

African Institute for Economic Development and Planning  
United Nations Development Programme



IDEP



# GENDER AND ECONOMIC POLICY MANAGEMENT INITIATIVE—AFRICA



## UNPAID CARE WORK

# INTRODUCTION

This module exposes participants to the concept of unpaid care work first introduced in Module 1. It explores how unpaid care work can be measured and valued, and how it might be considered—or ignored—in policy making. A subsidiary aim of this module is to highlight common weaknesses and errors in how economic and social statistics are gathered and presented. Finally, the module suggests general guidelines for policy making regarding unpaid care work.

# LEARNING OBJECTIVES

At the conclusion of this module, participants will:

1. Recognize the importance of unpaid care work.
2. Understand the role that assumptions about care have for economic policy.
3. Be able to voice the general principles that should guide economic policy toward unpaid care work.

## OUTLINE

- I. Understanding unpaid care work.
  - A. Challenging economic assumptions.
  - B. Recognizing the existence of unpaid care work.
  - C. Why is unpaid care work important?
  - D. Measuring unpaid care work.
  - E. Assigning a monetary value to unpaid care work.
- II. Considering unpaid care work in policy
  - A. Community subsidization of government.
  - B. International examples of care-sensitive policies.
  - C. Policy guidelines toward unpaid care work.

## DURATION

One day.

# I. UNDERSTANDING UNPAID CARE WORK

## A. CHALLENGING ECONOMIC ASSUMPTIONS

### LABOUR MARKETS

Labour markets are institutions through which firms obtain the labour needed to perform work, households decide how much work they are willing to undertake, and the price of labour—the wage—is determined. Labour markets explain the process of wage determination and employment. Freely functioning labour markets operate identically to other markets discussed in Module 1, except that supply and demand move in the opposite direction: Demand for labour is made by firms that need workers to perform tasks for them, while the supply of labour is made available by households requiring income. As with other markets, the demand for and supply of labour in a competitive labour market should interact to produce an equilibrium quantity of labour demanded by firms and supplied by households, at an equilibrium price for labour, the prevailing wage rate.

### LABOUR SUPPLY

Labour supply theory assumes that workers are available to be employed. It does not ask how workers come to be available for employment; it does not account for the work that encompasses the preparation of food, child care, the maintenance of clothing, the reinforcement of shelter, the provision of hygiene and sanitation, and other care, all of which must be performed prior to labour being available for employment. As highlighted in Module 1, the structure of

the household affects and reflects the allocation of women's and men's labour time and resources between household activities geared toward the work that is a precondition of labour-force participation in commodity production. What is an assumption to labour supply theory—the provision of a labour force—is in fact a positive externality of the work done in households.

## **UNPAID CARE WORK**

Unpaid care work is a critical—yet largely unseen—dimension of human well-being that provides essential domestic services within households, for other households and to community members. Unpaid means that the person doing the activity does not receive a wage and that the work, for reasons discussed below, is not counted in gross domestic product (GDP) calculations. Care means that the activity serves people and their well-being; it includes both personal care and care-related activities, such as cooking, cleaning and washing clothes. Work means that the activity entails expenditures of time and energy.

## **OPPORTUNITY COST**

When one action is undertaken, another action cannot be undertaken. Opportunity cost measures the value of an action as the value of the best possible foregone action. Opportunity costs can be found wherever resources available to meet wants and needs are limited, so that not all wants and needs can be met simultaneously, if at all. For example, while the opportunity cost of unpaid care work is foregone paid work or leisure, for paid work to be undertaken, bio-physically and socially necessary unpaid care work must be performed beforehand. This suggests that there is a household maintenance constraint that limits the capacity to undertake paid work or leisure.

## B. RECOGNIZING THE EXISTENCE OF UNPAID CARE WORK

### EXERCISE 1

*Objective: to reveal the existence of unpaid care work in everyday life*

Relate the following story to participants:

A man employs a housekeeper who cooks, cleans and shops for him. The man pays this housekeeper a wage. According to the system of national accounts (SNA) and rules drawn up by bodies such as the United Nations, the Organisation for Economic Co-operation and Development and the World Bank, statisticians count the wage when calculating the total value of all incomes—the GDP—in the country. After a time, the man marries the housekeeper. She continues to cook, clean and shop for him. But the man stops paying her a wage as she is now his wife. The amount of the wage is thus no longer added to GDP, and the GDP of the country falls. Marriage is therefore clearly bad for the growth of income, and hence economic growth.

Facilitate a discussion of this story among participants. Ask them whether it makes sense to them. Ask them whether the SNA rules are logical, and ask them to motivate their responses. Encourage different views rather than consensus. Then provide the following input, filling in what has not already been covered by participants in areas where there is confusion or disagreement.

- a) The SNA rules define production or work in terms of the third-person rule, as anything that one could theoretically pay someone else to do. So cooking, cleaning and caring for children, as well as mining, doing paperwork and nursing, constitute production, while learning, eating, sleeping, watching TV and socializing with friends and family are non-productive activities.

- b) The SNA rules define a production boundary that distinguishes between production activities that must be considered when calculating GDP and those that cannot. The production boundary includes all production of goods, even if these are not sold on the market, but instead consumed by the household that produces them. The boundary also includes all production of services produced for the market, but excludes the production of almost all services produced for own consumption.
- c) The International Labour Organization uses SNA rules in its international definitions of what counts as employment. So any work that produces goods and services that are counted in GDP are classified as employment, but services that are not counted in GDP are excluded. This means that subsistence work, unpaid work in a family business and, rarely, the collection of fuel and water for a household is employment. (Very few countries even count the collection of fuel and water, but Tanzania is an exception. However, even Tanzania does not include the collection of fuel and water in its GDP calculations.) Housework as well as caring for children and those who are old or ill is not considered employment.
- d) Formally, economic activities that are excluded from GDP are defined by UNDP and others as unpaid care work, as elaborated above. Many other terms have been used to approximate what we call unpaid care work, and can be found in the literature, but these terms can be ambiguous and are therefore not satisfactory. Among the unsatisfactory terms that are sometimes used instead of unpaid care work are:

*Unpaid work*, referring to unpaid care work or unpaid work in a family business inside or outside the home. As such work may or may not be counted in GDP, it is not as precise as unpaid care work.

*Unpaid labour*, another term for unpaid work.

*Domestic work*, work that takes place within the household and can involve unpaid care work or the paid labour of domestic workers. As

such work may or may not be counted in GDP, it is not as precise as unpaid care work.

*Domestic labour*, another term for domestic work.

*Home work*, referring to unpaid care work or paid work done in the home or subcontracted from an employer. As such work may or may not be counted in GDP, it is not as precise as unpaid care work.

*Reproductive work*, referring to unpaid care work or paid care work, such as breastfeeding or pregnancy. As such work may or may not be counted in GDP, it is not as precise as unpaid care work.

*Reproductive labour*, another term for reproductive work.

For reasons of clarity, in this course we use the term *unpaid care work* as defined in section A above.

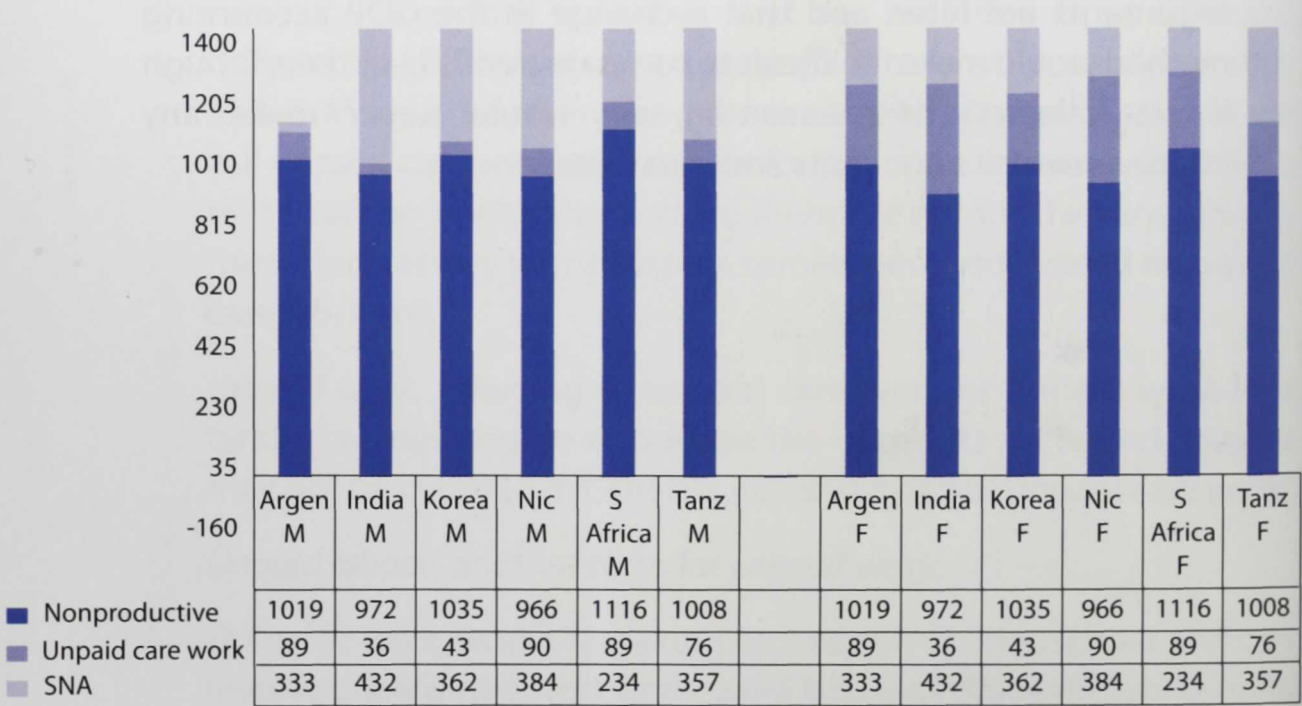
- e) Reasons given for not counting unpaid care work in GDP include: a lack of data, although time use surveys are possible even in developing countries and data availability is increasing; that unpaid care work does not affect important factors such as employment and poverty, even though, as we will discuss in this module, these arguments are false; and that a change in the GDP accounting method would make it difficult to compare trends over time, though if we followed this reasoning, we would never make any improvements to concepts and measures.

## EXERCISE 2

*Objective: to critically assess estimates of unpaid care work in comparison to work*

The facilitator should hand out copies of, or display, the following graph, and make sure that participants understand its different components. Explain that the graph comes from cross-country research on care coordinated by the United Nations Research Institute for Social Development (UNRISD) covering Argentina, India, the Republic of Korea, Nicaragua, South Africa and Tanzania, and is based on official time use surveys conducted in each of the countries. Ask participants to compare the proportion of time spent by women and men on unpaid care work and SNA work in each country. Ask participants if they can suggest why the patterns differ across countries (but note that some of the differences could come from differences in methodology).

**GRAPH 1. DISTRIBUTION OF TIME OF POPULATION AGED 18+ ACROSS SNA WORK, UNPAID CARE WORK AND NON-PRODUCTIVE ACTIVITIES**



## C. WHY IS UNPAID CARE WORK IMPORTANT?

### EXERCISE 3

*Objective: to explain why unpaid care work is important*

Facilitate a short brainstorming session about why unpaid care work is important— especially for policy makers. Then summarize what has been discussed, adding any points that have not been raised, such as the following:

- a) A substantial amount of the population's time and energy goes into unpaid care work. Women, in particular, spend substantial amounts of time and energy on it.
- b) If the work is not done, the population suffers in well-being and happiness; the economy suffers because it does not have a healthy, satisfied and capable labour force; and government is burdened with having to provide many services that households, in the aggregate, currently provide for free as a public good—and some of these latter services, the government cannot provide. In sum, a failure to provide unpaid care work produces significant negative externalities.
- c) That women spend so much time in unpaid care work reduces the time that they have available for income earning, learning and leisure. That unpaid care work, such as child care, needs to be done at specific times, and both child care and housework need to be done in specific locations, restricts women's flexibility in their choices of income-earning activities. So the labour supply decisions of women discussed in Part A may be constrained by having to perform unpaid care work.
- d) That so much work, such as cleaning, cooking and looking after people, is done for free affects earnings in the paid labour market. Nurses, teachers and domestic workers tend to earn less than other people with similar educational levels and similar levels of exertion.

Because women tend to be clustered in the occupations and sectors that perform similar work to unpaid care work, they tend to earn less than men. This increases women's poverty and lack of economic power relative to men.

## D. MEASURING UNPAID CARE WORK

### EXERCISE 4

*Objective: to enable participants to measure unpaid care work*

Hand out blank time use diaries (see below) to each participant. Ask participants to think back to the last Friday before they left their country to come to the course. Ask them to think back to all the activities they did on that day and to fill in the activities on the time use diary. Note that for each one-hour period, they can record up to five activities; participants should count both activities that were done one after the other in that hour as well as activities done simultaneously (e.g., listening to the radio and looking after a child).

When most participants have completed their diaries, ask them to sit in pairs. If possible, each pair should be made up of one woman and one man. Ask them to discuss and compare their two diaries. In particular, ask them to compare how much paid work each of them did, and how much unpaid work—in particular unpaid care work.

After giving some time for the discussion in pairs, ask participants to report back on any interesting observations they made. It is likely that women will report more unpaid care work than men. However, this group might be unusual because they consist of more professional middle-class people, some of whom might be beyond the age of having young children or employ domestic workers and others to do care work for them. If the expected pattern is not found, ask participants if they think there would be a different pattern for poor women and men in their country.

TABLE 1. TIME USE DIARY

Period	Description of activity	Code	Same time?
	1 to 5 activities per time period		Yes / no
04.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
05.00			1 / 2
05.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
06.00			1 / 2
06.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
07.00			1 / 2
07.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
08.00			1 / 2
08.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
09.00			1 / 2
09.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
10.00			1 / 2
10.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
11.00			1 / 2

Period	Description of activity	Code	Same time?
	1 to 5 activities per time period		Yes / no
11.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
12.00			1 / 2
12.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
13.00			1 / 2
13.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
14.00			1 / 2
14.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
15.00			1 / 2
15.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
16.00			1 / 2
16.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
17.00			1 / 2
17.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
18.00			1 / 2

Period	Description of activity	Code	Same time?
	1 to 5 activities per time period		Yes / no
17.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
18.00			1 / 2
18.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
19.00			1 / 2
19.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
20.00			1 / 2
20.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
21.00			1 / 2
21.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
22.00			1 / 2
22.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
23.00			1 / 2
23.00			1 / 2
			1 / 2
to			1 / 2
			1 / 2
24.00			1 / 2

After discussion, cover the following material:

- a) The diary that participants have just filled in is similar to that used for the time use survey that was done as an add-on module to the Integrated Labour Force Survey of 2006 in Tanzania. The National Bureau of Statistics (NBS) included the time use module after years of advocacy and awareness-raising by the Tanzania Gender Networking Programme, a local non-governmental organization (NGO).
- b) Similar diaries have been used in other countries. The Tanzania diary is unusual in having one-hour time slots, rather than the half-hour used in South Africa and Mauritius and even shorter periods—as short as 10 minutes—used in some Western countries. Tanzania used longer time slots because the NBS felt that most Tanzanians, especially in rural areas, would not know exact times.
- c) The time use diaries used in Mauritius, South Africa, Tanzania, and other developing countries are usually administered by field workers, while in more developed countries, participants are usually expected to fill in the diaries by themselves. Field worker administration is preferred in developing countries because of both low literacy levels and low response rates for self-administered questionnaires, which make the data less reliable.
- d) Diaries are the most accurate way to get information on time use for large numbers of people. Some surveys try the shortcut of asking people how much time they spend cooking (or doing some other activity). One problem with this approach is less accurate estimates because the person does not need to account for what they did in each part of the day. Another problem is that it is difficult to think of a comprehensive list that covers all possible activities.
- e) As participants will see, the Tanzania diary has a column in which a code is recorded for each activity. Mauritius, South Africa, and Tanzania used an activity classification system, developed by the United Nations Statistics Division, that follows the SNA in dividing activities into three broad categories: SNA, activities that count as

employment in a labour force survey; unpaid care work, or expanded SNA, covering activities that involve production but that are not counted as employment; and non-productive activities, such as sleeping, eating, learning, watching TV and socializing. This classification produces data that could be used to make more gender-responsive macroeconomic models, a possibility discussed in Module 7 on gender and macroeconomics.

- f) Most other time use surveys and analyses use a classification system that approximates this three-way division, although the detail of old classification systems is usually not as closely tied to the SNA.
- g) In addition to Mauritius, South Africa and Tanzania, other African countries that have conducted time use surveys with samples of 1,000 or more include Ivory Coast (1985–88), Ghana (1991–92 and 1998–99), Uganda (1993), Benin (1998) and Madagascar (2001). Some of these surveys did not use full diaries. Questionnaires and other material relating to time use studies in different countries can be found on the website of the United Nations Statistics Division at <http://unstats.un.org/unsd/demographic/sconcerns/tuse/>.

## EXERCISE 5

*Objective: to explain patterns of time use and work with graphical analysis*

Hand out copies of the table on gender, work and time allocation in the *Human Development Report 2007/08* (page 342). Take participants through the different columns of the table to ensure that they understand what is recorded in each. Then divide participants into groups of three, which must include, minimally, one economist who can explain to the others in the group how to develop the graph.

Ask each group to develop a graph and a short narrative that together describe some of the patterns they see. Give groups about 45 minutes to do this and ask them to put their graph and narrative on a flipchart or computer presentation so that it can be shown to all participants.

Then ask each group to make a presentation. Encourage participants to comment on each other's presentations, with suggestions on how they could be improved. Add your own suggestions for improvements. Look out, in particular, for:

- Graphs on which the numbers are not shown, which makes them less useful for policy making.
- Graphs that do not have zero as the origin, which exaggerates differences.
- Graphs that use fancy shapes instead of simple bars or columns, thus making the patterns more difficult to see.
- Graphs that do not have clear labels.
- Narratives that express percentages incorrectly, for example, 'X percent of women do Y' rather than 'X percent of people who do Y are female,' or 'X is 5 percent higher than Y' rather than 'X is 5 percentage points higher than Y'.
- Use of percentages with small samples.
- Results that are presented to too many decimal places (e.g., often two decimal places are used, because this is the default in Excel; this represents spurious accuracy and confronts the reader with unnecessary complications).

## **E. ASSIGNING A MONETARY VALUE TO UNPAID CARE WORK**

Economists measure things in monetary terms: in dollars, meticals, shillings or pula. However, this still requires that some analytical judgements be made. For example, we will see in Module 6 that there are differences in the way different components of GDP are measured. Government services are valued only regarding their labour costs, but private goods and marketed services are valued at labour costs plus profit, and the value of owner-occupied housing is imputed. We therefore need to make some judgements about how to convert the time measurements obtained through time use surveys or other means into money measures. We do this by assigning an hourly wage to the

time spent. The levels to be used for these wages are taken from other surveys, such as the labour force surveys that most countries conduct at regular intervals.

There are many different approaches to finding the correct wage to use in calculations. Which approach is used depends on what question one is asking (e.g., 'How much would one pay if one had to buy these services?'; 'How much money does the individual lose by doing unpaid care work rather than paid work?') and what wage data are available.

The *mean wage approach* calculates the mean wage in the economy as a whole and assigns this wage to each hour. Usually, the mean is calculated separately for female and male; the male value is assigned if a male performs the unpaid care work, while the female value is assigned if a female does so. This sex-disaggregated approach lowers the overall estimated value of unpaid care work, because women generally perform more unpaid care work than men and the average female wage is usually lower than the average male wage.

The *opportunity cost approach* estimates the value of the earnings that the person would have earned in paid work if they had not done the unpaid care work. We therefore take their normal wage or income from paid work as the value of the opportunity cost.

The *generalist approach* uses the mean wage of workers performing similar work to unpaid care work. For housework, the approach could use the wage of paid domestic workers. For child care work, it could use the wage of workers in crèches.

The *specialist approach* focuses on the activity rather than the person who does the activity. For each activity, it uses the wage earned by paid workers whose functions and circumstances match the unpaid care work concerned. For example, time spent on cooking activities could be valued at the wage of a paid chef or cook, while time spent on cleaning activities could be valued at the wage of a paid cleaner.

As Module 1 pointed out, economists and policy makers should pay attention to unpaid care work because, for society as a whole, it is a form of public good that involves positive externalities. This means that even if unpaid care work is valued at the correct cost in terms of labour input, it is still undervalued because the positive externalities that it generates are not reflected in GDP and similar measures, as mentioned above. Unpaid care work brings positive externalities for employers because the care and preschool education of children and the feeding and care of the workforce improve the quality of the labour force. Women largely bear the cost of this work in terms of time and effort. The benefit is derived by society more generally. The value of the labour force is partly covered by payment of wages and partly by government when it pays for education and health services. But, by definition, no payment is made to the people who perform the unpaid care work involved in workers' production.

Because there is no price tag for unpaid care work, and because society does not pay for it, policy makers often assume that there is a limitless supply. But there is a limit to unpaid care work. If the suppliers (mainly women) of unpaid care work are pushed too far, and if the burdens placed on them are too heavy, the quality and amount of care they can provide will deteriorate.

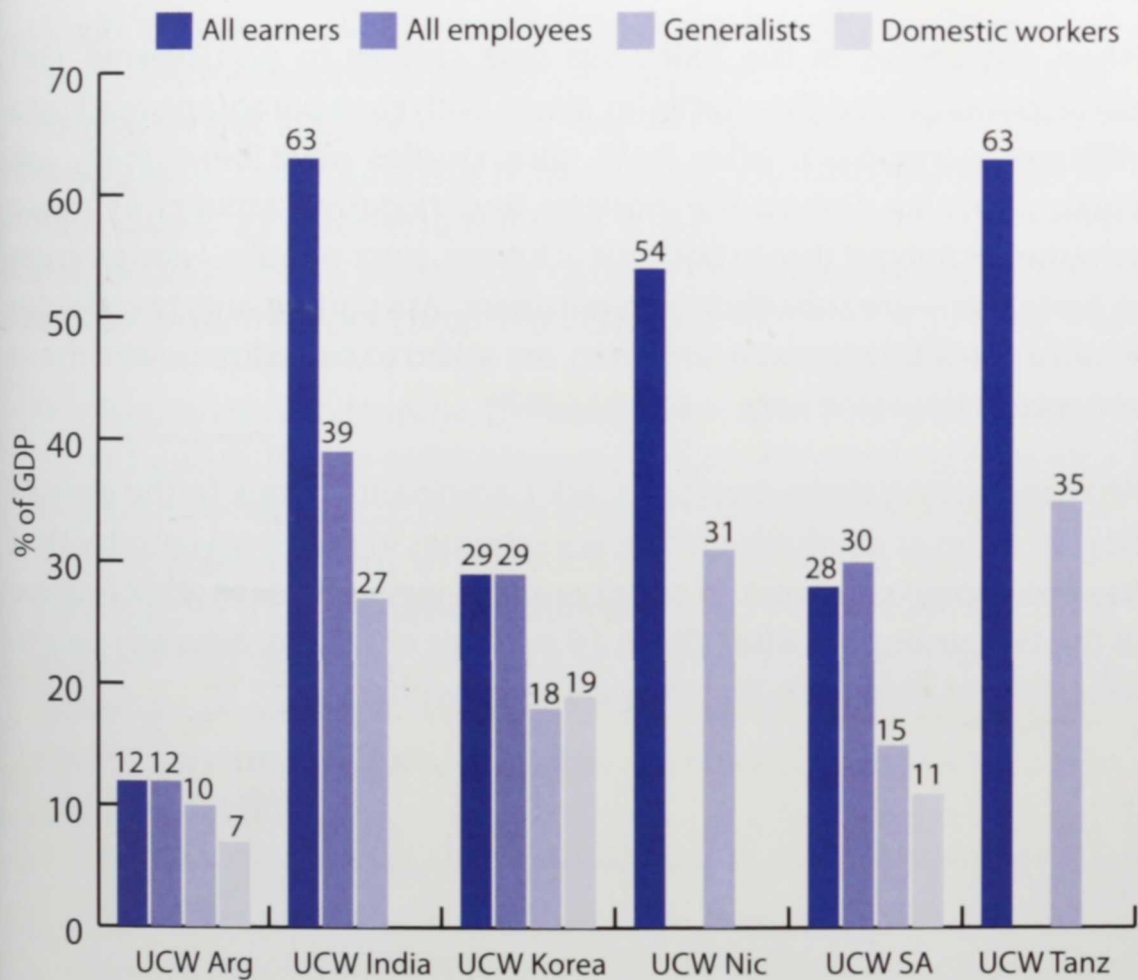
## EXERCISE 6

*Objective: to demonstrate the economic importance of unpaid care work*

Facilitators should hand out copies of the graph. Explain that this graph comes from the same cross-country research on care coordinated by UNRISD covering Argentina, India, Nicaragua, South Africa, the Republic of Korea and Tanzania. Explain in simple language that the graph shows the results of valuation using two versions of the mean wage approach, one using earnings of all employed people and one using earnings (wages) only of employees, and two versions of the generalist approach, one including all workers doing work similar to unpaid care work and

one including only domestic workers. Explain that the Argentinean time use survey covered only Buenos Aires, which means that the calculation is based on the city's gross geographic product, while for the other countries, the calculation is for the entire country, based on GDP. Ask participants to note the wide variation in value of estimates for a single country, depending on the approach. The variation is especially wide for countries with large disparities in earnings. Low wages for domestic and other care work affect the generalist wage valuations.

**GRAPH 2. UNPAID CARE WORK (UCW) AS A PERCENTAGE OF GDP USING DIFFERENT VALUATION APPROACHES**



## II. CONSIDERING UNPAID CARE WORK IN POLICY

### A. COMMUNITY SUBSIDIZATION OF GOVERNMENT

#### EXERCISE 7

*Objective: to critically consider the role of unpaid care work in relation to policy interventions*

Hand out copies of the following case studies to participants. Get participants to read the examples aloud, with each paragraph read by a different participant. After both case studies have been read, ask participants to discuss the positive and negative aspects of these schemes. Point out that in both the schemes, poor people—and women in particular—are subsidizing government. Ask participants to consider whether wealthier people, and men, are asked to subsidize government services in the same way.

After discussing these questions, ask participants to talk to the person next to them as to whether there are schemes in their own country that use the unpaid care work of poor people in ways similar to what is done in the two examples. After about 10 minutes of talking, ask each pair to describe any examples that they came up with.

## The Unpaid Care Work in a Glass of Milk

An action-research study in the municipality of Villa El Salvador, Peru calculated the value of the unpaid care work done by women in delivering what the municipality calls self-managing services. One example of such a service is the Glass of Milk programme, by which the municipality pays for basic materials and the milk, but women in the community provide the labour involved in organizing the programme and distributing the milk to beneficiaries. The programme accounted for more than one-third of the municipal budget, or US\$3 million, at the time of the research.

The research team interviewed women beneficiaries to find out how much time they spent working on the programme. They then multiplied the number of hours by Peru's minimum wage. When they compared this amount with the total budget for the Glass of Milk programme, they found that if the women's work was paid, it would have added 23 percent to the total budget. This unpaid care work contribution was in addition to community contributions to cover expenses such as fuel, sugar and utensils.

In effect, in this programme, the women are subsidizing the government budget. If they were not prepared to offer their services for free, government would need to employ staff to do the work. Similar subsidization happens when women provide health care to other members of their households and the community. If this care was not provided free by women as part of their family and community duties, those who are ill would be more likely to consult government health services for care, and thus increase the burden on the government budget.

## The Costs of Home-Based Care

In 2003, UNIFEM funded and coordinated research in Botswana, Mozambique and Zimbabwe on the time and money costs—to government, organizations and caregivers in organizations and households—of the home-based care (HBC) model of dealing with HIV/AIDS, which heavily relies on unpaid care work. The research was planned and implemented by a combination of government representatives, NGO representatives and academics.

The research used a case study approach toward three HBC projects in each of three countries. Each country used similar tools so that the findings could be more easily compared and it would be easier for advocates and their audiences to learn from the different cases.

At the end of the project researchers and organization representatives from the three countries came together to share findings and come up with country-based and regional advocacy messages. The group agreed on the following as regional concerns:

- The very limited participation of men in HBC work;
- The complete lack of incentives for some HBC workers, the low level of incentives where they existed, and disparities among workers in terms of incentives received;
- A lack of recognition of the work done by HBC workers, particularly by government;
- Abuse of the HBC worker by some beneficiaries;
- Unequal access to home-based care for those who needed it;
- The need for more integrated approaches to HBC, encompassing a range of actors and covering health, nutrition, social and financial factors.

The researchers calculated the value of the work done by a typical HBC worker in their country by multiplying the number of hours worked by the average wage paid to nurse aids, domestic or similar workers.

The monthly value was 270 pula in Botswana, US\$ 130 in Mozambique and Z\$ 403,550 in Zimbabwe. However, researchers felt that using the wages of nurse aids and domestic workers trivializes the work of the HBC workers, given the range and variability of HBC tasks as well as psychological and other stresses. In addition, they noted that the wages for all these jobs are based on assumptions about women's work, which generally tend to undervalue the work done whether in the market or at home.

## B. INTERNATIONAL EXAMPLES OF CARE-SENSITIVE POLICIES

### EXERCISE 8

*Objective: to critically consider international exercises of policy interventions with implications for unpaid care work*

Divide participants into groups so that no group contains more than eight participants. Before participants go into their groups, give each person a handout containing the following country examples. Ask groups to discuss which of the examples might be relevant for their countries. If they feel a particular example is not relevant, they should explain why, as well as how it might be adapted to be relevant. If they feel a particular example is relevant, they should discuss whether it would need to be adapted in any way for their countries.

After allowing about 45 minutes for discussion, ask groups to report back, taking the examples one at a time. If participants do not raise the issue, point out that policies providing benefits through taxes are likely to be biased toward less-poor individuals and families, as the poorest families do not pay direct income tax.

Ask participants to brainstorm about other policies that could assist with the burden of unpaid care work in their own countries. Ask them to consider both existing policies and those that do not currently exist.

Point out that some donors now encourage projects that promote men's involvement in care work. Facilitate discussion on whether this is a viable approach that could effect real change in participants' own countries in the short and medium term.

## Canada

Canada's national pension plan includes a provision that ensures that the pensions of parents are not reduced as a result of their being out of the paid workforce for a period to care for young children. Further, in 1998, after lobbying on the basis of time use statistics, Canada's federal budget included a tax credit for unpaid work by caregivers.

## Israel

Up until 2002, single mothers with children under the age of seven were eligible for income support payments if their monthly income was below a minimum fixed by law. After the child reached age seven, the mother had to pass an employment test, proving that she had worked or tried to find work. The mothers of children under seven years received the payments whether or not they worked, as the payments were intended to give them the choice of taking a full-time job or taking care of their own young children. In total, about 50,000 single mothers received payments.

The Finance Ministry tried to portray the single mothers as freeloaders who refused to work. NGO arguments in favour of retaining the benefit included the following:

- 40 percent of single mothers receiving benefits were working outside the home;
- Their low standard of living should not be cut any lower;
- Women of young children who stay home full or part time are doing work in caring for their children—the next generation. They should be given the option of staying home and doing that work.

The Israeli budget passed in December 2002 contained a compromise solution that income support would be paid to a single mother until her child was two years old without her having to prove that she had worked or tried to find work. This was worse for women than the previous age threshold of seven years, but better than the three months suggested by the cabinet.

### Latin America

In Argentina in the early 2000s, pension fund rules were changed to state that those who had not contributed to social security because of not being formally employed (including housewives) could register and contribute to the pension fund. When these contributors reached retirement age, they could receive a pension equal to 80 percent of the minimum wage with fewer than the standard years of contributions to the fund. In Ecuador's social security system, housewives have been entitled to pensions since 1964. In Venezuela, Article 88 of the new Venezuelan constitution establishes that "the State shall recognize work in the home as an economic activity that creates value added and produces wealth and social well-being. Housewives are entitled to social security under the law." Housewives' pensions are partly financed by contributions to an individual account, but the main funds come from a solidarity fund maintained by private donations and public funding. They are therefore similar to social assistance benefits, replacing dependence on a spouse with reliance on public agencies.

### Netherlands

The Working Hours Act of 1996 allowed shops to stay open later in the evening and on Sundays. A 2000 time use survey showed that more Dutch women entered the paid work force than in 1995 and that Dutch men were doing more of the unpaid household labour, though still not as much as women. It is possible that the Working Hours Act contributed to this change.

## Norway

Norway has conducted four time use surveys, the last one in 2000. In 1992, Norway introduced care credits for social security entitlements, intended to compensate for the paid work time lost by individuals who cared for family members. The credits were available for care of children under seven years of age, the elderly and ill persons, if the work prevented the caregiver from doing paid work.

## United Kingdom

In the United Kingdom, the Women's Budget Group has used arguments about unpaid care work in its interaction with the British Treasury. In March 2002, the chancellor announced that a child tax credit would, from 2003, be paid to the main caregiver, which in practice usually meant a woman. The Treasury was mainly convinced by arguments of efficiency that money paid to a woman was more likely to be used to the benefit of the child than money paid to a man.

## C. POLICY GUIDELINES FOR UNPAID CARE WORK

Unpaid care work constitutes a significant share of total economic activity around the world. The provision of unpaid care work is dominated by females, and a significant proportion of female labour time around the world is spent on unpaid care work. While the performance of unpaid care work brings clear positive externalities, the need to perform unpaid care work constrains the economy by limiting female participation outside unpaid care work, which constitutes a negative externality. This suggests three points:

1. Unpaid care work is a significant work load for many.
2. Unpaid care work is unequally distributed between females and males.
3. Unpaid care work has both positive and negative externalities that affect economic performance.

These three points provide the basis for thinking about the general principles that should guide economic policy toward unpaid care work. To improve individual and community well-being and human security, there is a need to sustain the positive externalities created by unpaid care work while reducing its negative externalities. This suggests that economic policy toward unpaid care work should be guided by two general principles:

1. The need for public policy to reduce unpaid care work.
2. The need for public policy to redistribute unpaid care work.

## EXERCISE 9

*Objective: to evaluate the extent to which policy interventions that affect unpaid care work facilitate its reduction or redistribution*

Have the participants return to the groups used in Exercise 5 and review the handout given for that exercise. Each example in the handout recognizes unpaid care work. Ask the groups to discuss which of the country examples demonstrate attempts to reduce unpaid care work and which of the country examples demonstrate attempts to redistribute unpaid care work. After allowing about 30 minutes for discussion, ask groups to report back, explaining their thinking.

All the country examples recognize unpaid care work, but all but one of them neither reduce nor redistribute it. The exception is the Netherlands, where the Working Hours Act may have redistributed some unpaid care work.

Conclude the module with a brainstorming session: What kinds of policy interventions are needed to reduce and redistribute unpaid care work?

The facilitator can highlight the following points:

- Support toward the purchasing power and employment position of women may recognize unpaid care work but does not necessarily reduce it, as the examples show.

- Physical and social infrastructure, including the public provision of care, are among the ways to reduce unpaid care work.
- Rights to paternal leave are one way to redistribute unpaid care work.

Further policy possibilities to reduce and redistribute unpaid care work are addressed in later modules.

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