

JOBLESSNESS FOR DOMESTIC WORKER RESPONDENTS INCREASED TO 26% IN JANUARY

Nearly 8 in 10 respondents faced food insecurity in January 2022

Domestic Workers Economic Situation Report · January 2022

Source: La Alianza surveys, NDWA Labs

Released: February 4, 2022

Today's Bureau of Labor Statistics Jobs Report shows the number of jobs added in January was above market expectations.¹ Unemployment rates for Latina women were unchanged in January 2022, and the rates for Black women decreased. This was a surprising jobs report given the surge of COVID cases due to the Omicron variant. However, the Omicron wave was likely reflected in other indicators.

- There was a surge in the number of people who reported teleworking due to the pandemic.
- The number of people reporting they were unable to work because their employer closed or lost business during the pandemic also increased.
- The average workweek (measured by number of hours) was shorter in January.
- There was a record level of absences due to illness, injury, or medical issues on the week of January 9-15th.²

Domestic workers work from other people's homes. They often do not have employment written agreements, sick days, or paid time off. For them, like for many other essential workers, teleworking is not an option, and an absence due to illness means missing wages. Since they work in other's homes, their employer's illness also likely means missing wages or risking infection. NDWA Labs' January Report shows the Economic Situation for domestic workers during the Omicron surge.

NDWA Labs' January Report shows that the percentage of jobless domestic worker respondents in January increased to 26%, compared to 20% in December. This is a larger increase in joblessness than at any point during 2021. This represents nearly three times the 9% who reported having no jobs before COVID-19.3 The BLS report also shows the non-seasonally adjusted unemployment rate increased for Latina women in January. This is a closer reference point for NDWA Labs' non-seasonally adjusted joblessness data.

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.⁴

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.

January Jobs Report - Bureau of Labor Statistics

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 February 4, the BLS released new employment data for January 2022.

- The number of jobs added in January is above market expectations.
- There was a surge in the number of people who reported teleworking due to the pandemic.
- The number of people reporting they were unable to work because their employer closed or lost business during the pandemic also increased.
- The average workweek (measured by number of hours) was shorter in January.
- There was a record level of absences due to illness, injury, or medical issues on the week of January 9-15th.²
- The unemployment rate for Latina women was unchanged in January, and it decreased 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 25.9% of the total unemployed in January, 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.⁵

The unemployment rate for Latina women remained unchanged in January 2022 with respect to December 2021. However, the non-seasonally adjusted unemployment rate increased for Latina women. This is a closer reference point for NDWA Labs' non-seasonally adjusted joblessness data.

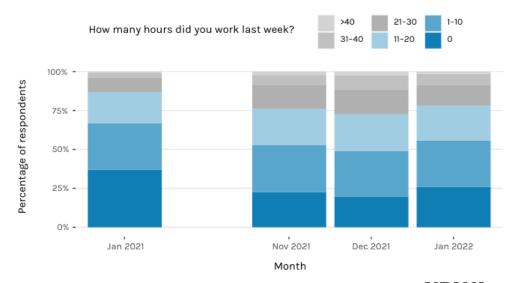
NDWA Labs' January Report shows the percentage of jobless domestic worker respondents increased notably in January compared to December.

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

January joblessness increased with respect to December 2021. An average of 26% of respondents reported having zero hours of work in a weekly survey, compared to 20% in December.

- This is a larger increase in joblessness than at any point during 2021.
- January joblessness was higher than the average joblessness during the fourth quarter of 2021, but lower than that of the third quarter.
- Before COVID, 9% of respondents reported having zero hours of work.

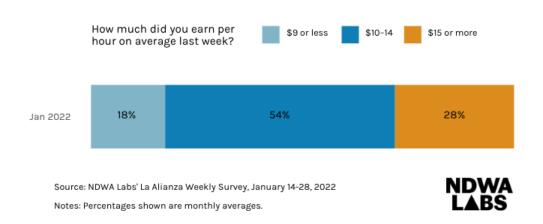
26% of domestic workers did not have work in January 2022, up from 20% in December.





- 3 in 4 respondents who had work in January were underemployed. 76% of domestic worker respondents who had at least one hour of work per week said they wanted to work more hours.
- More than 7 in 10 domestic worker respondents earned less than \$15 per hour* in January. An average of 72% of respondents this month reported earning less than \$15 per hour.
 - This is significantly higher than the share of respondents who earned less than \$15 before COVID-19, which was at most 55%**.

In January 2022, 72% of domestic workers earned less than \$15 per hour.



Job search

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

- 78% of domestic worker respondents, whether or not they had current work, told us they had looked for new work in the past 30 days.
- 3 in 4 (75%) 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 4 in 10 domestic worker respondents faced housing insecurity, and nearly 8 in 10 experienced food insecurity. This reflects the ongoing economic precarity that domestic workers experience, even as we saw a significant recovery in jobs and an improvement in the wage distribution of respondents by the end of 2021.

During January, 44% of domestic worker respondents, on average, said they
were unable to pay their monthly rent or mortgage. While this number is still
very high, this is an improvement compared to the same month in 2021, when
53% of respondents faced housing insecurity.

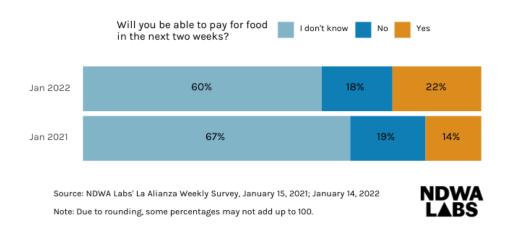
44% of domestic workers faced housing insecurity in January 2022, down from 53% in January 2021.



Source: NDWA Labs' La Alianza Weekly Survey, January 15, 2021; January 14, 2022 Note: Due to rounding, some percentages may not add up to 100.



78% of domestic workers experienced food insecurity in January 2022, compared with 86% in January 2021.



- In mid-January 2022, 18% of respondents said they would not be able to afford food in the following two weeks and 60% were unsure if they would be able to.
 - o In comparison, during January 2021, 19% of respondents said they would not be able to afford food in the following two weeks and 67% 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 3 weekly surveys in January 2022. The first January survey was sent on January 14 due to a technical issue that prevented us from surveying on the week prior. 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 at the beginning of the month.

The total number of fully completed surveys for our three January weekly surveys, which includes both new and repeated respondents, was 2,696. 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 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

- ¹ White House Council of Economic Advisers (2022), <u>The Employment Situation in December</u>
- ³NDWA Labs (2020), <u>6 Months in Crisis: The Impact of COVID-19 on Domestic Workers</u>
- ⁴ Economic Policy Institute (2019), <u>Domestic Workers Chartbook</u>
- 5 Economic Policy Institute (2021), Jobs and Unemployment, <u>"A more comprehensive look at unemployment rates"</u>
- *In January 2022 we modified the ranges for answer options in the hourly wage questions. The previous ranges were: \$10 or less, \$11-15, \$16-20, \$21-25, and \$26 or more. As of January 2022, the ranges are: \$9 or less, \$10-14, \$15-19, \$20-24, and \$25 or more.
- **The share of respondents earning less than \$15 in January cannot be directly compared to baseline numbers before COVID-19, due to a change in answer option ranges in 2022 (see above footnote). However, since 55% of respondents reported earning \$15 or less before COVID-19², a share which is inclusive of those who earned \$15 per hour, we know that the share of respondents earning less than \$15 is at most 55%.