

Statement of Ai-jen Poo, Executive Director, National Domestic Workers Alliance and Caring Across Generations

March 16, 2022 Hearing before the U.S. House Committee on the Budget

“Ensuring Women Can Thrive in a Post-Pandemic Economy”

Introduction

Chairman Yarmuth, Ranking Member Smith, and Members of the Committee, thank you for the opportunity to testify on how the 2020 recession disproportionately impacted women of color, essential workers, and caregivers – through the lens of domestic workers.

My name is Ai-jen Poo, and I am the Executive Director at the National Domestic Workers Alliance (NDWA) and Caring Across Generation (CAG). Founded in 2007, NDWA is the home for the 2.2 million domestic workers who work as nannies, home care workers, and house cleaners in private homes, providing care and cleaning services. Our community includes over 250,000 domestic workers in all 50 states, working to achieve economic security and opportunity.

Caring Across Generations was founded in 2011 to bring together family caregivers, care workers, people with disabilities and older Americans to advocate for a strong care infrastructure that would support us all to live, work, care and age with dignity. Caring Across Generations is working to create a culture that values care and caregiving, and policies that support universal access to long-term services and supports, childcare, paid family and medical leave benefits and a strong care workforce. We work with a diverse network of over 100 national, state and local advocacy organizations and unions, including caregiver, aging, disability rights and justice, disease-based groups, women’s organizations and more.

Together, NDWA and Caring Across Generations have worked for a decade to bring attention to the growing need for a strong care infrastructure, and the urgency of transforming domestic worker jobs into good jobs with family-sustaining wages and benefits. I believe we have a once-in-a-generation opportunity to do precisely that. We are in a moment when our society and lawmakers have made a transformative shift in the way we value domestic workers and caregivers.

I will explain how human infrastructure investments provide a direct benefit to domestic workers and their families. I will also explain how domestic workers ensure that other workers – who need access to care – can fully participate in the labor force. Furthermore, I will explain how investments in human infrastructure have numerous advantages in terms of boosting economic security, job creation and retention, increased household savings and overall economic growth.

Domestic Workers Lacked Economic Security, Benefits and Workplace Safety Before the Pandemic

Due to long standing systemic racial and gender discrimination in our society and labor market, work done inside the home – cooking, cleaning and caring – has traditionally been devalued. As a result, the domestic workforce earns depressed wages and few benefits, and has few protections under the law. This was codified during the New Deal era, when Congress enacted the Fair Labor Standards Act to establish the minimum wage and the National Labor Relations Act to guarantee employees the right to organize and form labor unions.¹ Southern congressmen refused to support the labor law provisions of the New Deal if they covered domestic workers and farm workers, who were largely Black workers at the time.² Domestic workers remained entirely excluded from the FLSA until the 1970s, when the organizing of Black domestic

¹ National Labor Relations Act, 29 U.S.C. §§ 151-169 (1935)

² Sean Farhang and Ira Katznelson, The Southern Imposition: Congress and Labor in the New Deal and Fair Deal, *Studies in American Political Development*, p. 15 (2005).

workers led to more domestic workers being included in minimum wage and overtime protections.³

The throughline between this history of exclusion and the current socioeconomic status of domestic workers is evident. Similar to when the New Deal was enacted, Black women and other women of color are highly concentrated in the domestic workforce. Today, it is made up of 90 percent women, over half women of color, and over a third of immigrants.⁴ Demographics vary among occupations as follows. 63 percent of home care workers⁵, 67 percent of house cleaners,⁶ and 43.5 percent of in-home childcare workers are women of color.⁷

Domestic workers are also subject to steep gender and racial wage gaps and are much more likely than other workers to be living in poverty. According to the Economic Policy Institute, the typical domestic worker is paid \$12.01 per hour, which is 39.8 percent less than the typical non-domestic worker, who is paid \$19.97.⁸ Pay may be even lower within each specific domestic labor occupation. On average, house cleaners are paid \$11.89 an hour, nannies are paid about \$11.60 an hour, non-agency home care workers are paid about \$11.89 and agency-based home care workers are paid about \$12.08 an hour.⁹

Domestic worker wages have not kept up with the cost of basic necessities that have increased over the last decade, including the cost of housing, medical care and staple goods.¹⁰ For example, according to PHI, the median hourly wage for home care workers only increased by a

³ Fair Labor Standards Amendments of 1974, Pub. L. No. 93-259, § 7, 88 Stat. 55, 62 (1974).

⁴ Julia Wolfe, Jori Kandra, Lora Engdahl, and Heidi Shierholz, Economic Policy Institute, [Domestic workers chartbook](#) (May 14, 2020) available at

<https://www.epi.org/publication/domestic-workers-chartbook-a-comprehensive-look-at-the-demographics-wages-benefits-and-poverty-rates-of-the-professionals-who-care-for-our-family-members-and-clean-our-homes>

⁵ Christian Weller, Beth Almeida, Marc Cohen, and Robyn Stone, Leading Age, [Making Care Work Pay](#), p. 13 (Sept. 2020) available at <https://leadingage.org/sites/default/files/Making%20Care%20Work%20Pay%20Report.pdf>

⁶ Wolfe, [supra](#) note 3

⁷ [Id.](#)

⁸ [Id.](#)

⁹ [Id.](#)

¹⁰ AARP, [How a Decade of Inflation Has Hit Everyday Expenses](#) (Feb. 22, 2022) available at <https://www.aarp.org/money/budgeting-saving/info-2022/how-much-prices-increased-in-10-years.html>

total of \$1.75 between 2010 and 2020.¹¹ In addition, wage theft remains rampant among domestic workers. By virtue of the high concentration of women, women of color and immigrant workers, employers may take advantage of the social and economic power imbalances between them. Domestic workers may also be less likely to report wage violations due to the fear of termination or other retaliation.¹²

Additional factors compound domestic workers' lack of financial security. They are far less likely to get employer-provided benefits, like health insurance or paid time-off, and cannot access paid family and medical leave or paid sick days. Fewer than one in ten domestic workers are covered by an employer-provided retirement plan and one in five receives health insurance coverage through their job.¹³ For immigrant domestic workers, they also may be excluded from much-needed safety net programs, such as nutrition, healthcare and housing assistance.¹⁴

That has resulted in the reality that most domestic workers work incredibly hard, and still can't make ends meet which is reflected in their income status. House cleaners have twice-poverty rates that are nearly 20 percentage points higher and nannies have twice-poverty rates over 10 percentage points higher than you would expect these rates to be if these workers were employed in nondomestic occupations.¹⁵

The Pandemic Pushed Domestic Workers Past the Brink

The COVID-19 pandemic and the resulting recession brought the vulnerabilities of the domestic workforce to fore all at once, rapidly pushing them toward a financial cliff. More than eighty percent of

¹¹ PHI, Direct Care Worker Median Hourly Wages Adjusted for Inflation, 2010 to 2020 available at <http://phinational.org/policy-research/workforce-data-center/#tab=National+Data&natvar=Wage+Trends>

¹² Annette Bernhardt, Ruth Milkman, and Mik Theodore, National Employment Law Center, Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities, (2009)

<https://www.nelp.org/publication/broken-laws-unprotected-workers-violations-of-employment-and-labor-laws-in-americas-cities/>

¹³ Id.

¹⁴ National Immigration Law Center, Overview of Immigrant Eligibility for Federal Programs available at https://www.nilc.org/issues/economic-support/table_ovrw_fedprogs/

¹⁵ Id.

domestic workers going into the pandemic didn't have a single paid sick day while living paycheck-to-paycheck.¹⁶ Some domestic workers have multiple employers. This means they may have to schedule several jobs in a given week in order to make enough income. So missing out on even one day's work or losing a job means no income, without a safety net or job security.

Once the pandemic started, teleworking was not an option. Domestic workers simultaneously were facing sudden job losses, and few options but to keep going in person to the jobs they did keep – despite the high risk of exposure to COVID-19.

Real-time data that NDWA collected during the pandemic reflects hardships across our membership. NDWA surveyed more than 20,000, largely Spanish-speaking domestic workers, from March to September 2020, and found that, by late March, 90 percent of workers lost jobs due to COVID-19.¹⁷ NDWA also surveyed 800 Black domestic workers in May and June 2020 from Massachusetts, Miami-Dade County, and New York. 70 percent of the Black immigrant domestic workers surveyed had either lost their jobs or received reduced hours and pay.¹⁸ Black undocumented workers were nearly twice as likely to be terminated than documented workers.

Two years into the pandemic, domestic workers continue to face low wages and high levels of joblessness and underemployment. An NDWA survey of our members showed that the percentage of jobless domestic worker respondents in January 2022 increased to 26%, compared to 20%

¹⁶ Institute for Policy Studies, Rebekah Entralgo, [The Fight for Equal Pay Must Include Domestic Workers](https://inequality.org/great-divide/equal-pay-domestic-workers/) (March 4, 2021), available at <https://inequality.org/great-divide/equal-pay-domestic-workers/>

¹⁷ National Domestic Workers Alliance Labs, [6 Months in Crisis: The Impact COVID-19 on Domestic Workers](https://www.domesticworkers.org/reports-and-publications/6-months-in-crisis-the-impact-of-covid-19-on-domestic-workers/) (2020) available at <https://www.domesticworkers.org/reports-and-publications/6-months-in-crisis-the-impact-of-covid-19-on-domestic-workers/>

¹⁸ The Institute for Policy Studies' Black Worker Initiative, National Domestic Workers Alliance's We Dream in Black program, and National Domestic Workers Alliance Labs, [Notes from the Storm: Black Immigrant Domestic Workers in the Time of COVID-19](https://domesticworkers.org/sites/default/files/IPS-WDiB-survey-brief.pdf) (2020) available at <https://domesticworkers.org/sites/default/files/IPS-WDiB-survey-brief.pdf>

in December 2021.¹⁹ Three in four respondents who had work in January reported that they were underemployed; 76% of domestic worker respondents who had at least one hour of work per week said they wanted to work more hours. The January 2022 data also showed that more than four in 10 domestic worker respondents faced housing insecurity, and nearly eight in 10 experienced food insecurity. 18% of respondents said they would not be able to afford food in the following two weeks.

The Pandemic Acutely Impacted Domestic Workers Who are Family Caregivers

In February 2022, NDWA conducted a survey of our workers about their responsibilities and experiences as family caregivers during the pandemic and how that may have impacted their work. The survey provides a window into the life of domestic workers who are already facing an uphill battle against discrimination, lack benefits and scant workplace protections. On top of this, like other workers, they need consistent and quality care for themselves and their loved ones. Similar to other workers, the pandemic dramatically increased their caregiving duties, resulting in adverse health, financial and emotional outcomes. However, due to their precarious socioeconomic status, domestic workers struggle to afford or access the exact services they provide for other families.²⁰

In the February 2022 survey, the vast majority of domestic workers reported having caregiving responsibilities.²¹ Nearly 7 in 10 respondents are the mother or guardian of at least one child under the age of 18. 3 in 10 respondents said they are caring for a family member or other loved ones who are aging, disabled or have a physical or mental illness.

¹⁹ NDWA Labs, Domestic Workers Economic Situation Report - January 2022, available at <https://www.ndwalabs.org/economic-january-2022>

²⁰ Sarita Gupta, The Washington Post, Too many essential care workers can't afford the very services they provide (May 26, 2021) available at <https://www.washingtonpost.com/outlook/2021/05/26/care-crisis-health-workforce-paid-leave/>

²¹ NDWA Labs, La Alianza Survey Questions: Parenting and Childcare (Feb. 11, 2022)

Furthermore, 71% of the domestic workers with children under the age of 18 reported having the additional responsibility of assisting their children with online schooling.

Domestic worker respondents told us about the difficulty of managing caregiving responsibilities and the impact it had on their ability to stay in the workforce. 79% of respondents told us it had been very or somewhat difficult to find care for their children or elderly family members or family members with disabilities. 81% of respondents said it had been very (31%) or somewhat (50%) difficult to balance the responsibilities of their job with those of their family since the pandemic started. 85% of respondents also said they cannot afford to pay for care. As a result of these competing priorities, 8 in 10 surveyed workers reported having to reduce their work hours or leave a job. Domestic workers cited fear of exposing their household to COVID and a lack of sick days as the most common barriers that prevented them from keeping their regular work hours.

Stories from NDWA members show the difficulty of balancing the demands of being both a domestic worker and a caregiver.

Lucia from Charlottesville, North Carolina

Lucia has been a care worker all of her life and comes from a family of dedicated care workers. Prior to the pandemic, she was working in a childcare facility where for the past 5 years she had been working with preschool aged children. As the mother of 5, she realized that she could not return to work after the initial pandemic shut down in March of 2020.

With 5 children under the age of 10 she needed to be at home to support her children's remote learning. As the pandemic went on she still could not return to work because too frequently, members of her family needed to quarantine or their schools were closing entirely without warning or time to make adjustments. Recently, her daughters' classroom closed December 3rd and it

didn't re-open until after the winter break. The children returned to school on January 4th. One day later, the entire childcare closed completely again -- it was closed through the week of January 21st.

Kiayana from Houston, Texas

Kiyana has been a caregiver for more than twenty years. Originally from Jamaica, she first came to Florida and did homecare work for the elderly before moving to Texas. She has experienced low pay, discrimination and wage theft. Kiyana is mother to a university graduate, and two elementary school-aged children. She also obtained a Bachelor's degree in Health Information Management, at age 31, through persistent and diligent work. She has invested fifteen years of service in that field. When her mother became ill, Kiyana dedicated herself to caring for her, because as an only child, she had limited support.

During the pandemic she lost consistent work and experienced homelessness with her two small children. Last summer, she was offered a job for \$70 cleaning a building for a seven hour shift. She took the offer even though the pay was low because she would be able to bring her children with her while she cleaned. When she finished the assignment, the employer compensated her with \$50, and promised to pay the remaining amount later. She is still waiting for the \$20, while she has no health or dental coverage, and her bills are piling up.

Policy Solutions to Improve Economic Security for Domestic Workers

Work that is associated with women has traditionally been undervalued. Cooking, cleaning and caring jobs are quintessential examples of this. The pandemic has only revealed and deepened inequity for women who were already struggling. By supporting efforts to raise wages and improve the quality of low-wage jobs — beginning with domestic workers who are historically women and women of color — we can promote equity from the bottom up, ensuring that all working women are valued, and paid well enough to support their families. This section will outline some

of the policies that would have the most impact in lifting up domestic workers.

American Rescue Plan

Congress should build on the success of the following policies included in the American Rescue Plan (ARP) which particularly benefited domestic workers, low-income families and caregivers.

The ARP included a Child Tax Credit (CTC) which increased the benefit amounts to \$3,600 a year for children under age 6 and \$3,000 for older children from \$2,000 for all children. ARP made the CTC fully refundable and directed the benefits to be delivered to families throughout the year as a regular support. 1 in 4 households with children reported using the credit to cover basic expenses, such as paying for food, rent or utilities. Overall, the December 2021 CTC payment kept 3.7 million children from poverty, up from 3 million children when the first CTC payment went out in July 2021.²² The same households are now struggling to cover everyday expenses after the credit expired in December.²³ In the longer term, an estimated 9.9 million children may be thrust back into poverty if the CTC expansion is not extended.²⁴ A renewal of the expanded CTC is greatly needed by domestic workers and other low-wage workers to support their families.

The ARP included support for domestic workers with childcare needs. The bill included almost \$15 billion for expanded child care assistance through the Child Care and Development Block Grant (CCDBG) and nearly \$24 billion to establish a stabilization fund for eligible child care

²² Columbia University Center on Poverty and Social Policy, [Sixth Child Tax Credit Payment Kept 3.7 Million Children Out of Poverty in December](https://static1.squarespace.com/static/610831a16c95260dbd68934a/t/61ea09926280d03df62aa31d/1642727841927/Monthly-poverty-December-2021-CPSP.pdf) (Jan 18, 2022) available at <https://static1.squarespace.com/static/610831a16c95260dbd68934a/t/61ea09926280d03df62aa31d/1642727841927/Monthly-poverty-December-2021-CPSP.pdf>

²³ United States Census Bureau, [Households With Children That Struggled to Cover Household Expenses Were at Least Twice as Likely to Rely on CTC](https://www.census.gov/library/stories/2022/02/harder-to-pay-bills-now-that-child-tax-credit-payments-have-ended.html)

(Feb. 28, 2022) available at https://www.census.gov/library/stories/2022/02/harder-to-pay-bills-now-that-child-tax-credit-payments-have-ended.html?utm_campaign=20220228msacos1ccstors&utm_medium=email&utm_source=govdelivery

²⁴ Center on Budget and Policy Priorities, [If Congress Fails to Act, Monthly Child Tax Credit Payments Will Stop, Child Poverty Reductions Will Be Lost](https://www.cbpp.org/research/federal-tax/if-congress-fails-to-act-monthly-child-tax-credit-payments-will-stop-child-poverty-reductions-will-be-lost) (Dec. 21, 2021) available at <https://www.cbpp.org/research/federal-tax/if-congress-fails-to-act-monthly-child-tax-credit-payments-will-stop-child-poverty-reductions-will-be-lost>

providers. The funding can be used to increase pay and benefits of childcare workers to improve their economic security as well as employee retention in this industry that is essential to women's labor force participation. Under the ARP, families could save nearly \$15,000 a year.²⁵ Funding from the CTC and reduced cost of childcare will free up income to pay for other household expenses, and allow low-income families to make ends meet.²⁶

Importantly, the ARP provided additional federal Medicaid support for home and community-based services (HCBS). The bill provided a \$12 billion investment under which states would have the option of receiving a 10 percentage point increase in their Medicaid matching rate for HCBS services. Even before the pandemic, demand for these services exceeded what was available. Across the United States nearly 820,000 aging individuals and people with disabilities are on waiting lists for Medicaid HCBS. People on waiting lists often wait years, sometimes decades to access these vital services. States are dependent on federal funding to increase access to services and to improve wages and working conditions for home care workers. States that have accepted the additional FMAP funding are planning to use it for improvements to provider rates, worker recruitment and retention, technology and telehealth, and caregiver supports. While the ARP funding can help states meet their most pressing needs, Congress must make significant future HCBS investments to make structural changes that will meet the outsized demand for home care, and create high-quality jobs to retain the home care workforce.

Congress should specifically make a robust investment in Medicaid's home and community-based services (HCBS) through the budget reconciliation process. According to one estimate, the \$150 billion investment in home and community-based services will create and

²⁵ CNBC, [Biden tax plan could save some families nearly \\$15,000 a year on child care](https://www.cnn.com/2021/04/28/biden-plan-could-save-families-nearly-15000-a-year-on-child-care.html) (April 28, 2021) available at <https://www.cnn.com/2021/04/28/biden-plan-could-save-families-nearly-15000-a-year-on-child-care.html>

²⁶ Center on Budget and Policy Priorities, [Inflation Report Underscores Urgency to Extend Child Tax Credit Expansion](https://www.cbpp.org/blog/inflation-report-underscores-urgency-to-extend-child-tax-credit-expansion) (Feb. 28, 2022) available at <https://www.cbpp.org/blog/inflation-report-underscores-urgency-to-extend-child-tax-credit-expansion>

support 390,000 new jobs each year over ten years -- nearly 300,000 of which are “living wage” care jobs.²⁷ It will also add an estimated \$4 billion in additional income for current workers and their families each year.²⁸

Domestic Workers Bill of Rights

Congress should enact the National Domestic Workers Bill of Rights,²⁹ being led by Congresswoman Pramila Jayapal and Senators Kirsten Gillibrand and Ben Ray Luján. The National Domestic Workers Bill of Rights strikes the remaining FLSA exclusion for live-in domestic workers from overtime pay and establishes other baseline standards such as earned sick days, privacy protections, protections from harassment and discrimination, safety and health measures, and fair scheduling provisions³⁰ to protect domestic workers from substandard working conditions.

Over the last decade, NDWA’s organizing and advocacy have been critical to the passage of the Domestic Workers Bill of Rights Act in ten states and two major cities including Oregon, California, Connecticut, Illinois, New York, Massachusetts, Hawaii, Nevada, New Mexico and Virginia. In states like Virginia and New Mexico, domestic workers now finally enjoy the rights to state minimum wage law protections, and more domestic workers in Hawaii are covered under its state minimum wage law. In New York, Illinois, California and Oregon, domestic workers are entitled to overtime pay for the first time or are entitled to it at the same rate as other workers do.

Other protections these local and state laws extend include protections against discrimination and harassment, paid time off, meal and rest breaks, a right to notice of termination, and enhanced retaliation

²⁷ Women Effect Fund, What Build Back Better Means for Women and Families (2021) available at http://womeneffectactionfund.org/wp-content/uploads/2021/11/WEAF_BBB_National_v1.5.pdf

²⁸ Id.

²⁹ Domestic Workers Bill of Rights, H.R. 3670/S. 2112 (2019) <https://www.congress.gov/bill/116th-congress/house-bill/3760/text>

³⁰ Id.

protection. While local and state laws are critical to protecting domestic workers' rights, much more is needed to establish a national baseline standard to ensure that all of our nation's 2.2 million domestic workers are protected and enjoy the same rights and protections.

Investing in Domestic Workers is an Investment in the Economy

Addressing the needs of domestic workers is a win-win-win which will provide a direct benefit to this labor force, will support the families they care for and will help the economy thrive.

Improving Economic Security for Women of Color Workers

First and foremost, the legislative proposals described in the section titled "Policy Solutions to Improve Economic Security for Domestic Workers" would better ensure that domestic workers could have family-sustaining wages, and benefits to support themselves, their children and other loved ones. Furthermore, these policies would grant meaningful workplace rights to protect domestic workers from workplace violations and to be able to work in dignity.

More broadly, in many cases, women of color workers, such as domestic workers, are at the intersection of cascading economic barriers. Women of color who are mothers tend to be the financial cornerstone of their families as the sole or one of the primary earners for their family.³¹ They hold the responsibility of keeping their families afloat, while working against deep-rooted gender and racial discrimination that comes in the form of pay gaps, discrimination and harassment.³² In the case of domestic workers, they may have to support their families without critical workplace supports, such as health insurance and paid time off.

³¹ Center for American Progress, On the Frontlines at Work and at Home: The Disproportionate Economic Effects of the Coronavirus Pandemic on Women of Color (April 23, 2020) available at <https://www.americanprogress.org/article/frontlines-work-home/> ("A Center for American Progress analysis of 2018 data from the Current Population Survey found that 67.5 percent of Black mothers and 41.4 percent of Latina mothers were the primary or sole breadwinners for their families, compared with 37 percent of white mothers.")

³² The Brookings Institute, Women are advancing in the workplace, but women of color still lag behind (Oct. 2020) available at <https://www.brookings.edu/essay/women-are-advancing-in-the-workplace-but-women-of-color-still-lag-behind/>

The recession in 2020 stacked on top of these already existing economic inequalities. Women of color workers are highly concentrated in the service, hospitality and care sectors – the exact industries which experienced the most job losses during the pandemic.³³ Congress should implement proactive and robust solutions so that women of color can fully participate in the economy and thrive in jobs where they are valued and fairly compensated.

By investing in the domestic workforce – made up of 90 percent women, the majority of whom are women of color and immigrants – Congress can build a more equitable economy and reset the structural racism, sexism and other forms of discriminatory harm against female workers.

Increasing the Labor Force Participation of Family Caregivers

Lifting up domestic worker jobs will benefit the families that they care for. Nannies, house cleaners and direct care workers allow people to go to work knowing that their homes and family members are being taken care of. In turn, those families can become more economically secure and prosper. That is why we call these job-enabling jobs.

That domestic workers are integral to the rest of the workforce came into focus during the pandemic. According to the AARP, an estimated 53.0 million adults in the United States are family caregivers. Of that, 3 in 5 are women, and women caregivers are more often the primary caregiver.³⁴ For caregivers in the sandwich generation, they experience the added responsibility of simultaneously bringing up their own children and caring for their aging parents.³⁵ These multigenerational caregivers

³³ Meredith Covington, Federal Reserve Bank of St. Louis, [The “She-Cession” Persists, Especially for Women of Color](#)

(Dec. 2020) available at

<https://www.stlouisfed.org/on-the-economy/2020/december/she-cession-persists-women-of-color>

³⁴ AARP, [Caregiving in the U.S.](#) (May 2020) available at

<https://www.aarp.org/content/dam/aarp/ppi/2020/05/full-report-caregiving-in-the-united-states.doi.10.26419-2Fppi.0103.001.pdf>

³⁵ CNBC, [Rising costs, less in savings: How the pandemic is slamming the ‘sandwich generation](#) (Dec. 15, 2020) available at <https://www.cnbc.com/2020/11/27/how-the-pandemic-is-slamming-the-sandwich-generation.html>

must expend more of their time and income on caregiving, while forgoing their own financial stability and overall well-being.³⁶

At the same time, families struggle with the prohibitive costs of raising children, caring for a sick family member, or providing long-term care for elderly and disabled loved family members. As a result, workers have few options such as to rely on friends and family for help or reduce their work hours to provide unpaid caregiving.³⁷

In 2020, these caregiving responsibilities collided with pandemic-induced daycares and school closures. Nearly 1.1 million women have left the labor force since February 2020, and have yet to return, making up the majority of job losses.³⁸ Mothers also increased their time spent on child care and were more likely to help their children with school during the pandemic.³⁹ There were especially high numbers of departures from low-wage jobs among women living with children.⁴⁰ This aligns with NDWA’s survey data from February 2022, finding that 8 in 10 do workers reported having to reduce their work hours or leave a job altogether. If there is an adequate supply of paid caregivers, it enables millions of other working-age adults to go to work – in whatever industries they work in.

³⁶ Jessica Grose, The New York Times, [‘It’s Pretty Brutal’: The Sandwich Generation Pays a Price](https://www.nytimes.com/2020/02/11/parenting/sandwich-generation-costs.html) (Feb. 18, 2020) <https://www.nytimes.com/2020/02/11/parenting/sandwich-generation-costs.html>

³⁷ The White House, [FACT SHEET: How the Build Back Better Framework Will Support Women’s Employment and Strengthen Family Economic Security](https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/15/fact-sheet-how-the-build-back-better-framework-will-support-womens-employment-and-strengthen-family-economic-security/) (July 15, 2021) available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/07/15/fact-sheet-how-the-build-back-better-framework-will-support-womens-employment-and-strengthen-family-economic-security/>

³⁸ National Women’s Law Center, [Men Have Now Recouped Their Pandemic- Related Labor Force Losses While Women Lag Behind](https://nwlc.org/wp-content/uploads/2022/02/January-Jobs-Day-updated.pdf) (Feb. 2022) available at <https://nwlc.org/wp-content/uploads/2022/02/January-Jobs-Day-updated.pdf>

³⁹ Betsy Stevenson, Brookings Institute, [Women, work, and families: Recovering from the pandemic-induced recession](https://www.brookings.edu/research/women-work-and-families-recovering-from-the-pandemic-induced-recession/) (Sept. 2021) available at <https://www.brookings.edu/research/women-work-and-families-recovering-from-the-pandemic-induced-recession/>. See also Federal Reserve, [Women’s Labor Force Exits during COVID-19: Differences by Motherhood, Race, and Ethnicity](https://www.federalreserve.gov/econres/feds/files/2021067pap.pdf), (2021) available at <https://www.federalreserve.gov/econres/feds/files/2021067pap.pdf> (finding that “all women living with children under age 6 and women living with children aged 6 to 12 who were working low-wage jobs were more likely to exit the labor force during the pandemic than women without children even after controlling for education, earnings, and COVID-19 occupation and industry measures.”)

⁴⁰ Id.

Broader Economic Implications

The benefit to domestic workers and family caregivers will help the economy thrive. When women are forced out of the labor market, they suffer short-term and long-term repercussions. In the immediate term, they lose wages and are cut off from any potential employer-based benefits.⁴¹ Over the course of their career, female workers could face increased debt, diminished savings, and difficulty re-entering the labor force.⁴² In turn, that can destabilize their household's earnings, leaving their families more vulnerable to food, health and housing insecurities. Income inequality will continue to be a drag on the whole economy and hold back a full recovery until everyone who wants and is able to work can participate, and continue to stimulate spending in the economy.

Investing in the domestic workforce also makes sense from a future of work perspective. Direct care workers now belong to one of the fastest growing occupations in our economy,⁴³ as the caregiving demand has skyrocketed with aging of Baby boomers and more individuals prefer to receive long-term supports and services (LTSS) in home and community settings. From 2019 to 2029, the home care workforce is projected to add one million new jobs, more new jobs than any other U.S. occupation. In the same time period, there will be 4.5 million home care job openings.⁴⁴ Not only are there jobs that need to be filled, these jobs are here to stay, because they cannot be automated or outsourced.

Conversely, the cost of undervaluing domestic workers to the economy is enormous. Low wages and lack of meaningful workplace protections has resulted in high turnover rates and chronic worker shortages, particularly in the home care industry, despite it being one of the fastest growing occupations. The constant turnover ultimately hurts the quality of care

⁴¹ Center for American Progress, [How COVID-19 Sent Women's Workforce Progress Backward](https://www.americanprogress.org/article/covid-19-sent-womens-workforce-progress-backward/) (Oct. 2020) available at <https://www.americanprogress.org/article/covid-19-sent-womens-workforce-progress-backward/>

⁴² National Women's Law Center, [The Pandemic Widens the Retirement Gender Gap](https://nwlc.org/the-pandemic-widens-the-retirement-gender-gap/) (Nov. 11, 2021) available at <https://nwlc.org/the-pandemic-widens-the-retirement-gender-gap/>

⁴³ PHI, [U.S. Home Care Workers Key Facts](https://phinational.org/wp-content/uploads/2019/08/US-Home-Care-Workers-2019-PHI.pdf) (2019) <https://phinational.org/wp-content/uploads/2019/08/US-Home-Care-Workers-2019-PHI.pdf>.

⁴⁴PHI, [Direct Care Workers in the United States Key Facts](#), p. 11, (2021)

received by aging adults and people with disabilities and medical needs who need services. The turnover is costly to agencies that constantly need to hire and train new workers, and also leads to higher costs for taxpayer supported programs that fund home care services. Ensuring that domestic workers have financial security and job satisfaction will improve job performance and reduce turnover, both of which will improve an employer's bottom line.

Conclusion

Congress has a profound moment of opportunity to rebuild and reset our economy to be more inclusive and equitable. The pandemic has only revealed and deepened inequity for low-wage workers, women of color and caregivers. By investing in domestic workers – including raising wages and improving the quality of these low-wage care jobs, historically associated with women and women of color – we can turn poverty-wage jobs into real pathways to economic mobility and enable family caregivers to stay in the workforce. In short, we can promote economic growth and equity from the bottom up. What will follow are better outcomes for the entire economy. Thank you.