

JOBLESSNESS FOR DOMESTIC WORKER RESPONDENTS DECREASED TO 19% IN JULY

Joblessness remains higher than its pre-pandemic rate of 9%

Domestic Workers Economic Situation Report · July 2022

Source: La Alianza surveys, NDWA Labs

Released: August 5, 2022

The most recent Bureau of Labor Statistics Jobs Report shows the number of jobs added in July was above market expectations. The general unemployment rate and long-term unemployment rate recovered back to pre-pandemic levels. Unemployment rates for Latina and Black women decreased in July 2022.

NDWA Labs' July Report similarly shows that the percentage of jobless domestic worker respondents in July decreased slightly compared to June. However, while unemployment levels reported by BLS recovered to pre-pandemic levels, NDWA Labs' data shows joblessness for domestic worker respondents is at 19%, still far from 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, 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>July 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 August 5th, the BLS released new employment data for July 2022.

- The number of jobs added in July was above market expectations.
- The general unemployment rate recovered to its pre-pandemic level.
- The unemployment rate for Latina and Black women decreased in July
- The unemployment rates for Black and Latinx adults continue to be higher compared to the rates for White adults.
- People who have been unemployed long-term (27 weeks or more) represented 18.9% of the total unemployed in July, returning to its February 2020 level.

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.⁴ However, the recovery has been slower for Black women.

The unemployment rate for Latina women decreased in July 2022 with respect to June. Similarly, NDWA Labs' July Report shows the percentage of jobless domestic worker respondents decreased with respect to the previous month. 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.

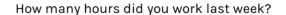
July Domestic Worker Jobs and Wages

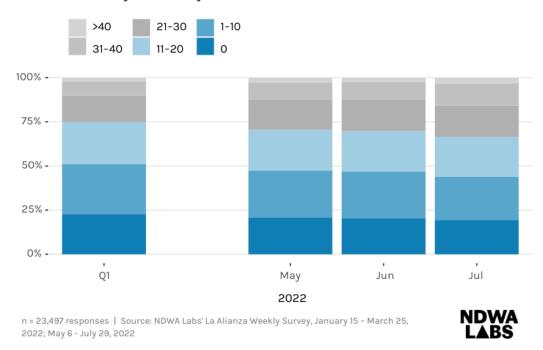
July joblessness decreased with respect to the previous two quarters. An average of 19% of respondents reported having zero hours of work in a weekly survey, compared to 20% in the second quarter and 23% in the first quarter of 2022.

• Before COVID, 9% of respondents reported having zero hours of work.

• The percentage of respondents working more than 20 hours per week increased from 30% to 34% on average in July 2022, relative to the second quarter of 2022.

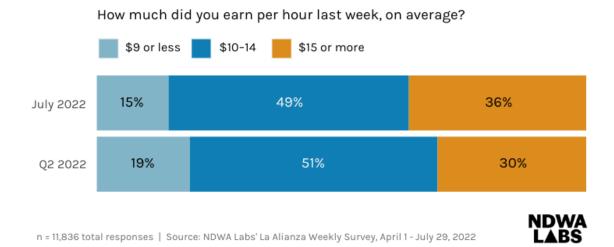
19% of surveyed domestic workers were jobless in July, down slightly from 20% in the second quarter and 23% in the first quarter of 2022





- 7 in 10 respondents who had work in July were underemployed. In other words, 70% of domestic worker respondents who had at least one hour of work per week said they wanted to work more hours.
 - Of the underemployed domestic worker respondents in the second quarter, 70% told us they were underemployed because they did not find more clients, 13% were taking care of relatives, 12% had a health problem, and 5% were underemployed for another reason.
- 64% domestic worker respondents earned less than \$15 per hour** during July 2022, fewer than in the second quarter of 2022. By comparison, an average of 70% of respondents reported earning less than \$15 per hour in the previous quarter.
 - This is higher than the share of respondents who earned less than \$15 per hour before COVID-19, which was at most 55%***.

36% of surveyed domestic workers made \$15 or more per hour in July 2022, a large increase compared to 30% in the second quarter of 2022.



Job search

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

- 3 in 4 (75%) of domestic worker respondents, whether or not they had current work, told us they had looked for new work in the past 30 days.
- Nearly 7 in 10 (68%) 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.

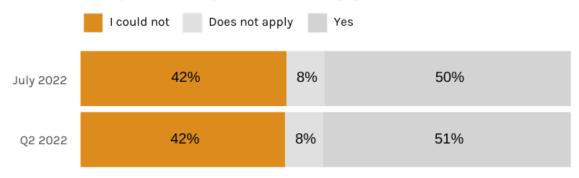
Housing and Food Security

More than 4 in 10 domestic worker respondents faced housing insecurity, and more than 8 in 10 experienced food insecurity in July 2022. Economic insecurity has shown little to no change compared to the second quarter of 2022.

• In July 2022, 42% of domestic worker respondents, on average, said they were unable to pay their monthly rent or mortgage, showing no change from the second quarter of 2022.

42% of surveyed domestic workers experienced housing insecurity in July 2022



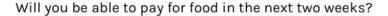


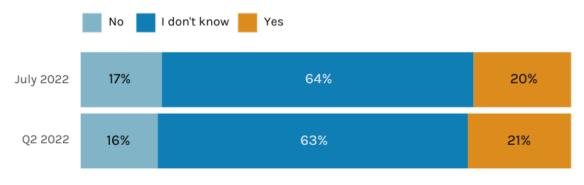
n = 3,785 total responses | Source: NDWA Labs' La Alianza Monthly Survey, April 11 – July 15, 2022 Note: Due to rounding, some percentages do not add up to 100.



- In July 2022, 17% of respondents, on average, said they would not be able to afford food in the following two weeks and 64% were unsure if they would be able to.
 - In comparison, during the previous quarter, 16% of respondents, on average, said they would not be able to afford food in the following two weeks and 63% were unsure if they would be able to.

81% of surveyed domestic workers experienced some level of food insecurity in July 2022, up from 79% in the second quarter of 2022





n = 3,753 total responses | Source: NDWA Labs' La Alianza Monthly Survey, April 11 – July 15, 2022 Note: Due to rounding, some percentages do not add up to 100.



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 January through July 2022. July averages reflect data from three weekly surveys in July 2022, second quarter averages reflect data from fourteen weekly surveys in April, May, and June 2022, and first quarter averages reflect data from eleven weekly surveys in January, February, and March 2022. 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 July weekly surveys, which includes both new and repeated respondents, was 1,743; for June weekly surveys, we had 3,605 completed surveys; for May, we had 2,814 completed surveys; for April, we had 4,169 completed surveys; and for the first quarter, we had 9,360 completed surveys. 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 report.

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

- ¹ White House Council of Economic Advisers (2022), The Employment Situation in July
- ² NDWA Labs (2020), <u>6 Months in Crisis: The Impact of COVID-19 on Domestic Workers</u>
- ³ Economic 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>
- * 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.
- ** 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 2022 cannot be directly compared to baseline numbers before COVID-19, due to a change in answer option ranges (see above footnote). However, since 55% of respondents reported earning \$15 or less before COVID-19,² 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%.