

Why and how should we value unpaid work?

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Housework goes by many names—home production or nonmarket work (Becker 1965; Gronau 1977), unpaid work (Elson 2000), and reproductive roles (coined by Marxist economics). Housework includes caregiving for young and old people as well as work related to the preparation or cooking of dishes, washing of clothes, and house cleaning. Despite different terminologies, housework is performed across countries and societies to enhance the well-being of individuals in households. Yet, it is not recognized as real work nor is it valued in the measurement of economic output.

This *Policy Note* discusses why housework (used interchangeably with unpaid work or nonmarket work hereafter) is a social issue and why and how it should be recognized and valued.

Household's division of unpaid work

The work of Gary Becker (1965, 1991) has been the hallmark of the new home economics, which explains the role of comparative advantage and efficiency in the division of labor in the household. According to Becker, the spouse that commands a higher price in the market work will specialize in market/paid work while the other spouse will specialize in nonmarket/unpaid work. While widely criticized by economists and feminists alike, Becker

did acknowledge that men and women are biologically different and this influences the specialization in household tasks. For feminists, however, housework is a result of a social construct that assigns roles to men and women designed to preserve the privilege and dominance of men (Beechey 1979; Baker 2007).

Despite the lack of consensus on how exactly nonmarket work is divided, a common theme that emerges is that nonmarket work is primarily a family issue. While several considerations may come into play, such as financial returns, comparative advantages, personal preferences, and gender roles, the fact remains that housework and who performs it are decided within the household.

Individuals involved in unpaid work

That housework is a women's task is typically validated in other countries. For example, based on the International Development Research Centre's Counting Women's Work project, women in India spend an average of 40 hours per week on unpaid work and care economy while men spend an average of 3.5 hours only (de Haan 2018). This is in contrast with the division of housework in the Philippines where the weekly average time spent on care work is 18 hours for men and 30 hours for women; for housework, it is 16 hours for men and 25 hours for women (ISSP 2012).

Grandparents also perform housework in the Philippines. Besides mothers and fathers, grandparents take care of grandchildren (Agree et al. 2005; Chen et al. 2018). In 2009, 1 in every 5 older adult Filipinos is found to be involved in taking care of grandchildren (Cruz et al. 2009). Without a doubt, the culture of coresidence among old and young generations in the country has facilitated child-care work. Evidence suggests that coresident grandmothers in the Philippines are more likely to be a high-intensity caregiver (Chen et al. 2018).

Looking into the data of prime-aged (25–59 years old) men and women not seeking work, a large percentage of both men and women have indicated housework as their reason (Figure 1). While this is the case, several observations stand out. First, a large percentage of both single and married females are not looking for market work because of housework. However, the proportion of married females is higher at around 99 percent from 2006 to 2015. Second, the percentage of both single and

married males not looking for work due to housework is lower relative to that of their female counterparts. The share of married male and single male not looking for work due to housework in 2006–2014 is at 34–41 percent and 27–38 percent, respectively. This increased further to 95 percent and 67 percent in 2015.

Significance of valuing unpaid work

Current demographic trends in the country do not bode well for those doing unpaid care work. According to the Philippine Statistics Authority (2017), the Philippines has one of the highest fertility rates in the region at around 2.7 children born per woman. While its elderly population (aged 60 and above) is still low, which is around 6 percent in 2000 and 7.5 percent in 2015, the proportion of the elderly to the total population will be 10 percent by 2025 and 16 percent by 2045¹. Given these, there is a need for the government to craft policies and programs for unpaid work.

Although housework is a choice that is decided within the household, it has important implications on human capital accumulation and labor market outcomes. First, nonmarket work, especially care work, may give rise to interruptions in market work, with women being particularly affected given their child-bearing and child-nurturing roles. They are likely to miss out on investments in marketable training, which are best undertaken at the earlier stage of the life cycle (Ben-Porath 1967; Gronau 1977).

Based on the merged Labor Force Survey data from 2003 to 2009, around 82 percent of women have experienced market work interruptions due to housework. Breaking down the number of interruptions (Figure 2A), more women have experienced higher number of interruptions than men. About 60, 80, and 95 percent of workers who have experienced one, two, and three interruptions, respectively, are women. If the reason for the interruption is taken into account (Figure 2B), around 90 percent of workers who have experienced one or two interruptions due to housework are women. Workers who have experienced four or more interruptions due to housework are all women.

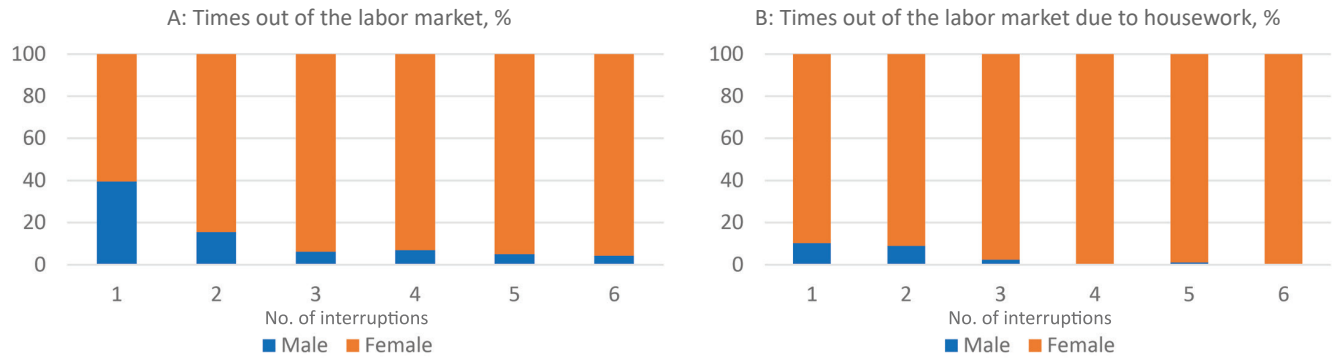
Figure 1. Reasons why not looking for work, by sex and marital status



Source: Labor Force Survey, July round, of the PSA (Various years)

¹ Computed based on the PSA data downloaded from https://psa.gov.ph/sites/default/files/attachments/hsd/pressrelease/Table1_8.pdf (accessed May 20, 2019).

Figure 2. Interruptions in market work participation



Source of basic data: Merged Labor Force Survey, July round, of the PSA (Various years)

Second, market work interruption can adversely affect women's position in the formal labor market. Irregular workers are likely to possess inferior skills because human and social capitals are usually nurtured through experience. Meanwhile, employers view intermittent work as a signal that the worker may exit the labor force again (Hotchkiss 2003), hence, the provision of training to irregular workers is viewed as a risky investment. Without this investment, workers are less likely to enjoy career advancement and wage increase.

In the Philippines, it was observed that married males' daily wage in 2015 was PHP 30 higher than that of single males, consistent with the *male wage premium* or the observed higher wage of married men relative to single men. One explanation given by Becker (1965) for the difference is that marriage allows men to concentrate on market work. Working married women still have to perform child care and/or housework, more often than not.

Meanwhile, single females' daily wage was PHP 50 higher than that of the married ones, corroborating the *motherhood penalty* or the observed decline in women's earnings after giving birth (Correll et al. 2007; Polachek and Xiang 2014). This can also indicate the types of work that married women engage in and the number of hours they put in to accommodate the needs of care work. They work 4–5 hours less than single women. Meanwhile, married men work 2–4 hours more than single men.

Third, unpaid work has positive consequences. The home is considered a vital partner of education institutions and mothers are crucial in realizing and reinforcing learning outcomes. It is already well-established that mothers play a big role in fostering a good learning environment especially during the children's early years in life when all types of development (physical, emotional, social, language, and cognitive) take place. Hence, the unpaid work contributes to society by nurturing the next generation of healthy citizens and potential leaders.

To drive the point of why there is a need to address housework is to look at children's schooling. While sending a child to school is also a household decision, programs are available to support both parents and children. The government crafts policies and programs that provide alternative learning schemes to out-of-school youth, provide incentives to school attendance, and ensure schooling progression. This can be seen in various government programs such as the Alternative Learning System and laws such as the institutionalization of the *Pantawid Pamilyang Pilipino* Program and the free tuition in tertiary education. In this case, the government steps in to promote equity and to address the adverse effects of a workforce with inadequate human capital on the productivity and overall health of the economy.

In the case of housework, women face starkly contrasting realities in their homes. For some, unpaid work is a

life's role by choice and free will with the advantage of experiencing first-hand the joys and fulfillment in raising and nurturing children. Others, however, do not have the luxury of choice. Unpaid work for them is a life's task assigned by gender roles so when push comes to shove, they opt out of the labor market. The society then misses out on their contribution and this is a compelling reason for recognizing the value of unpaid work.

Issues in valuing unpaid work through wage for housework

Valuing unpaid work, however, does not necessarily entail paying compensation to people involved in it. In the international setting, providing wage for housework was a popular advocacy in the United Nations system as early as the 1970s (Swiebel 1999). However, this advocacy did not gain traction due to the lack of consensus among stakeholders for several reasons.

One, the typical wage proposed is lower than the wage for market work² and some fronts believe that this only reinforces society's low valuation of women's work (Swiebel 1999).

Two, it is seen as a fleeting solution and does not really address the more pressing issues confronting gender inequality, which can be addressed by women empowerment through economic independence. Children grow and when wage for housework stops, what happens then? For women in households facing financial constraints, market work becomes inevitable, although finding a new job or easing into it may become a challenge. A clear understanding of the effects of care work and unpaid work on the interruptions in market work can help in strengthening programs for labor market re-entrants and in strengthening policies for work-family life balance.

²There are at least two ways to measure and value unpaid work: the input method and the output method. The input method counts the hours and assign a price to it. Assignment of the price can be by the opportunity cost or the market replacement cost. Under the replacement cost, the global substitute (e.g., average wage of helpers) or the specialized substitute (e.g., nurse, chef) can be used. The output method assigns a price to the quantity of goods/services produced (e.g., kilograms, square meters, etc.).

Three, if the objective of wage for housework is to compensate for forgone opportunities, then men and women who opt out of the labor market to participate in unpaid care work should be considered as beneficiaries. Grandparents who are caregiving instead of enjoying their retirement should be considered beneficiaries as well. Payment of compensation for housework presents challenges given potential leakages, unintended consequences, and constraints in the government's budget.

Recommendations for valuing unpaid work

The key is to craft policies and programs that can achieve the goals of empowering men and women through economic independence and helping them perform their productive and reproductive roles. These goals are motivated by the fact that the productive and reproductive roles need not be mutually exclusive if only policies are crafted to accommodate the realities of unpaid work. In line with this, the following can be explored:

Broaden opportunities for both men and women who opt out of the market work by enhancing work from home opportunities.

For example, the Department of Labor and Employment can harness the digital labor platform to facilitate information exchange between the supply and demand of service jobs that can be performed online (e.g., study tutorials, editorial services, etc.). In addition, the Department of Trade and Industry can harness the digital platforms to help micro and small enterprises to be more visible in local markets. Meanwhile, trainings can be provided so that skills required for these opportunities are developed. The Department of Information and Communications Technology's DigitaljobsPH Program (formerly known as Rural Impact Sourcing) is one such initiative that needs to be scaled up. DigitaljobsPH is a program that aims to promote and develop online freelancing industry and home-based outsourcing through advocacy workshops and technical trainings in rural communities and is intended to create meaningful information and communications technology-enabled jobs in socioeconomically disadvantaged areas in the country (DICT n.d.).



Good and reliable child-care services that coincide with the eight-hour office schedule can encourage mothers to go back to work after child birth. (Photo from www.coa.gov.ph)

Explore granting incentives to working couples.

Among the unpaid work, care work is the most time-intensive and is the likely culprit in quitting market work. Hence, working couples with preschool children who belong to a specific income bracket can be beneficiaries of the incentive. An example of an incentive scheme that can be explored is by making a portion of child care receipts (e.g., day-care services, payment of nanny's wage) deductible from the income of couples in the lowest taxable income bracket or by providing subsidies to tax-exempt workers.

Improve public services that have direct and indirect consequences on unpaid work.

Good and reliable child-care services that coincide with the eight-hour office schedule can encourage mothers to go back to work after childbirth. There is also a need to improve the quality of child-care services. There are legislations seeking to provide a Magna Carta of child development workers, which will help improve the quality of workforce in day-care centers. In turn, the quality of child-care services can potentially help mothers to favorably decide on returning to the labor market. Fast

and reliable mass transportation is also a key to reducing the burden of unpaid work while fast, cheap, and reliable internet can help men and women pursue work from home.

Reform the workplace to achieve work-life balance.

More legislations are needed along the lines of flexi-time and the expanded maternity/paternity benefits. A four-day work week in the public sector is a good starting point.

Strengthen information campaigns on unpaid work.

Key to valuing unpaid work is to make it visible. It is, therefore, important for everyone to be aware of the issues and challenges surrounding unpaid work. Easy-to-understand information materials posted on government offices and websites will start the conversation that can shape favorable narratives to address unpaid work. For example, infographics on the benefits when men share the burden of housework can influence social norms and mindsets. In addition, the Philippine Statistics Authority should consider including time-use questions as riders to surveys that it regularly conducts such as the Labor Force Survey. The availability of time-use data will greatly aid the visibility of unpaid work.

Design systems for elderly care.

This will help the country prepare for an increasing elderly population. The increase in caregiving demands due to aging or health deterioration can lead to low labor productivity (i.e., absenteeism, tardiness) and therefore should be included in policy discussions. 📄

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