

# LATINAS EXITING THE WORKFORCE

## HOW THE PANDEMIC REVEALED HISTORIC DISADVANTAGES AND HEIGHTENED ECONOMIC HARDSHIP



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As a land grant institution, the UCLA Latino Policy and Politics Initiative acknowledges the Gabrielino and Tongva peoples as the traditional land caretakers of Tovaangar (Los Angeles basin, Southern Channel Islands), and that their displacement has enabled the flourishing of UCLA.

## **About LPPI**

The UCLA Latino Policy and Politics Initiative addresses the most critical domestic policy challenges facing Latinos and other communities of color through research, advocacy, mobilization, and leadership development to expand genuine opportunity for all Americans.

## **Disclaimer**

The views expressed herein are those of the authors and not necessarily those of the University of California, Los Angeles as a whole. The authors alone are responsible for the content of this report.

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## EXECUTIVE SUMMARY

As baby boomers retire in record numbers, Latinas are poised to transform the U.S. labor force and catalyze economic growth. However, the pandemic has made clear that without considerable changes in job protection and safety-net programs, the economic potential of Latinas will be limited. The pandemic has made evident how Latinas struggle to look for work, find jobs, and remain employed because of sustained structural disadvantages. Hyper-segregation in low-paying jobs vulnerable to pandemic-induced shutdowns, like leisure and hospitality, paired with a lack of access to education and training opportunities that would allow them to move away from low-wage labor, caused disproportionate job losses for Latinas. On top of that, disproportionate family-care obligations combined with the lack of support for childcare and the closure of schools and daycare centers have forced Latinas to stop looking for work altogether and will prevent them from re-entering the labor force in the future, unless conditions significantly change.

In this report, we analyze the current state of Latinas in the U.S. workforce, the impact of the pandemic on their employment opportunities, and the need for system-wide changes to unleash their potential. The report provides evidence that returning to what we previously considered to be “normal” will not only leave millions of Latinas without access to real economic opportunity and social mobility but would harm the long-term competitiveness of the U.S. labor force and economy. It also provides evidence that the Biden administration’s proposed American Families Plan<sup>1</sup> — which would remove many of the structural barriers that impede Latinas from rejoining the labor market by providing childcare support, mandatory family and parental leave, and other family-based measures — is necessary for the long-term health of the economy.

Key findings include:

- 1. Before the pandemic, the number of Latinas in the U.S. labor force was projected to grow by 25.8%, close to 9 times the projected growth of white women in the labor force (3.1%) from 2019-2029. This means that Latinas are fundamental to a healthy and productive national workforce that invigorates the U.S. economy and maintains national competitiveness. However, disproportionate effects of the pandemic could slow previously projected increases in the labor force participation of Latinas, ultimately impacting the health and productivity of the workforce and economy at large.**
- 2. In a span of two months, from March to May 2020, 43.5%, or close to 700,000 Latinas in leisure and hospitality lost their jobs across the country.**
- 3. In one year, from March 2020 to March 2021, the number of Latinas in the workforce dropped by 2.74%, the biggest drop in labor force size of any demographic group. Their exit from the labor force will complicate economic recovery as many crucial sectors continue to face labor shortages, potentially leaving businesses with insufficient workers to stay afloat.**
- 4. Before the pandemic, Latinas spent over twice as much time as Latino men on household activities and close to three times as much on caring for household members, but almost half as much on work or work-related activities every day. As pandemic-induced shutdowns continued and household and caregiving responsibilities increased, Latinas involuntarily left the market to care for their homes.**

## **Latinas Exiting the Workforce: How the Pandemic Revealed Historic Disadvantages and Heightened Economic Hardship**

5. **With many schools still closed heading into Fall 2020, 337,000 Latinas dropped out of the labor force from August to September 2020. As a proportion of their August labor force size, Latinas experienced the highest decrease in labor force size of all demographic groups, and almost three times that of their white counterparts.**
  
6. **Since then, the number of Latinas in the U.S. labor force has fluctuated, showing employment inconsistency and instability. Despite rises and falls, the number of Latinas in the workforce is still lower than it was in August 2020 and much lower than before the start of the pandemic. In April 2021, 122,000 fewer Latinas were in the labor force than in August 2020, and 455,000 fewer Latinas were in the labor force than in March 2020.**

We recommend that the U.S.:

1. **Increase the minimum wage.**
  
2. **Strengthen the social safety net by increasing childcare support, introducing mandatory paid family leave, and expanding the child tax credit.**
  
3. **Strengthen training and education programs to upskill and re-skill Latinas in the labor market so they can access higher-wage employment without imminent threats due to automation of low-wage work.**

## INTRODUCTION

A year unlike any other, 2020 and COVID-19 led to Latina unemployment, reduced labor force participation, and heightened domestic responsibilities that reduced their ability to work. Even before the pandemic, Latinas were vulnerable to workplace instability, underemployment, and discrimination, often because of limited access to educational opportunities paired with occupational segregation, discriminatory policies, and general anti-immigrant sentiment.<sup>i</sup> Latinas are often segregated into low-paying jobs, which, as a result of the pandemic, experienced a greater loss in employment levels relative to higher-earning jobs.<sup>ii</sup> From January to April 2020, lower-earning jobs accounted for 34% of the increase in unemployment, while higher-earning jobs accounted for 25%.<sup>iv</sup> According to the Federal Reserve Bank of St. Louis, leisure and hospitality, an industry with an overrepresentation of Latina workers relative to their share of the U.S. population, experienced the greatest decline in employment, with almost half of jobs lost from February to April 2020.<sup>v</sup> Latinas are central to the U.S. workforce but have been one of the most negatively impacted demographic groups throughout the pandemic; policies that continue to exclude their struggles to remain employed will ultimately harm the economy at large.

On April 28, 2021, the Biden administration introduced the American Families Plan — a \$1.8 trillion investment that would expand the child, earned-income, and child and dependent care tax credits; provide free universal pre-school and access to higher education, with an emphasis on racial and ethnic minorities; and supply paid family and medical leave and child care support, among other tax-related investments.<sup>vi</sup> Research has found that family-based support positively impacts women's ability to work, be satisfied with their workplace, and intend to stay employed.<sup>vii</sup> However, studies have found that family-based policies affect women with higher educational attainment the most,<sup>viii</sup> potentially only supporting workers who are already the most productive to remain in the labor market and leaving out those most vulnerable to employment instability. A \$495 billion investment for child and family support, with \$225 billion dedicated to subsidizing childcare, could support Latinas who, as a result of the pandemic, had to decide between caring for their families at home or earning a paycheck.

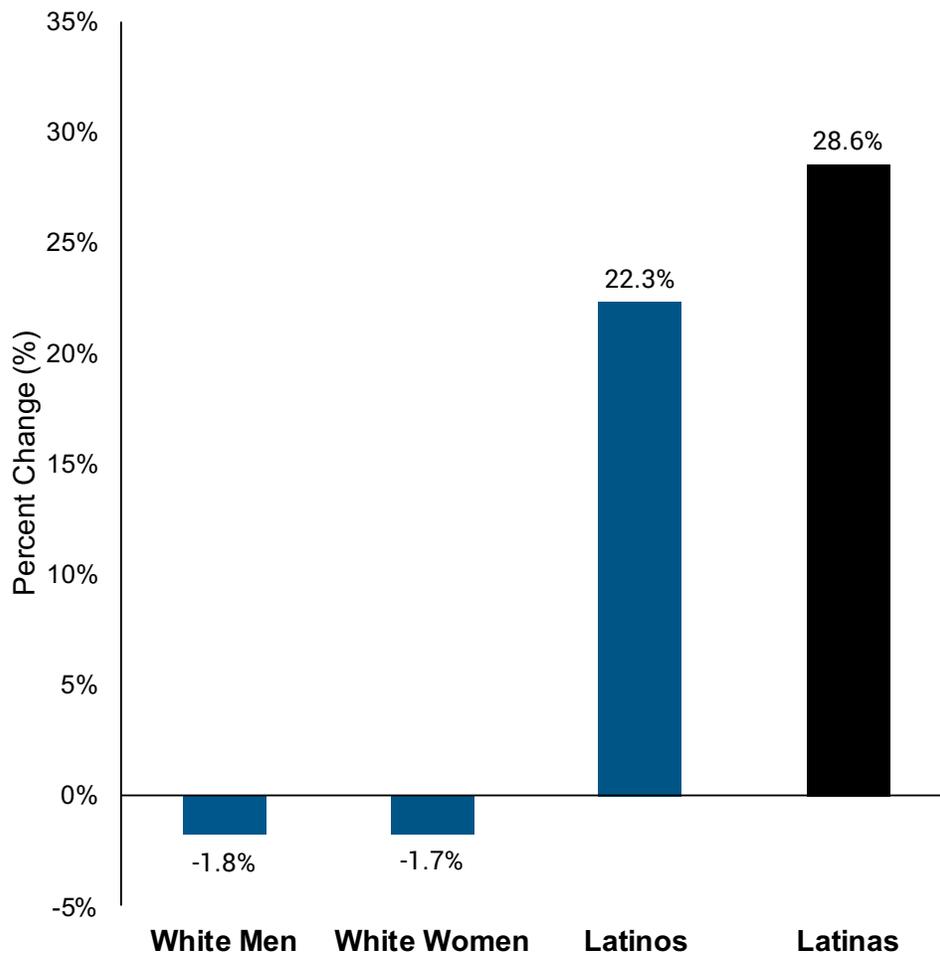
In this report, we depict some of the economic barriers to employment that Latinas encounter in the United States— before, during, and perhaps beyond the pandemic; occupation paired with racist and gender-discriminatory policies and gendered expectations of house and care work determine workplace vulnerability.

This report is organized as follows. We begin by describing Latinas as a share of the U.S. population and labor force. Then, we discuss COVID-19 impacts on employment, drawing special attention to changes in the number of Latinas in the U.S. labor force at given time periods, not just on changes in unemployment rates that may mask what is actually happening behind the figures: hundreds of thousands of Latinas were forced out of the workforce for several reasons throughout the pandemic. We highlight Latinas' pre-existing domestic responsibilities that draw them away from work and their vulnerability within low-paying jobs that the pandemic simply further revealed. We discuss current policies that could counteract Latinas' struggles to find dignified work and remain employed. We end by offering policy recommendations to ensure that Latinas across the country can return to work, provide for their families, and contribute to the U.S. economy while having a fair opportunity for social and economic mobility.

## **LATINAS IN THE UNITED STATES**

Latinas are a fast-growing demographic. In 2020, 30.6 million Latinas made up 9.4% of the total U.S. population — a 28.6% increase from 23.8 million in 2010 (Figure 1).<sup>ix</sup> The population of Latino men grew from 25.1 million in 2010 to 30.7 million in 2020, a 22.3% increase.<sup>x</sup> While whites were still numerically and proportionally the largest major race and ethnic group in the United States in 2020, their population growth declined in the past decade by 1.8%, falling from 197.4 million in 2010 to 194 million in 2020.<sup>xi, xii</sup> The demographic changes in the U.S. population have also translated into demographic changes in the country's labor force.

**Figure 1: U.S. Population Growth & Decline for Latinos and Whites, by gender (2010 - 2020)**

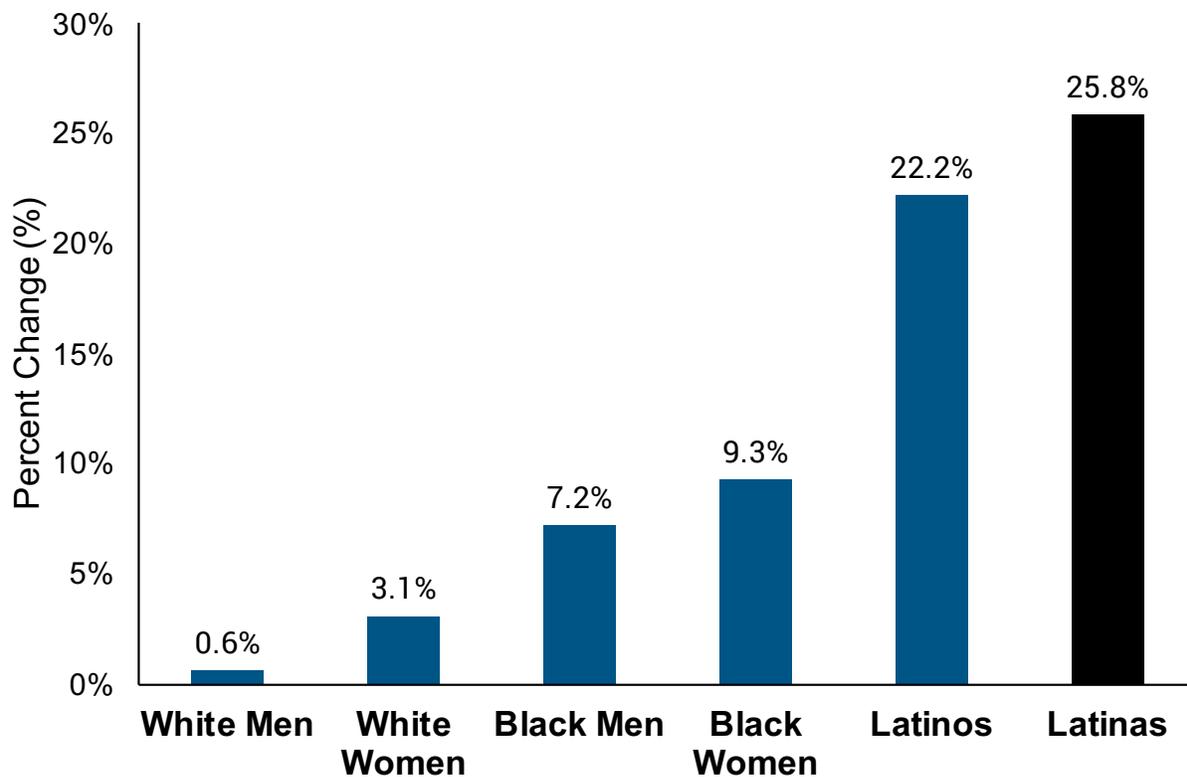


Sources: Current Population Survey (CPS) Basic Monthly (December 2020), [available online](#). U.S. Census Bureau, CPS Annual Social and Economic Supplement (2010), "Table 2. Population by Sex, Age, and Hispanic Origin Type: 2010," [available online](#).

## **LATINAS IN THE U.S. LABOR FORCE**

As the Latina population is projected to grow, so is their participation and representation in the labor force. In January 2020, 12.2 million Latinas made up 7.4% of the U.S. labor force.<sup>xiii</sup> But, as seen in Figure 2, the Bureau of Labor Statistics estimates that from 2019-2029, Latinas will represent 9.3% of the labor force. The number of Latinas in the labor force is projected to grow by 25.8%, close to 9 times the projected growth of white women in the labor force (3.1%).<sup>xiv</sup> The projected growth of Latino men and Black women in the labor force follow, at 22.2% and 9.3%, respectively. White men will experience the slowest growth of all demographic groups at 0.6%. However, disproportionate effects of the pandemic could slow previously projected increases in the labor force participation of some groups more than others, especially as communities of color and women bear the brunt of the pandemic.

**Figure 2: Projected Growth of the U.S. Labor Force, by race/ethnicity and gender (2019 - 2029)**



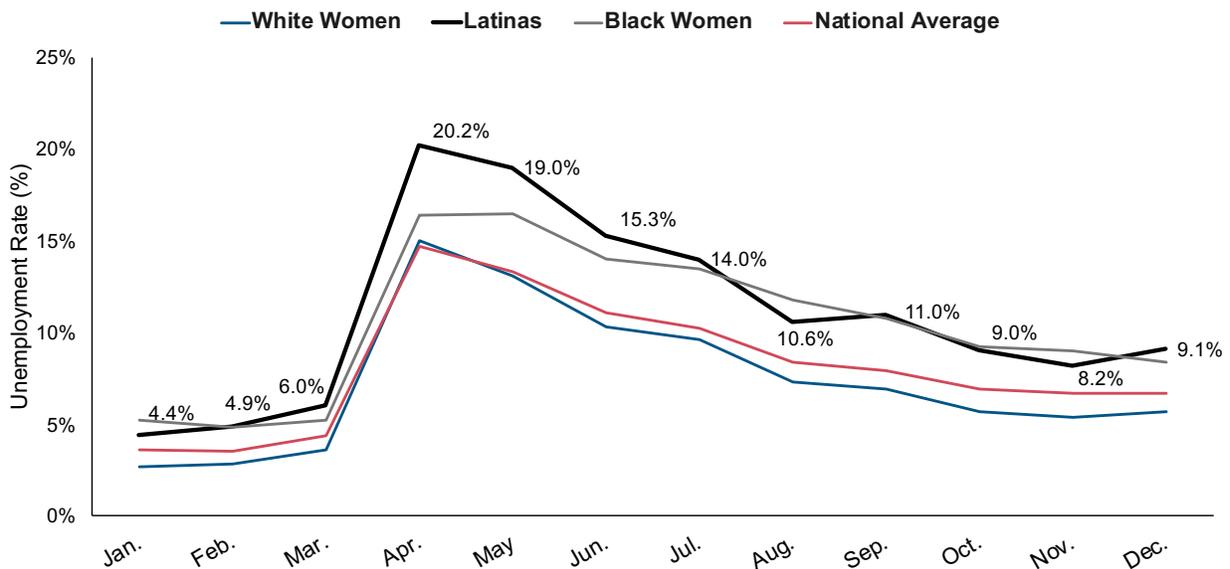
Source: U.S. Bureau of Labor Statistics (BLS). "Civilian Labor Force Projections, Table 3.1: Civilian labor force by age, sex, race, and ethnicity, 1999, 2009, 2019, and projected 2029," [available online](#).

**COVID-19 IMPACTS ON LATINA EMPLOYMENT**

Throughout 2020, unemployment rates were higher for Latinas and Black women in comparison to white women — even before the start of the pandemic. But pandemic-induced unemployment has disproportionately burdened Latinas. In April 2020, after the first economic shutdowns, Latinas experienced the highest unemployment rate of all demographic groups: 20.2% (Figure 3).<sup>xv</sup> In comparison, 16.4% of Black women and 15% of white women were unemployed during that time. By December 2020, unemployment for Latina and Black women remained almost double that of white women who ended the year at 5.7% unemployed, compared to Latina and Black women at 9.1% and 8.4%, respectively.<sup>xvi</sup>

Furthermore, the Latina unemployment rate was consistently higher than the national average from March 2020 to March 2021 (Figure 3).<sup>xvii</sup> Unemployment for Latinas was 3.16 percentage points higher than the national average over the past year. The persistence of this particular gap is evidence that the United States is far from achieving racial and ethnic equity in the labor market.

**Figure 3: Unemployment Rates of Women in the U.S., by race/ethnicity (2020)**

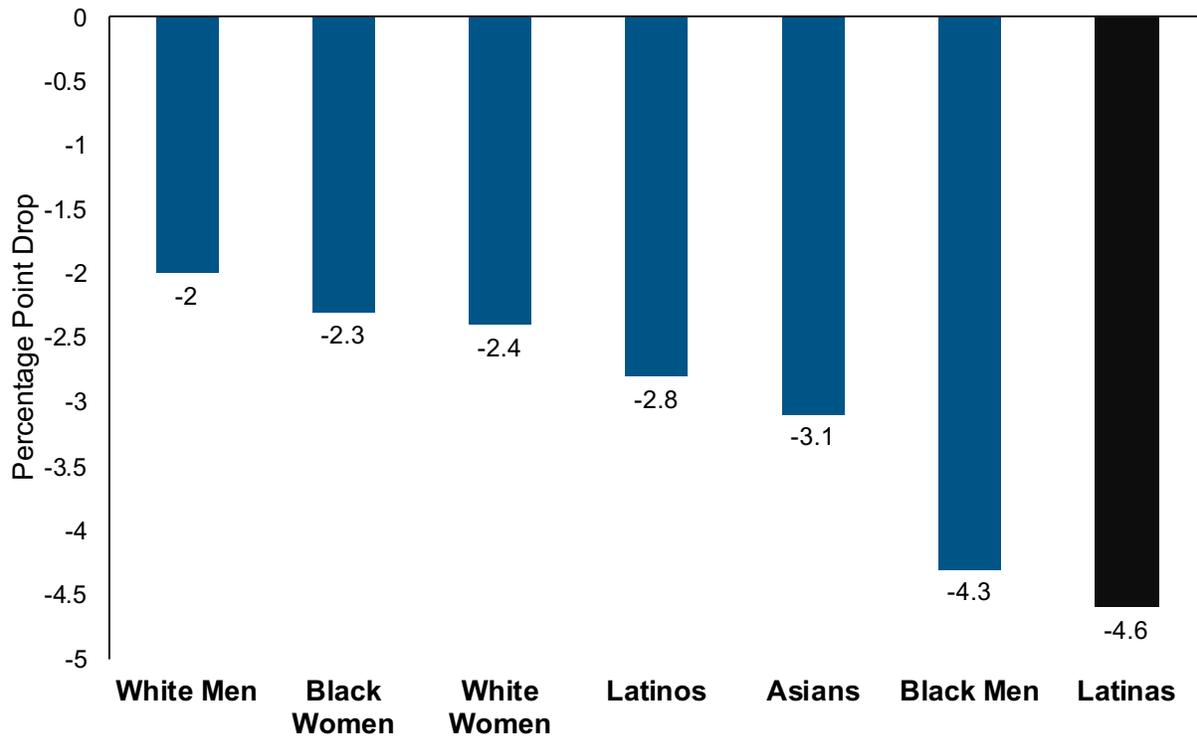


Source: U.S. Bureau of Labor Statistics (BLS) (2020), “Employment Situation News Release,” Tables A-2 and A-3, with monthly archives [available online](#).  
 Notes: Data depict seasonally adjusted values for individuals 20 years of age and older. The BLS does not disaggregate employment data by gender for Asians in its monthly jobs report.

## Latinas Exiting the Workforce: How the Pandemic Revealed Historic Disadvantages and Heightened Economic Hardship

Latinas also saw the greatest drop in labor force participation rates of all demographic groups from March to April 2020, right after government-mandated shutdowns impacted employment. From March to April 2020, Latina labor force participation dropped from 61% to 56.4% — a 4.6 percentage point decrease, almost double the 2.4 percentage point drop experienced by white women (Figure 4).<sup>xviii</sup>

**Figure 4: Percentage Point Decrease in U.S. Labor Force Participation Rate, by race/ethnicity and gender (March - April 2020)**



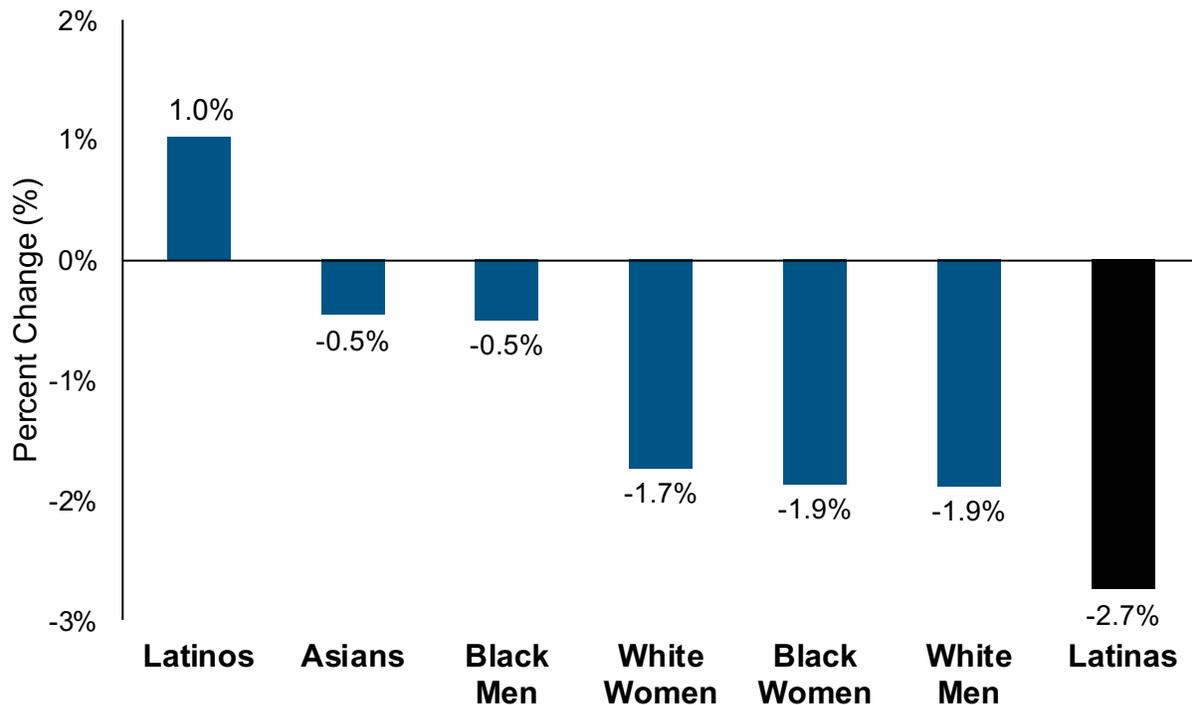
Source: U.S. Bureau of Labor Statistics (BLS) (2020), "Employment Situation News Release," Tables A-2 and A-3, with monthly archives [available online](#).

Notes: Data depict seasonally adjusted values for individuals 20 years of age and older. The BLS does not disaggregate employment data by gender for Asians in its monthly jobs report.

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Latinas experienced the greatest drop in labor force size from March 2020 to March 2021. In March 2020, 12.2 million Latinas across the country were in the labor force. A year later, after economic shocks and shutdowns, only 11.9 million Latinas were in the labor force. In one year, the Latina labor force size dropped by 2.74%, as 336,000 fewer Latinas were in the labor force in March 2021 (Figure 5).<sup>xix</sup>

**Figure 5: Growth & Decline in Labor Force Size, by race/ethnicity and gender (March 2020 - March 2021)**



Source: U.S. Bureau of Labor Statistics (BLS) (2020), "Employment Situation News Release," Tables A-2 and A-3, with monthly archives [available online](#).

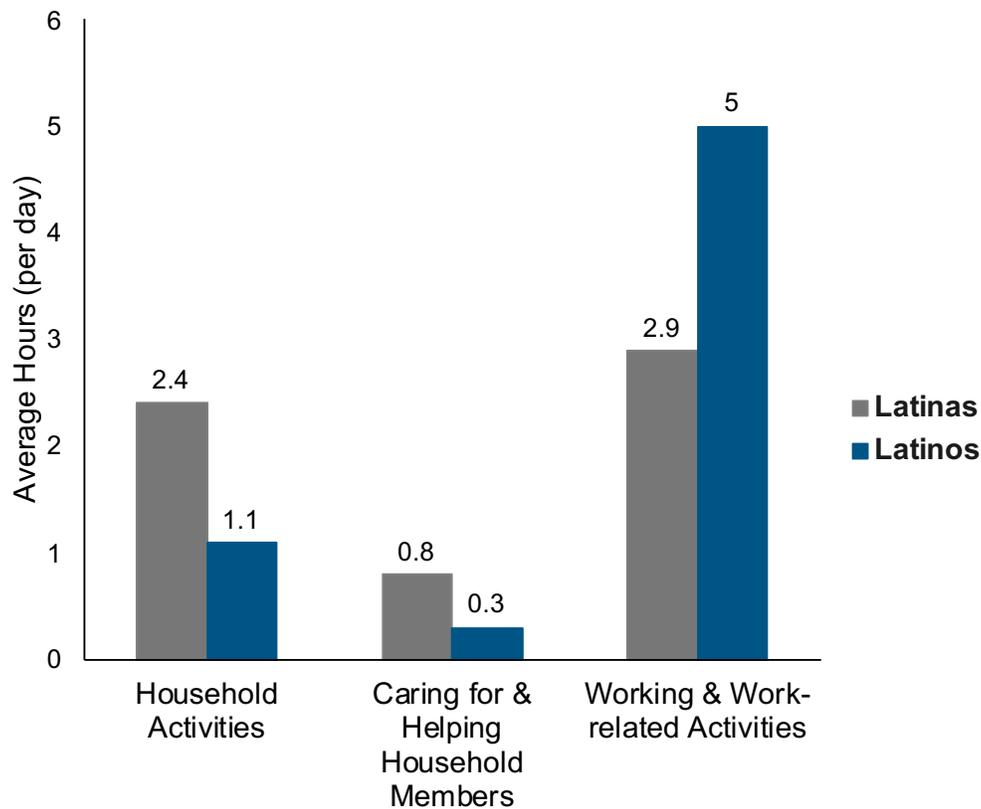
Notes: Data depict seasonally adjusted values for individuals 20 years of age and older. The BLS does not disaggregate employment data by gender for Asians in its monthly jobs report.

Labor force size or participation rates are often neglected in the greater discussion on unemployment, focusing solely on unemployment rates. Decreases in unemployment rates — a potential win at face value — may be explained by reductions in labor force size rather than higher employment rates. If those who are unemployed fall out of the labor force, their respective group's unemployment rate might appear to drop, signaling what some may consider an economic improvement in the labor market. However, involuntary drop out of the labor force could lead to adverse outcomes, like a decrease in productivity and economic activity overall. Thus, looking solely at unemployment rates hides the fact that Latinas are dropping out of the labor force at higher rates than other groups.

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Domestic and caregiving responsibilities often tie women to their household more than men, negatively impacting women's ability to work. Even before the pandemic, Latinas spent over twice as much time as Latino men on household activities and close to three times as much on caring for household members, but almost half as much on work or work-related activities every day.<sup>xx</sup> In 2019, Latinas across the country spent a daily average of 2.4 hours on household activities, 48 minutes caring for and helping household members, and 2.9 hours on work or work-related activities, while Latino men spent only 1 hour on household activities, 19 minutes caring for and helping household members, and 5 hours on work or work-related activities (Figure 6).<sup>xxi</sup>

**Figure 6: Daily Hours Latinos Spent on Domestic or Work-Related Activities, by gender (2019)**



Source: U.S. Bureau of Labor Statistics (BLS) (2019), American Time Use Survey, Table 3, [available online](#).

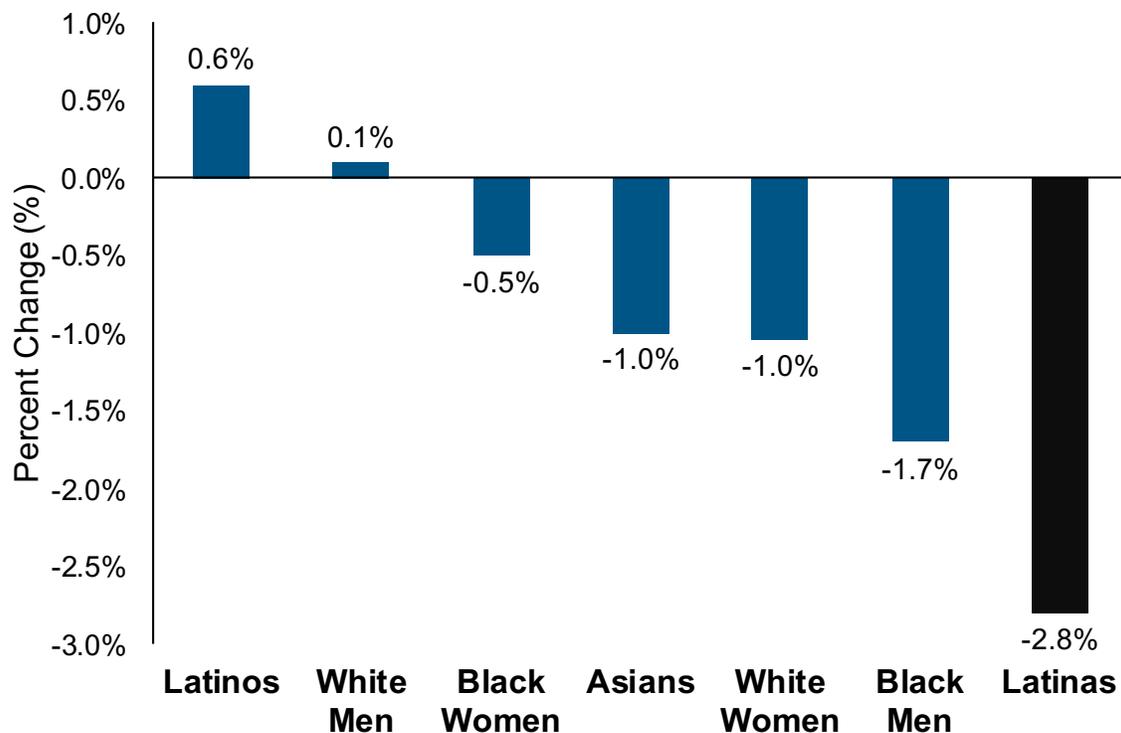
Notes: Data depict average hours spent on various activities per day for individuals 15 years of age and older. Activities include related travel time.

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Household and caregiving responsibilities are even higher for mothers with children under the age of 18. A study by the Pew Research Center found that, of all mothers in the United States, Latinas were more likely to stay at home with their children.<sup>xxii</sup> At the time of the study, close to 40% of Latinas living with their children were not working outside of their homes, almost double the rate of white women.<sup>xxiii</sup> Differences in beliefs about what is best for children, paired with differences in educational attainment, make Latina mothers more likely to tend to domestic responsibilities than other demographic groups. The pandemic only further exacerbated the unequal distribution of time spent on household responsibilities and availability to work, leaving many Latina mothers unable to find a job or return to work.

As domestic and caregiving burdens increased, with many schools still closed heading into the fall in 2020, many women — particularly Latinas — dropped out of the workforce. Though the Latina unemployment rate dropped to 11% in September, far below the record high of 20.2% in April 2020, a large part of that drop was driven by hundreds of thousands of Latinas leaving the job market altogether. In one month alone, 337,000 Latinas dropped out of the labor force from August to September 2020.<sup>xxiv</sup> As a proportion of their August labor force size, Latinas experienced the highest decrease in labor force size of all demographic groups, and almost three times that of their white counterparts (Figure 7).

**Figure 7: Percent Change in the Number of People in the Workforce, by race/ethnicity and gender (August - September 2020)**



Source: U.S. Bureau of Labor Statistics (BLS) (2020), "Employment Situation News Release," Tables A-2 and A-3, with monthly archives [available online](#).

Notes: Data depict seasonally adjusted values for individuals 20 years of age and older. The BLS does not disaggregate employment data by gender for Asians in its monthly jobs report. For a yearlong analysis of labor force participation rate changes by race/ethnicity and gender, please refer to the Appendix.

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Since then, the number of Latinas in the U.S. labor force has fluctuated, showing employment inconsistency and instability. Despite rises and falls, the number of Latinas in the workforce is still lower than it was in August 2020 and much lower than before the start of the pandemic. In April 2021, 122,000 fewer Latinas were in the labor force than in August 2020, and 455,000 fewer Latinas were in the labor force than in March 2020.

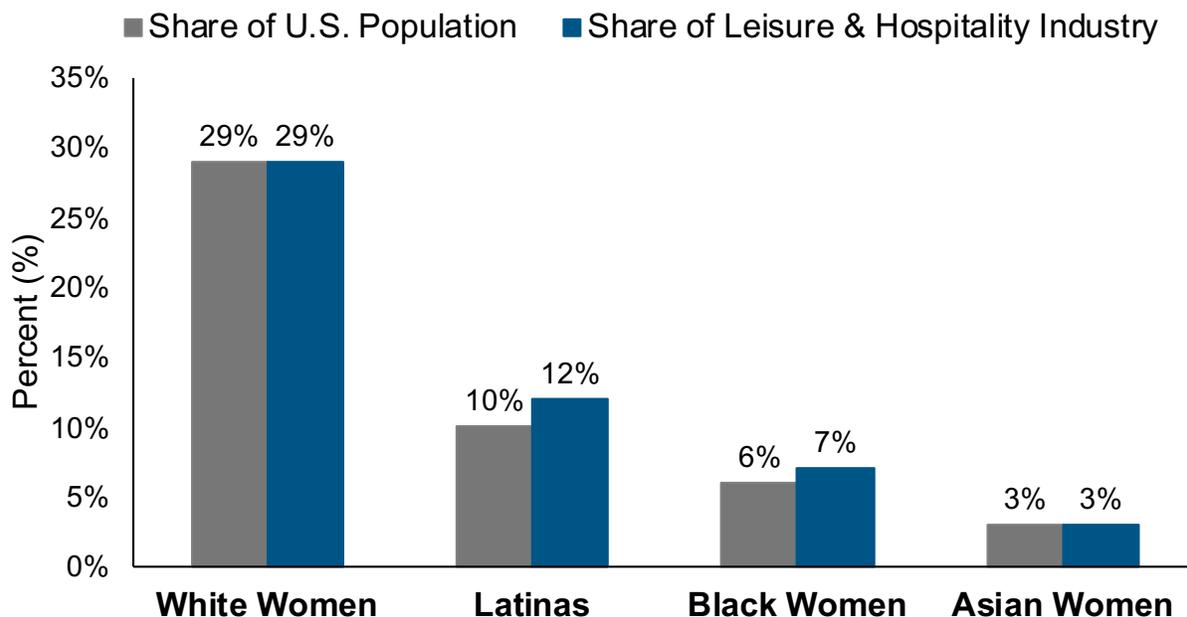
A rise in the Latina labor force participation rate would boost economic activity by billions of dollars. Previous studies have found that childcare investments capped at 10 percent of a family's income can increase women's labor force participation and boost GDP by close to \$210 billion, with every 1 percent boost in workforce participation potentially increasing national income by approximately \$180 billion.<sup>xxv</sup> As such, rises in labor force participation rates for Latinas, a group whose representation was projected to grow immensely before the pandemic, would benefit everyone.

Yet, policies have failed to consider that unemployment and labor displacement affected some industries more than others, which also affected Latinas more than other demographic groups.

### HYPERSEGREGATION IN VULNERABLE INDUSTRIES

In general, industries with lower wages saw greater rises in unemployment,<sup>xxvi</sup> and because Latinas continue to be hypersegregated into low-wage industries, they experienced higher job losses. For example, leisure and hospitality, an industry with an overrepresentation of Latina workers relative to their share of the U.S. population (Figure 8), experienced the greatest decline in employment, with almost half of jobs lost from February to April 2020.<sup>xxvii</sup>

**Figure 8: Women's Share of Population Compared to Share of Leisure & Hospitality Industry (January 2020)**

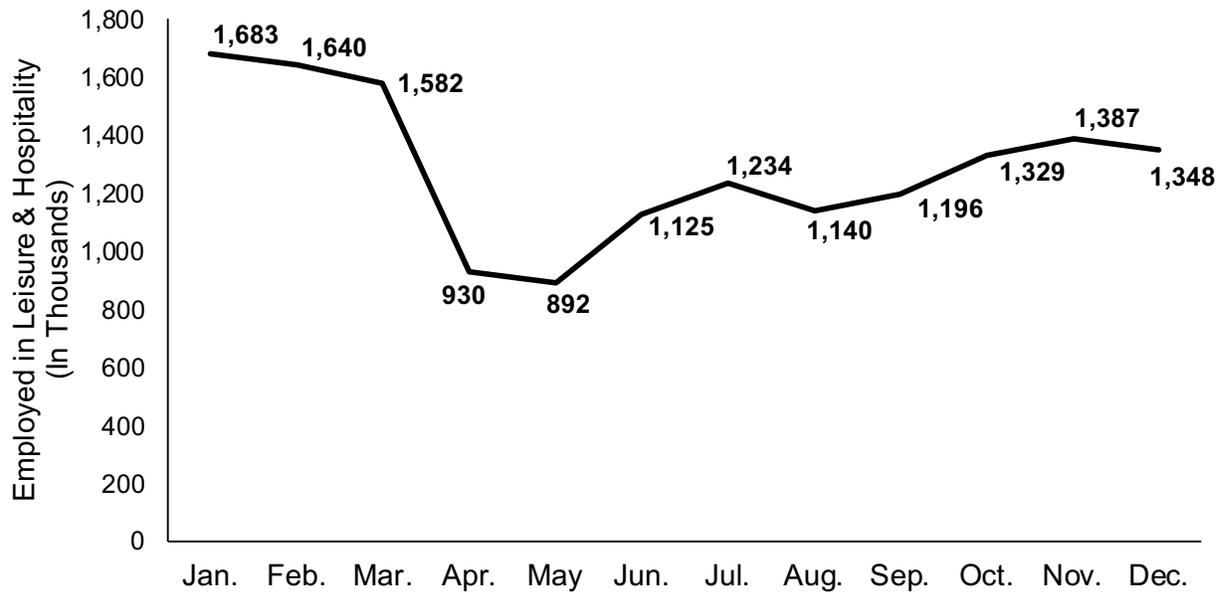


Source: U.S. Census Bureau, CPS Basic Monthly, January 2020, [available online](#).

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From March to April 2020, over 650,000 Latinas in leisure and hospitality lost their jobs across the country.<sup>xxviii</sup> Then, from April to May 2020, the industry lost another 38,000 Latinas. In a span of two months, 43.5%, or close to 700,000 Latinas in leisure and hospitality lost their jobs (Figure 9).

**Figure 9: Number of Latinas Employed in Leisure & Hospitality, by Month (2020)**



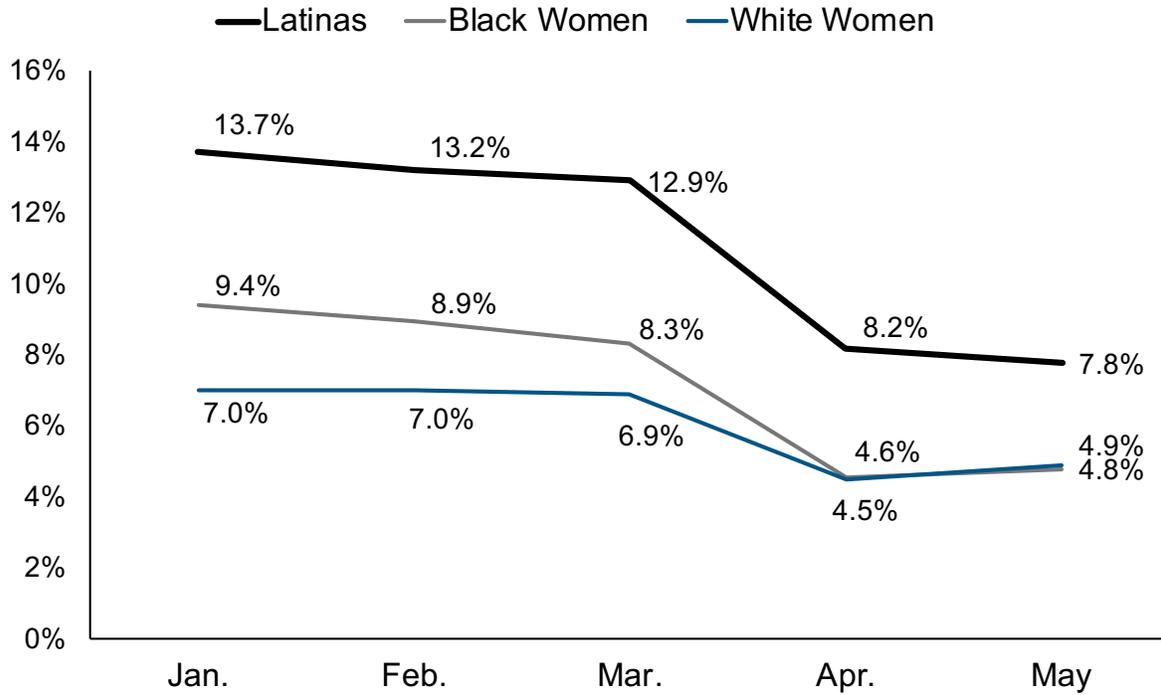
Source: U.S. Census Bureau, CPS Basic Monthly, January - December 2020, [available online](#).

Along with employment levels, the demographic composition of leisure and hospitality changed in the earlier months of the pandemic, with white women's representation in leisure and hospitality growing while that of Latinas declined.<sup>xxix</sup> While the share of Latinas employed in leisure and hospitality continued to drop from January to May 2020, the share of white women in the industry experienced a decline from March to April, but then increased from April to May (Figure 10). At this time, white women represented a larger share of the women employed in leisure and hospitality.

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The increase of white women's share of employment in leisure and hospitality is likely because managerial positions, where white women are overrepresented, were not as affected by pandemic-related closures. As the pandemic impacted low-wage jobs more than high-wage jobs, especially within particular industries, we see demographic changes in the composition of industries according to which women tend to be segregated into particular occupations. A deeper analysis that considers occupations by race/ethnicity is required to unpack the nuances that persist even *within* industries most impacted.

**Figure 10: Share of Women Employed in U.S. Leisure & Hospitality (January - May 2020)**

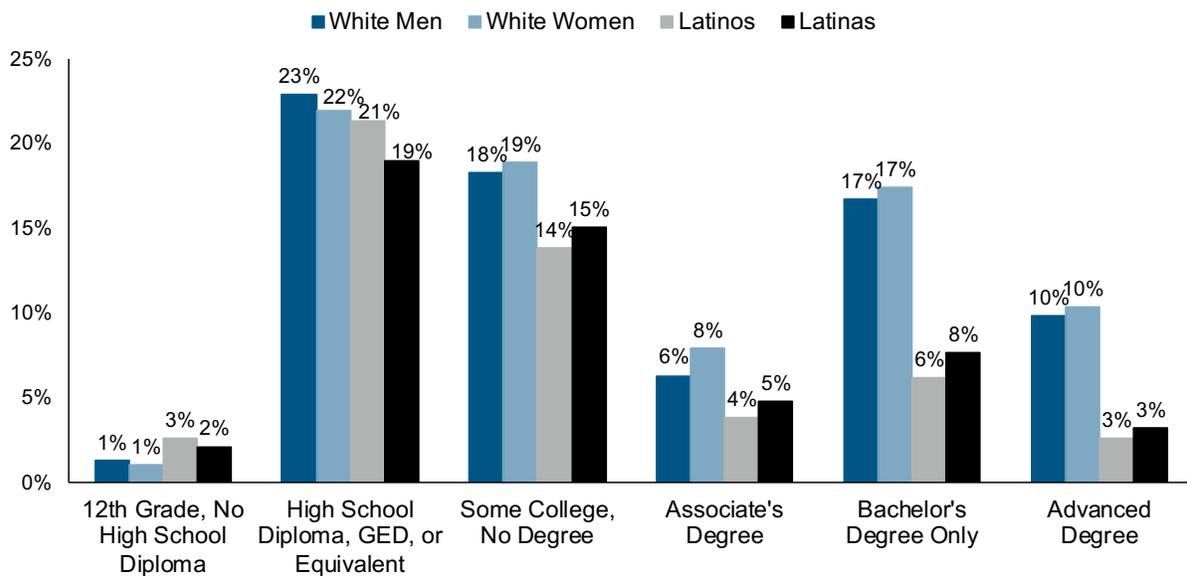


Source: U.S. Census Bureau. CPS Basic Monthly, January - May 2020, [available online](#).

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Segregation into low-wage jobs is linked to lower opportunities for educational attainment, with education also impacting opportunities for social and economic mobility. Before the pandemic, Latinos and Latinas were more likely to lack access to any form of education, with differences by race/ethnicity particularly evident at the college level (Figure 11). White women are over twice as likely as Latinas to have a Bachelor's degree and over three times as likely to have an Advanced degree. As a proportion of their respective U.S. population size, Latinos and Latinas were more likely to lack a high school diploma and less likely to have some type of college education, an Associate's degree, a Bachelor's degree, or an Advanced degree than their white counterparts. Gaps in education may be driving differences in employment outcomes later on, like lower wages, less job stability, and more barriers to entry for Latinas relative to white women.

**Figure 11: Educational Attainment for Latinos and Whites in the U.S. (2019), by gender**



Source: ACS 5-Year Estimates - Public Use Microdata Sample (2019), [available online](#).

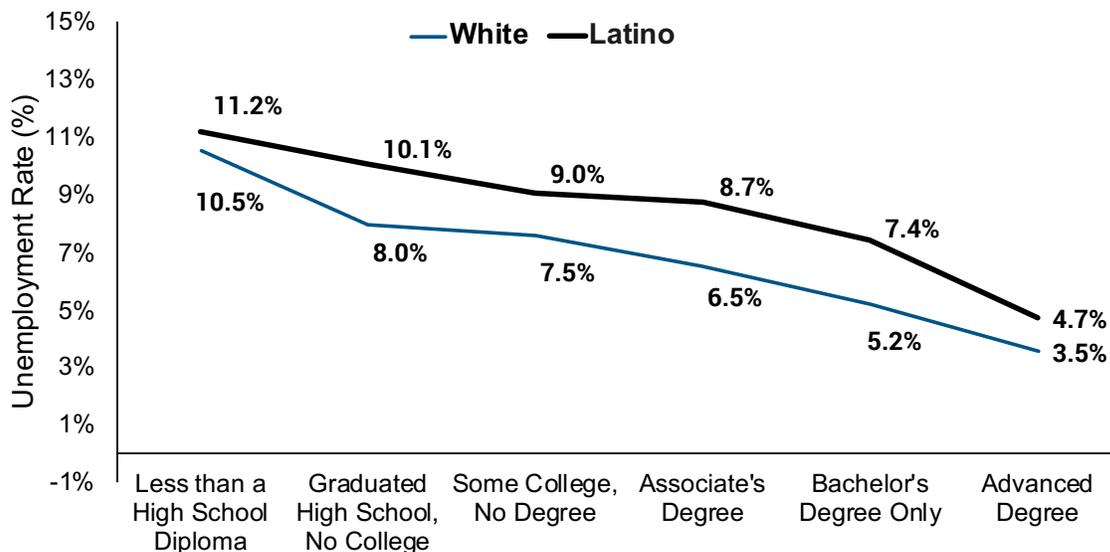
Notes: People of Spanish descent were not included within the "Latino" category. "Advanced degree" includes those with a Master's degree, Professional degree, or Doctorate degree.

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However, it is also important to note that Latinos experienced higher unemployment rates regardless of educational attainment levels. As Figure 12 shows, Latinos (both women and men) face higher unemployment rates at every level of education when compared to their white counterparts. Across all levels of educational attainment, the unemployment rate is 6.45% for the white labor force, compared to the 9.19% unemployment rate for Latinos. The smallest unemployment disparities are at the lowest and highest level of educational attainment.

Despite the differences in the groups, Latino unemployment decreases as the level of education increases. Making higher education more affordable for Latinas would also help shrink the employment and earnings gaps throughout the recovery, but only if paired with legislation that improves workplace conditions, like better access to jobs, benefits, and dignified wages.

**Figure 12: Unemployment Rates by Educational Attainment for Latinos and Whites (2020)**



Source: Labor Force Statistics from the Current Population Survey, Household Data, Annual Averages, "Table A-7. Employment status of the civilian noninstitutional population 25 years and over by educational attainment, sex, race, and Hispanic or Latino ethnicity," [available online](#).

## POLICY DISCUSSION & RECOMMENDATIONS

As our analyses show, policies geared directly to support women in the workforce are needed for Latinas to have genuine economic opportunity. The Biden administration's American Families Plan intends to invest \$1.8 trillion in "our kids, our families, and our economic future."<sup>xxx</sup> The Plan expands child, earned-income, and child and dependent care tax credits, while providing free universal pre-school and access to higher education, with an emphasis on racial and ethnic minorities. It also supplies paid family and medical leave and childcare support.<sup>xxxi</sup> With previous family-based policies benefiting women with higher educational attainment the most and limited federal spending having supported only a fraction of children in the past,<sup>xxxii</sup> it is imperative that new legislation supports those most vulnerable to employment and economic instability.

To advance towards an equitable recovery that allows everyone a fair opportunity for social and economic mobility, we recommend that the United States:

### 1. Increase the minimum wage.

- For Latinas that are paid hourly rates, 1.41% were paid below the \$7.25 federal minimum wage compared to the 1.18% of all hourly workers in 2020.<sup>xxxiii</sup> Increasing the federal minimum wage to \$15 per hour and eliminating the subminimum wages for tipped workers in service industries would narrow the earnings gap, as approximately 33.4% of all Latino workers would see wage increases as a result.<sup>xxxvi</sup> Closing the gender and racial wage gaps through comprehensive equal pay legislation is also critical to raising Latinas' earnings.

### 2. Strengthen the social safety net by increasing childcare support, introducing mandatory paid family leave, and expanding the child tax credit.

- Studies have noted increases in earnings after marriage, but the effect is the opposite for married Latinas, whose occupational mobility may be constrained by expectations of motherhood.<sup>xxxv</sup> But, governments can offset the volatile effects experienced by vulnerable workers by adjusting social insurance policies, including unemployment insurance, rental assistance, and supplemental income for families with children that would provide Latinas the additional flexibility to search for jobs with livable wages.<sup>xxxvi</sup> The Biden administration's American Families Plan, combined with his American Jobs Plan,<sup>xxxvii</sup> may represent the first step towards aid that recognizes and relieves some of the barriers to entry that Latinas face in the labor market.
- Furthermore, certain social characteristics shape Latinas' labor market position and constrain them from accessing government-provided support (e.g. legal status).<sup>xxxviii</sup> Labor markets are highly segregated by gender and nativity, so immigrant Latinas experience multiple, interrelated constraints as members of a largely undocumented population, especially as wives and mothers.<sup>xxxix</sup> As such, it is imperative that government-mandated aid effectively reaches communities most in need, rather than imposing eligibility or administrative hurdles that too often stop communities of color and/or low-earning workers from accessing much-needed support.

### 3. Strengthen training and education programs to upskill and re-skill Latinas in the labor market for them to have access to higher-wage employment without imminent threats due to automation of low-wage work.

- Improving accessibility to a college education through government assistance for Latinas and ensuring that they complete their degrees would narrow employment and earnings gaps, while positively impacting their potential for social and economic mobility. In addition to strengthening K-12 educational pipelines into universities, universities should invest in programs that recruit, retain, train, and support students of color to enter spaces where they are traditionally underrepresented, like STEM. This will be especially critical as Latinas continue to be underrepresented in industries with high digital scores and low risk of being replaced by technology.<sup>xi</sup>
- Alongside that, with Latinas at risk of being replaced by technology, employer-specific training must support current employees by providing relevant skills needed to shift to a technologically advanced workplace. The American Jobs Plan proposes to train workers for the “jobs of the future [equipped to] compete at the global stage,”<sup>xii</sup> but legislation should establish programs that specifically support workers of color who are more likely to be, or have already been, replaced by technology and/or want to enter another industry.<sup>xiii</sup> In California, for example, where close to 50% of female leisure and hospitality workers identified as Latina in January 2020,<sup>xiii</sup> technological advancement could negatively impact a large portion of the state's labor force if workers are replaced by automation and left alone to find new jobs elsewhere.

## CONCLUSION

While Latinas' labor force participation rate was projected to grow from 2019 and 2029— and even outpace the projected rate of Latinos and whites — the pandemic has made clear that Latinas are especially vulnerable to economic shocks. Experiencing the highest unemployment rate of 2020 at 20.2% in April, Latinas also saw significant drops in labor force participation as women left the labor force. Domestic work, caregiving, or other responsibilities continue to place an additional burden on Latinas and women overall, ultimately impacting their ability to work.

But even if Latinas are able to maintain employment, they are often segregated into lower-paying jobs with a high risk of automation and displacement, which the pandemic has catalyzed as contactless processes reduce the risk of contamination and virus spread. Overall, the pandemic has exacerbated inequalities. An equitable economic recovery that addresses previous and current inequalities is needed now more than ever to prevent further widening of various gaps — in employment, wages, income, wealth, access to benefits, and more.

The higher risk that Latinas face in the labor market needs to be countered by comprehensive social insurance policies that effectively reach communities most in need, rather than imposing eligibility or administrative hurdles that too often stop communities of color and/or low-earning workers from accessing aid. The Biden administration's American Families Plan may be a step in the right direction, as long as it prioritizes communities most in need but too often neglected, like Latinas. Ensuring their economic wellbeing will not only benefit them directly but is also in the best interest of the economy at large. Rather than returning to “normal,” at least as we previously knew it, it is essential that legislation adequately supports a substantial portion of the labor force that was previously projected to grow at rates faster than their white and male counterparts, especially as they return to work and continue fostering a competitive U.S. economy.

**APPENDIX**

**Table 2: Labor Force Participation Rate Changes (January 2020 - December 2020)**

	<b>JANUARY</b>	<b>DECEMBER</b>	<b>PERCENT CHANGE</b>
<b>ASIAN</b>	63.9%	61.8%	-3.3%
<b>BLACK</b>			
<b>MEN</b>	67.6%	65.2%	-3.6%
<b>WOMEN</b>	63.3%	59.5%	-6.0%
<b>LATINO</b>			
<b>MEN</b>	81.6%	78.6%	-3.7%
<b>WOMEN</b>	61.2%	58.3%	-4.7%
<b>WHITE</b>			
<b>MEN</b>	72.0%	69.8%	-3.1%
<b>WOMEN</b>	58.3%	56.6%	-2.9%

Source: U.S. Bureau of Labor Statistics (BLS) (2020), "Employment Situation News Release," Tables A-2 and A-3, with monthly archives available online.

Notes: Data depict seasonally adjusted values for individuals 20 years of age and older. The BLS does not disaggregate employment data by gender for Asians in its monthly jobs report.

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## Latinas Exiting the Workforce: How the Pandemic Revealed Historic Disadvantages and Heightened Economic Hardship

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