# MEASUREMENT BRIEF: UNPAID VOR NOR OF A CONTRACT OF A CONTR

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# **INTRODUCTION**

This measurement brief is designed to give an overview of how unpaid work has been conceptualized and measured in developing countries, and how it relates to gender inequality. Globally, women and girls do a disproportionate share of unpaid work, especially unpaid care work, leaving them with less time for paid work, education, civic engagement, and leisure. As invisible labor, unpaid care work disempowers women, thereby increasing men's power in the home and in the labor force.

This brief starts with the International Labor Organization's conceptualization of unpaid work and how it fits into the larger structure of work. It then zeroes in on *unpaid care work* and reviews 1) how it is measured, 2) how it is gendered, 3) how to capture the economic value of this vital form of work, and finally, 4) policy recommendations on how to address unpaid care work for women's empowerment.

# CONCEPTUALIZATION: WHAT WORK IS UNPAID?

To get a better understanding of unpaid work, it helps to look at it in relation to paid work. Figure 1 shows the different forms of work, as defined and classified by the International Labor Organization (ILO) and the Systems of National Accounts (see Box 1). It includes both unpaid and paid activities. Of the five kinds of activities, the second box 'Employment' (in dark gray) represents paid work. The other four represent unpaid activities.

Intended destination of production	for own final use		for use by others					
	Own-use production work		<b>Employment</b> (work for pay	Unpaid trainee work	Other work activities			k
Forms of work	of	of goods	or profit)			in market and non-market units	in households producing	
	services						goods	services
Relation to 2008 SNA		Activities within the SNA production boundary						
	Activities inside the SNA General production boundary							

#### Figure 1: Forms of Work and the Systems of National Accounts

Source: International Labor Organization

The ILO categorizes unpaid work into the following three main types:

- Own-use production work (i.e., work performed for own final use by the household or family);
- Unpaid trainee work (i.e., work performed for others without pay to acquire workplace experience or skills); and
- Volunteer work (i.e., non-compulsory work performed for others without pay).

#### **Own-use Production Work**

Own-use production work refers to activities performed to produce goods or provide services intended for final use by the producer, their household and/or family. Participation in this form of work is central to survival in impoverished and remote areas, particularly through subsistence agriculture and fishing, and through self-provisioning of water, firewood and other fuels in areas with limited infrastructure.

To adequately monitor trends and inform a wide variety of social and economic policies, the international statistical standards separate own-use production of goods from own-use provision of services.

Own-use production of goods includes the following activities when intended mainly for own final use:

- Producing and/or processing for storage agricultural, fishing, hunting and gathering products;
- Collecting and/or processing for storage mining and forestry products, including firewood and other fuels;
- Fetching water from natural and other sources;
- Manufacturing household goods (such as furniture, textiles, clothing, footwear, pottery or other durables, including boats and canoes);
- Building, or effecting major repairs to, one's own dwelling, farm buildings, etc.

*Note*: Some have argued that own-use production of goods should include breast milk (Folbre, 2018; 2006).

Own-use provision of services includes the following activities when performed without pay for the household or family member:

- Household accounting and management, purchasing and/or transporting goods;
- Preparing and/or serving meals, household waste disposal and recycling;

- Cleaning, decorating and maintaining one's own dwelling or premises, durables and other goods, and gardening;
- Childcare and instruction, transporting and caring for the elderly, dependent or other household members, domestic animals or pets, etc.

#### **Unpaid Trainee Work**

This form of work refers to work performed for others without pay to acquire workplace experience or skills. Unpaid trainee work can be an important activity for youth providing them with initial labor market experience. In other instances, it may also represent a traditional arrangement for gaining specific occupational skills in a given trade or profession. In all instances, this form of work contributes to production and thus to economic output (read more on unpaid trainee work <u>here</u>).

#### **Volunteer Work**

Volunteer work refers to activities performed willingly and without pay to produce goods or provide services for others outside the volunteer's household or family. Volunteer work plays an important role in countries, contributing to production and to economic output, particularly in the non-profit sector, and also to community development, social cohesion, and civic participation. While a main aspect of volunteer work is that it is performed without an expectation of payment, volunteers may nonetheless receive some small form of support or stipend for out-ofpocket expenses, or to cover living expenses while engaged in the voluntary activity (read more on volunteer work <u>here</u>).

# **UNPAID CARE WORK**

Of the various kinds of unpaid work, unpaid *care* work has been the focus of most research and scholarship as it represents the bulk of unpaid work, and is disproportionately performed by women across the globe. The ILO categorizes own-use production work of *services* and volunteer work in households producing *services* (circled in blue in Figure 1) under unpaid care work. Although own-use production work of *goods* (circled in green in Figure 1) such as fetching water and firewood is also part of the problem of women's work invisibility, the ILO excludes it from "unpaid care work" for measurement reasons. Unpaid care work can be disaggregated into three different subcategories, as depicted in Figure 2: a) **Direct care**, such as caring for children, the sick, disabled and elderly; b) **Indirect care**, such as cooking, cleaning and laundry, and c) **Supervisory care**, which refers to care work often provided in conjunction with other forms of unpaid work (Folbre, 2018).

#### Figure 2: Different Categories of Unpaid Care Work



**DIRECT CARE** Hands-on or face-to-face personal engagement (e.g. care of children, the sick, disabled, elderly).

Source: Folbre, 2018.



INDIRECT CARE Less personal engagement (e.g. meal preparation, cleaning, laundry services).



#### BOX 1: SNA PRODUCTION BOUNDARY

The System of National Accounts (SNA) is the internationally agreed standard set of recommendations on how to compile measures of economic activity. While all work is considered productive and falls within the SNA "general production boundary", the SNA "production boundary" is more restrictive and includes "all production actually destined for the market, whether for sale or barter".

The SNA, therefore, includes all production of goods for own use (circled in green in Figure 1) within its production boundary, as the decision whether goods are to be sold or retained for own use can be made even after they have been produced, but it excludes all production of services (circled in blue in Figure 1) for own final consumption within households (except for the services produced by employing paid domestic staff). Hence, unpaid care work, in ILO's classification of work, includes activities that lie inside the general production boundary of the SNA, but outside the strict SNA production boundary. However, feminist scholars often try to include women's contribution to GDP via separate satellite accounts.

Reference: UN and ILO

# MEASURING UNPAID CARE WORK

Valuing unpaid care work begins with measuring it. Time use surveys are the main sources of data for the measurement of unpaid care work (as well as own-use production of goods). Time use data are typically collected and recorded through a time diary or a stylized version of it. A 24-hour diary records the time at which an activity occurs over a 24-hour day while a stylized version typically records only the duration of the activity over a specified period of time, not necessarily a 24-hour day.

The most reliable and robust data on time-use are based on diaries and international classifications of time-use activities (see Box 2).

National surveys on time use have employed two types of 24-hour diaries—a full diary and a light diary. The basic difference between the two is the manner in which activity descriptions are recorded. The full diary is designed for writing verbatim descriptions of activities that are coded later on (or "after-coded") to an activity classification. The light diary, on the other hand, restricts activity descriptions to a comprehensive but necessarily limited categorization of "pre-coded" activities. <u>Here</u> is an analysis of time-use data based on recent time-use surveys carried out at the national level across the world.

#### **Stylized Questions versus Time Diaries**

Recently, many household surveys such as the Living Standards Measurement Study have added short sections or modules on time use, which include stylized questions such as, "How much time did you spend on unpaid work during the previous week?" Surveys based on stylized questions yield much higher estimates than time diaries that ask respondents to describe their activities in specific time segments during the previous day. Stylized questions often evoke responses that describe overlapping activities, so that reports of activities during a day often add up to far more than 24 hours. They are also susceptible to social desirability bias—respondents may report what they believe interviewers would like to hear.

# GENDER DIFFERENCE IN UNPAID CARE WORK

As mentioned earlier, across the globe and with no exception, women dedicate more time than men to unpaid care work. But how much more? Table 1 shows the share of unpaid care work that women do in 36 developing countries using time-use data. In Pakistan, for instance, women do 91 percent of the unpaid care work, while men do 9 percent (Charmes, 2018).

Time-use data from a wide cross-section of countries provide strong evidence for the following three important generalizations regarding gender differences in paid and unpaid work (Folbre, 2018):

- Women, especially mothers, devote significantly more time to unpaid care work than men do;
- Women work longer hours overall than men do; and
- When mothers enter paid employment, they do not reduce their hours of unpaid work commensurately (see Figure 3).

Progress towards gender equality demands a greater understanding of how to relieve the domestic burden on women, promote more equitable participation of men and women in care work, and assign an economic value to care.

#### BOX 2: TIME-USE ACTIVITIES

The International Classification of Activities for Time Use Statistics (ICATUS) is a threelevel hierarchical classification (composed of major divisions, divisions, and groups) of all possible activities undertaken by the general population during the 24 hours in a day. The classification provides a framework that can be used to produce meaningful and comparable statistics on time use across countries and over time.

Activities are grouped into nine major divisions (listed below); while the second to fifth items (in bold) capture unpaid work; the third and fourth items capture unpaid care work.

- 1. Employment and related activities
- 2. Production of goods for own final use
- 3. Unpaid domestic services for household and family members
- 4. Unpaid caregiving services for household and family members
- 5. Unpaid volunteer, trainee and other unpaid work
- 6. Learning
- Socializing and communication, community participation and religious practice
- 8. Culture, leisure, mass-media and sports practices
- 9. Self-care and maintenance

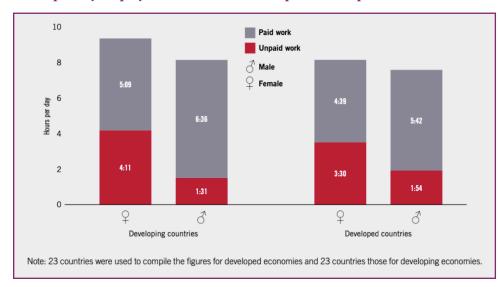
These nine major divisions are further subdivided into divisions and groups totaling 990 activities.

Source: United Nations Statistics Division

Table 1: Women's share in unpaid care work in 36 developing countries Source: ILO							
Country	% of unpaid care work performed by women	Country	% of unpaid care work performed by women				
Cambodia	91.3	Ghana	76.4				
Pakistan	91.1	Thailand	75.5				
India	90.5	Azerbaijan	74.9				
Morocco	87.5	Mexico	74.3				
Iraq	86.0	Cameroon	74.1				
Albania	85.8	Kyrgystan	73.3				
Tunisia	85.8	Macedonia	72.5				
Algeria	85.2	China	71.6				
Palestine	84.2	Peru	71.4				
El Salvado	84.1	Panama (urban)	70.2				
Armenia	83.2	South Africa	70.0				
Iran (urban)	79.9	Kazakhstan	68.9				
Costa Rica	79.2	Romania	67.9				
Mauritius	79.1	Mongolia	67.6				
Turkey	79.1	Serbia	67.0				
Ecuador	77.8	Belarus	65.8				
Paraguay	77.0	Bulgaria	64.5				
Columbia	76.6	Moldova	62.3				

#### Figure 3: WOMEN WORK MORE THAN MEN

Time spent by employed men and women on paid and unpaid work



Source: United Nations

# VALUING UNPAID CARE WORK

Unpaid care work is a vital part of the global economy. According to the <u>Counting women's work initiative</u>, for instance, the value of unpaid care work ranges from 12 to 40 percent of GDP based on data from 29 countries. However, it is grossly undervalued. Goal 5 of the UN's Sustainable Development Goals (SDGs) includes a target for recognizing and valuing unpaid care work. Recognizing and remunerating unpaid care is a fundamental step towards addressing gender inequality and empowering women. Yet national accounts do not adequately capture the value of this work.

While there is growing recognition of the extent and importance of unpaid care work, there have been few efforts to assign an economic value to such work (see Box 3 for methods to do so). There is also little recognition of how it contributes to household consumption and living standards. Economists have been hesitant to assign an economic value to such work, even where market substitutes or wage rates provide a benchmark estimate of its lower-bound value. "Concerns about the possible imprecision of such estimates often overshadow the reality that unpaid care is currently valued at zero—which is clearly a gross undervaluation" (Folbre, 2018).

# WHAT NEEDS TO BE DONE

To alleviate the burden of unpaid work on women and reduce the attendant gender inequality, care work should be recognized as a valuable and skilled activity that governments need to invest resources in. A consultation organized to inform the UN High Level Panel on Women's Economic Empowerment in 2016 provides <u>insights and</u> <u>recommendations</u> on how to address unpaid care work for women's empowerment.

These include:

- Better provision of accessible essential public services, including care services;
- More investment in time- and labor-saving equipment and infrastructure services. (In Malawi, for instance, women spend an average of 54 minutes a day to collect water, while men spend an average of 6 minutes);
- More investment in initiatives to shift perceptions, norms, and gender roles about care; and
- Improved provision of decent work for women and men.

# BOX 3: METHODS TO CALCULATE UNPAID DOMESTIC WORK

Three broad categories of methods for imputing a monetary value to housework have been developed based on different substitution patterns between unpaid labor in the home and paid work on the market. The first two take as market substitutes persons paid to perform tasks similar to those covered by housework. The third substitutes for the unpaid work of household members the work they are qualified to perform on the labor market.

- A general housekeeper is chosen as a substitute for all the unpaid housework that household members actually do. This is called the "global substitute" method. Total housework time is then valued at a housekeeper's wage rate on the market.
- 2. A variety of trained workers are chosen as substitutes to perform those tasks in the home which correspond to their specialization on the labor market as cooks, nurses, gardeners, and so on. This is called the "specialist substitute" method. Their respective market wage rates are used to estimate the value of the time spent on each type of household activity matched with their specialization.
- 3. Unpaid housework is substituted by the market work the person performing the housework is qualified and trained for. This is called the "potential earnings" or "opportunity cost of time" method. The housework he or she does is then valued at his or her wage rate on the labor market.

Results are highly sensitive to the method used: the opportunity cost method always gives the highest values and the global substitute method nearly always gives the lowest. For instance, housework in the US in 1976 was valued at \$1,015 billion, \$752 billion, and \$540 billion, using the opportunity cost, specialist substitute, and global substitute methods, respectively.

Source: Chadeau, 1992



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This brief is part of a series of measurement briefs prepared by *Women's Empowerment: Data for Gender Equality* (WEDGE) project undertaken by University of Maryland, College Park. Enhancing women's economic empowerment is a key objective of many public policies and Sustainable Development Goals seek to measure progress in this arena. Measurement briefs developed by WEDGE seek to bridge the gap between theoretical literature on gender and women's lived experiences by evaluating survey based measures of women's economic empowerment and serve as a reference for national statistical agencies as well as students and survey designers.

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