

JOBLESSNESS AMONG DOMESTIC WORKER RESPONDENTS WAS AT 20% IN JANUARY

Respondents faced increased food scarcity and housing insecurity

Domestic Workers Economic Situation Report · January 2024 Source: La Alianza surveys, NDWA Released: February 5, 2024

The most recent Bureau of Labor Statistics (BLS) Employment Situation Report shows job growth above expectations in January and the general unemployment rate remained the same.¹

NDWA's January data shows a decrease to 20% in joblessness for surveyed domestic workers. Joblessness remains higher than the rate of 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, yet they are some of the most vulnerable and marginalized workers. They work in private homes and often have multiple employers, meaning they may have to schedule several jobs to make ends meet. Domestic workers earn less than the average US worker and are three times as likely to be living in poverty.³

La Alianza survey data from **Spanish-speaking domestic workers** shows how respondents continue to face low wages and high levels of unemployment and underemployment.

January Jobs Report - Bureau of Labor Statistics

The BLS releases an Employment Situation Summary with employment and other labor market data each month. It's an important report to keep track of how the economy is doing. However, domestic workers and other vulnerable workers are underrepresented in official data.⁴ Here, we present an overview of the BLS Jobs report along with NDWA's data, which shows the employment and economic situation of thousands of Spanish-speaking domestic workers. On February 2, the BLS released new employment data for January 2024.

- The number of jobs added was above market expectations.
- The general unemployment rate remained the same.
- The seasonally adjusted unemployment rate for Latina women decreased slightly.
- The non-seasonally adjusted unemployment rate for Latina women increased.
- The seasonally adjusted unemployment rate for Black women stayed constant.
- The non-seasonally adjusted unemployment rate for Black women increased.
- The unemployment rates for Black and Latinx adults continue to be higher compared to the rates for white adults.
- The average hourly earnings for private nonfarm payrolls increased.

NDWA's January data shows a minor decrease in joblessness for domestic worker respondents.

Note: While the share of joblessness for domestic workers is not directly comparable to the unemployment rate nationwide^{*}, looking at trends in the data for Spanish-speaking domestic workers in the context of national trends can support our understanding of the sector as it relates to the broader economy.

January Domestic Worker Economic Situation

Below are the main findings on the economic situation of surveyed Spanish-speaking domestic workers in January. Note that monthly numbers may be volatile, which is why we look at the findings as they relate to prior trends in the data and the economic situation of the overall economy. At the end of each quarter, we calculate quarterly averages for key economic indicators.

Jobs and Wages

- Joblessness improved slightly from the prior month, decreasing to 20% in January.
- Underemployment improved slightly in January compared to the last quarter of 2023. 59% of respondents reported wanting to work more hours than they did.

- The main reason for underemployment reported in January was that workers could not find clients (58%), followed by taking care of a family member (14%), having a health problem (13%), and "other" (16%).
- The wage distribution improved in January compared to the fourth quarter of 2023.
 - 54% of working respondents earned less than \$15 per hour, a slight decrease compared to the average in the fourth quarter of 2023.

Economic Security

- Food scarcity increased in January, to 85%.
 - Domestic worker respondents said their households faced food scarcity either often (14%) or sometimes (71%).
 - This is an increase from the previous quarter's average of 83%.
- Housing insecurity worsened in January, increasing to 50% from 47%.
 - 7% of respondents reported that the question regarding the ability to afford rent or mortgage does not apply to them. This does not necessarily mean they are housing secure. While some of these respondents may be debt-free homeowners, others may be temporarily staying with friends or family, staying in shelters, or facing homelessness.
 - Housing insecurity was 48% on average in the fourth quarter of 2023.
- A lower share of respondents reported difficulty affording regular household expenses in January, with 56% of respondents finding it very or somewhat difficult.
 - Domestic worker respondents experienced varying levels of difficulty affording regular household expenses, such as food, housing, car payments, and medical expenses: 5% reported no difficulty, 39% reported little difficulty, 29% reported some difficulty, and 27% reported large difficulty.

About the surveys

NDWA surveys Spanish-speaking domestic workers via La Alianza, a Messenger chatbot. Starting in 2024, the survey will be sent every other week. At the end of each survey, La Alianza provides respondents with relevant news articles and resources in Spanish. To learn more about NDWA's La Alianza survey of Spanish-speaking domestic workers, see the methodology section of this <u>report</u>. In September 2023, the survey sample was expanded to increase the volume of responses and address survey fatigue. We learned that respondents newly added to the survey schedule reported lower joblessness on average compared to prior respondents. To avoid monthly volatility going forward, we updated the rotation groups in 2024 to ensure a comparable share of "new" and "prior" respondents each month.

The employment numbers presented in this report include data from two biweekly surveys in January. The total number of fully completed surveys, which includes both new and repeated respondents, was 3,917.

Questions about hours worked and hourly wages are asked biweekly, and questions regarding underemployment, job search, and economic security are asked monthly.

For questions or feedback, please contact us <u>here</u>.

<u>Notes</u>

¹ White House Council of Economic Advisers (2024), <u>The January 2024 Employment Report: Explaining that</u> <u>big. upside surprise</u>.

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

³ Economic Policy Institute (2022), <u>Domestic Workers Chartbook</u>

⁴ Kopparam (2022), <u>What federal statistical agencies can do to improve survey response rates among Hispanic</u> <u>communities in the United States</u>

* Unlike unemployment rates, joblessness for domestic workers may include people who are not working but are currently unavailable to work, or not actively looking for jobs. Additionally, the NDWA's joblessness rate for surveyed domestic workers is not seasonally adjusted, while BLS unemployment rates are adjusted.