

JOBLESSNESS AMONG DOMESTIC WORKER RESPONDENTS WAS AT 13% IN OCTOBER

Respondents faced increased economic insecurity

Domestic Workers Economic Situation Report · October 2023

Source: La Alianza surveys, NDWA Labs

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The most recent Bureau of Labor Statistics Jobs Report shows job growth in October.¹ The general unemployment rate changed little compared to September and the unemployment rate for Latina women decreased slightly.

NDWA Labs' October data shows a decrease to 13% in joblessness for surveyed domestic workers. It's worth noting that the sample of surveyed domestic workers was expanded starting on September 22, and this decrease reflects a higher share of employed respondents in the expanded sample. While this is the lowest joblessness rate recorded since the pandemic began, it 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.

October Jobs Report - Bureau of Labor Statistics

The US Bureau of Labor Statistics (BLS) releases an Economic 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 Labs' data, which shows the employment and economic situation of thousands of Spanish-speaking domestic workers.

On November 3, the BLS released new employment data for October 2023.

- The general unemployment rate ticked up.
- The unemployment rate for Latina women decreased.
- The 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.
- Average hourly earnings for private nonfarm payrolls increased.

NDWA Labs' October data shows a decrease in joblessness for domestic worker respondents, mirroring the downtick in the unemployment rate for Latina women in the BLS report. However, part of this decrease is explained by an expansion in the survey sample, where a higher share of new respondents were employed compared to regular respondents in our former, smaller sample.

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.

October Domestic Worker Economic Situation at a Glance

Below are the main findings on the Economic Situation of Spanish-speaking domestic workers in October. 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.

Note: The survey sample starting was expanded on September 22 to increase the volume of responses and address survey fatigue. A higher share of new respondents were employed compared to respondents in the prior survey cohort. Thus, some of the changes reflected in this report may be due to new respondents facing a different employment situation on average compared to the population that was reflected in our prior reports this year.

Jobs and Wages

- Joblessness improved, decreasing to 13% in October. This represents a decrease of 4 percentage points since September.
 - It's worth noting that we expanded the sample of surveyed domestic workers in September and October, and this decrease reflects a higher share of employed respondents in the expanded sample.
 - Joblessness was 18% on average in the third quarter.
- Underemployment improved significantly in October, decreasing to 51%. This represents a 13 percentage point change since September.
 - The main reason for underemployment reported was that workers could not find clients (69%), followed by taking care of a family member (11%), having a health problem (10%), and "other" (10%).
 - Underemployment was 63% on average in the third quarter.
- The wage distribution improved in October. 50% of working respondents earned less than \$15 per hour, compared to 53% in September.
 - In the third quarter of 2023, 58% of working respondents earned less than \$15 per hour on average.

Economic Security

- Food scarcity increased slightly in October, to 82%.
 - Domestic worker respondents said their households faced food scarcity either often (12%) or sometimes (70%).
 - This is an increase from the previous quarter's average of 81%.
- Housing insecurity remained the same as in September, at 51%.
 - While housing insecurity didn't worsen, it remains higher than last quarter's average of 50%.
- Difficulty affording regular household expenses worsened in October, with 52% of respondents finding it very or somewhat difficult.
 - This increase brings this indicator back to August levels, after a sharp decrease in September.
 - Domestic worker respondents experienced varying levels of difficulty affording regular household expenses, such as food, housing, car payments, and medical expenses: 7% reported no difficulty, 42% reported little difficulty, 28% reported some difficulty, and 24% reported large difficulty.

About the surveys

NDWA Labs surveys Spanish-speaking domestic workers each week, via La Alianza, a Messenger chatbot. 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 the methodology section of this <u>report</u>.

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The employment numbers presented in this report include data from four weekly surveys in October. The total number of fully completed surveys for October, which includes both new and repeated respondents, was 3,848.

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

For questions or feedback, please contact us here.

Notes

¹ White House Council of Economic Advisers (2023), <u>The Power of Empowering Workers: Reducing Racial Employment and Unemployment Gaps</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 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 Labs' joblessness rate for surveyed domestic workers is not seasonally adjusted, while BLS unemployment rates are.