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MEDIA CONTACT

Kacey Bonner

E: lppipress@luskin.ucla.edu

Latinas were more likely than other groups to drop out of workforce during pandemic, UCLA study finds

LOS ANGELES – Since the COVID-19 pandemic began, Latinas have not only experienced disproportionately high unemployment rates, but they also are dropping out of the workforce at higher rates than any other demographic group.

<u>A report</u> published today by the <u>UCLA Latino Policy and Politics Initiative</u> examines unemployment figures for Latinas as well as changes in the number of Latinas in the U.S. labor force since the beginning of the COVID-19 pandemic.

The analysis also examines the reasons for Latinas' exit from the labor force, including three main drivers:

- Latinas are disproportionately employed in leisure, hospitality and related low-wage industries that were particularly vulnerable to pandemic-related closures.
- A lack of access to education and training opportunities for higher wage opportunities disincentivizes Latinas' participation in the labor force overall.
- Latinas are disproportionately responsible for family care obligations versus Latino men, and they are more likely to stay at home than U.S. mothers of other racial backgrounds. That burden that was exacerbated during the pandemic because of the closure of schools and day care centers.

"A strong economic recovery that prepares us for a prosperous future is dependent on a stable Latino workforce made up of both men and women," said **Kassandra Hernandez**, a research analyst for the initiative and a co-author of the report. "Yet this analysis clearly shows that Latinas are being left behind, which could cost the U.S. economy billions of dollars."

Before the pandemic, Latinos were expected to make up the fastest-growing segment of the U.S. labor force over the next decade, with women in particular driving that trend, according to the U.S. Bureau of Labor Statistics. The UCLA analysis found that between 2019 and 2029, the number of Latinas in the workforce is expected to grow by 25.8%, far outpacing other demographic groups. The growth of Latinas in the labor force is expected to be nearly nine times the growth rate among white women.

The analysis also found that Latinas experienced the highest unemployment rates at the start of the pandemic – with a record high of 20.2% unemployed in April 2020. After that, unemployment rates for Black men and women were generally higher than they were for Latinas, but Latinas' unemployment rates remained consistently higher than the national average and were almost two times those of their white counterparts throughout the year. As of December 2020, 9.1% of Latinas were unemployed, versus 5.7% of white women.

Declining unemployment figures published by the Bureau of Labor Statistics in recent weeks have obscured a more complex picture of Latinas in the workforce. For example, the UCLA study found that Latinas dropped out of the workforce at a higher rate than any other demographic group: From March 2020 to March 2021, 2.7% of Latina workers dropped out of the labor market – almost double the 1.7% drop among white women workers during the same period. But, the study notes, one reason that Latinas' unemployment rate has leveled off somewhat is that previously unemployed Latinas have dropped out of the labor force altogether

"Over the course of this pandemic, we have seen women of color struggle much more than white men, often because of their overrepresentation in low-wage sectors and because of their roles as primary caregivers to their families," said **Rodrigo Dominguez-Villegas**, the initiative's research director and a co-author of the report. "As the country enters an economic recovery, we now have the opportunity to address the immediate needs of these women and to create a system that will address their needs in the long term. Providing better access to childcare and skills training that provides opportunities for economic mobility would go a long way toward ensuring not only jobs but dignified work for women of color."

In quantifying the loss in labor for Latinas relative to other groups, the UCLA report provides evidence that inequities that existed before COVID-19 remain. Returning to pre-pandemic conditions in the U.S. workforce will still leave millions of Latinas without access to true economic opportunity and social mobility, which ultimately would diminish the nation's long-term competitiveness. Among the report's recommendations to policymakers:

- Increase the minimum wage.
- Strengthen the social safety net by increasing childcare support, introducing mandatory paid family leave and expanding the child tax credit.
- Strengthen skills training and education programs to create greater access to higher-wage careers in which workers are less susceptible to losing jobs due to automation.

Read the <u>full report here</u>.

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About the UCLA Latino Policy and Politics Initiative

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.