

## 20% OF DOMESTIC WORKER RESPONDENTS WERE JOBLESS IN DECEMBER

Nearly 3 in 4 respondents faced food insecurity in the last quarter of 2021

Domestic Workers Economic Situation Report · December 2021 With analysis for fourth quarter of 2021

Source: La Alianza surveys, NDWA Labs

Released: January 7, 2022

Today's Bureau of Labor Statistics Jobs Report shows the number of jobs added in December was below market expectations.¹ Unemployment rates for Latina women decreased in December 2021, while the rates for Black women showed a notable increase. NDWA Labs' December Report shows that the percentage of jobless respondents in December decreased compared to November. However, joblessness is at 20%, still more than twice the rate compared to the 9% who reported having no jobs before COVID-19.²

In this report, we compare indicators for domestic workers' joblessness, wages, housing security and food security in the fourth quarter of 2021 (October, November, December) versus the fourth quarter of 2020. While there has been a notable increase in employment, and some improvements in hourly wages, domestic workers remain in a precarious economic situation.

- 22% of respondents were out of work on average in the fourth quarter of 2021, compared to 40% of respondents during the fourth quarter of 2020.
- In the fourth quarter of 2021, 44% of respondents faced housing insecurity, compared to 65% of respondents in the same quarter of 2020. Nearly 3 in 4 respondents faced some level of food insecurity in the fourth quarter of 2021.
- An average of 85% of domestic worker respondents earned \$15 or less per hour this quarter, a decrease compared to 89% in the fourth quarter of 2020.

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.<sup>3</sup>

La Alianza survey data of **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 joblessness 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>December 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 January 7, the BLS released new employment data for December 2021.

- The unemployment rate for Latina women decreased in December 2021, while it increased notably 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 31.7% of the total unemployed in December, a decrease from the previous month.

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 compared to other demographic groups.<sup>4</sup> However, the recovery for Latina women has been faster compared to Black women. **The unemployment rate for Latina women decreased in December 2021 with respect to November 2021.** 

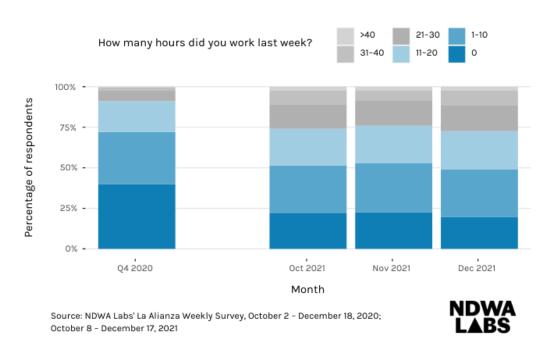
Similarly, NDWA Labs' December Report shows the percentage of jobless domestic worker respondents in December decreased compared to November.

### <u>December Domestic Worker Jobs and Wages</u>

December joblessness decreased compared to November. However, it remains more than twice the rate of joblessness before COVID. An average of 20% of respondents reported having zero hours of work in a weekly survey. Before COVID, 9% of respondents reported having zero hours of work.

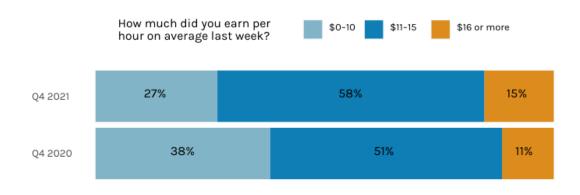
Joblessness in the fourth quarter of 2021 is lower compared to the same quarter in 2020. 22% of respondents were jobless on average during this quarter, compared to 40% of respondents during the fourth quarter of 2020. In the third quarter of 2021, 28% of respondents were out of work.

## 22% of domestic workers remain jobless the fourth quarter of 2021, down from 40% in the same quarter of 2020.



• 7 in 10 respondents who had work in December were underemployed. 70% of domestic worker respondents who had at least one hour of work per week said they wanted to work more hours.

## In the fourth quarter of 2021, 85% of domestic workers earned \$15 or less per hour.



Source: NDWA Labs' La Alianza Weekly Survey, October 2 - December 18, 2020; October 8 - December 17, 2021

Notes: Percentages shown are quarterly averages. Due to rounding, some percentages may not add up to 100.



- The share of domestic workers earning \$15 or less per hour decreased compared to the rates we saw in late 2020. During the fourth quarter of 2021, an average of 85% of domestic worker respondents earned \$15 or less per hour. This is a decrease compared to the average we saw in the corresponding quarter in 2020, when 89% of respondents earned \$15 or less per hour.
  - This share remains significantly higher compared to the 55% of respondents who reported earning \$15 or less before COVID-19.<sup>2</sup>

#### Job search

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

- Nearly 8 in 10 (78%) domestic worker respondents, whether or not they had current work, told us they had looked for new work in the past 30 days.
- 74% 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**

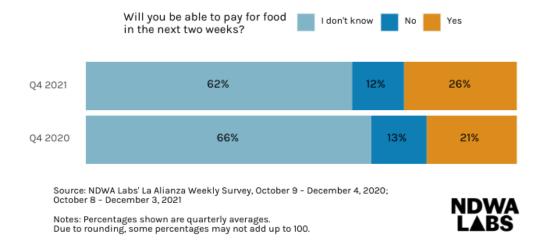
# 44% of domestic workers faced housing insecurity in the fourth quarter of 2021, down from 65% in the same quarter of 2020.



More than 4 in 10 domestic worker respondents faced housing insecurity, and nearly 3 in 4 experienced food insecurity. 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 facing housing insecurity.

 During the fourth quarter of 2021, 44% of domestic worker respondents, on average, said they were unable to pay their monthly rent or mortgage. This is an improvement compared to the average of 47% in the previous quarter. There is a larger improvement with respect to the last quarter of 2020, when 65% of respondents faced housing insecurity.

# 74% of domestic workers experienced food insecurity in the fourth quarter of 2021, compared with 79% in the same quarter of 2020.



- Despite the significant decrease in joblessness compared to 2020, food security has shown little change. This reflects the economic precarity of domestic workers who continue to largely struggle to afford food even as many of them recover jobs.
  - During the fourth quarter of 2021, an average of 12% 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.
  - Comparatively, during the fourth quarter of 2020, an average of 13% 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.

#### About the surveys

NDWA Labs surveys Spanish-speaking domestic workers each week, via La Alianza, a Messenger chatbot. The employment numbers presented in this report include data from all of our weekly surveys from the fourth quarter of 2021. December averages reflect data from three weekly surveys in December 2021. The last December survey was sent on December 17 due to NDWA Labs' winter break the following two weeks.

Questions about hours worked and hourly wages are asked weekly, questions regarding underemployment and job search are asked bi-weekly, and questions around food and housing security are asked monthly.

The total number of fully completed surveys for our three December weekly surveys, which includes both new and repeated respondents, was 2,883; for November, we had 2,647 completed surveys, and 4,407 for October. At the end of each survey, La Alianza provides respondents with relevant news articles and resources in Spanish. To learn more about NDWA Labs' La Alianza survey of Spanish-speaking domestic workers, see this <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

<sup>&</sup>lt;sup>1</sup> White House Council of Economic Advisers (2022), The Employment Situation in December

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

<sup>&</sup>lt;sup>3</sup> Economic Policy Institute (2019), <u>Domestic Workers Chartbook</u>

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