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# When the Going Gets Tough, Some People Lay Off the Nanny

*Household Help Is a Luxury Hard to Afford; Ms. Monterrosa and the Kids Who Miss Her*

By [MIRIAM JORDAN](#)

Over eight years, Dolores Jacobo earned her place as an integral member of an affluent Malibu, Calif., household, where her workplace is a six-bedroom, nine-bath beachfront home with a private movie theater.

Hired to be the nanny of twin 3-month-olds, she stayed with the family after the girls started school. She transitioned from pushing strollers to shopping for groceries and ferrying the family's golden retrievers to grooming appointments. Her employers, she explains, "have busy lives" that include volunteering at school, going to the gym, visiting the chiropractor and getting various beauty treatments, like facials, manicures and pedicures.

Later this month, however, this household chief operating officer will fall victim to downsizing. She says her employers tearfully informed her that her \$1,000-a-week position is being eliminated. "They told me they had to cut expenses 75%," says Ms. Jacobo, whose employer declined to be interviewed. "I am heartbroken."

The weak economy is wiping out a symbol of the wealth boom: the megananny and other high-end help.

The luxury of household help, often in the form of immigrant labor, blossomed with the thriving economy. Some nannies came to oversee entire households. Now, the dive in the value of stock portfolios and real estate has caused even prosperous families to review their finances and make new plans. People unaccustomed to doing their own housework are dealing with dirty laundry and mowing their own lawns.

## *Staff Cuts*

"Household help is one of the first luxuries to disappear from the budget," says Erin Krex, owner of an agency in Chicago called First Class Care. Betsy Watson, owner of In a Pinch Inc., which supplies household staff to families in 11 New Jersey counties, reports that business is down about 30% so far this year. Annie Davis, chief executive of Annie's Nannies Household Staffing in Seattle, estimates a drop of 10% so far this year, and says, "It's going to get worse."

"These days, we are doing far more severance agreements and a lot fewer employment agreements," says Bob King, an attorney in Irvine, Calif., who runs Legally Nanny, a household-employment law firm.

Maids, butlers and chefs long have served wealthy people in New York, Palm Beach and Beverly Hills. But since the 1990s, household help has become accessible and even de rigueur for many middle-class families. The number of domestic placement agencies jumped to about 500 today from about 30 just 15 years ago. Nanny job listings mushroomed on the Web, and competition for the best help was fierce. Illegal immigrant labor was especially plentiful and cheap.

### *Casting Off Chores*

Dual-career couples got used to the help, which relieved them of mundane tasks and enabled them to maintain fast-paced lives. As the economy boomed, stay-at-home mothers and middle-class families in cities and suburbs across the U.S. also discovered the convenience of having nannies and other domestic servants. Homeowners cast off their shovels and garden hoses. Baby-sitting and car-washing were no longer chores for teenagers eager to earn pocket money.

Now, the boom that was many years in the making is deflating in an instant. Waiting rooms at agencies in Los Angeles, Chicago and Seattle are packed with these foreign workers, but prospective employers are in short supply. Financially pinched families are scaling back nanny hours, seeking "nanny shares" or reluctantly adding their children's names to waiting lists at day care centers.

A "nanny share" ad placed by Michael Fields on Craigslist in Los Angeles reads, "The recent economy woes have me taking less of a salary..." Mr. Fields, manager of a window-manufacturing company, says his six-figure salary will be slashed by 45% come January. For his 6-month-old baby girl, Brooklyn, "we didn't want to do the day-care thing, and now we're having to look at different options."

In Great Falls, Va., a Washington suburb, homeowner Rachel Rothstein says the entrenched attitude has been: "Blowing leaves, forget that. Shoveling snow, forget that." Ms. Rothstein realized times had changed when she spotted her neighbor at work in his yard the other day. "He was putting down seed and fertilizer," says Ms. Rothstein. "It struck me. I have never seen him out there. It was always the lawn service."

On a recent morning, it was standing room only in the waiting room at DDL Domestic Agency in Los Angeles. Nannies, houseboys and cleaning ladies hungered for work. But "business is dead," says agency owner Doris Dorenbaum, brandishing the only three active employer files. Two years ago, she says, the agency had more families seeking help than she could service.

Applicant Alba Monterrosa, 31, showed up with a reference letter depicting the El Salvadoran immigrant as "honest, hard-working, loving, responsible and a pleasure to be around," as well as exceptional with children.

The family that hired her on a full-time basis in 2004 is now using her only sporadically, when Addie, 5, and Alexa, 3, are sick or when their mother,

Suzanne Sirof, is under the weather.

Ms. Monterrosa, a single mother of two who earned \$600 a week, says she is desperate for work because she is falling behind on her car insurance and rent payments. Her mother, a housekeeper, has also seen her work days curtailed.

"I can't afford to buy my own children shoes," Ms. Monterrosa says, wringing her hands. Weekend excursions to Denny's and Chuck E. Cheese's with the two teenagers are a thing of the past, she adds.

### *'Second Mom'*

A stay-at-home mother whose husband is a litigation attorney, Mrs. Sirof says that Ms. Monterrosa was a "second mom to my kids." Ms. Monterrosa was there when she suffered a bout of depression and when she went on spa trips or outings to get Botox and Juvéderm injections, says Mrs. Sirof.

But a few months ago, the family decided they couldn't afford Ms. Monterrosa anymore and let her go.

Mrs. Sirof's daughters took the separation badly. They inquired incessantly about "Vita," as they called her. Normally a lively child, daughter Addie became sad and withdrawn. A doctor Mrs. Sirof consulted suggested renewed contact with Ms. Monterrosa.

"I try to have Alba come once a week," says Mrs. Sirof. She says she feels "horrible" about laying off Ms. Monterrosa. But there are some perks she isn't willing to give up. "Nothing deters me from my Botox treatments."

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