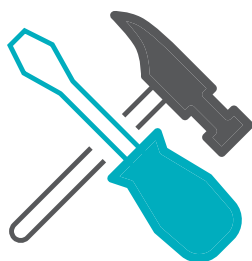


Latino Unemployment Rate Remains High at 8.4%



LATINOS REMAIN AMONG THE MOST LIKELY WORKERS TO HOLD JOBS THAT MUST BE DONE IN-PERSON, PLACING THEM AT GREATER RISK OF CONTRACTING COVID-19.

While millions of Latinos have faced unemployment, millions more make up the backbone of the essential workforce. In these essential roles, Latinos are typically paid less, and only about 28% of Latinos in these roles have health insurance.¹ Additionally, only about one in six Hispanic workers are able to work from home.² This makes the community more susceptible to COVID-19 infection, job loss, and financial insecurity.

INDICATORS	National	Latinos
Employed		
• Working people over the age of 16, including those temporarily absent from their jobs	149.7 million	26.7 million
Unemployed		
• Those who are available to work, trying to find a job, or expect to be called back from a layoff but are not working	10.7 million	2.5 million
Civilian Labor Force		
• The sum of employed and unemployed people	160.4 million	29 million
Unemployment Rate		
• Share of the labor force that is unemployed	6.7%	8.4%
Labor Force Participation Rate		
• Share of the population over the age of 16 that is in the labor force	61.5%	65.4%
Employment-Population Ratio		
• Share of the population over the age of 16 that is working	57.3%	59.9%

Source: U.S. Bureau of Labor Statistics, "Employment Status of the Hispanic or Latino Population by Sex and Age," *Current Population Survey*, <https://www.bls.gov/news.release/pdf/empst.pdf> (accessed December 4, 2020), Table A and A-3.

Employment in November 2020

Latinos saw a slight decrease in unemployment among U.S. workers, with a decline of 0.4% from 8.8% in October to 8.4% in November. The unemployment rate for Latinos remains at double the pre-pandemic average of 4%. While it continues to trend down from its historic high of 18.5% in April 2020—when closures and shutdowns due to COVID-19 were first initiated, job gains were less than expected by most economists.³ As a more worrisome indicator, the number of Hispanic men employed inched downward by 80,000.⁴

Overall, the Bureau of Labor Statistics (BLS) reported that employers added 245,000 jobs in November, representing the smallest single month jobs gain since the pandemic began in March. A significant decrease from the more than 600,000 added in October. This number is devastatingly small for an economy that has lost nearly 21 million jobs since April. With this month's numbers, the economy will remain about 10 million jobs short of March's numbers as we enter 2021.

Despite a small decrease in the Latino unemployment number, the industries where Latinos are overrepresented have seen slowed growth. Construction, which is among the top industries for Latino men, saw a small increase in the number of jobs added. Still, at nearly 280,000 jobs lost since March, the industry continues to see temporary layoffs become permanent. Similarly, in the retail industry—where 18% of Latinos worked pre-pandemic—nearly 550,000 jobs have disappeared this year. This month alone, the industry lost 35,000 jobs. This, coupled with the fact that many retailers are not scaling up seasonal hiring this year, will make it harder to recoup those lost jobs.

The industry that continues to be the most impacted by closures and stay-at-home orders is the service industry, where Latinos are disproportionately represented at 24% of the workforce. With the surge in coronavirus cases happening across the country, restaurants and other service providers have had to close their doors or cut back on staff yet again. This directly impacts Latino workers, many of who were never able to return to their jobs.

With 3.4 million jobs lost in the service industry since March, and a loss of 17,000 jobs in the food services industry this month, millions of Latinos now face permanent job loss. Additionally, it is important to note that the jobs report numbers are collected mid-month. COVID-19 cases picked up significantly at the end of November and around the Thanksgiving holiday. Therefore, the employment shortfalls reported today may not be an accurate picture of just how many service industry jobs have been lost this past month—or how many will never return. As states with large Latino populations—like California—shut down restaurants again due to the surge in COVID-19 cases, it becomes more challenging for Latino service industry workers to find employment or be protected against COVID-19 infection while at work.

Yet another factor impacting Latino jobs are concerns about exposure to COVID-19 and increased household responsibilities. Latinos more commonly live in multigenerational homes where concerns about passing on the illness to older parents or grandparents are top concerns. This can impact the decision to go to work or drop out of the workforce altogether if a job is considered essential and public-facing.

Concerns about contracting COVID-19 for workers themselves will also keep people home. Latinos are three times more likely to contract COVID-19 and five times more likely than non-Hispanic Whites to be hospitalized by it. Fears of getting sick already have workers considering their options, especially those who do not have paid sick leave benefits or who would lose income and potentially their job if they

were infected.⁵ Additionally, working parents must now also juggle virtual school and childcare. Because of this, nearly 73% of parents have said they will need to make changes in their professional lives to meet these needs. This limits the number of workers available to hire and the number of workers actively searching for employment—only making it harder for the economy to recover.

Latinas Continue to be Among Those Most Impacted by the Coronavirus Economic Crisis

As UnidosUS began documenting when coronavirus closures began in March, Latinas were among the hardest hit by the economic crisis resulting from the pandemic. Early on, Latinas suffered significant job and income losses. Some of this is due to the industries where their work is concentrated. Industries with a disproportionate share of Latino workers were among the first to experience slowdowns, and many lagged other industries in reopening or shifting to working at home alternatives.

Nearly 10 months later, not much has changed. Latinas continue to face an uphill battle to recovery as millions have permanently lost jobs and have additional burdens placed on them by school and daycare closures. The battle is evidenced by the nearly 20 percentage point gap in the employment-population ratio between Latino men and women. Long-standing disparities that made Latinas particularly vulnerable back in March continue to play a role in their recovery. As both the economic and health crisis wear on, a lack of access to paid sick leave, the ever-prevalent wage gap, and historic lending practices continue to place barriers on Latinas and their families.

Job and Income Loss

The impact of job and income loss on Latinas has been stark. Based on data from the Bureau of Labor Statistics, Latina unemployment was at a historic low of 3.9% in October 2019, soaring to 20.0% in April 2020 and settling at 9.0% in October 2020.⁶ This month, Latina unemployment remained at levels nearly double what has been in years. Compared to men, women overall are 1.8 times more vulnerable to experiencing an economic setback, such as job or income loss, due to COVID-19. Yet more Latinas—57%—have lost income since March than women of any other ethnic or racial background.⁷ Much of this impact is because Latinas are overrepresented in the leisure, hospitality, and services industries. Latinas hold nearly a third of all jobs in these sectors, where nearly one in four jobs has disappeared since March.⁸

Latinos overall are unable to work from home, with 84% holding jobs that require in-person or direct contact with the public. However, due to the health crisis at hand, sickness—or the fear of sickness—is now a driver of labor force participation and determining who can work, where it is safe to work, and how work looks.⁹ Thus, concerns about health and safety are among the top drivers of job losses for domestic workers, the top profession for Latinas in the United States.

Prior to fears about COVID-19, Latinas accounted for 27.2% of domestic workers in the United States. Latinas comprise nearly 59% of all house cleaners and 22.6% of in-home childcare providers. But as families have stopped allowing people into their homes out of concern about the pandemic or workers have gotten sick, these jobs have quickly disappeared.

According to polling published by the National Domestic Workers Alliance in October 2020, Spanish-speaking domestic workers experienced heavy long-term job and income losses due to COVID-19, leading to food and housing insecurity. Overrepresented in this industry, Latinas make up a significant part of the nearly three-quarters of domestic workers who reported not receiving any compensation during

this time, with one out of three domestic workers reporting that they are the primary earner in their family.¹⁰ These types of jobs require in-person presence at work, making them highly impacted by social distancing measures and stay-at-home orders.

It is not just outside economic and health pressure impacting Latinas' recovery. With Latinas three times more likely to be single heads of households with children under 18 than women from other racial or ethnic groups, school and daycare closures are severely impacting the lives of Latina workers.¹¹ Now forced to balance work, full-time childcare, and distance learning, Latinas have dropped out of the workforce at nearly three times the rate of White women and nearly four times that of Black women.¹²

Between August and September of 2020, Latina women dropped out of work by 2.7%.¹³ For those who can leave work to care for children, the decision is tough. However, for many low-wage mothers, this option does not exist. Nearly 41% of Latina mothers are the primary breadwinners for their families, making their income critically important.¹⁴ In addition to stress about work and illness, now Latinas also share concerns about caring for their children while they are at work and how to support them in school. Childcare responsibilities fall disproportionately on mothers, so Latinas may be more apt to leave a job or remain out of the workforce as children continue to need care during school closures. The drop in labor force participation due to increased family responsibilities, among other factors, may have a long-term impact on the financial futures and economic security of all Latino households and the overall economy.

Less Access to Government Relief Programs

The uphill battle Latinas face in their recovery has been exacerbated by obstacles in accessing government economic relief programs. According to a Latino Decisions and UnidosUS poll from July 2020, 13% to 18% of Latinos who applied for Unemployment Insurance benefits were rejected. Without access to this type of support—including the additional \$600 a week provided to unemployed workers following the CARES Act—Latinas who previously held low-wage jobs have struggled to keep up with rent and mortgage payments, utilities, and purchasing food. This is particularly harmful to undocumented Latinas who are not only ineligible for unemployment benefits but also did not receive the \$1,200 stimulus payments or any additional money for their children. Ineligible for public benefits, undocumented Latinas have had little to no relief since March despite their essential roles in the nation's food supply chain, where undocumented workers account for 23% of food industry workers.¹⁵

Latina business owners have also been left out of government relief programs despite being among the fastest-growing group of entrepreneurs, launching 400 new businesses a day in the United States.¹⁶ The Paycheck Protection Program (PPP) implemented as part of the CARES Act in March 2020 was aimed at supporting small businesses as they navigated closures but largely failed to meet the needs of Latina business owners. Plagued by systemic issues in the financial sector, such as access to and relationships with banks, many Latina business owners applied for PPP relief through Community Development Financial Institutions (CDFIs), which did not receive the same funding levels as larger financial institutions.¹⁷

Access to capital is already among the top obstacles facing Latina business owners. At a time when family members or other non-traditional sources of capital may be unavailable because of the economic crisis, government programs to provide support are critical to keeping these businesses around. To support Latina workers—regardless of immigration status, access to relief must be available and easy to navigate at a minimum.

Historic Disparities Continue to Plague Latina Recovery

Long-standing disparities also play a role in hindering Latinas' ability to weather and recover from this economic crisis. Latinas have long been overrepresented in low-wage jobs. They make only 55 cents per dollar compared to their non-Hispanic White male co-workers.¹⁸ Due to institutional barriers, Latinas are more likely to be in low-wage occupations, making them less likely to have significant savings when job or income loss occurs. Because of this, Latinas were already the least likely group of women workers to have economic security or access to paid sick time prior to the pandemic.¹⁹

The economic downturn is more deeply impacting Latinas. With jobs that already did not provide benefits, such as paid leave, coronavirus closures have exacerbated disparities. Latinas were much more likely to lose their jobs than their White counterparts. Those low-wage Latina earners who have found themselves in essential roles are at a higher risk of contracting COVID-19. Still, they remain less likely to have paid leave or other benefits that would help them to financially and physically recover.

With more than half of Latina mothers being the key breadwinner for their family, Latino households rely heavily on Latinas' wages to make ends meet and get ahead. Latinas were already more apt to be rent-burdened, have less access to savings, or go without the necessary health care pre-pandemic. The pandemic recession has made it even more apparent that closing wage, benefit, and health care gaps among Latinas and Latino workers overall is essential to building a more inclusive economy and a faster economic recovery for all Latino families and the nation.

Policy Recommendations

The obstacles to Latinas' recovery in the current economic recession continue to mount. To move forward, policymakers must focus on the immediate needs of Latinas as well as address the disparities that have long existed for all Latinos. To support their economic recovery, federal investments must be made to improve access to affordable childcare, expand long-term unemployment insurance, develop robust paid leave protections, support businesses that are struggling, and increase protections for workers in essential, frontline jobs. Any future congressional relief bill must include funding for job training to offset the financial burden that is falling on workers to learn new skills and find new employment opportunities.

Most of the relief programs and protections provided in the CARES Act and subsequent efforts to support workers will expire at the end of this year. It is critical that the Senate immediately pass the HEROES Act, which includes many of the necessary investments to address the significant economic and health challenges that Latinos continue to face. For example, the legislation bolsters economic security by providing \$1,200 in cash payments to adults, including ITIN holders, and an additional \$1,200 for their children. It also strengthens the social safety net by extending expanded unemployment insurance through January 2021 and provides \$175 billion to help renters and homeowners keep a roof over their heads. The bill also helps Latino households in poverty by increasing the maximum Supplemental Nutrition Assistance Program (SNAP) by 15%. The bill also included \$1 billion for CDFIs to ensure that PPP loans and other recovery support would reach struggling small women and minority-owned businesses.

Every day that Congress does not pass a bill to support workers, Latino families and workers are further hurt by the economic and health crises at hand. Any new proposal must address the needs of this critical part of the workforce and ensure that they remain protected and supported.

About Us

UnidosUS, previously known as NCLR (National Council of La Raza), is the nation's largest Hispanic civil rights and advocacy organization. Through its unique combination of expert research, advocacy, programs, and an [Affiliate Network](#) of nearly 300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic, and political barriers that affect Latinos at the national and local levels.

For more than 50 years, UnidosUS has united communities and different groups seeking common ground through collaboration, and that share a desire to make our country stronger. For more information on UnidosUS, visit www.unidosus.org or follow us on [Facebook](#), [Instagram](#), and [Twitter](#).

Endnotes

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