Latino Unemployment Rate Remains the Highest at 17.6%

Latina women are struggling the most from the economic fallout

LEISURE AND HOSPITALITY EMPLOYMENT LEADS GAINS, ADDING 1.2 MILLION JOBS

In April, the industry lost 7.5 million jobs. Twenty-four percent of workers in the leisure and hospitality industry are Latino.

INDICATORS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>National</th>
<th>Latinos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>137.2 million</td>
<td>23.2 million</td>
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<tr>
<td>• Working people over the age of 16, including those temporarily absent from their jobs</td>
<td></td>
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<tr>
<td>Unemployed</td>
<td>21 million</td>
<td>5 million</td>
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<tr>
<td>• Those who are available to work, trying to find a job, or expect to be called back from a layoff but are not working</td>
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<tr>
<td>Civilian Labor Force</td>
<td>158.2 million</td>
<td>28.2 million</td>
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<tr>
<td>• The sum of employed and unemployed people</td>
<td></td>
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<tr>
<td>Unemployment Rate</td>
<td>13.3%</td>
<td>17.6%</td>
</tr>
<tr>
<td>• Share of the labor force that is unemployed</td>
<td></td>
<td></td>
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<tr>
<td>Labor Force Participation Rate</td>
<td>60.8%</td>
<td>64.1%</td>
</tr>
<tr>
<td>• Share of the population over the age of 16 that is in the labor force</td>
<td></td>
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<tr>
<td>Employment-Population Ratio</td>
<td>52.8%</td>
<td>52.8%</td>
</tr>
<tr>
<td>• Share of the population over the age of 16 that is working</td>
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</tbody>
</table>

Employment of Latinos in May 2020

The U.S. Department of Labor (DOL) reported that employers added 2.5 million jobs in May, compared to 20.5 million jobs lost in April. Nearly 43 million Americans have applied for unemployment insurance since the start of the COVID-19 national emergency. The national unemployment rate decreased from 14.7% in April to 13.3% in May. The Latino unemployment rate decreased from 18.9% in April to 17.6% in May.

Latinos Continue to Endure Disproportionate Economic Challenges

The jobs report illustrates how Latino workers are facing major economic challenges, especially as millions more find themselves jobless. The official unemployment figures underestimate the true unemployment rate. And since the government counts part-time workers as employed, the jobs report does not include the millions of Latinos who are underemployed. These challenges are compounded within the gig work economy, in which 41% of Latinos participate. Polling from late April shows that 61% Latinos have lost household income due to COVID-19.

Latinas: Bearing the Economic Brunt of COVID-19

As UnidosUS has documented, compared to other racial and ethnic groups, the COVID-19 pandemic has disproportionately harmed the health and economic well-being of the Latino community. Latinos disproportionately hold hourly and gig jobs in industries that have been hit hard by the pandemic, are more likely to lack access to health insurance, and less likely to have a financial cushion. Sadly, despite having entered the workforce in record numbers—at more than 11 million workers—and contributing to the $2.3 trillion economy that the Latino community accounts for, in many ways, Latina women are struggling the most from the economic fallout of COVID-19.

Before the pandemic, Latinas experienced significant, long-running economic disparities. Even though Latinas were entering the U.S. workforce in record numbers before the pandemic, with more than 11 million workers strong, they nonetheless faced the largest gender wage gap, earning just 54 cents for every dollar paid to White non-Hispanic men. In addition to being over-represented in low-wage occupations, Latinas experience additional barriers to economic mobility, including limited access to benefits like paid leave and retirement plans. Even in the highest paid occupations, like financial specialists and chief executives, Latinas are paid significantly less than their White male counterparts. These inequities create economic uncertainty for entire families, as an estimated 41% of Latina mothers are the primary breadwinners for their families. Single Latina women also experience significant wealth disparities, having a median $100 in wealth compared to $28,900 for single white men. All of these economic disparities are compounded for Latinas when they belong to a community that continues to experience significant discrimination. In one 2017 study, nearly one out of three Latinos said they had been personally discriminated against because they were Latino when applying for jobs, when being paid equally or considered for promotions, and when trying to rent a room, apartment, or buy a house.

Since the pandemic hit, women have been essential, constituting nearly two-thirds (64.4%) of all frontline workers. Women are overrepresented in essential industries such as health care (76.8%), child and social services (85.2%), cashiers (71.8%), retail salespersons (63.5%), and customer service representatives (63.7%). Of these essential industries, Latinas are disproportionately concentrated as cashiers and customer service representatives, as well as custodians—an industry that is 40.2%
Hispanic and 38.2% immigrant. Latinas are also overrepresented in jobs that have been devastated by the pandemic, including maids and housekeeping cleaners, as well as secretaries and administrative assistants. The top occupation held by Latinas in the United States is working as a maid or housekeeping cleaner. Within the domestic worker industry, there are almost 2.5 million workers, most of whom do not have paid time off or sick days, protections against unfair dismissal, or livable wages. According to one survey, 72% of domestic workers reported having no jobs in early April, and 70% said that they did not know if their clients would give them their job back after the pandemic. Domestic workers returning to their jobs post-pandemic will return to the significant economic challenges the previously faced. The median hourly wage for a domestic worker is only $10.21, which is likely why 23.4% of domestic workers live below the poverty line. The second most overrepresented occupation for Latinas is working as a cashier. Since March, at least 5,500 grocery store employees have tested positive for COVID-19, and at least 100 are known to have died from the virus. In fact, the cash register has emerged as the most dangerous place in a store. By working so closely with the public on a constant basis, cashiers are among essential workers putting their health at the highest risk so that the nation may continue to meet its essential needs. Unfortunately, their health has not always been prioritized during the pandemic, as some stores have failed to take the necessary precautions to ensure that workers do not get sick, and been reluctant to provide information about employees who are or may have been infected with the virus in a timely manner. Despite the personal risks cashiers take, these workers are often paid very low wages, earning a median pay of $11.37 per hour. While the pandemic has significantly harmed the economic well-being of Latinas, Latina immigrants face additional challenges. In April, Latina immigrant women had the highest jobless rate of all racial and ethnic groups. In fact, immigrant women, with the exception of Black women, had a higher unemployment rate than men, regardless of their education level. In addition to also being overly concentrated in low wage jobs, most Latina immigrants have also been denied crucial assistance that was extended to other taxpayers. When Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act and provided $1,200 in cash payments to adults and $500 for child dependents, it limited the relief only to individuals who have a Social Security number. This left out millions of individuals with an Individual Tax Identification Number (ITIN) who could demonstrate that they paid taxes, as well as their spouses, regardless of the spouse's immigration status. To add insult to injury, the cash relief was also prohibited for an estimated 4.5 million Latino children who live in mixed-status households. In addition to this financial uncertainty, Latina immigrants are also enduring the Trump administration's cruel anti-immigrant agenda, including its public charge rule, which prevents many from seeking assistance for fear that they will lose their ability to stay in the country with their families. The obstacles to Latina financial empowerment are historic and systemic. To move forward, policymakers must remove constraints that have prevented Latinas from reaching their full potential and provide the necessary federal investments that will help all women succeed. Some of these essential investments include income support—including for mixed-status families, long-term expanded unemployment insurance, robust paid leave protections, wage security, increased protections for essential workers, and deportation protections for immigrants.
To that end, the House of Representatives has passed the HEROES Act, which includes many of these necessary investments. For example, the legislation bolsters economic security by providing an additional $1,200 of cash payments to adults, including ITIN holders, and another $1,200 for their children. It also strengthens the social safety net by extending expanded unemployment insurance through the end of next January and provides $175 billion to help renters and homeowners keep a roof over their heads. The bill also helps poor Latina heads of households by increasing the maximum Supplemental Nutrition Assistance Program (SNAP) by 15% and eliminates that five-year waiting period for Legal Permanent Residents. To empower our frontline workers, the HEROES Act also provides $200 billion in hazard pay and shields undocumented workers in essential industries from deportation. While this legislation does not fully resolve the long-standing economic disparity that Latinas face, it is a strong investment that moves us in the right direction.

Latinas—and all vulnerable communities—need the investments and protections included in the HEROES Act. That is why UnidosUS continues to urge the Senate to swiftly pass the legislation and help ensure that our country can get back on its feet.

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


6 Ibid


11 Ibid

12 Ibid


14 Ibid


16 Ibid

17 Ibid


24 Ibid