

Latina Workers Are Playing a Growing Role in the U.S. Economy, But Continue to Face Barriers to Economic Security

There are more than [62 million Hispanic Americans](#) living in the United States, and Hispanic [workers](#), [families](#) and [businesses](#) serve a vital role in helping power the U.S. economy. In particular, Hispanic women represent a critical and growing segment of the U.S. labor market and economy. The increasing labor market participation of Latinas is helping support the ongoing economic recovery and the resilience of the American workforce.

However, Hispanic women continue to be overrepresented in low-wage occupations and face barriers to economic opportunity. Specifically, the overrepresentation of Latinas in low-paying sectors means that they are disproportionately hurt by the gender pay gap, economic insecurity and poor working conditions.

Despite suffering significant job losses during the pandemic, Latina workers are making a strong recovery. This has been made possible by [emergency relief](#) and a pro-worker and inclusive economic agenda in the [American Rescue Plan](#). Enactment of additional proposals, like the [Raise the Wage Act](#) and the [PRO Act](#), would help strengthen the economic position of Latinas and their contributions to the U.S. economy.

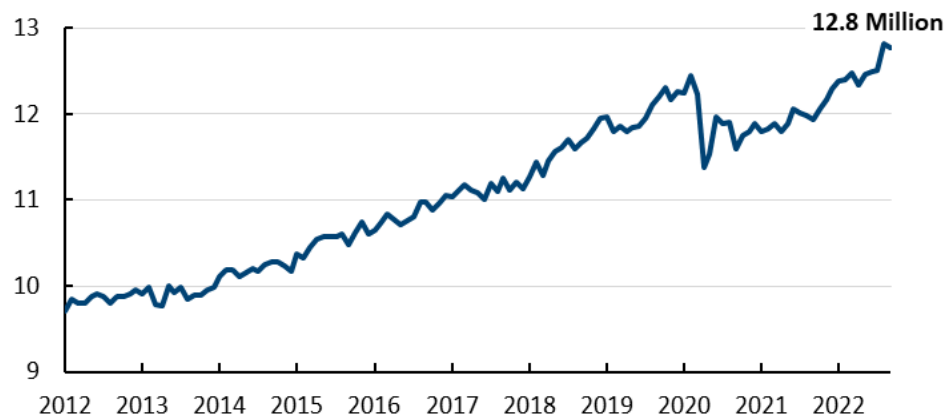
HISPANIC WOMEN REPRESENT A GROWING AND INFLUENTIAL SEGMENT OF THE LABOR MARKET

Latinas represent a critical and growing part of the U.S. labor market

Latinas now make up the [second-largest group](#) of women workers in the United States, after white women. There are [12.8 million](#) Hispanic women in the labor force, representing slightly more than 17% of all women in the labor force today (see figure below). These numbers are expected to continue growing, as the share of Americans identifying as Hispanic is [projected](#) to increase from 18% in 2017 to 28% in 2060. In fact, the Bureau of Labor Statistics [estimates](#) that Hispanic Americans will account for 78% of new workers between 2020 and 2030.

While Disrupted By the Pandemic, The Number of Hispanic Women In the Labor Force Continues to Grow

Number of Hispanic women in labor force, age 20+, Jan. 2012-Sept. 2022 (millions)



Source: Bureau of Labor Statistics
Note: Data are seasonally adjusted

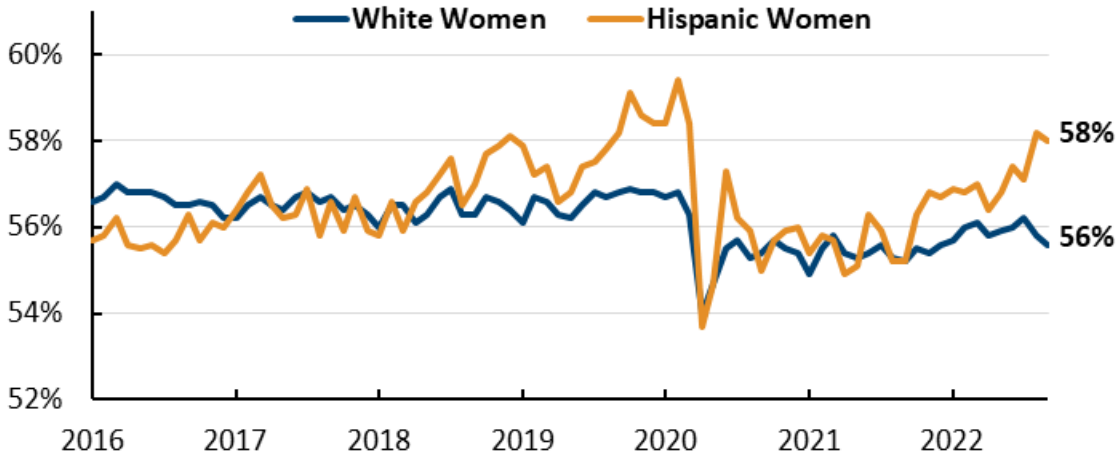


Latinas also reflect a strong and growing engagement with the labor market

While the participation rate of Hispanic women in the U.S. labor market has historically been below that of white women, Latinas have [narrowed](#) this gap over the years (see figure below). In fact, the labor force participation rate of [Hispanic women](#) last year was higher than that of their [white counterparts](#). This means that a growing share of Hispanic women are either working or actively looking for work.

Latina Labor Force Participation Rate Now Surpasses That of White Women

Labor force participation rate among women aged 16+, by race/ethnicity, Jan. 2016-Sept. 2022



Source: Bureau of Labor Statistics

Note: Data are not seasonally adjusted. "White" refers to non-Hispanic white.



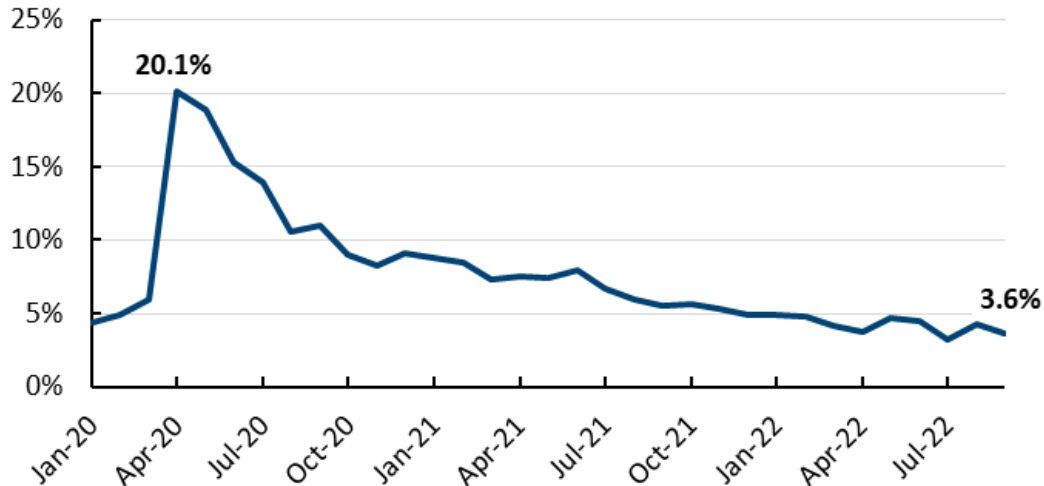
Similar trends are observed with the share of Hispanic women of working-age that are employed, as captured by the employment-to-population ratio. Gaps between the employment-to-population ratio of Hispanic and white women have narrowed [over the years](#). Last year, a higher share of working-age [Hispanic women](#), relative to their [white counterparts](#) aged 20 and older, were employed.

The pandemic hit Latinas particularly hard, but thanks to pandemic relief, these workers are recovering strongly

Hispanic workers were [hit hard](#) by both the pandemic and the coronavirus recession, and Hispanic women endured a disproportionate share of the job losses. By April of 2020, 1 in 5 [Hispanic women](#) of working-age were out of a job and actively looking for one (see figure below). At 20.1%, the unemployment rate for Hispanic women in April of 2020 was higher than that of men or women in any other racial or ethnic group in the labor market. By comparison, the unemployment rate among Black women at the same time was 16.4%, and it was 15.0% among white women. At its peak, Hispanic women's unemployment was more than 4 times higher than its pre-pandemic rate.

Hispanic Women's Unemployment Rate Has Rebounded Since the Pandemic

Unemployment rate for Hispanic or Latino women, ages 20 and over



Source: Bureau of Labor Statistics
Note: Data are seasonally adjusted.



Hispanic women were hit particularly hard by the coronavirus recession because these workers were concentrated in industries that were disproportionately affected by the pandemic, such as leisure and hospitality. Prior to the pandemic, [more than 1 in 10](#) Latina workers were employed in leisure and hospitality and more than 3 in 10 worked in service occupations that were not suitable for remote work.

Despite bearing a disproportionate share of the economic impact of the pandemic, Latina workers are making a strong comeback in the labor market. By September 2022, the unemployment rate for [Hispanic women](#) was 3.6%, below the pre-pandemic rate of 4.4% at the start of 2020. Today, Latinas are also participating in the labor force at nearly the same rate as before the pandemic. In fact, the share of Hispanic women of working-age that are currently employed (58.5%) is identical to that at the start of 2020 (58.5%). With this bold return and labor market engagement, Latinas are helping usher in a resilient economic recovery from the shock of the pandemic.

OCCUPATIONAL SEGREGATION CONTINUES TO THREATEN THE ECONOMIC SECURITY OF LATINAS

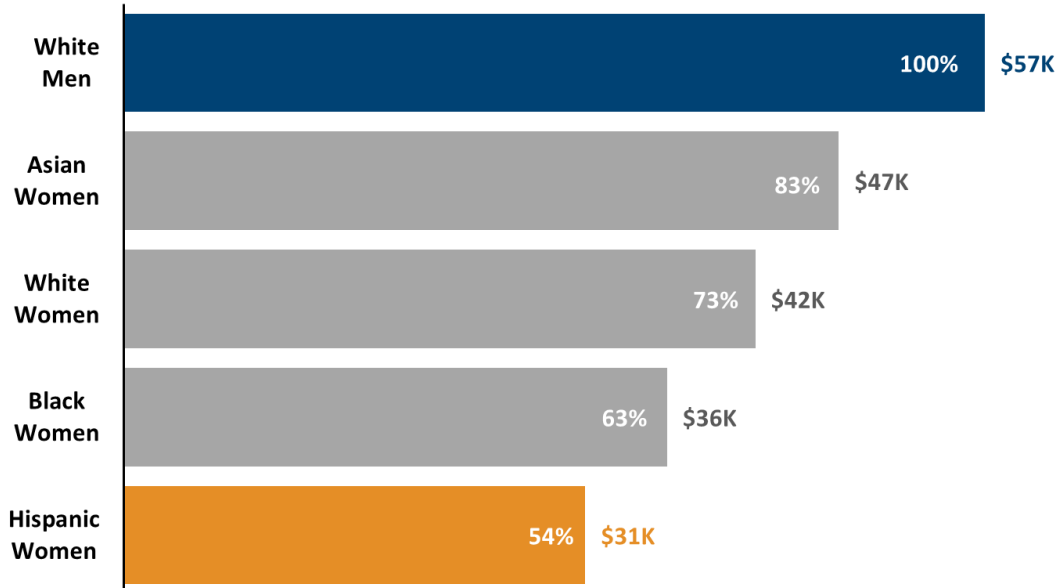
The disproportionate representation of Latinas in low-wage occupations has contributed to a large wage gap

Latinas are more affected by the gender wage gap than any other major racial or ethnic group in the U.S. labor market (see figure below). The topline gender wage gap ratio, which refers to the pay disparity between the average man and the average woman, currently sits at 77% and is often cited when discussing equal pay. However, this average obscures the vast differences in the

earnings of women of color. Hispanic women earn just 54 cents for every dollar earned by a non-Hispanic white man.

Hispanic Women Are Disproportionately Hurt by the Wage Gap

Absolute and relative median earnings for workers, 2021



Source: JEC calculations based on March 2022 CPS ASEC data

Notes: "White" refers to "White Alone, not Hispanic"; "Black" refers to "Black Alone or in Combination"; "Asian" refers to "Asian Alone or in Combination."



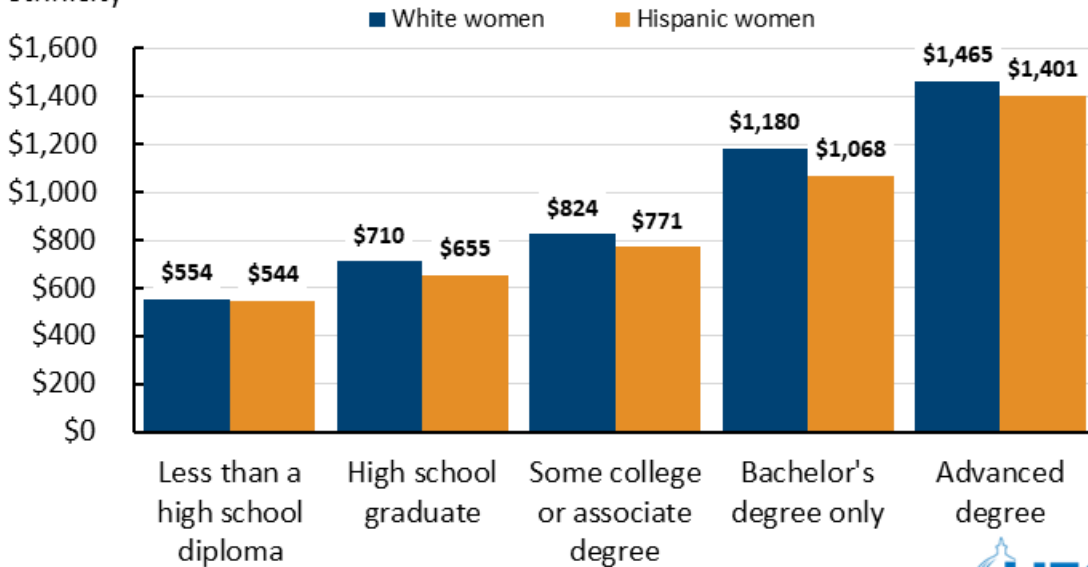
A significant part of the earnings disparity that Latinas experience is driven by [occupational segregation](#). Economists characterize [occupational segregation](#) by the overrepresentation or underrepresentation of a demographic group among different kinds of work or occupations. Today, Latinas remain overrepresented in low-paying occupations and significantly underrepresented in occupations that provide adequate pay, benefits and working conditions. The top four occupations among [Hispanic women](#) are office and administrative assistants, sales workers, food preparation workers and health care support workers. Nearly half of all Hispanic women in the workforce are in these four low-paying occupations.

The Latina wage gap has persisted over the years despite gains in education

Latinas have made significant gains in educational attainment over the years, but these achievements have failed to close persistent wage disparities. The share of Hispanic women aged 25 and older who earned a bachelor's degree or higher [nearly doubled](#) in the first two decades of the 21st century, despite disparities in access to educational opportunities. Even with this significant growth in educational attainment among Hispanic women, the wage gap between Hispanic women and non-Hispanic white men [fell](#) by just 14%.

Educational Gains Do Not Close Wage Disparities for Latinas

Women's median weekly earnings by educational attainment, race and Hispanic ethnicity



Source: U.S. Bureau of Labor Statistics, Current Population Survey, 2021 annual averages



Hispanic women's earnings also remain below those of non-Hispanic white women. This holds true across all levels of education (see figure above). Disparities between Hispanic women and white men are even starker. The Department of Labor finds that even Latinas with a bachelor's degree have median weekly earnings [below](#) those of white men with an associate degree or some college.

The overrepresentation of Latinas in low-wage occupations also threatens their economic security and leads to poor working conditions

The overrepresentation of Latinas in low-wage occupations and industries is leaving many economically insecure and subject to poor working conditions with little power to bargain for better pay and better jobs. The Department of Labor found that the overrepresentation in low-wage work has left many Hispanic women in a chronic state of [working poverty](#). For example, Latinas working 27 or more hours per week are nearly twice as likely as non-Hispanic white women to be living below the poverty line.

This overrepresentation in low-wage occupations also means that Latina workers in industries like leisure and hospitality are [more vulnerable](#) than their counterparts to losing their jobs in the case of an economic contraction or shock like the pandemic recession, which destroyed more than [8 million](#) jobs in leisure and hospitality between March and April 2020. This employment vulnerability can also translate into broader economic insecurity for low-wage workers as they may take [longer to recover](#) during times of economic expansion.

Hispanic women in low-wage occupations are also affected by poor and hazardous working conditions. This stems, in part, from discrimination and limited bargaining power at work. For

Latina Workers Are Playing a Growing Role in the U.S. Economy, But Continue to Face Barriers to Economic Security

example, many of the low-paying industries where Latina workers are overrepresented are characterized by pervasive [wage theft](#), such that workers are paid less than they are entitled by law, not compensated for overtime premiums or asked to work some hours “[off the clock](#).” Latina workers in these industries are also more likely to work jobs with [irregular work schedules and limited hours](#), which [hurts quality of life](#) and makes navigating caregiving obligations difficult. Hispanic women in low-wage occupations are also more likely than their peers in high-quality jobs to experience [sexual assault](#) and be preyed upon through unwanted physical advances or quid pro quo propositions.

PATH FORWARD: CONTINUING TO EMPOWER LATINA WORKERS

Hispanic women play a larger and more influential role in the U.S. economy than ever before. Latinas make up the second-largest group of women workers in the labor force, a share that will grow as [more than 1 out of 5 workers](#) in the U.S. are projected to be Hispanic by 2030. The growth in representation of Latinas workers has also coincided with increased participation and engagement with the labor market.

Despite these gains, Latinas continue to face barriers in the labor market given their overrepresentation in low-wage occupations. This left many Latina workers vulnerable to job losses during the pandemic recession and continues to limit upward mobility and economic security.

While the inclusive economic agenda in the [American Rescue Plan](#) has helped Latina workers recover and the [Inflation Reduction Act](#) and [Infrastructure Investment and Jobs Act](#) will continue to create jobs and bring down costs for Hispanic Americans, more is needed from Congress to address the challenges Latina workers face. Proposals, like the Raise the Wage Act and the PRO Act, would lift the earnings of [more than 3 in 10 \(or 4 million\) Latina workers](#) and strengthen their ability to bargain for fairer compensation and more adequate working conditions. These efforts will also make our economy more resilient as they help expand economic security and shared prosperity.