

Hispanic Workers Kept the U.S. Economy Moving During the Coronavirus Pandemic but Face Lower Wages and Poor Working Conditions

The U.S. economy relies on the 62 million Hispanic Americans who make up a disproportionate share of the essential workforce and face significant barriers in the workplace. This report provides a comprehensive look at the essential contributions of Hispanic workers and covers the following issue areas:

- Hispanic Americans made up a large share of the essential workers that kept the economy moving and took care of patients during the coronavirus pandemic, despite being among the groups hardest hit by the pandemic.
- In the wake of the coronavirus pandemic, Hispanic Americans have returned to the workforce faster than non-Hispanic white Americans. Hispanic workers are poised to power America's future economic growth and pay the taxes that sustain programs like Medicare and Social Security.
- Hispanic workers, especially Hispanic women, face lower wages, poorer benefits and worse working conditions than non-Hispanic white workers.
- The entire U.S. workforce, including Hispanic workers, would benefit from policies that build infrastructure, invest in the care economy, extend the tax credits for working families, strengthen unions and reform immigration laws to bring workers out of the shadows.

Hispanic workers are a key part of America's economy but face important challenges

There are more than 62 million Hispanic Americans living in the United States and they serve an instrumental role in powering the U.S. economy. The total economic output of Hispanics is estimated to be well over [\\$2 trillion](#), and growing rapidly.

Much of the growth in the economic output of Hispanic households is driven by the spending power and labor market engagement of Hispanic workers. Despite being hit hard by the pandemic and the ensuing economic contraction, Hispanic workers have been quick to lead the economic recovery by returning to work.

The relative youth and high growth rate of the Hispanic population means that they will remain integral to future economic growth. Hispanic Americans alone account for over half of all the population growth in the U.S. over the last 10 years. Hispanic Americans are also helping diversify the labor force—nearly a third of Hispanics identify as having more than one race, and their ethnic origins are just as diverse—enriching the United States' cultural capital.

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Despite these important contributions, Hispanic workers disproportionately earn lower wages, suffer from poor working conditions and experience a lower quality of life. Hispanic workers are underrepresented in high-paying occupations and overrepresented in low-paying ones, which are also disproportionately subjected to wage theft and hazardous working conditions. Hispanic women are directly affected by this occupational segregation, and they are disproportionately harmed by the gender wage gap. Many of these disparities can be explained by the fact that Hispanic workers have less bargaining power at work than other workers. This means that the work of Hispanic workers ends up being more precarious and often does not include basic protections and benefits, like health insurance or retirement accounts.

Addressing these challenges will require a broad basket of policy solutions. To start, investing in [decaying infrastructure](#) will improve access to good-paying jobs and enhance the quality of life of Hispanic workers and their families. These families are especially harmed by the digital divide and extreme weather caused by climate change. Hispanic families also stand to gain from investments in care infrastructure. Hispanic women and children would benefit from universal preschool and extending the expanded Child Tax Credit, alleviating household and child poverty. In addition, raising the federal minimum wage and strengthening unions will also reduce earnings disparities and improve working conditions for Hispanic workers.

Immigration reform must also be part of the solution. It would boost economic growth, generate new jobs and address structural barriers to opportunity. Workers who put their lives at risk when we needed them most should not live in fear of deportation. Assuaging fears around deportation would also improve uptake among eligible Hispanic families for important public benefits that reduce poverty. Narrowing the gaps between white and Hispanic Americans would make the economy more equitable and stronger for everyone.

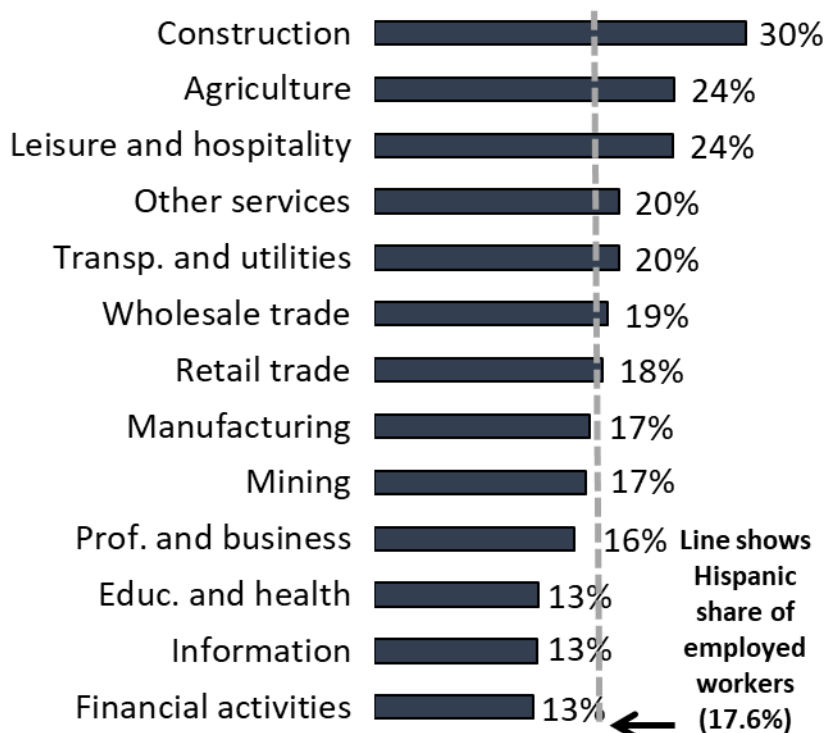
Hispanic workers play a vital role in the U.S. economy and its future growth

Hispanic workers risked their lives working the frontlines of the pandemic in securing America's food supply and direct care

When the COVID-19 pandemic reached the United States in early 2020 and much of the economy was forced to shut down to maintain public health, the Department of Homeland Security took steps to label some workers "[essential](#)," excluding them from local and state stay-at-home orders. Hispanic Americans have been widely overrepresented among this group of essential and frontline workers.

Hispanic Workers Are Concentrated in Essential and Frontline Industries

Percent of employed workers who are Hispanic, 2020



Note: Data includes workers ages 16 and older. "Prof. and business" represents "Professional and business services," "Transp. and utilities" represents "Transportation and utilities" and "Educ. and health" represents "Education and health services."

Source: Bureau of Labor Statistics, Current Population Survey, Household Data, Table 18

The more than 1 in 4 Hispanic workers in agriculture continued to help feed the nation through the worst of the pandemic. Hispanic workers also make up the plurality of [poultry and meatpacking workers](#), where inadequate protection and safety standards are all too common. By continuing to keep America's food supply flowing when the coronavirus was spreading, these workers were risking their own lives and the lives of their families.

Hispanic Americans in health care also played a key role in the response to the pandemic. While some health care occupations moved their contact with patients to remote platforms during the pandemic, Hispanics made [a large share of workers](#) in jobs that require close contact with sick and high-risk individuals. More than a quarter of medical assistants and home health aides are Hispanic, and similarly more than 1 in 5 personal care aides.

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Hispanic workers are driving much of the economic recovery by returning to work at a rapid rate

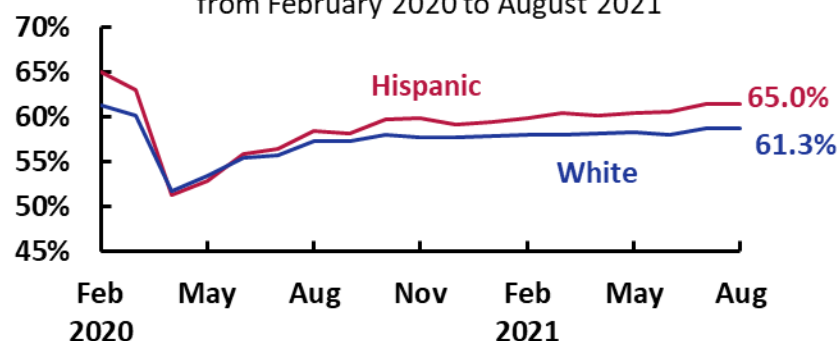
Hispanic workers were among the hardest hit of all racial and ethnic groups by the coronavirus recession. In April 2020 — the first full month that reflects the impact of COVID-19 on employment—Hispanic unemployment increased by about 13 percentage points, rising from 6% in March 2020 to 19% in April 2020. [Nearly half](#) of Hispanic households lost earnings or a job due to COVID-19.

The [impact of pandemic on the health of Hispanic Americans](#) has been similarly severe. Relative to non-Hispanic whites, Hispanics Americans are nearly twice as likely [to contract COVID-19](#), about 3 times more likely to be hospitalized from the virus and more than 2 times as likely to die as a result of COVID-19.

Despite being hit hard by the pandemic and the ensuing economic contraction, Hispanic workers have been quick to lead the recovery effort by returning to work. Already the gap in the employment-population ratio of Hispanic and white Americans is widening, with Hispanic workers returning to work at a faster rate.

Hispanics Are Driving the Pandemic Recovery by Returning to Work at Faster Rates

Employment to population ratio by race and ethnicity,
from February 2020 to August 2021



Source: Bureau of Labor Statistics

Because of the risks posed by the pandemic, this trend is not uniformly positive for Hispanic workers themselves. Hispanic workers' employment experiences are colored by labor market marginalization and pervasive [discrimination](#) that have resulted in Hispanic workers on average having less access than white workers to [wealth](#), [unemployment insurance](#) and other forms of support to help weather economic shocks. Limited representation in jobs with [high rates of unionization](#) also reduces Hispanic workers' power to negotiate for better working conditions and job protections—even during a global pandemic. Even so, the increase in the number of Hispanic Americans currently employed as a share of their total working-age population reflects the important contribution these workers are making to drive the economic recovery.

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The youth and growth of the Hispanic population means that Hispanic workers will continue to serve as an engine of economic growth in the future

Last year marked [the fifth consecutive year](#) of slowing population growth in the United States. At the same time, the United States faces a [pronounced aging](#) of its population. Economists have [long feared](#) the negative impact of these trends on future economic growth, as this may lead to a slowdown in the growth of the labor force and investment demand.

Hispanic Americans and other underrepresented groups are helping counter these trends. The growth of the population in the last 10 years was [made up entirely](#) of individuals who identified as Hispanic, Asian, Black and more than one race. Hispanics alone accounted for over half of all the population growth in the United States over the last decade.

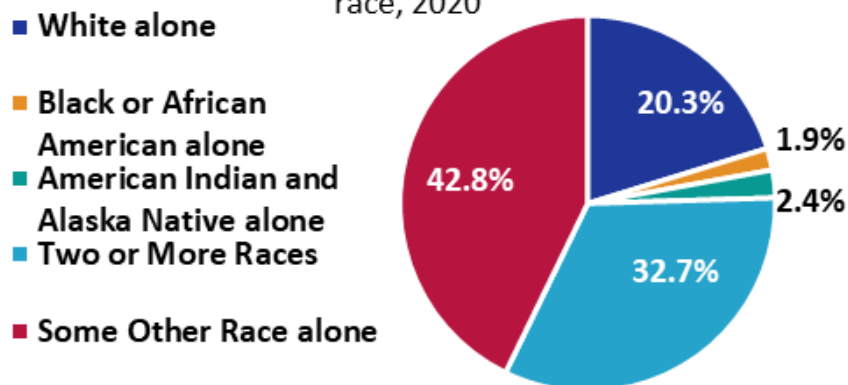
Hispanic Americans are also among the youngest racial and ethnic groups in the country. The [median age](#) of Hispanics (30) is lower than that of white Americans (44), and less than 1 in 10 [Hispanic adults](#) are 65 or older compared to about 1 in 4 white adults. The relative youth and attachment to the labor force of Hispanic Americans also means that they are critical to sustaining the revenue needed to finance programs like Medicare and Social Security.

Hispanic Americans contribute to the growing diversity of the U.S. labor force

While Hispanic Americans are often presented as a singular group, it is important to recognize that they are more diverse today than ever before. The number of Hispanic Americans reporting more than one race [increased](#) from 3 million in 2010 to more than 20 million in 2020. This means that nearly a third of Hispanic Americans are multi-racial today.

One-Third of Hispanic Americans Identify as Multi-Racial

Percentage of people identifying as Hispanic or Latino by race, 2020



Source: U.S. Census Bureau, 2020

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Hispanic Americans are also diverse in ethnicity and origin. The majority of [Hispanics in the labor force](#) are of Mexican origin (61%), followed by those of Central American (10%), Puerto Rican (8%) and South American (7%) descent. The majority of these Hispanic workers classify their racial identity as either white, Black or Asian.

Hispanic workers face gaps in earnings and fair working conditions

Occupational segregation hurts the earnings and working conditions of Hispanic workers, particularly women

Hispanic workers are underrepresented in high-paying occupations and overrepresented in low-paying ones. This occupational segregation, marked by disproportionate shares of groups in certain types of jobs, hurts workers by lowering their earnings and subjecting them to poor working conditions.

The top five occupations among Hispanic men are construction laborers, production workers, food preparation workers, sales workers and building and grounds workers. About half of all Hispanic men in the workforce are in these five occupations. These occupations are traditionally marked by low wages and [poor working conditions](#). Similarly, the top five occupations among Hispanic women are office and administrative assistants, sales workers, food preparation workers, building and grounds workers and health care support workers. Over half of all Hispanic women in the workforce are in these five low-paying occupations.

Top 10 Occupations for Hispanic Men		
Occupation	Percent	Cumulative Percent
Construction and extraction occupations	17.7%	17.7%
Production occupations	8.4%	26.1%
Food preparation and serving related occupations	7.6%	33.7%
Sales and related occupations	7.5%	41.2%
Building and grounds cleaning and maintenance occupations	7.2%	48.3%
Management occupations	7.1%	55.5%
Transportation occupations	7.0%	62.5%
Material moving occupations	6.8%	69.3%
Installation, maintenance, and repair occupations	5.7%	75.0%
Office and administrative support occupations	5.2%	80.2%

Source: JEC Democratic staff calculations, 2019 American Community Survey

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Top 10 Occupations for Hispanic Women		
Occupation	Percent	Cumulative Percent
Office and administrative support occupations	16.5%	16.5%
Sales and related occupations	11.5%	28.0%
Food preparation and serving related occupations	9.2%	37.2%
Building and grounds cleaning and maintenance occupations	8.5%	45.7%
Healthcare support occupations	7.3%	52.9%
Educational instruction, and library occupations	6.8%	59.8%
Management occupations	6.6%	66.4%
Production occupations	5.5%	71.9%
Personal care and service occupations	4.6%	76.5%
Business and financial operations occupations	4.0%	80.5%

Source: JEC Democratic staff calculations, 2019 American Community Survey

Hispanic workers are concentrated in sectors considered by the Department of Labor (DOL) to be low-wage, high-violation industries, including construction and agriculture. These industries are characterized by pervasive [wage theft](#).

Hispanic women are disproportionately affected by the gender wage gap

A woman working full-time and year-round is paid about 82 cents for every dollar paid to her white male counterpart. But this comparison overlooks disparities across races and ethnicities. Hispanic women, who are overrepresented in low-paying jobs, have the lowest earnings ratios compared to white men. The pay gaps faced by Hispanic women are the product of gender wage inequality compounded by racial wage inequality, such that a Hispanic woman earns just 55 cents for every dollar paid to her white male colleague.

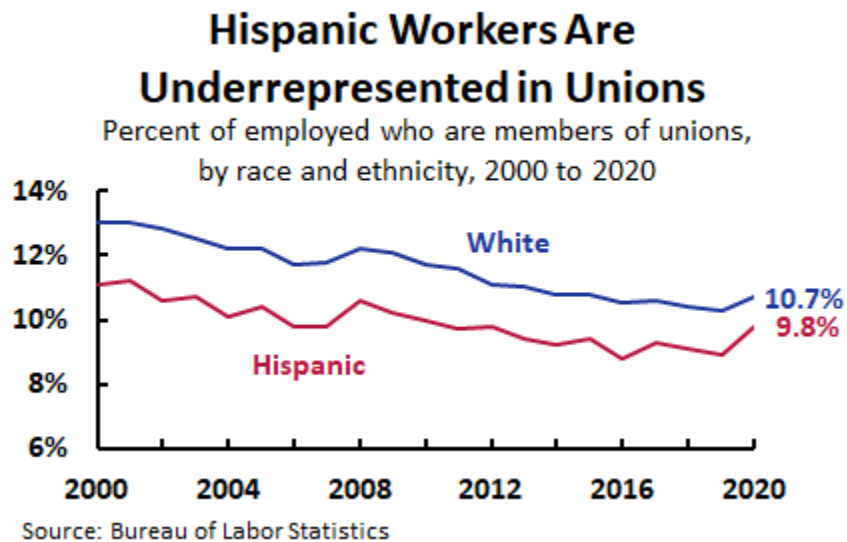


Source: JEC Democratic staff calculations based on data from the U.S. Census Bureau.

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Hispanic workers have less bargaining power than other workers who are more likely to belong to a union

Unions empower workers to bargain for higher wages and working conditions. On average, [unionized workers](#) earn about 11% more than their nonunionized peers. The positive effect of unionization on wages is even more pronounced among Hispanic workers: Unionized Hispanic workers are paid about 20% more than their nonunionized counterparts. Despite the broad advantages of unionization, union membership in the United States has been declining for decades. Today, Hispanic workers are less likely than other racial and ethnic groups to be protected by unions. About 10% of Hispanic workers are unionized, compared to nearly 11% of white workers.



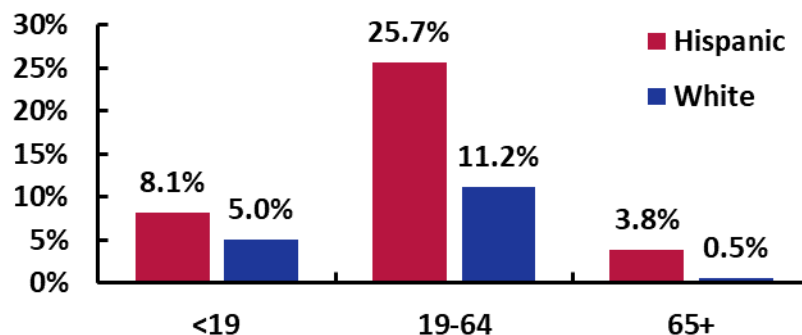
During the COVID-19 pandemic, unionized workers were able to secure additional pay, increased paid sick leave, and other critical safety measures.

Hispanic workers are more likely to lack health insurance and other protections

With reduced bargaining power, Hispanic workers are more likely than their peers to lack employer-sponsored benefits, such as health insurance. In fact, Hispanics have [the highest uninsured rates of any racial or ethnic group](#) within the United States. Hispanic Americans are less likely to have health insurance than their white counterparts at every stage of their lives.

Working-Age Hispanics Are Much Less Likely to Have Health Insurance

Share of individuals without health insurance, by age and ethnicity



Source: Census Bureau, ACS 2015-2019

Union membership helps Hispanic workers obtain this important protection. Unionized Hispanic workers are more likely than their nonunionized peers to have employer-subsidized retirement plans and health insurance.

Building Back Better for Hispanic workers

Infrastructure investments would improve access to good paying jobs and improve the economic well-being of Hispanic workers and their families, promoting broad-based growth

Decades of disinvestment in U.S. infrastructure have fallen [heavily on Hispanic Americans](#). Investing in the expansion of broadband, the cleaning of contaminated sites and the safeguarding of critical infrastructure from extreme weather risks would improve economic and health outcomes for Hispanic Americans and boost overall economic growth.

The digital divide in the United States disproportionately harms Hispanic workers and their families, who are 15% less likely to have [high-speed internet](#) than their white peers. During the pandemic, these inequities made remote working and learning much more difficult for Hispanic workers and children, exacerbating existing inequalities. Investments in infrastructure to make high-speed broadband available and affordable to all Americans would help close the digital divide.

Hispanic workers and their families would also benefit from investments in cleaning contaminated sites. Nearly 3 in 10 Hispanic Americans live within 3 miles of a Superfund site, a location contaminated by hazardous waste that has been designated by the [U.S. Environmental Protection Agency](#) (EPA) for management and cleanup. Proximity to Superfund sites poses serious health risks and can lead to elevated levels of lead in children. Increasing public investment to clean up contaminated sites would both improve the health outcomes of Hispanic families and create good-paying jobs in communities across the country.

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Hispanic Americans also remain widely exposed to the adverse effects of extreme weather events. For example, Hispanic residents were more than twice as likely as their white counterparts to report loss of income after [Hurricane Harvey](#). Investments to elevate and reinforce buildings and roads, harden physical infrastructure and winterize the power grid would build climate resilience, create green jobs, and boost the economic security of those living in areas impacted by the effects of climate change.

Investing in American families leads to improved equity for Hispanic workers and their families

Hispanic workers and their families [stand to gain](#) from lower child care costs, tax relief and lower prescription prices and health care costs.

Fewer than 6 in 10 of all three- and four-year-old Hispanic children are [enrolled in preschool and kindergarten](#). Expanding access to quality programs by lowering child care costs and ensuring universal, high-quality preschool would help Hispanic families and women looking to return to the labor force. Similarly, instituting 12 weeks of paid family and medical leave would reduce wage loss and improve health outcomes in new Hispanic mothers. These care and early human capital investments would also yield positive economic returns well into the future.

Hispanic women and families also stand to benefit from tax relief for families with children. Extending the Child Tax Credit expansion in the American Rescue Plan would mean that nearly [4.5 million Hispanic Americans](#) would see a tax cut, reducing the Hispanic poverty rate by 39%. This is especially critical for the [61% of Hispanic](#) women who are either the sole or co-breadwinners for their families.

Hispanic Americans would benefit from lower health care costs and prescription prices. More than 10 million Hispanic Americans lacked health insurance before the pandemic. Extending the American Rescue Plan's cost savings, which helped 730,000 Hispanic Americans save an average of \$50 per person per month, would expand access to health insurance to more than half a million Hispanics that are uninsured. The high costs of prescription medications also contribute to disparities in health, as Hispanics Americans are estimated to use [10 to 40 percent fewer medications](#) than their white counterparts with the same illnesses.

Immigration reform would boost economic growth

It has been nearly four decades since Congress has significantly reformed the U.S. immigration system, leaving undocumented Hispanic workers and families vulnerable to economic abuse, social exclusion and the daily threat of deportation.

Undocumented Hispanic workers kept the American economy running during the pandemic. Nearly [3 in 4](#) undocumented individuals in the workforce—an estimated 5 million workers—performed jobs that were deemed essential. Despite this pivotal role, undocumented immigrants have been among the hardest hit by COVID-19 and have been continually [excluded](#) from economic recovery efforts and support. Assuaging fears around deportation would improve

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[uptake](#) among eligible Hispanic families for important public benefits like the Child Tax Credit and Medicaid, reducing poverty levels.

Recent [research](#) by the University of California, Davis's Global Migration Center and the Center for American Progress finds that immigration reform would lead to higher economic output, higher wages for all workers and hundreds of thousands of permanent new jobs.

Placing Dreamers, those eligible for Temporary Protected Status (TPS), and essential workers—including farmworkers—on a pathway to citizenship, is estimated to add more than [\\$1 trillion](#) to U.S. GDP over a decade and create more than 400,000 new jobs. A pathway to citizenship for these workers is also estimated to raise annual U.S. wages across all workers by about \$600 on average.

Immigration reform is also likely to have direct effects on the budget. The Congressional Budget Office (CBO) estimates that the 10-year cost of the American Dream and Promise Act, to put Dreamers and those eligible for TPS on a pathway to citizenship, at [\\$42.5 billion](#) over a decade in on-budget changes. More [immediate costs](#) are also likely to arise as some workers become eligible for federal benefits and tax credits. Increased reporting of employment income by workers who gain employment authorization and Social Security Numbers is also likely to result in higher net revenue. The economic returns to immigration reform are broad and clear. Immigration reform strengthens the overall economy and grows economic output, fosters innovation and encourages job creation, balances an aging population and strengthens vital programs, like Social Security, as more workers contribute to keeping these programs solvent.

[Raising the federal minimum wage and strengthening unions will reduce earnings disparities and improve working conditions for Hispanic workers](#)

Raising the minimum wage and strengthening unions will increase the earnings of Hispanic workers, strengthen their bargaining power and reduce the racial and gender pay gap.

Today's federal minimum wage of \$7.25 has lost [more than 30%](#) of its real value since its 1968 peak. The shrinking value of the minimum wage disproportionately harms Hispanic workers, as they are overrepresented in low-wage industries. On average, Hispanic workers today make about 11% less than white workers. Gradually raising the wage floor to [\\$15 by 2025](#) would lead to higher wages for more than 7 million—or more than a quarter—of Hispanic workers, including about 4 million, or 3 in 10, Hispanic women. This would help narrow the race and gender pay gap that disproportionately harms Hispanic women.

The Protecting the Right to Organize (PRO) Act would [strengthen](#) the ability of Hispanic workers in the private sector to unionize and engage in collective bargaining. Current labor laws make it difficult for workers to unionize, imposing hurdles and interference from employers that can intimidate workers, delay unionization proceedings, and even terminate pro-union employees with no real consequence. Hispanic workers have the lowest unionization rate among racial and ethnic groups but have the most to gain from union membership. Hispanic workers have a higher union wage advantage—[almost a 20% boost in pay](#)—than other workers. This also means that

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union membership and collective bargaining would help narrow the wage gap between Hispanic workers and their white counterparts.

Strengthening unions would also lead to better working conditions for Hispanic workers. [Union workers have more](#) say about the number of hours they work, more access to paid sick days and are generally more likely to be covered by employer-sponsored health insurance. Unions are also associated with increased civic engagement: In states with a higher share of unionized workers, voter turnout in elections is [higher](#). Civic participation is vital for Hispanic Americans—who are now the largest minority voting group in the country—and the preservation of America democracy.