

JOBLESSNESS FOR DOMESTIC WORKERS REMAINED HIGH IN AUGUST, WITH 28% OF RESPONDENTS OUT OF WORK

More than 3 in 4 domestic worker respondents experienced food insecurity.

Domestic Workers Economic Situation Report · August 2021

Source: La Alianza surveys, NDWA Labs

Released: September 3, 2021

The number of new U.S. jobs in August, according to the Bureau of Labor Statistics Jobs Report, is below market expectations.¹ Unemployment rates remain higher than before the pandemic. However, the report still shows a decrease in the general unemployment rate, and in the rate for Latinx adults in August 2021.

Similarly, NDWA Labs' August Report shows a slight decrease in the percentage of jobless respondents in August compared with July 2021. Unemployment is still very high for Spanish-speaking domestic workers — 28% of domestic worker respondents were out of work, much higher than the 9% who reported having no jobs before COVID-19.²

Domestic workers are the nannies, homecare workers, and house cleaners whose work is essential to our economy, and yet they are one of the most vulnerable and marginalized groups of workers. Even before COVID-19, domestic workers earned less than the average US worker and were three times as likely to be living in poverty.³

La Alianza survey data from **Spanish-speaking domestic workers** shows how the pandemic has amplified the vulnerability of this workforce. Domestic workers continue to face low wages and high levels of unemployment and underemployment. A contextual note regarding our findings: domestic workers, and particularly house cleaners, often have multiple employers. This means they may have to schedule several jobs in a given week in order to make ends meet.

<u>August Jobs Report - Bureau of Labor Statistics</u>

Each month, the US Bureau of Labor Statistics (BLS) releases an Economic Situation Summary with employment and other labor market data. This is an important report to keep track of how the economy is doing. However, domestic workers, along with other vulnerable workers, are often underrepresented in official data. Here we present an overview of the BLS Jobs report, along with NDWA Labs' data which shows the employment and economic situation of thousands of Spanish-speaking domestic workers.

On September 3, the BLS released new employment data for August 2021.

- The number of jobs added to the U.S. economy in August is below market expectations.
- The report shows a decrease in the general unemployment rate.
- The unemployment rate for Latina women decreased in August 2021, while it increased for Black women.
- The unemployment rates for Black and Latinx adults continue to be higher compared to the rates for White and Asian adults.
- People who have been unemployed long-term (27 weeks or more) represented 37.4% of the total unemployed in August.

The economic crisis that resulted from the COVID-19 pandemic has been particularly harsh for Latina and Black women. In April 2020, the unemployment rate for Latina women reached 20%, the highest of any demographic group. The unemployment rate for Latina women decreased in August 2021 with respect to July 2021, but it remains higher than pre-pandemic levels, and higher compared to white adults. Recovery has been slowest for Black adults.

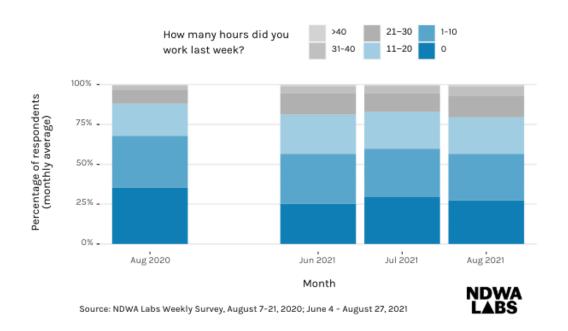
NDWA Labs' August Report shows a slight decrease in the percentage of jobless respondents in August compared to July 2021. Joblessness is still very high for Spanish-speaking domestic workers. In August 2021, 28% of domestic worker respondents were still out of work, much higher than the 9% who reported having no jobs before COVID-19.²

<u>August Domestic Worker Jobs and Wages</u>

August unemployment and underemployment for domestic workers continue to be very high, with an average of 28% of respondents reporting zero hours of work in a weekly survey.

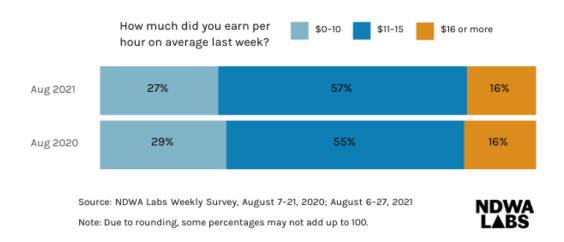
- On average during August, 28% of domestic worker respondents reported a week with ZERO work hours, compared with 29% in July and 25% in June.
- 8 in 10 respondents who had work in August were underemployed. 80% of domestic worker respondents who had at least one hour of work per week said they wanted to work more hours.

Joblessness for domestic workers remained high during August, with 28% of respondents out of work.



 During August 2021, 84% of domestic worker respondents earned \$15 or less per hour. This share is a significant increase over the 55% of respondents who earned \$15 or less before COVID-19.²

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Job search

Most domestic worker respondents, whether or not they had current work, looked for additional work in August.

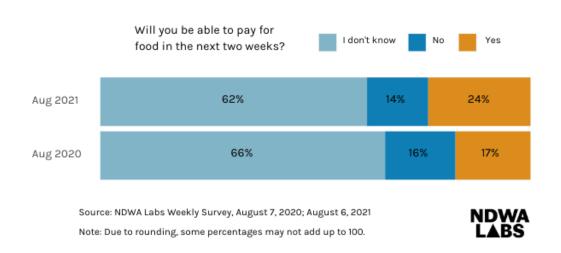
- More than 8 in 10 (82%) domestic worker respondents, whether or not they had current work, told us they had looked for new work in the past 30 days.
- Nearly 8 in 10 (78%) respondents, whether or not they had current work, told us they had asked at least one of their regular employers to go back to work in the past 30 days.

Housing and Food Security

More than 3 in 4 domestic worker respondents experienced food insecurity. 46% of domestic worker respondents faced housing insecurity, and 6 in 10 of those have been housing insecure for two or more months. While some domestic workers are starting to recover some of the work they had lost, this is not enough to ensure their economic security. Their ongoing economic precarity is reflected in the high

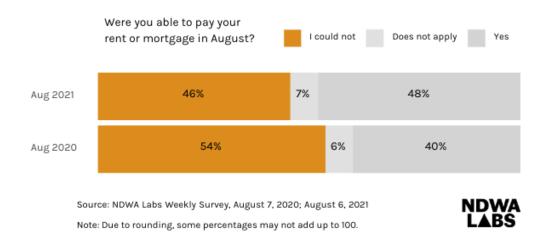
number of workers who are unsure if they can afford, or who cannot afford, food in the next two weeks, as well as the high number who are unable to pay rent and who have significant rent debt.

3 in 4 domestic workers experienced food insecurity in August.



- In early August, 14% of respondents said they would not be able to afford food in the following two weeks and 62% were unsure if they would be able to.
 - In comparison, during August 2020, 16% of respondents said they would not be able to afford food in the following two weeks and 66% were unsure if they would be able to.
- Housing insecurity remains very high. However, the share of workers unable to pay their August rent was the lowest we have seen since we began asking this question in April 2020.
 - At the beginning of August, 46% of domestic worker respondents said they were unable to pay their monthly rent or mortgage.
 - o In comparison, at the same time last year, 54% of respondents said they were unable to pay their monthly rent or mortgage.

46% of domestic workers faced housing insecurity in August.



 Of the 46% of domestic workers who faced housing insecurity in August, 60% have been housing insecure for two or more months.

About the surveys

La Alianza surveys Spanish-speaking domestic workers each week, via a Messenger chatbot. The employment numbers presented in this report include data from four weekly surveys in August 2021. Questions about hours worked and hourly wages are asked weekly, questions regarding underemployment and job search are asked bi-weekly. Questions around food and housing security are asked once a month.

The total number of fully completed surveys for our four August weekly surveys, which includes both new and repeated respondents, was 5,840. At the end of each survey, La Alianza provides respondents with relevant news articles and resources in Spanish. To learn more about the La Alianza survey of Spanish-speaking domestic workers, see our <u>report</u>.

La Alianza is a product of <u>NDWA Labs</u>, the innovation partner of the <u>National</u> <u>Domestic Workers Alliance</u>. NDWA Labs experiments with the ways technology can organize domestic workers and transform domestic work jobs into good jobs by

bringing respect, living wages, and benefits to an undervalued and vulnerable part of the economy.

For questions, please contact us here.

Notes

¹White House Council of Economic Advisers (2021), The Employment Situation in August

² NDWA Labs (2020), <u>6 Months in Crisis: The Impact of COVID-19 on Domestic Workers</u>

³Economic Policy Institute (2019), <u>Domestic Workers Chartbook</u>

⁴ Economic Policy Institute (2021), Jobs and Unemployment, <u>"A more comprehensive look at unemployment rates"</u>