

Latino Unemployment Rate Spiked to 6%

U.S. Employers Lost 701,000 Jobs in March



LEISURE AND HOSPITALITY EMPLOYMENT LEADS JOB DECLINE, LOSING 459,000 JOBS

In March, leisure and hospitality lost 459,000 jobs, mainly in food services and drinking places. Latinos are overrepresented in the food services sector, making up 26.8% of workers.

INDICATORS	National	Latinos
Employed		
• Working people over the age of 16, including those temporarily absent from their jobs	155.8 million	27.7 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	7.1 million	1.7 million
Civilian Labor Force		
• The sum of employed and unemployed people	162.9 million	29.4 million
Unemployment Rate		
• Share of the labor force that is unemployed	4.4%	6%
Labor Force Participation Rate		
• Share of the population over the age of 16 that is in the labor force	62.7%	67.1%
Employment-Population Ratio		
• Share of the population over the age of 16 that is working	60%	63%

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 April 03, 2020), Table A and A-3.

Employment of Latinos in March 2020

The U.S. Department of Labor (DOL) reported that employers lost 701,000 jobs in March, a major departure from the consistent job growth of the last decade. Since February, the national unemployment rate skyrocketed by 0.9%, from a historic low of 3.5% to 4.4%—the largest over-the-month increase in the rate since January 1975, when the increase was also 0.9%. The number of unemployed persons rose considerably by 1.4 million to 7.1 million in March.

The Latino unemployment rate surged from 4.4% to 6% from February to March. In March, the number of employed Latinos dropped by 859,000 people to 27.7 million employed Latinos. The number of unemployed Latinos rose from 1.3 million to 1.8 million, with 449,000 Latinos considered unemployed. At 6%, the Latino unemployment rate is substantially higher than the national rate of 4.4%.

While these numbers are staggering, they fail to capture the true impact of the coronavirus pandemic on the nation's economy. The Bureau of Labor Statistics jobs report traditionally only reflects the first two weeks of the month; most government-mandated business closures began after that time, meaning the current data do not reflect the unprecedented mass layoffs that surged in response to shelter-in-place orders the second week of March onward.¹

Latinos are disproportionately losing work and wages due to the COVID-19 pandemic.

The retail and leisure and hospitality industries are among the business sectors hardest hit by the economic repercussions of the COVID-19 pandemic. Prior to the crisis, the hospitality and leisure industries boasted nearly 16.9 million employees; together with the retail sector, the two industries accounted for 32.6 million American jobs in February 2020.² Latinos are overrepresented in each of these sectors. Twenty-four percent of leisure and hospitality workers are Latino; within that industry, 26.8%³ of food service workers and 28.8% of leisure accommodation workers, i.e. hotel workers, are Latino.⁴ Additionally, 24.4% of clothing retail workers are Latino. Due in part to these industry losses, Latinos are disproportionately experiencing financial instability caused by the crisis: in nationwide polling from late March, half of Hispanic adults (49%) reported their household already lost wages or employment due to the crisis, compared to 33% for all respondents.⁵ In New York alone, four in ten Latinos have already lost their jobs since the onset of the public health crisis.^{6,7} For those still working, roughly two-thirds of employed Hispanic adults (66%) say they would not get paid if the coronavirus caused them to miss work for two weeks or more, compared to 54% of employed U.S. adults overall.⁸

Many Latinos are employed in essential positions that place them at higher risk of exposure, yet often lack adequate paid sick leave provisions.

The repercussions of COVID-19 disproportionately harm Latinos on two fronts: not only do their roles as essential workers place them at higher risk of coronavirus exposure, Latino workers also disproportionately lack worker protections, such as paid sick leave. Prior to the health crisis, more than half of Latino workers—an estimated 15 million people—were unable to earn paid sick leave.⁹

While the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid, Relief, and Economic Security (CARES) Act (phase 3) do expand coverage, employer requirements to offer paid sick leave to employees only apply to certain employers under certain conditions. Workers who are furloughed or have had their hours reduced are ineligible for leave. Workers who do not live in a locality with a shelter-in-place order are not eligible for the leave unless they or a member of their household show symptoms of the coronavirus or are seeking treatment. This encourages workers without employer provided sick leave to continue to expose themselves to risk, such as our frontline food supply workers.

As of 2019, Latinos comprised 17.6% of American workers,¹⁰ but from farm to table, Latinos power a much larger percent of the American food supply chain. Latinos make up 34% of crop production workers, 35% of animal processing workers, 29.7% of food manufacturing workers, 20% of transportation and warehousing workers, and 20.5% of grocery store workers. Together with the 14% of health care and emergency service workers, 25% of automotive repair workers, and 22% of waste management workers who are Latino, hundreds of thousands of Latino workers are considered essential to the safety and security of America and do not have the luxury of telework or self-isolation during the COVID-19 crisis.

The CARES Act leaves millions of Latinos out in the cold.

The CARES Act provides \$260 billion to state budgets to supplement much-needed unemployment insurance; with roughly 10 million Americans filing for unemployment insurance since mid-March, the highest level of claims since the Department of Labor starting tracking seasonally adjusted numbers.¹¹ Unemployment provisions in the CARES Act also include workers who traditionally would not qualify for unemployment insurance, such as part-time workers, seasonal workers, gig workers, and independent contractors—but the option to extend these benefits must be made by the state, which will hurt Latinos, who are overrepresented in these job categories. This is especially concerning considering recent polling by UnidosUS which suggests that before the pandemic, only 25% of Latinos could afford a \$400 unexpected expense.¹²

Latinos are more likely than peers to work part-time involuntarily for reasons beyond their control: in 2019, 1.2 million Latinos were underemployed this way.¹³ UnidosUS estimates 41% of working Latino adults participate in the gig economy and most do so to supplement income.¹⁴ For example, a Latino worker who spends 34 hours per week at a primary job in retail may supplement his or her income with gig jobs. Even before the crisis however, four out of five Latino gig workers were struggling to make ends meet.¹⁵ The amount and duration of unemployment assistance this worker may receive for lost part-time work will vary by state. Florida, where 28% of workers are Latino, is one of eight states to offer less than the standard 26 weeks of unemployment insurance.¹⁶ The amount and duration of the assistance this worker would be able to receive for lost gig work also varies by state. Even if a state chooses to expand benefits to gig workers under the CARES Act, state capacity lags behind demand. Gig drivers in California—where nearly 38% of workers are Latino—struggle to access benefits due to being classified as contractors by companies like Uber and Lyft. At

the time of writing, each applicant's case must be adjusted by California's Employment Development Department until faster processes are developed.¹⁷

The CARES Act also leaves out the estimated 7–7.6 million undocumented workers in the United States and their American families.¹⁸ Under current federal laws, undocumented workers are not eligible for unemployment insurance benefits, despite contributing an estimated \$32 billion dollars in taxes in 2018.¹⁹ Undocumented workers and anyone who files taxes with an Individual Taxpayer Identification Number (ITIN) are also ineligible to receive direct federal stimulus checks, as are their citizen family members and family members with social security numbers—including children. Today, 80% of Latinos are U.S. citizens and roughly half of those remaining are legal permanent residents (green card holders).²⁰ At the same time, at least four million Latino U.S.-citizen children live with an undocumented parent, and as many as six million American children have a family member who is either undocumented or has some form of temporary legal status.²¹ Without access to direct stimulus help or unemployment insurance, these American children will suffer the loss of income to their families, regardless of immigration status.

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](#).

¹ Eric Morath and Paul Kiernan, "March Jobs Report Unlikely to Show Full Impact of the Coronavirus Crisis," Wall Street Journal, March 30, 2020. https://www.wsj.com/articles/march-jobs-report-unlikely-to-show-full-impact-of-the-coronavirus-crisis-11585490400?mod=article_inline&mod=article_inline (accessed April 2, 2020).

² U.S. Bureau of Labor Statistics, "Industries at a Glance" Current Population Survey, Office of Occupational Statistics, <https://www.bls.gov/iag/tgs/iag44-45.htm#workforce> (accessed April 2, 2020)

³ U.S. Bureau of Labor Statistics, "Labor Force Statistics from the current Population Survey" <https://www.bls.gov/cps/cpsaat18.htm> (accessed April 2, 2020)

⁴ Ibid.

⁵ Pew Research Center, "Worries About Coronavirus Surge, as Most Americans Expect a Recession – or Worse," (Washington, DC: Pew Research Center, March 26, 2020), <https://www.pewresearch.org/fact-tank/2020/03/24/hispanics-more-likely-than-americans-overall-to-see-coronavirus-as-a-major-threat-to-health-and-finances/> (accessed March 31, 2020).

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- ⁷ Nicole Acevedo, "About 4 in 10 Latinos in New York City Have Lost Their Jobs because of Coronavirus," NBC News, March 24, 2020. <https://www.nbcnews.com/news/latino/about-4-10-latinos-new-york-city-have-lost-their-n1167931> (accessed March 30, 2020)
- ⁸ Pew Research Center, "Worries About Coronavirus Surge, as Most Americans Expect a Recession – or Worse," (Washington, DC: Pew Research Center, March 26, 2020), <https://www.pewresearch.org/fact-tank/2020/03/24/hispanics-more-likely-than-americans-overall-to-see-coronavirus-as-a-major-threat-to-health-and-finances/> (accessed March 31, 2020).
- ⁹ UnidosUS and National Partnership for Women and Families, "Latinos and Their Families Need Paid Sick Days," March 2020. <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/latino-workers-need-paid-sick-days.pdf> (accessed March 30, 2020)
- ¹⁰ U.S. Bureau of Labor Statistics, "Labor Force Statistics from the current Population Survey" <https://www.bls.gov/cps/cpsaat18.htm> (accessed April 2, 2020)
- ¹¹ U.S. Department of Labor, Unemployment Insurance Weekly Claims. April 2, 2020 <https://www.dol.gov/ui/data.pdf> (accessed April 2, 2020)
- ¹² UnidosUS. "New Poll: Low Unemployment Rate Doesn't Translate to Good Quality Jobs, 76 Percent of Latinos Struggle to Make Ends Meet," February 7, 2020 <https://www.unidosus.org/about-us/media/press/releases/02720-UnidosUS-New-Poll-Job-Quality> (accessed April 2, 2020).
- ¹³ Bureau of Labor Statistics, "Persons at work in nonagricultural industries by age, sex, race, Hispanic or Latino ethnicity, marital status, and usual full- or part-time status," Household Data Annual Averages, 2019. <https://www.bls.gov/cps/cpsaat22.pdf> (accessed April 2, 2020)
- ¹⁴ UnidosUS, "Latinos and the Gig Economy," February 7, 2020), <http://publications.unidosus.org/handle/123456789/2017> (accessed April 2, 2020)
- ¹⁵ Ibid.
- ¹⁶ "Policy Basics: How Many Weeks of Unemployment Compensation Are Available?" Center on Budget and Policy Priorities, 23 March 2020. Available at <https://www.cbpp.org/research/economy/policy-basics-how-many-weeks-of-unemployment-compensation-are-available>.
- ¹⁷ <https://www.wired.com/story/covid-19-pandemic-aggravates-disputes-gig-work/>
- ¹⁸ MPI 2017 <https://www.migrationpolicy.org/data/Unauthorized-immigrant-population/state/US> and Pew Research Center, "5 facts about illegal immigration in the U.S.," (Washington, DC: Pew Research Center, June 12, 2019), <https://www.pewresearch.org/fact-tank/2019/06/12/5-facts-about-illegal-immigration-in-the-u-s/> (accessed March 31, 2020).
- ¹⁹ New American Economy, "Undocumented Immigrants," (New York, NY: 2020), <https://www.newamericaneconomy.org/issues/undocumented-immigrants/> (accessed March 31, 2020).
- ²⁰ Migration Policy Institute analysis of U.S. Census Bureau data from the 2012--2016 pooled American Community Survey (ACS) and the 2008 Survey of Income and Program Participation, with legal status assignments using a unique MPI methodology developed in consultation with James Bachmeier of Temple University and Jennifer Van Hook of the Pennsylvania State University, Population Research Institute. (Shared with UnidosUS December 17, 2019.)
- ²¹ Wyatt Clarke, et al., "One Quarter of Hispanic Children in the United States Have an Unauthorized Immigrant Parent," National Research Center on Hispanic Children & Families, <http://www.hispanicresearchcenter.org/publications/one-quarter-of-hispanic-children-in-the-united-states-have-an-unauthorized-immigrant-parent/> (accessed April 1, 2020); and Carlos Guevara, *Beyond the Border: Family Separation in the Trump Era* (Washington, DC: UnidosUS, 2019), <https://www.unidosus.org/issues/immigration/articles/beyond-the-border> (accessed April 1, 2020).