NDWA LABS

JOBLESSNESS INCREASED TO 19% IN AUGUST
Respondents faced increased difficulty affording regular household expenses

Note: This report was updated on October 6, 2023, with an additional week of data from a survey fielded on September 1. See the "About the surveys" section for details.

Domestic Workers Economic Situation Report · August 2023
Source: La Alianza surveys, NDWA Labs
Released: September 1, 2023

The most recent Bureau of Labor Statistics Jobs Report shows job growth in August which came in slightly above market expectations. The general unemployment rate increased, which this month was entirely due to higher labor force participation[1]. The unemployment rate for Latina women also increased.

NDWA Labs' August data shows an increase to 19% in joblessness for surveyed domestic workers. Joblessness had decreased steadily in 2023 but has increased by 3 percentage points since June. It remains over twice 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. They work in private homes and often have multiple employers. This means they may have to schedule several jobs in a given week in order 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.

August 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.[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 September 1, the BLS released new employment data for August 2023.
- The number of jobs added in August was slightly above market expectations.
- The general unemployment rate increased due to higher labor force participation.
- **The unemployment rate for Latina women increased.**
- The unemployment rate for Black women decreased.
- The unemployment rates for Black and Latinx adults continue to be higher compared to the rates for white adults.
- Average hourly earnings rose by 8 cents for private nonfarm payroll workers.

NDWA Labs' August data shows an increase in joblessness for domestic worker respondents, mirroring the uptick in the unemployment rate for Latina women in the BLS report. 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.

August Domestic Worker Economic Situation at a Glance

Below are the main findings on the Economic Situation of Spanish-speaking domestic workers in August. 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. Additionally, at the end of each quarter, we calculate quarterly averages for key economic indicators.

Jobs and Wages

- **Joblessness worsened, increasing by 1 percentage point since July, to 19% in August.**
  - Joblessness had decreased steadily in 2023 but August is the second consecutive month that joblessness has increased. Joblessness was 17% on average in the previous quarter.
- **Underemployment worsened to 63% in August, increasing by 3 percentage points since July.**

- The main reason for underemployment reported was that workers could not find clients (72%), followed by having a health problem (11%), taking care of a family member (11%), and "other" (7%).
- **The wage distribution worsened slightly in August,** with an additional percentage point of working respondents earning less than $15 per hour compared to July, 62% and 61%, respectively.
    - August is the second consecutive month that wage distribution worsened. The share of working respondents who earned less than $15 per hour continues to remain higher than before COVID-19, which was at most 55%**.

Economic Security

- **Food scarcity increased slightly, by 1 percentage point since July, to 82% in August.**
    - Domestic worker respondents said their households faced food scarcity either often (13%) or sometimes (69%). This is an increase from the previous quarter's average of 80%.
- **Housing insecurity improved, decreasing from 52% in July to 48% in August.**
    - While housing insecurity improved, it remains higher than the last quarter's average of 46%.
    - 7% percent 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.
- **Difficulty affording regular household expenses worsened in August, with 52% 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: 4% reported no difficulty, 44% reported little difficulty, 24% reported some difficulty, and 28% 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 [report](#).

The employment numbers presented in this report include data from five weekly surveys in August. The total number of fully completed surveys for August, which includes both new and repeated respondents, was 1,734.

Note: This report was updated on October 6, 2023, to include an additional week of data from a survey fielded on September 1. Questions about hours worked and wages reference "the past 7 days,", which means that respondents are referring to a time period that falls primarily in August. This data was not released in the original report, which was published on September 1 (the same date as the last fielded survey) to align with the publication timing of the Bureau of Labor Statistics' September jobs report.

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.

La Alianza is a product of [NDWA Labs](#), the innovation partner of the [National Domestic Workers Alliance](#). 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 or feedback, please contact us [here](#).

<u>Notes</u>

[1] White House Council of Economic Advisers (2023), *[The Employment Situation in August](#)*
[2] NDWA Labs (2020), *[6 Months in Crisis: The Impact of COVID-19 on Domestic Workers](#)*
[3] Economic Policy Institute (2022), *[Domestic Workers Chartbook](#)*
[4] Kopparam (2022), [What federal statistical agencies can do to improve survey response rates among Hispanic communities in the United States](#)

* 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 adjusted.

** 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. 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%.