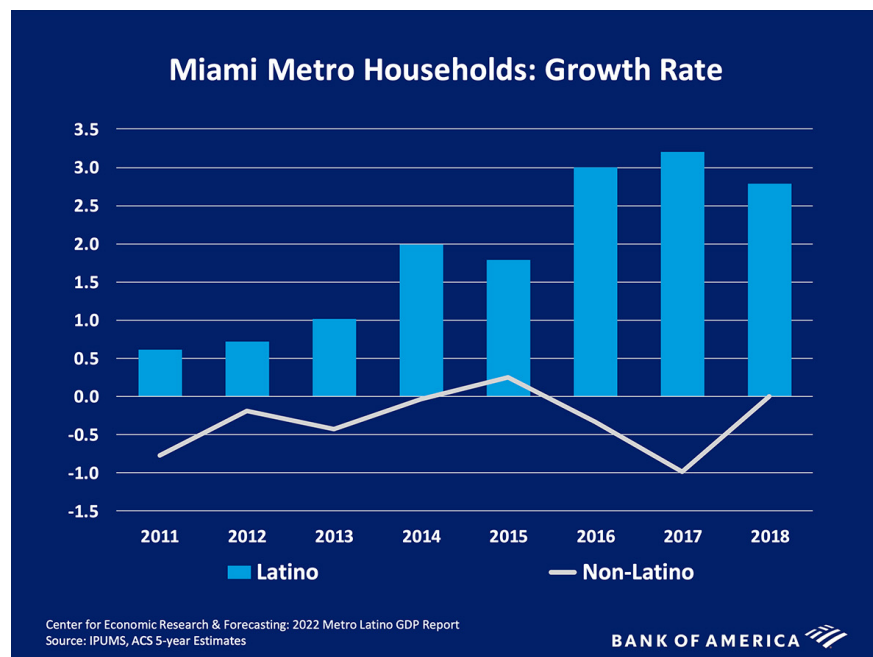
Educational attainment of Miami Metro Latinos is growing *2.4 times* as fast as that of Non-Latinos

Miami Metro Latino GDP - Education & LFP



From 2010-2018, Latino's labor force participation rate was an average of 4.3 percentage points higher than Non-Latino. In 2018, it was 4.8 percentage points higher.

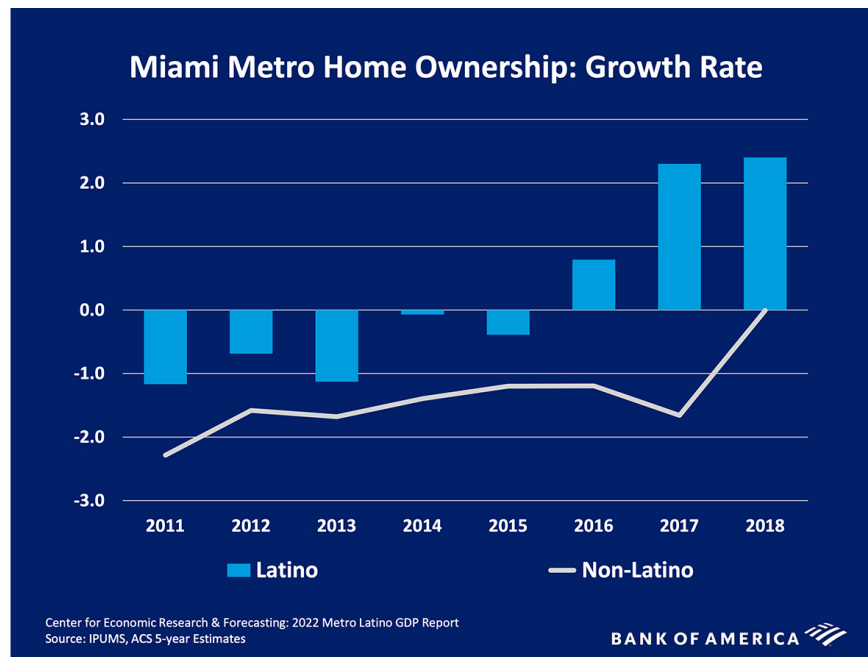
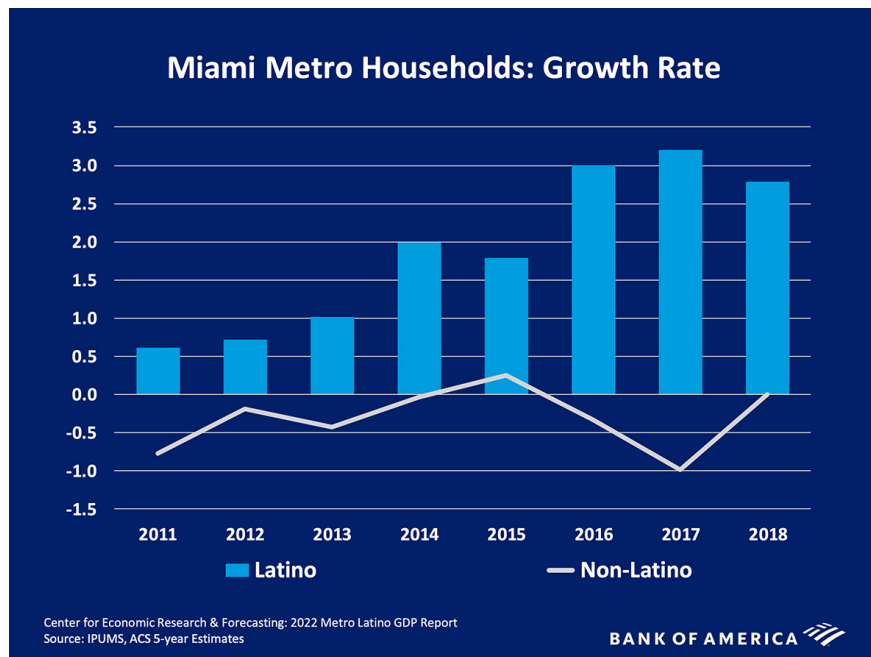
Miami Metro Latino GDP – Households & Ownership



From 2010-18, were it not for Latinos, the number of households in the Miami Metro Area would have declined

- During those years, number of Latino households increased 16.1 percent
- The number of Non-Latino households declined by 2.5 percent

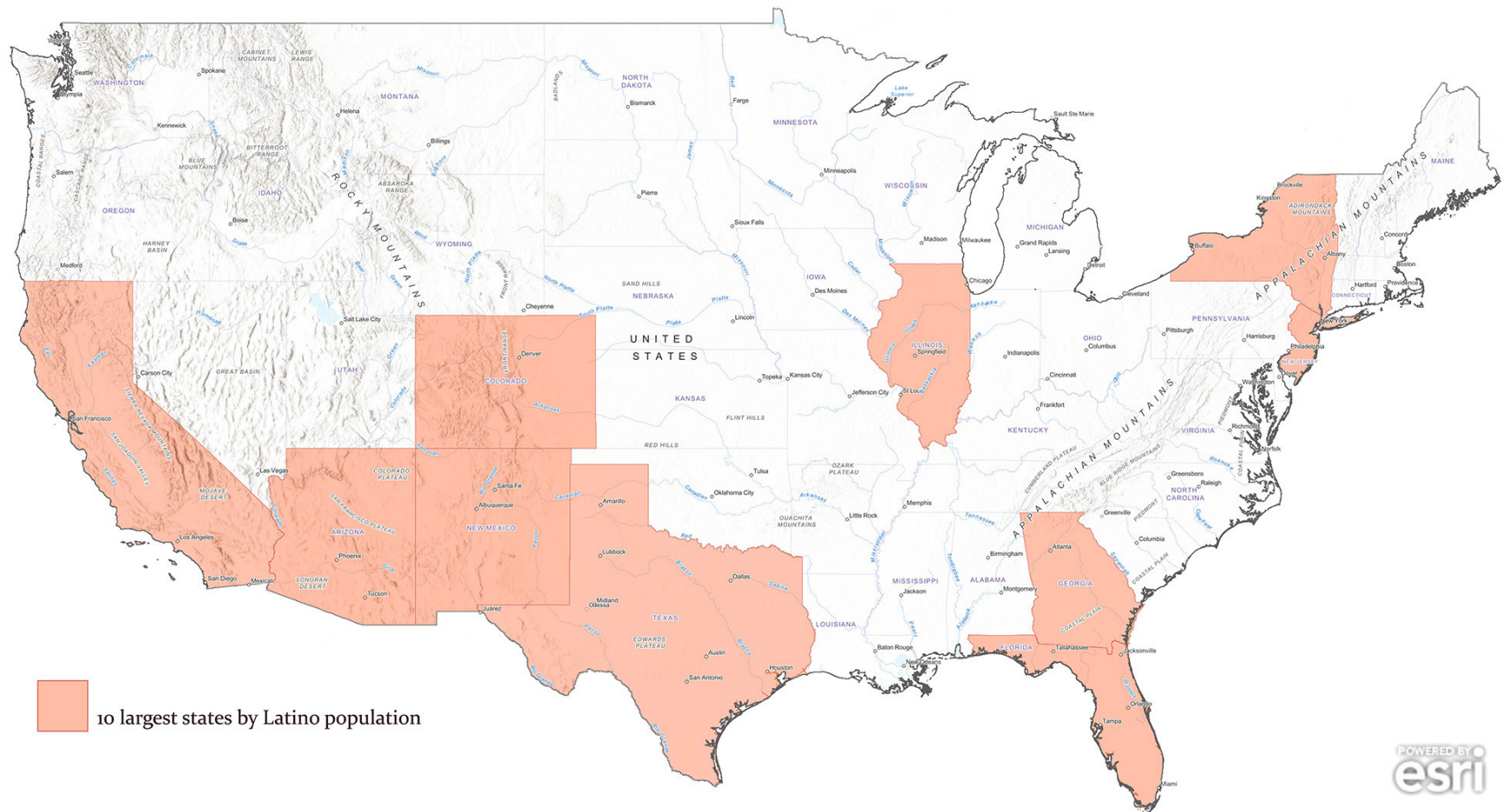
Miami Metro Latino GDP – Households & Ownership



The growth of Latino households is accompanied by strong growth of Latino home ownership

- From 2015-18, the number of Latino home owners increased 5.6 percent
- During those years, the number of Non-Latino home owners decreased by 2.8 percent

Latino Gross Domestic Product (GDP)



The story of the extraordinary economic contribution of Latinos is not unique to a handful of states...

2022

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