

Title: Gender, Economics and Unpaid Work

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This is a peer-reviewed pre-copyedited version published as Craig, Lyn 2017 as 'Gender, Economics and Unpaid Work', in *Encyclopedia of Business and Professional Ethics* | Editors: Poff, D. C., Michalos, A. C. 1. Springer Cham, Switzerland 2017 doi:10.1007/978-3-319-23514-1_291-1

Introduction

To understand work from a gender perspective, it is essential to acknowledge and value both paid employment and unpaid work. Paid employment garners wages; unpaid work is the production of goods or services that are consumed by those within or outside a household, but not for sale in the market (OECD, 2016). Unpaid work includes housework, home maintenance, gardening, crop growing and caring for children, elders, and those who are sick or are living with a disability. It is productive activity that contributes to the wealth of nations and the economic welfare and wellbeing of households, but is not remunerated. Because the distribution of labor reflects and creates financial disparity, how market and non-market work is divided by gender is a critical social issue.

Paid work and unpaid work are both productive

Unpaid work activities fulfil many important functions that directly affect well-being, economic security and the quality of people's lives. Yet because it is conducted outside the market, unpaid work is marginalized in most methods of measuring economic activity, and is largely invisible to conventional economic accounting. The economic sidelining of unpaid work is longstanding. During industrialization, paid and unpaid labor became spatially differentiated, and gender differences accentuated. Men worked for money outside the home; women's domestic production and mothering roles largely remained in the home. Work came to be defined as only those activities which resulted in the production of goods and services that were sold. Because unpaid work was not exchanged for money, it was not widely recognized as being 'real' work (Folbre, 2001), despite the crucial role it plays in underpinning the economy and perpetuating the society. Domestic labor and family care are not simply family or personal matters. They have benefits that extend to the whole of society because to function successfully, societies depend not only on the market economy but also on an adequate supply of unpaid work and family care (Fineman, 2004).

Paid and unpaid work were seen as the province of men and women, respectively, so the gendered division of labor underpinned the economic vulnerability of women. In money-based economies, there are substantial personal costs to undertaking labor outside of monetary exchange. Performing domestic work and care constrains the ability to do other activities, including work for pay, and entrenches disadvantage. This continues even in the face of higher female workforce participation. Growing rewards in the labor market raise the

opportunity cost of withdrawing from the workforce to care for family members; fewer people are able to do it, and as a result, both the supply of unpaid care and the well-being and financial security of those who still provide it are jeopardized. For example, people who withdraw from paid work to care for children or others may lose income not only in the short term but also suffer cumulative material disadvantage over the lifetime through lost access to promotion opportunities, retirement income, and health funds. Conversely, if carers do not withdraw from the workforce, they may be subject to overwork and time strain. Currently, even as more women take on paid employment, they continue to perform the bulk of unpaid domestic labor, so are under more time pressure, at detriment to their health and well-being.

Thus, being disproportionately responsible for unpaid work is a life-course risk, and it is important to make it visible alongside paid work and quantify its social and economic worth. Knowing how much is done, who does it, and the consequences for those who do it, is prerequisite to understand contemporary gender equality and barriers to it.

Making unpaid work visible

The primary data sources for measuring unpaid domestic work are Time Use Surveys. To give a fuller picture of the size of national economies, the United Nations advocates using Time Use Surveys to calculate the quantum of non-market work and compile Satellite Accounts to supplement calculations of Gross Domestic Product (GDP). Satellite Accounts refer to measures of the size of economic sectors that are not defined as industries in national accounts (e.g., unpaid work, tourism, the environment). Time Use Surveys collect diary records of all the activities respondents do throughout the day. They provide the most accurate current estimates of all unpaid work and family care that takes place in society, and give an otherwise unavailable statistical picture of unpaid domestic labour in the home. Empirical analysis of the time-diary surveys can show the magnitude of the time inputs to this work and if a value is ascribed, its worth in money.

There is some debate over how to precisely define unpaid work. One definition is that work is any activity that creates a benefit for someone else. Another yardstick is the third party criterion. This defines work as any activity you could, in principle, pay someone else to do for you without losing the benefit of it. For example, you could pay someone to cook a meal for you, but not to eat it for you. Therefore cooking is work but eating is not. Unpaid care work, which includes childcare, eldercare, and care of the sick and disabled does not precisely meet this criterion, as a personal relationship is to some extent intrinsic to the task. It involves close personal and emotional interaction with others. Neoclassical economics is based upon a set of underlying assumptions about human behaviour, including the idea that people act rationally in their own interests, and choose to participate in activities they prefer. This framing obscures care provision even more than other domestic labor because it is regarded as done by choice, for the individual benefits it brings to those who perform it. For example, neoclassical economics conceptualizes raising children as a leisure activity undertaken for the personal pleasure it gives the parent; it is a form of consumption (Becker, 1991). This view sidelines issues of constraint, feelings of obligation and differences in power, which underpin gender gaps in the division of paid and unpaid work. Feminist economists contend that work should be defined as activities that generate benefits for others extra to any intrinsic pleasure derived, and note that care, including child-raising, creates such transferable benefits (Folbre, 2001).

A practical question is what value to ascribe to unpaid domestic work. The two main approaches are the input method and the output method. The output method gives a value

equivalent to what would be paid for a product or service commercially. For example, it can be set at the amount a homemade dress or meal would cost to buy in a shop or restaurant. This method is only possible when there are material products of unpaid work, however. The input method values time spent in a given activity at an imputed wage rate. Tasks such as looking after children, housework, gardening, chauffeuring and shopping can be valued at the price someone could be paid to do it. The amount could be set at the usual rate paid for each activity, the average national wage, or the person's own market wage.

Whichever method is chosen to supplement conventional economic accounting, research shows that the unpaid economy is very large. Across western nations, there is a broad parity of paid and unpaid work time. That is, as many hours are spent in unpaid as in paid work. The ratio of unpaid to paid work is higher in developing nations. Cross-national estimates of what it would cost to pay replacement wages for unpaid work range between 40 and 70 percent of GDP (OECD, 2016). Depending on the wage attributed, the replacement value of family care in the United States has been estimated at \$140 billion, \$257 billion, or \$389 billion a year, and in the United Kingdom estimates have been put at £87 billion a year.

Unpaid work and gender equity

Costing unpaid work and care in monetary terms is very important, but this approach on its own does not go far enough to understand the gender implications. The social, economic, and personal significance of unpaid work is not only what it is worth in financial terms, but also the time involved, activities and the impacts that undertaking this work has on other activities and outcomes. Cross-national comparisons show that time spent in unpaid work and care amount to many hours per day. Gender time gaps are universal. For example, a six country study compared average minutes per day spent in domestic work (i.e., cooking, cleaning, clothes care, shopping, and childcare) by women and men in Canada (275 vs 140), the United Kingdom (287 vs 146), the United States (281 vs 146), Denmark (232 vs 132), Finland (239 vs 137), and Sweden (288 vs 172) (Gershuny & Sullivan, 2003). The study also compared women's and men's average minutes per day in paid work time in Canada (331 vs 374), the United Kingdom (316 vs 373), the United States (312 vs 393), Denmark (283 vs 364), Finland (271 vs 343), and Sweden (274 vs 354) (Gershuny & Sullivan, 2003). Thus, although national averages varied, in all cases men's average paid work time was higher than women's, and women average unpaid work time was higher than men's. Recent data shows this pattern is still ubiquitous and occurs in countries as diverse as Turkey, Japan, and Korea (where men do about a fifth of the unpaid work that women do) and New Zealand and Poland (where men do about half the unpaid work that women do). Gender time gaps are also more pronounced in the global south (OECD, 2016).

Such statistics reveal the constraints domestic labor places upon women. It shapes how much time they have available for leisure, sleep and for market work. Their circumscribed market opportunities can in turn lower their status and bargaining power within the home. Although in many countries the tradition of women working fulltime in the home has changed, even in dual fulltime earner households, women still average significantly more housework than men. The unequal gender division of labor contributes to gender pay gaps, and in countries in which people save over their (paid) working lifetime for their own retirement income, women are much more likely to be poor in old age than are men. So although women may do more total (paid plus unpaid) work than men, on average they have less money, less wealth and less economic control and influence. For these reasons, the United Nations Development Programme (UNDP) now includes the balance of paid and

unpaid domestic work time between men and women as one of its key development indicators.

Conclusion

Unpaid work is productive activity that contributes to the wealth of nations and the economic welfare and wellbeing of households, but is not remunerated. The magnitude of women's unpaid labor, and its invisibility to standard economic accounting and to policy makers, are key factors shaping gender inequality. Unpaid work imposes a substantial time impost upon women, which throughout their life cycle, transfers hidden subsidies to other members of their households, and to markets and governments. Conventional economics obscures the financial and social value of unpaid work, and the time and energy devoted to it, with highly gendered implications for wellbeing, and social and economic participation.

Cross References

Chapter 7 Economic Man
 Chapter 139 Economic Man and Gender
 Chapter 149 Household Economics
 Chapter 142 Gender and Household Economics
 Chapter 143 Gender and Macroeconomics
 Chapter 151 Love or Money
 Chapter 156 Work-Family Conflicts
 Chapter 221 Work-Life Balance

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