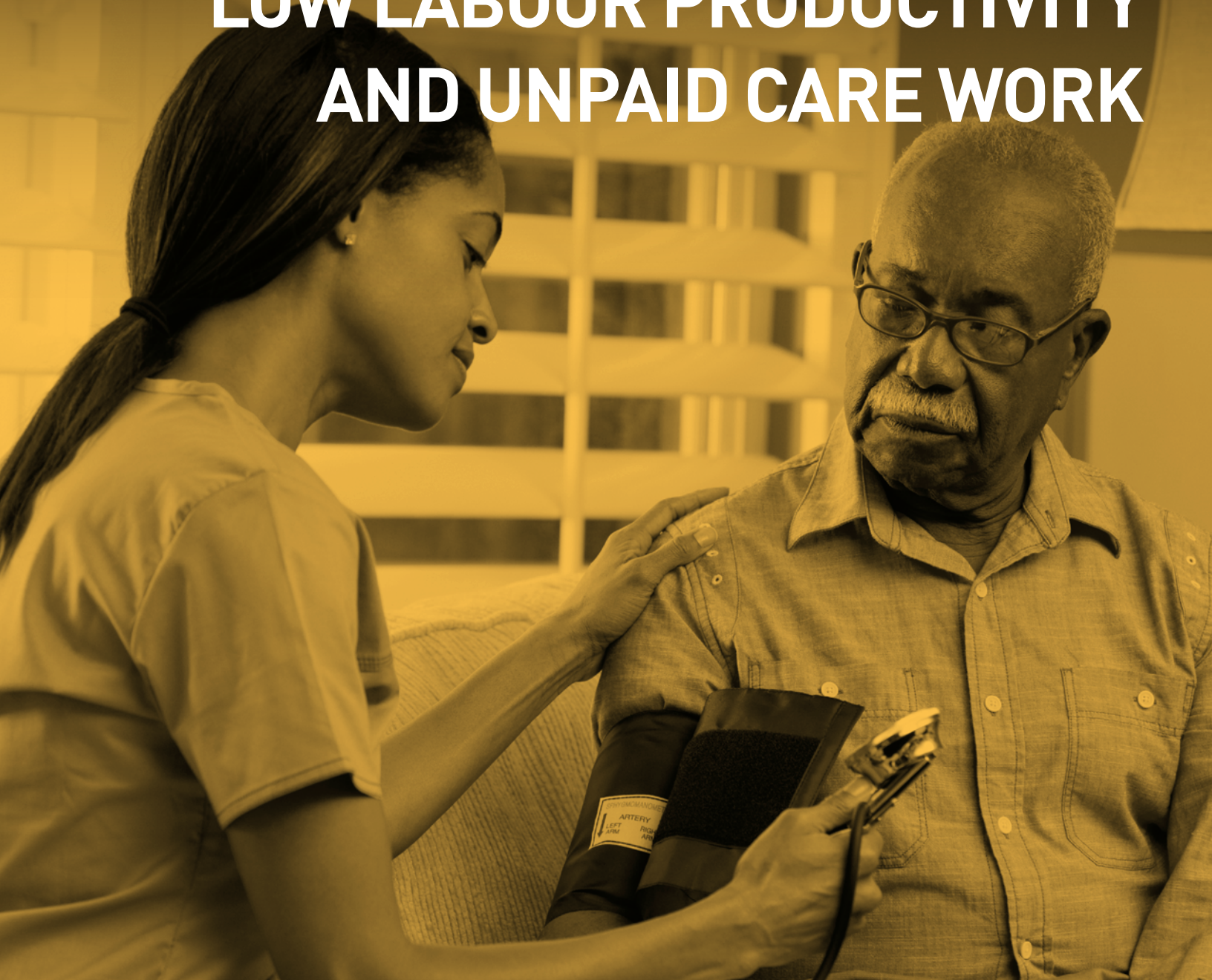




**CAPRI**



# LOW LABOUR PRODUCTIVITY AND UNPAID CARE WORK



**R1806**  
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# EXECUTIVE SUMMARY

Markets cannot operate without a workforce, which is supplied by social reproduction in the home. That social reproduction is comprised of care work, paid and/or unpaid. The care economy is the total labour required to meet the needs of children, the ill, the elderly and the disabled to be provided and cared for, and to reproduce the labour force. It is comprised of paid care work, unpaid care work whether by family, friends/neighbours or volunteers, and government investment in the care sector. Unpaid care provision is de facto considered a public good and is generally treated as an infinite cost-free resource that fills gaps when public services are not available.

Policy interest in and research on barriers to women's participation in the labour market in general, and the care economy in particular, have grown significantly in the 2000s, in large part due to the International Monetary Fund (IMF) promoting "the economic case for gender equity," carrying out research on its many different aspects, and including gender considerations and recommendations in its programmes and surveillance. These issues have thus moved from the realm of "women's issues" and "gender issues" to be considered in the mainstream policy arena as germane to reforms towards economic growth and development.

**Jamaican women play many roles in social reproduction which are not market-oriented and consequently do not appear in national statistics.** This includes the bulk of household and voluntary/community work. The outputs and outcomes associated with these social reproduction activities redound to the benefit of the family, the community and the country as a whole and make an important contribution to national development, but at an opportunity cost to women's participation in the labour market. While Jamaica is no stranger to the core concepts of the care economy it has not met its commitments to a host of international agreements that pledge to address the care economy, including and perhaps most significantly the Global Goals which are incorporated into Jamaica's own national development plan Vision 2030.

Against this background, CaPRI sought to explore and better understand the care economy in Jamaica, with the objective of providing policy proposals that are suited to the particular circumstances and characteristics of Jamaica at the present juncture.

The research features a pilot time use survey, the first ever to be conducted in Jamaica. The survey's main findings show that Jamaica follows the general trend in the differences in time that men and women spend on unpaid care work and on paid, productive work.

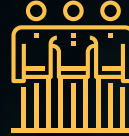
The report concludes that if Jamaica's policy makers are concerned with increasing labour force participation and productivity, care needs must be addressed. Vouchers issued by the state and redeemable for child and elderly care services through registered and licensed providers proffers the best option to have a meaningful impact. The recommendation is for the government to subsidise the care economy through the provision of vouchers that can be redeemed only by registered day care and nursing care facilities.



## ROLES PLAYED BY JAMAICAN WOMEN IN SOCIAL REPRODUCTION



Household



Voluntary/  
Community  
Work

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THE OUTPUTS AND OUTCOMES ASSOCIATED  
WITH THESE SOCIAL REPRODUCTION ACTIVITIES  
REDOUND TO THE BENEFIT OF



Family



Community



Country

---

MAKE AN IMPORTANT CONTRIBUTION TO



**National Development**

but at an opportunity cost to women's  
participation in the labour market.



# 1. INTRODUCTION

*Unpaid care work is both an important aspect of economic activity and an indispensable factor contributing to the wellbeing of individuals, their families and societies.<sup>1</sup>*

Care work is what individuals do every day when they spend time cooking, cleaning and caring for children, the ill, the disabled and the elderly, and maintaining a household. The total of all care work, paid and unpaid, comprises the care economy. The care economy is a relatively new but highly significant concept in thinking about the labour market, productivity and economic growth. Whereas paid care work is considered a service, and is counted as productive work and in national output, unpaid care work is not valued, counted or considered in national statistics or policy agendas. Unpaid care work has, up until the last few years, been thought to be too difficult to measure and not relevant for policies. More recently, as thinking on unpaid care work and the care economy has evolved, such measurements and calculations are being done. The 2015 McKinsey Global Institute (MGI) Report conservatively placed the value of women's unpaid work in non-market output at US\$10 trillion a year.<sup>2</sup> A 2014 global estimate placed the total monetary value of unpaid care work at anywhere between 10%-39% of a country's GDP.<sup>3</sup>

<sup>1</sup> Stiglitz et al. (2007).

<sup>2</sup> Woetzel et al. (2015).

<sup>3</sup> Esquivel (2014).



Throughout the world women perform the majority of unpaid care work. Unpaid care activities constitute a time and energy-consuming occupation that limits women's access to the labour market, relegating them to low-income and insecure employment.<sup>4</sup> The MGI Report estimates that if women could participate in the economy in the exact same way that men do—with complete economic parity—it would add up to US\$28 trillion dollars to the annual global GDP. In other words, this would add to the global economy roughly the economies of the United States and China combined.<sup>5</sup>

The major international financial institutions are increasingly seeing unpaid care work as a significant barrier to women maximizing their labour market potential. The amount of time devoted to unpaid care work is negatively correlated with female labour force participation. Gender inequality in unpaid care work—where women do far more unpaid care work than men do—is also related to the wealth of a country: there is a negative correlation between income and levels of gender inequalities in unpaid care work. The failure to

factor unpaid care work into national economic and labour statistics and policy analysis leads to incorrect inferences about levels of and changes in individuals' wellbeing and the value of time, which in turn limit policy effectiveness across a range of socio-economic areas.<sup>6</sup>

The interconnected dimensions of unpaid care work and productivity in Jamaica's economy are the focus of this report. The report will explore the knowledge gap of how Jamaicans use their time principally in relation to the allocation between paid and unpaid work, but also about other productive activities done by men and women. From this, we will extrapolate the implications for policies that may result in a more productive allocation of the labour force while simultaneously easing the gender-biased current arrangement. There are long-term implications not only for economic growth but also for the quality and nature of early childhood care therefore also for social and emotional development.

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WAS THE VALUE OF WOMEN'S UNPAID WORK IN NON-MARKET OUTPUT FOR

**2015**



<sup>4</sup> Ferrant et al. (2014).

<sup>5</sup> Woetzel op. cit.

<sup>6</sup> Ferrant op. cit.

## 2. THE CARE ECONOMY: THEORY, PRACTICE AND IMPLICATIONS

To function, an economy needs to have a workforce, and that workforce has to be continuously replenished, both in the sense of individuals being fed and cared for so that they can show up for work the next day, in the numerical sense of replacing those dropping out for whatever reason, and in the sense of the creation of the future workforce in the rearing of children. This “social reproduction” includes (amongst other activities) care work, paid and unpaid. The care economy is the total amount of labour and other resources required to meet the needs of children, the ill, the elderly and the disabled who need to be cared for, and for households to be reconstituted on an ongoing basis. It is comprised of paid care work, unpaid care work whether by family, friends/neighbours or volunteers, and government investment in the care sector (if any) towards providing this labour.<sup>7</sup> Unpaid care provision is generally treated as an infinite cost-free resource that fills the gaps when care services are not otherwise available.<sup>8</sup>

<sup>7</sup>“Counting the cost of Australia’s care economy,” The Conversation, October 21, 2012 (<https://theconversation.com/counting-the-cost-of-australias-care-economy-9946>).

<sup>8</sup> Carmona (2013).



Evidence from the Caribbean, Latin America, and Organization for Economic Co-operation and Development (OECD) countries suggests that access to subsidized childcare can have a significant positive impact on women's employment rates and the number of hours that women work.<sup>9</sup> In contexts where women face difficulties entering the labour force, public policies that improve access to childcare have been shown to bring about an increase in mothers' labour supply (measured as participation, employment, and hours worked.)<sup>10</sup>

Simulations of the employment effect of investing in the care sector find that such an investment generates increases

in employment ranging from 1.2% - 3.2%. This return on investment in terms of job creation is on par with an identical investment in construction. However, if policies aim to create employment for women and reduce the gender employment gap overall, investment in health and care would be the more effective. Investment in the caring industries – childcare and elder care – would have a direct effect on expanding women's employment by enabling more women to enter the paid labour market and the multiplier effect would create additional jobs in other sectors.<sup>11</sup>

## 2.1 WHY THE CARE ECONOMY NOW?

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Women's economic empowerment in general and the care economy in particular emerged as leading issues on the economic development agenda in the 2010s, and have gained traction since. There is a growing recognition among policy makers that women's disproportionate responsibility for child care results in less time for paid work, and the ensuing negative implications for their social security, access to education, mental and physical health, standard of living and economic mobility, active participation in public life, and the perpetuation of intergenerational poverty, all which have effects on the broader economy and society.<sup>12</sup> This recognition has led to more attention being paid to the impact of care work on the economy, including its monetary value, and the corresponding policy implications.<sup>13</sup>

However, once the major international financial institutions began to pay attention to these issues, the mainstream policy-making world took notice accordingly. The 2013 International Monetary Fund Staff Discussion Note "Women, Work, and the Economy: Macroeconomic Gains from Gender Equity" marks both a symbolic and literal turning point in the issue's

trajectory on the mainstream development agenda. As feminist economists noted then: "The IMF's Staff Discussion Note, while covering no new territory, is very important for one simple reason: it is the IMF; and, the IMF has credibility and influence with finance ministers and central bankers like no other institution. So if the IMF says that gender matters, then, it does."<sup>14</sup> For countries like Jamaica who are in the midst of IMF programmes, and whose budgets are thus governed by IMF strictures, the IMF's priority becomes their priority, be it gender or any other issue.

Since the 2000s the IMF has revised its approach to its debt-relief initiatives to incorporate more concern for social policy than its original strict focus on macroeconomic policy.<sup>15</sup> Christine Lagarde, the first female Managing Director of the IMF, has, however, gone beyond a general concern for social issues, and brought the matter of women's empowerment to the forefront of the economic development agenda, framed as "the economic case for gender equity."<sup>16</sup> Based on empirical data, Lagarde has made the case that women's economic empowerment leads to economic growth, reduces inequality,

<sup>9</sup>International Finance Corporation (2017).

<sup>10</sup>Berthelon et al. (2015).

<sup>11</sup>Henau et al. (2017).

<sup>12</sup>Feminist economists have for decades advocated for the consideration of unpaid care work and its economic consequences for the individual caregiver and for the broader economy. They have long maintained that by not measuring unpaid care work estimates of economic growth are inaccurate as are the true costs of care work, which is essential for the direct production and maintenance of human beings. Their concerns and arguments have comprised positions in international agreements such as CEDAW and the Beijing Platform for Action regarding women and work since the 1970s.

<sup>13</sup>Moussié (2016).

<sup>14</sup>The feminist critique of the current trend is that the approach is not transformative but subscribes to "a narrow set of standard market-oriented policies that emphasize individual incentives to engage in paid work without addressing the larger structural impediments to women's economic empowerment." See: "Feminist economists respond to the recent IMF Discussion Note Women, Work, and the Economy: Macroeconomic gains from Gender Equity (Part 2)", 30 January 2014, AWID ([www.awid.org/news-and-analysis/feminist-economists-respond-recent-imf-discussion-note-women-work-and-economy-0](http://www.awid.org/news-and-analysis/feminist-economists-respond-recent-imf-discussion-note-women-work-and-economy-0)) and Berik (2017).

<sup>15</sup>IMF (2016).

<sup>16</sup>Christine Lagarde, "The Business Case for Women's Empowerment," APEC CEO Summit, Peru. November 18, 2016 ([www.imf.org/en/News/Articles/2016/11/18/SP111816-The-Business-Case-for-Womens-Empowerment](http://www.imf.org/en/News/Articles/2016/11/18/SP111816-The-Business-Case-for-Womens-Empowerment)).

boosts productivity, and furthers economic diversification. Among her proposals are fiscal policies, legal reform, family support policies and private sector measures.<sup>17</sup>

The World Bank and the International Financial Corporation (IFC), the Inter-American Development (IDB), the OECD, and the Group of 20 (G20),<sup>18</sup> have since taken up these issues as key policy matters far beyond their prior relegation to the realm of gender and women's issues. The IMF itself has devoted considerable research efforts to show the economic consequences of gender inequality and highlighting the benefits of gender-responsive budgeting.<sup>19</sup> The organization incorporates gender analysis and policy advice in their annual assessments of countries' economies, and is exploring ways in which it can incorporate gender—primarily towards

removing barriers to women's labour force participation—in its programmes with borrowing countries.<sup>20</sup> As one example, the 2017 US\$12 billion loan programme with Egypt contained gender stipulations, including allocating US\$13 million to improve the availability of public nurseries to increase female labour force participation.<sup>21</sup> Jamaica's current IMF programme, a Stand-By Agreement that took effect in late 2016, calls for the Jamaican government to implement an effective strategy to promote households' graduation from welfare programmes into productive employment.<sup>22</sup> The IMF mission chief for Jamaica has held consultations with Jamaican stakeholders towards the consideration of gender issues in the reform agenda.

2017



**US\$12  
BILLION**

LOAN PROGRAMME &



**US\$13  
MILLION**

TO IMPROVE THE AVAILABILITY  
OF PUBLIC NURSERIES TO  
INCREASE FEMALE LABOUR  
FORCE PARTICIPATION

Was explored to incorporate gender in its programmes in Egypt to to show the economic consequences of gender inequality and highlighting the benefits of gender-responsive budgeting.

<sup>17</sup> Feminists also argue that the appropriate strategy to close the gender wage gap is not to make women's working lives more like men's, but to transform men's working lives to make them more like those of women. That is, it is more important to redistribute care work more equally between men and women than it is to get women doing more productive work. This, however, is not the remit of the mainstream policy approach. "Recognize, Reduce, Redistribute Unpaid Care Work: How to Close the Gender Gap," New Labour Forum, March 3, 2017

(<http://newlaborforum.cuny.edu/2017/03/03/recognize-reduce-redistribute-unpaid-care-work-how-to-close-the-gender-gap/>).

<sup>18</sup> An international forum that brings together the world's twenty leading industrialised and emerging economies.

<sup>19</sup> Donald and Lusiani (2017).

<sup>20</sup> "5 Things You Need to Know About the IMF and Gender," IMFBlog, November 21, 2017, (<https://blogs.imf.org/2017/11/22/5-things-you-need-to-know-about-the-imf-and-gender/>).

<sup>21</sup> Donald and Lusiani op. cit.

<sup>22</sup> "Jamaica's New IMF Agreement to Support Growth, Create Jobs," IMF News, November 15, 2016

([www.imf.org/en/News/Articles/2016/11/15/NA111516Jamaicas-New-IMF-Agreement-to-Support-Growth-Create-Jobs](http://www.imf.org/en/News/Articles/2016/11/15/NA111516Jamaicas-New-IMF-Agreement-to-Support-Growth-Create-Jobs)).



## 3. THE CARE ECONOMY IN THE JAMAICAN CONTEXT

UN studies in Latin America and the Caribbean report that over 50% of women in the 20-24 age range said unpaid care responsibilities kept them out of the workforce.<sup>23</sup> It is well established in the English-speaking Caribbean that, “care work and household responsibilities are disproportionately borne by women making it difficult for them to balance paid work and familial responsibilities.”<sup>24</sup> The Jamaica Human Development Report 2000, regarding social reproduction in Jamaica, reported:

- » Women play many roles in social reproduction which are not market-oriented and consequently do not appear in national statistics. This includes the bulk of household and voluntary/community work.
- » The outputs and outcomes associated with these social reproduction activities redound to the benefit of family, the community and the country as a whole and make an important contribution to national development.
- » Low-income households perform more unpaid/unrecognized activities.
- » The inability to measure and assign a value to those economic activities not only prevents an accurate assessment of output but also contributes to the low value placed by societies on these activities.
- » The non-monetary contribution of women is undervalued in economic terms and in terms of their inherent human value.
- » The non-monetary activities performed by some women have social value, which is not captured.

<sup>23</sup> “Magdalena Sepulveda Carmona and John Hendra, “The Care Imperative,” UN Women, March 25, 2014 ([www.unwomen.org/en/news/stories/2014/3/the-care-imperative](http://www.unwomen.org/en/news/stories/2014/3/the-care-imperative)).

<sup>24</sup> Caribbean Development Bank (2015).



Empirical data and analysis of the situation of women, income, employment and care responsibilities usually come from surveys such as the Population and Housing Census, the Agriculture Census, Jamaica Survey of Living Conditions, and the Economic and Social Survey of Jamaica.

What we know from those (and other) studies is:



At the end of 2016, 729,300 males and 626,200 women made up the Jamaican labour force.



The labour force participation rate 2012-2014 was 69.4% for men and 54.8% for women.<sup>25</sup>



The unemployed workforce comprises 109,700 women and 65,100 men were in the unemployed workforce. The overall unemployment rate for women was 17.5% and 8.9% for males.



In 2014 female-headed households were approximately 46.4% of all households and 26.1% of these had an adult male resident.<sup>26</sup>



Single-parent, mostly female-headed, households with children were 53.4% of all households



Female-headed households generally have more members (mean 3.6), more children and more elderly, than male-headed households (2.9).<sup>27</sup>



Female-headed households have a higher average dependency ratio (ADR)<sup>28</sup> (63.4%). This means that female-headed households contain more dependants in need of care than male-headed households.

<sup>25</sup> STATIN. Labour Force Statistics 2015. (<http://statinja.gov.jm/LabourForce/LabourForceParticipationRateByAgeGroup.aspx>) NB. Data calculated from 2011 census.

<sup>26</sup> Planning Institute of Jamaica (2014).

<sup>27</sup> Planning Institute of Jamaica (2013).

<sup>28</sup> The average dependency ratio or ADR is presented as the ratio of dependants—children and dependent elderly—to the working age population.



Male-headed households with fewer dependants have access to 20% more resources than their female counterparts.<sup>29</sup>



Women are concentrated in traditionally low-wage sectors. Specifically they are over-represented in the following sectors:

- i.* Private households as employed persons (80%);
- ii.* Health and social work (79%);
- iii.* Other community social and personal service activities (53%); and
- iv.* Education (70%).



Men are over-represented in higher-paying sectors such as:

- i.* Agriculture/Fisheries/Hunting/Forestry (86%);
- ii.* Manufacturing (66%);
- iii.* Mining & Quarrying (84%); and
- iv.* Electricity, Gas & Water (88%)



Thirty percent of all registered farmers are women. On average women farmers have access to four acres of land while men have access to eight acres.<sup>30</sup>



Only 5% of female farmers report having access to farm education programmes, subsidies, fertilizers, seeds and other inputs. They also report that they are charged higher interest rates for loans.<sup>31</sup>



Rural areas have the highest poverty rates with some as much as 23.2% above the Kingston Metropolitan Area, towns, and peri-urban areas.<sup>32</sup>

- a.* Rural populations, in general, have poor access to education, health, and social services. Rural women have a higher unpaid care burden overall.<sup>33</sup>
- b.* Other data (not specific to Jamaica) tells us that 75 % of rural poor are rural women, and that rural women face the most barriers compared to urban men and women and rural men.<sup>34</sup>



Female-headed households in rural areas have the largest percentage of children (34.2%).<sup>35</sup>

<sup>29</sup> Planning Institute of Jamaica (2013).

<sup>30</sup> Agricultural Business Information System (ABIS), 2009. ([www.abisjamaica.com.jm/](http://www.abisjamaica.com.jm/))

<sup>31</sup> Grant-Cummings (2014).

<sup>32</sup> Planning Institute of Jamaica (2013).

<sup>33</sup> Planning Institute of Jamaica (2012).

<sup>34</sup> "Facts & Figures: Rural Women and the Millennium Development Goals," WomenWatch, 2012 ([www.un.org/womenwatch/feature/ruralwomen/facts-figures.html](http://www.un.org/womenwatch/feature/ruralwomen/facts-figures.html)).

<sup>35</sup> Planning Institute of Jamaica (2013).



Women in Jamaica at all levels earn approximately 12.5% less than their male counterparts for the same jobs.<sup>36</sup>



The presence of children in the household is more prevalent among working women than among working men. For working males there are no earnings differences between those who live with children at home and those who do not, but for working females the presence of children is linked to lower earnings.<sup>37</sup>

The implications of these existing data are:

1. **Women are the primary workers in Jamaica's unpaid and underpaid care economy;**
2. **The poorest women carry the highest burden of unpaid care work; and**
3. **Women have less access to resources than men do.**

The economic context in which all of this occurs needs little elaboration. Jamaica has experienced virtually no economic growth in decades. In 2014, Jamaica was considered to be operating the most austere budget in the world. The country had a debt to GDP ratio of 140% and its public interest burden was one of the highest in the world, at over 8% of GDP.<sup>38</sup> These structural macroeconomic imbalances were addressed through an IMF Extended Fund Facility programme in 2013. Ostensibly as a result of successfully completing its commitments to reform, in 2018 Jamaica's debt to GDP ratio was 103%. The economy grew by 1.4% in 2016. The poverty rate went from 25% in 2013 to 20% in 2014. Jamaica's economic situation has improved, but it is starting from a very low point.

Beyond the broad ramifications of these unfavourable economic conditions, these adverse circumstances and the policy responses have particularly disadvantageous repercussions for women, their employment and their unpaid care work. The 2008 economic crisis affected female workers in Latin America and the Caribbean disproportionately, with women accounting for about 70% of all layoffs in Mexico and Honduras. The increase in youth unemployment that was the result of the crisis in many countries affected young women disproportionately. Where workers, men and women, were forced into informal, lower-paid and riskier work in response to the crisis, women and girls were more vulnerable than men were. Regionally, the decline in primary school completion rates for girls exceeded that for boys.<sup>39</sup>

The primary obstacle to Jamaican women fulfilling their potential in the labour market and engaging in more paid work is their unpaid care work. In a context of little to no public or employer-provided support for care work, both men and women engage in unpaid care work, but women far exceed men in the amount of time spent on these activities, and as a result pay a much greater opportunity cost in terms of foregone paid work than men do.<sup>40</sup>

There are two significant implications of this, particularly for the children of poor women who cannot afford to pay for care: if the woman chooses to look after her children/dependants rather than work she suffers financially, as does her dependants' education, health and wellbeing; if she chooses to work, children and other dependants may be inadequately cared for. The latter's implications have multiple social and economic externalities, ranging from a compromised future workforce to the increased likelihood of neglected children falling into criminal activity and antisocial behaviour, with their own detrimental externalities, many of which consume significant public resources.

In a country like Jamaica with a majority of households headed by females, the more that women in particular are able to participate in the labour force and engage in paid work, and the more that women are able to improve their economic and financial security and increase their spending power, the greater will be the effect on the society and economy at large. The better off that women are, the better are the prospects for children's health, education and wellbeing, overall productivity and competitiveness, reducing the transmission of inter-generational poverty, and economic growth.

<sup>36</sup> Bellony et al. (2010).

<sup>37</sup> Ibid.

<sup>38</sup> Johnston (2015).

<sup>39</sup> Elborgh-Woytek et al. (2013).

<sup>40</sup> Jamaica Money Market Brokers (JMMB) is well known in Jamaica for its free daycare facility for its employees. The founder of the company is said to have provided this amenity "to get the most out of her team members." Krysta Anderson, "Family Life|Bringing out the Working Mother in Me With JMMB," Sunday Gleaner, March 5, 2017 (<http://jamaica-gleaner.com/article/outlook/20170305/family-life-bringing-out-working-mother-me-jmmb>).




## 3.1 UNPAID CARE WORK AND THE JAMAICAN STATE

These ideas about unpaid care work—recognition of the negative effects of unpaid care work on women’s ability to work and earn, and the call for the recognition of unremunerated care work in and the collection of relevant data for economic policy and planning—are not new to Jamaica. They are contained in three international conventions to which Jamaica is signatory (CEDAW 1978, ILO Convention C156 - Workers with Family Responsibilities 1981, and the Beijing Platform for Action 1995); to date none of these commitments have been met.

The 2011 Jamaican National Policy for Gender Equality (NPGE) calls specifically for the implementation of time use surveys (TUS) for understanding and measuring how unpaid

work contributes to the national economy. It also calls for the creation of a system to capture, quantify and value unpaid care labour and domestic work in the household and elsewhere. Neither of these has been implemented.

The Caribbean Development Bank’s 2015 report on youth employment comprehensively addressed the problem of unpaid care work and its detrimental effect on women’s participation in the paid labour force, noting that “women’s work in the home makes a substantial but largely unrecognized contribution to national economies,” and specifically called for “concrete, quantitative data” to understand the full scope of women’s contribution to the region’s economies.<sup>41</sup>



**The new labour market statistics standards set at the 19th International Conference of Labour Statisticians (ICLS) in 2013 include recommendations for adapting labour force participation indicators to categorize unpaid care work as “own-use production work”, including sub-classifications of different types of own-use production.**

Data on own-use production work should be collected using time use surveys, and the data should be identified and reported to serve policy needs.<sup>42</sup> Other data on those engaged in own-use production should be tabulated to measure and analyse their (own-use producers’) integration into the labour market.<sup>43</sup> These, along with the other ICLS recommendations, comprise a significant shift in how labour force statistics are computed and presented, and to date few countries have yet adapted their indicators. The Statistical Institute of Jamaica (STATIN) has scheduled to begin an assessment of the impact of shifting to the new indicators in

the fiscal year 2018/2019. The recommendation on measuring care work is, however, considered a “soft” measure, and is unlikely to be considered in the upcoming incorporation of the new standards.<sup>44</sup>

Most recently, Jamaica has committed itself to the UN Sustainable Development Goals (SDGs or Global Goals) and has aligned them with the Vision 2030 national development plan. Of note is SDG 5.4: “recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies, and

<sup>41</sup> Caribbean Development Bank (2015).

<sup>42</sup> The International Conference of Labour Statisticians (ICLS) issues standards for the collection, computation and analysis of statistics for all countries. The ICLS meets every five years to set new standards for its member countries to adopt. New standards categorized as “hard”—required to be implemented—and “soft”—standards that member states are encouraged to adopt. New standards generally reflect trends in labour market policy that have implications for statistics at the time of the conference.

<sup>43</sup> International Labour Organization, “Resolution Concerning Statistics of Work, Employment And Labour Underutilization,” adopted by the Nineteenth International Conference of Labour Statisticians, October 2013 ([www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/normativeinstrument/wcms\\_230304.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/normativeinstrument/wcms_230304.pdf)).

<sup>44</sup> Leesha Delatie-Budair, Director, Research, Design & Evaluation, STATIN, phone conversations with author, January 5 & 11, 2018.

<sup>45</sup> UNDP (2017).

<sup>46</sup> Chad Bryan, “Jamaica Focused on Achieving Sustainable Development Goals Through Vision 2030 – PM,” Jamaica Information Service, June 30, 2017 (<http://jis.gov.jm/jamaica-focused-achieving-sustainable-development-goals-vision-2030-pm/>).

<sup>47</sup> Sectoral presentation by the Hon. Floyd Green, Minister of State in the Ministry of Youth, Education and Information, May 2, 2018. (<https://jis.gov.jm/media/2018/05/Updated-FINAL-TEXT-MNS-Green-Sectoral-2018.pdf>)

the promotion of shared responsibility within the household and the family as nationally appropriate.” However, of the few SDG targets that do not have a corresponding goal or strategy in Jamaica’s own planning documents, “Target 5.4 on recognizing and valuing unpaid care and domestic work [has] no equivalent language.”<sup>45</sup> Nevertheless, in a June 2017 speech where Jamaica’s Prime Minister re-stated the government’s commitment to meeting the SDGs, he claimed that an expansion of care services for children and the elderly was underway, as one of the SDGs measures being implemented.<sup>46</sup> To date, however, there is no information available to the public on the details of these expanded care services. In his sectoral contribution, the Minister of State in the Ministry of Education, Youth and Information stated that that ministry had “developed a strategy that will see the establishment of two day-care centres in each constituency i.e. 126 day-care centres across the length and breadth of Jamaica.”<sup>47</sup> This statement was made in the context of early childhood education, however, with no reference to their role in care provision.

The empirical data for measuring unpaid care work would be gathered from a time use survey (TUS), which many countries around the world utilize on a regular basis mainly for labour market planning. As but one example, the U.S. Bureau of Labour Statistics and the Census Bureau conduct an annual time use survey with a representative sample of people over the age of fifteen.<sup>48</sup> STATIN and the Planning Institute of Jamaica (PIOJ), the two state bodies who have responsibility for monitoring and implementing the Global Goals and Vision 2030, have considered options for conducting a time use survey, such as tacking it on as a module to another existing survey, perhaps the Survey of Living Conditions. Otherwise, there is no immediate plan to carry out the exercise, and it does not appear to be a priority.<sup>49</sup>

Making unpaid care work visible and a priority on the policy agenda can be carried out through a household satellite account that would measure and value the outputs produced by households through unpaid care work. A household satellite account would provide data to calculate how the economy is affected by changing patterns of unpaid care work. The provision for such a satellite account does exist in Jamaica. The 1993 revision of the UN System of National Accounts provides for the establishment of satellite accounts to place monetary value on otherwise difficult to quantify activities, so as to monitor and measure the trends in those activities and to relate them to the broader economy.<sup>50</sup>

STATIN accordingly established a satellite account for tourism in 1993.<sup>51</sup> However Jamaica, as is the case with most other UN Member States, has not counted or included women’s unpaid care work in satellite accounts as agreed in the Beijing Platform for Action in 1995, and has no intention to do so for the foreseeable future.<sup>52</sup>

In the realm of legislation, The Property (Rights of Spouses) Act, 2004 introduced new statutory rules to provide for the equitable division of property between spouses upon the breakdown of a marriage or a common-law relationship. The Act states: “There shall be no presumption that a monetary contribution is of greater value than a non-monetary contribution.” In so doing The Act explicitly recognizes that non-financial contributions to the household, such as child care and domestic work, should be given consideration in the calculation of proprietary interest, though the legislation does not specify how this would be measured.

In the fourteen years since the passage of the Act, those judgments that have been handed down establish precedents from which we might ascertain some idea of how non-financial contributions might be defined and measured by the state. The general trend has been to grant the spouse proprietary interest in assets, generally the family home, that were in only one spouse’s name and to which the other spouse did not financially contribute, in recognition of the other spouse’s unpaid work. In most cases the judge will grant the spouse 50% of the marital home. At times, the court may vary the equal share rule to a lower percentage share, depending on the circumstances of the case, such as how long the couple were together, and how long the defendant had lived in the house before the marriage. That is, there is no exact calculation of the value of the unpaid work, no monetary value assigned; it is taken into consideration as one of a number of factors in determining proprietary interest and is treated in general terms.<sup>53</sup>

Jamaica, by its own policy statements, international commitments and legislative measures, is ostensibly au fait with unpaid care work, its measurement and the implications of such measurements as having monetary value. Up to the end of 2017, however, apart from the very general approach of the court, and some non-committal discussion about a national TUS, there have been no concrete steps towards implementing any of the commitments that Jamaica has agreed to, whether at the international or national level, regarding unpaid care work. Jamaica has work to do.

<sup>48</sup> “Recognize, Reduce, Redistribute Unpaid Care Work: How to Close the Gender Gap,” New Labour Forum, March 3, 2017. (<http://newlaborforum.cuny.edu/2017/03/03/recognize-reduce-redistribute-unpaid-care-work-how-to-close-the-gender-gap/>)

<sup>49</sup> Delatie-Budair, op. cit.

<sup>50</sup> Jamaica uses a system of national accounts that hews closely to the UN SNA.

<sup>51</sup> “The Jamaican System of National Accounts: Concepts and Definitions,” undated, STATIN. (<http://statinja.gov.jm/NationalAccounting/National%20Accounts-%20Methodology.pdf>)

<sup>52</sup> Delatie-Budair, op. cit.

<sup>53</sup> Sherry-Ann McGregor, “Scope For Variation Of Equal Share Rules Still Unpredictable,” Gleaner, February 8, 2016. (<http://jamaica-gleaner.com/article/flair/20160208/scope-variation-equal-share-rules-still-unpredictable>)

## 4. MEASURING UNPAID CARE WORK USING TIME USE SURVEYS

In providing sex-disaggregated statistics on time allocation, time use surveys (TUS) are considered one of the most important tools for explaining gender patterns in a society.<sup>53</sup> The indicator for the commitment to SDG 5.4 – to recognize and value unpaid care and domestic work and to promote shared responsibility within the household and the family – is the “proportion of time spent on unpaid domestic and care work, by sex, age and location,” data which is derived from time use surveys.

This type of data can be used to increase the visibility of women’s work through better statistics on their contribution to the economy, with particular emphasis on the value of goods and services they produce, and to begin to assign monetary value to that unpaid work, to calculate opportunity costs, and to design policies and proposals for the public and the private sector to consider.

One use of time use survey data to measure unpaid care and housework with a view to incorporating it in national accounting is assigning a replacement wage to the time spent producing or consuming unpaid care and housework.<sup>54</sup> Work done by economists at the University of California, Berkeley, based on data from twenty-nine countries, and assigning a replacement wage, showed the value of unpaid care and housework ranges from 12%-40% of GDP.<sup>55</sup> Another time use study showed that excluding household production from national accounts leads to misestimating households’ material wellbeing and societies’ wealth. If included, unpaid care work would constitute 40% of Swiss GDP and would be equivalent to 63% of Indian GDP.<sup>56</sup>

<sup>53</sup> Budlender (2001).

<sup>54</sup> A replacement wage is based on the compensation one was receiving at the time that they left paid work to do unpaid care work.

<sup>55</sup> O’Neill, op. cit.

<sup>56</sup> Ferrant op. cit.



Another method of assigning monetary value to unpaid work is to cost it at the same rate as if it were paid work, according to market rates. Using this method, an estimate of the monetary value of unpaid work for twenty-seven OECD countries found it to be 18% of United States GDP, 31% of Danish GDP, and 25% of Swedish GDP.<sup>57</sup>

<sup>57</sup> Recognize, Reduce, Redistribute, op. cit.

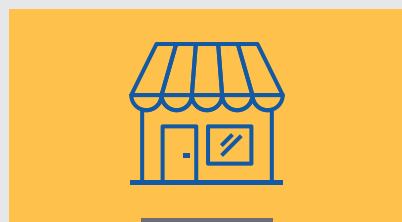
The pilot TUS conducted for this report gives a sketch of what we might expect from a national TUS. It provides the details of how Jamaica's care economy is constituted in terms of how unpaid care work is divided between men and women, and the differences in how men and women spend their time between paid work and unpaid care work.

## 4.1 THE TIME USE SURVEY<sup>58</sup>

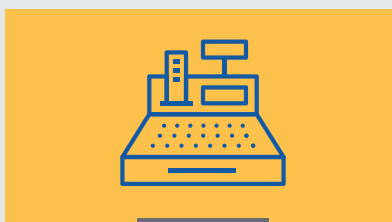
The data from this study were gathered from a sample of 541 participants, in St. Andrew, St. Mary and Kingston, 49% males and 51% females. Sixty-seven percent of the respondents reported never having been married; 29% were married. The remaining 5% were either widowed, divorced or separated. Fifty-six percent of the sample reported earnings of J\$50-100,000 per month, 20% reported earning \$100,000 or more, and 12% reported earning less than \$50,000 a month. This sample is not generalizable to the general population, but is indicative to the extent that it provides insight into the details and patterns that exist in Jamaican family and working life, which can inform further considerations of the care economy in Jamaica.<sup>59</sup>

## 4.2 CLASSIFICATION OF ACTIVITIES AND EMPLOYMENT STATUS

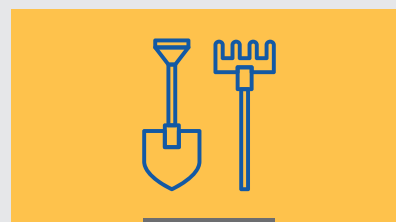
The time use survey classified economic activities as:



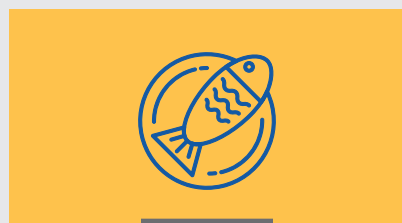
Running any kind of business, big or small, for themselves



Helping unpaid in a family business



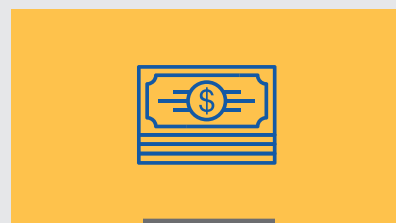
Doing any work on a household plot, food garden



Catching any fish or wild animals for food or sale



Doing domestic work for another household for payment in cash or in kind;



Doing any other work for wage, salary, piecework pay, commission or payment in kind.

<sup>58</sup> See Appendix 1 for a detailed description of the survey and methodology.

<sup>59</sup> See Appendix 2 for detailed tabulated description of the sample.

An employed person was classified as someone who reported doing one or more of the economic activities listed. If they had not done any within the previous seven days, but stated that they had done one of these activities and would return to it at some point, they were also placed in the category of employed persons. Unemployed persons were persons who stated that they had not worked but wanted to work, had looked for work within in the previous seven days, or would be available to start work within a week. All other

respondents, including full-time homemakers (also called housewives or stay-at-home spouses), were classified as not economically active (NEA).

Seventy-seven percent of respondents reported being employed, 7% unemployed and the remaining 16% were recorded as NEA. More males (84%) reported being employed when compared to females (70%). Females were over-represented in both the unemployed and NEA categories.



## 4.3 HOUSEHOLD AND INCOME CHARACTERISTICS

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With regard to the number of children living in the household, 69% of men had no children of their own under eighteen living with them, while 60% of the female respondents reported having none of their own children under the age of eighteen living in the household.

With regard to household source of income, 49% of male respondents and 38% of female respondents were engaged in waged work. There were similar figures for income earned from own business. The fact that more men than women rely on income from state grants, namely old age pensions, is likely the result of lesser access that women have to secure and maintain remunerated work and thus to contribute to the formal pension system. Nineteen percent of females reported that they received income from other sources, such as remittances, compared to 2% of males, and women were more likely than men to rely on remittances.

With regard to household source of income, 49% of male respondents and 38% of female respondents were engaged in waged work.

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## 4.4 METHOD<sup>60</sup>

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A structured time use questionnaire was developed with the aim of collecting sex-disaggregated data on how different people use their time. Their activities were coded using the (UN) trial classification of the System of National Accounts (SNA), the internationally agreed standard set of recommendations on how to compile measures of economic activity which inform the national accounts (which are then the source of macroeconomic statistics forming a basis for economic analysis and policy formulation).

<sup>60</sup> A more detailed overview of the method is in Appendix 1.



Table 1: Activity Classification

System of National Accounts (SNA) production	
1	Employment for establishments, for example: working for government, in a factory or mine, in a business
2	Primary production activities not for establishments, for example: growing vegetables on a household plot or collecting fuel and water
3	Services for income and other production of goods not for establishments; work in non-establishments, for example: selling fruit and vegetables on the roadside, or doing hairdressing at home
Non-SNA production	
4	Household maintenance, management and shopping for own household
5	Care for children, the sick, elderly and disabled for own household
6	Community and service help to other households for example, attending a political meeting or helping other households
Non-productive	
7	Learning, for example: attending school or doing homework
8	Social and cultural activities, for example: socializing with family or friends
9	Mass media use, for example: watching television or listening to the radio
0	Personal care and self-maintenance, for example: sleeping, eating and drinking, dressing and washing

In effect, SNA production is paid work, or work that has monetized value, non-SNA production is work that has value but is not monetized if it is done for one's own household (i.e. not done by or for someone else and paid for), and non-productive work is considered to have no value at all. The TUS calculated the mean time for engagement in the three SNA categories across a twenty-four hour period.





## MAIN FINDINGS<sup>61</sup>

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Females on average spend almost half the time spent by males on SNA production, and males spend almost half the time spent by females on non-SNA production.

Females spend almost three times (249 minutes on average) the amount of time males (90 minutes) on non-SNA production.

A large proportion of women's productive time is spent on non-SNA production and non-productive activities.

Next to the time spent on personal care and maintenance (non-productive activity that the most time is spent on by all individuals), household maintenance, management and shopping for own household—non-SNA production—is the second highest amount of time women spend on any activity, on average 199 minutes per day, whereas men spend on average 74 minutes per day. Men spend the second largest amount of time on social and cultural activities (non-productive activity) – 152 minutes on average per day, compared to 120 minutes spent, on average, by women.

Time spent on unpaid care work increases with the number of children and elderly in the household, and increases even more when there are children under the age of seven in the household.

Women spend, on average, twice the amount of time on unpaid community service/service others than men do.

Women spend twice the amount of time, on average, as men do on learning.

Men spend slightly more time than women on social and cultural activities, but women spend slightly more time than men on mass media. Furthermore, females spend more time, on average, on mass media than on SNA production.

In general, men spend more time engaged in work for establishments than women.

Generally speaking, the more money respondents reportedly earned, the less time they spend on non-SNA activities.

Both men and women in the \$100,000+ income bracket spend more time employed in establishments than men and women in the lower income groups. But within this income group, men spend more time than women employed in establishments, meaning that even in higher income groups women do more unpaid care work than men.

High-income females do the least unpaid care work of all women, as they apparently avail themselves of paid care services provided by lower-income women, thus freeing up time for more paid work. Nevertheless they spend more time doing unpaid care work for children, the sick elderly and disabled in their own households, than high-income males.

The findings from this pilot time use survey confirm what broader research data have suggested: that Jamaican women bear the largest responsibility for unpaid reproductive work, at the same time as they have less access to resources and paid work than men do. Women at all income levels do more unpaid care work than men do, lower-income women do the most unpaid care work of all women, and the time women spend on unpaid care work is time that could be but is not spent on paid and productive work.

<sup>61</sup> See Appendix 2 for tabulated findings and Appendix 3 for annotated findings.

# 5. ADDRESSING UNPAID CARE WORK

## 5.1 EXAMPLES FROM AROUND THE WORLD

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The most effective way to increase female employment and allow women to participate more fully in formal labour markets is to provide access to reliable, affordable, high quality childcare services.<sup>63</sup> Reducing the burden of care on women requires spreading care more evenly within the private sphere and within society.

Empirical research supports the assumption that in developed and developing countries mothers are more likely to use formal childcare arrangements and enter the labour force when free or low-cost childcare options are available. In response, some countries have reformed their labour market programmes to provide parents with counseling, training, wage subsidies, support to entrepreneurship, and instruments such as parental leave, childcare services, and flexible work arrangements.<sup>64</sup>

<sup>63</sup> Mateo Diaz et al. (2013); UNECE (2017).

<sup>64</sup> Eliana Carranza, “The care economy: A powerful entry point for increasing female employment,” Jobs and Development Blog, World Bank, June 7, 2016. (<https://blogs.worldbank.org/jobs/care-economy-powerful-entry-point-increasing-female-employment>)



In Western Europe, the Scandinavian countries are considered the most advanced in providing quality care options for parents to better balance productive work with their need for care services, and enacting policies that encourage or incentivize more sharing of care responsibilities between women and men. Sweden is considered the gold standard – parents, both mothers and fathers, get up to sixteen months of paid leave after the birth of a child, tax credits to defray the costs of child-rearing, and access to free, high quality day care facilities that are open from 6,30am – 6,30pm. They have calculated that policies that allow parents to spend more time with young children and access good day care have quantifiable costs and benefits, including better child and maternal health, higher worker retention and greater productivity.

Government's role can be to directly provide care or to provide subsidies to families—particularly low-income ones—to buy such services in the market at a lower price.<sup>65</sup> In emerging countries, where the state has access to far more limited resources to provide or subsidize care as in more developed countries, and where women's jobs tend to be more concentrated in the informal sector, other approaches might be considered. Public subsidies could be paid to private providers of care who are properly regulated. Improving the environment for paid care work could also be seen as a growth sector to provide more employment.<sup>66</sup>

Public policies and programmes regarding unpaid care work are limited in the Latin America-Caribbean region. Few countries provide childcare, afterschool programmes, or care services for the elderly population.<sup>67</sup> Even in this context, however, there are a variety of examples of state support for relieving women of unpaid care work, motivated whether implicitly or explicitly by the objective of facilitating women's greater labour market participation in the formal economy. As these examples show, fiscal issues are important but do not have to be a binding constraint; the willingness of government to prioritize care policies is more important.<sup>68</sup>

In Latin America, free or subsidized childcare programmes such as Colombia's Hogares Comunitarios de Bienestar Familiar and Mexico's Estancias Infantiles have been shown to increase the mother's probability of employment or hours worked.<sup>69</sup> In Colombia childcare services are funded by a three percent payroll tax on all public and private employees. Chile's Jornada Escolar Completa was found to have increased children's hours in school, providing additional time available

for mothers to work.<sup>70</sup> The IDB supports public childcare provision in Nicaragua and Peru.

In other emerging countries there are examples of the state supporting care work. In the Philippines revenues generated from the Amusement and Gaming Corporation provide resources for public child development centres. Swaziland accessed funding and technical support from UNICEF for its community-based childcare programme. Mozambique borrowed US\$40 million from the World Bank to finance the expansion of a community-based pre-school programme. An evaluation of Mozambique's pre-school centres in rural areas found that the enrolled children's caregivers were much more likely to engage in productive work than those caregivers whose children were not enrolled. Further, school attendance for 10-15 year-olds in the areas of the preschools increased by 6%.<sup>71</sup>

These examples are predominantly community-based models with public support, which in Lower Income Countries has proven to be a cost-effective option.

Providing care services is not the only way a state can support workers with dependants. Fiscal policies that address families with care responsibilities are unexceptional in many OECD countries. These primarily consist of tax credits to families where there are dependants in the household. Tax credits may be used to provide an offset of the cost of paying for care services or of the foregone income that would have been earned had the worker not had to engage in unpaid care work. In Canada, for each dependant – a child under eighteen, anyone related to the head of household by blood or marriage age sixty-five and over, or a disabled person – living in the household the taxpayer can claim CAN\$2,100 for each, up to CAN\$6,788, against their taxes. In the United States, a caregiver who provides more than 50% support to a dependent relative, who doesn't have to be a member of their household, or to a non-relative dependant who is a member of their household, is eligible for a US\$3,900 tax credit for each dependant. If the caregiver works but pays for care for a relative who can't be left alone, those costs may also generate a tax credit.

Pension credits are used in some countries that have a state-organized public pension based on payroll taxes paid by employers and employees. The government continues to pay some contributions on behalf of workers who take time out of the formal labour market to care for dependants. Used

<sup>65</sup> Pages and Piras (2010).

<sup>66</sup> Carranza, op. cit.

<sup>67</sup> Pages and Piras, op. cit.

<sup>68</sup> Christie (2017).

<sup>69</sup> Mateo Diaz, op. cit.

<sup>70</sup> Berthelon et al. (2015).

<sup>71</sup> Carranza, op. cit.



mainly in developed countries, the policy has been adopted recently by Bolivia and Uruguay.<sup>72</sup>

Relieving workers of unpaid care responsibilities is also in employers' interests. The lack of good quality, affordable and accessible childcare for their employees can result in higher turnover, absenteeism, lower productivity, and diminishing the pool of possible employees. Particularly with regard to female workers, the lack of childcare can be a major barrier to their full and equal participation in paid work. Around the world there are employers who provide childcare supports as part of their general compensation strategy to achieve better business outcomes. Case studies of private sector actors suggest that when there is compelling evidence linking heavy and unequal care responsibilities to the companies' supply chain operations, employers will increase their budgets for care services and infrastructure for their employees.<sup>73</sup>

The International Financial Corporation (IFC) researched ten companies who provide employer-supported childcare in countries across the world, including in emerging countries. The study found that these companies all benefitted from improved recruitment, retention, productivity, diversity, and access to markets, as a result of their investment in their employees' care needs. The IFC has a vested interest in research findings such as these as they have found in their work with the private sector in developing countries that improving access to childcare helps parents enter and advance in the workforce while enabling companies to strengthen their bottom line. Within the parameters of its focus on removing barriers to women's and men's access to better jobs, the IFC works with its clients to substantiate the business case and to help them go beyond any existing mandatory compliance to implement employee childcare that will result in better business results.<sup>74</sup>

## 5.2 POLICY OPTIONS FOR JAMAICA

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Markets emerge for all sorts of services, even informally. Examining policy options or care services naturally raises the question of why a market hasn't emerged on a sufficient scale to address this productive need. Small scale, informal day care offerings abound, but nothing with the scale or pervasiveness to address what should be the extent of the need.

One part of the answer is that day care and elderly care are regulated activities, and so the licence application process and the maintenance of minimum standards poses a barrier to entry. Still, that doesn't explain the relative paucity of informal, market solutions. At the upper end of the market, however, day care and elderly care facilities are sufficiently numerous and the need seems to be adequately met. The time use survey data bear this out.

What might account for the emergence of an adequate market at the upper end and its absence at the lower end? It is possible that there is not sufficient economic space at the lower end. The additional income to be earned by participating in the labour force is sufficiently low that it is not able to afford the commercial provision of day care at a price above the minimum at which a supplier would be willing to provide the service. There is no space for value creation. In that case, the

result would indeed be a few, informal, inadequate services, which is what we observe.

This status quo might be acceptable except for the negative implications exposed earlier in this report. The poor quality of the present market and non-market solutions is inadequate for the developmental and positive socialization needs of the child and thereby compromises the future stock of productive, well-adjusted citizens while perpetuating the intergenerational transmission of poverty. Accordingly, the society through the state has an interest in raising the standard and availability of care services, particularly child care services. Because the working parent derives a benefit from the service, the funding model should be mixed with government and user both paying portions.

The choice of a publicly-supported solution must reflect the particular circumstances in which a safe, quality service has failed to emerge. The principal considerations are that of low labour productivity and consequently a low-income economy in the presence of little fiscal space along with weak public administrative capacity. With those limitations in mind, the options are examined in turn.

<sup>72</sup> "Recognize, Reduce, Redistribute," op. cit.

<sup>73</sup> O'Neill (2016).

<sup>74</sup> Niethammer et al. (2017).



## PENSION CREDITS

With **pension credits**, the government continues to pay some contributions on behalf of workers who take time out of the formal labour market to care for dependents. However, the provision of pension credits alone does not compensate for the loss of income and will therefore unlikely be a sufficient incentive for own child care for a low income household.



## TAX CREDITS

Income **tax credits** could provide an employee with a claim against income taxes if they have children to look after. The taxes saved could then be used to procure child care, stimulating the market. There is no guarantee, or even likelihood, however, that the uncollected taxes would be spent on child care. Indeed, with poor families strapped for cash, such a use is unlikely. The result would that credit becomes no more than a small boost to income.



## WAGE SUBSIDIES

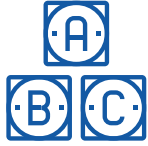
**Wage subsidies** suffer the same limitation as tax credits, in that the likelihood is low that it would go towards child care. Moreover, all the aforementioned options would be limited to benefiting only those in formal employment. This would still be a large number, but would nevertheless fail to reach a large minority of the employed.



## PARENTAL LEAVE

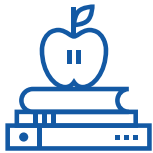
The institutionalization of **parental leave** and other flexible work arrangements is likely to have only a marginal impact given the scale of the problem. Moreover, such an obligation on businesses may perversely bias the employer against parents in the same way it now does against women only. (Still, if there must be bias, at least it would be gender neutral.)

*The above solutions reward those who care for children without necessarily incentivizing the provision of child care services. The point of this report, however, is precisely to stimulate the provision of these services. And so we turn to public support for the provision of child care services directly. An intervention here could be on the supply or the demand side.*



## ESTABLISH AND MANAGE A CHAIN OF DAY CARE CENTRES

On the supply side, there are three options. First, the government itself could **establish and manage a chain of day care centres**, on the model of, say, its provision of health clinics. This would, however, challenge the already weak capacity of public administration. Further, the condition of the state's extant children's facilities is not an encouraging indicator of the outcomes to be expected with such services, in the presence of weak capacity.



## SUPERVISE AND SUBSIDISE PRIVATELY PROVIDED SERVICES

A second option is for the state to **supervise and subsidise privately provided services**, on the model of the public school system. This too would challenge the capacity of the public sector but to a lesser extent. The degree of supervision and control could vary from the model of the school system down to merely minimum standards and licensing as presently exists, but with a subsidy, necessitating closer surveillance.



## PROVIDE THE SUBSIDY TO BUSINESSES

A final supply side option is to **provide the subsidy to businesses** that provide day care services in-house to their staff members. This, however, would restrict the benefit only to those who work for large enterprises and create a disadvantage in hiring for small businesses.



## ISSUING VOUCHERS

The decision to subsidise could also be effected through the demand side by **issuing vouchers** to working parents, which the service providers could then redeem. The limitation of this option is that providers may be reluctant to expose themselves to tax scrutiny, which would diminish the incentive to accept vouchers. On the other hand there is the possibility that such a programme might encourage providers to shift their operations to more above the radar in order to benefit from increased business from voucher-holders.

*In consideration of the above options and the particular circumstances of Jamaica, the recommendation is for the government to subsidise the care economy through the provision of vouchers which can be redeemed only by registered day care and nursing care facilities. The voucher option minimizes the demand upon weak public administrative capacity and simultaneously stimulates the commercial market for the care economy. Further, with vouchers, large businesses may very well be incentivized to provide the service for their staff. Another dimension of this proposal is the targeted provision, by the state or licensed by the state, of training in child and elderly care, and of start-up guidance and perhaps grant or subsidized funding for would-be providers of child or elderly care.*



In Mexico the government provides child care vouchers to eligible families that can be used towards daycare for their child or children, up to age four. The programme, Estancias Infantiles, also provides financial support and guidelines to those who wish to operate a childcare facility,<sup>75</sup> and training and employment in childcare for more than 40,000 women. Among Mexican women benefiting from the programme, which is funded by earmarked federal resources, 18% more are now employed, working on average six additional hours each week.

Any such programme that has to operate on a large scale will be subject to corruption of the process of redeeming the vouchers. This option should therefore first be instituted in a small pilot. In the way, the losses and mistakes during the “learning by doing” phase will be limited. Further, an assessment of the benefit and cost of the programme in the pilot can be conducted in order to establish whether it would indeed be beneficial to roll it out on a larger scale.





## 6. CONCLUSION

Global patterns of the trade-off between paid work whether in the formal or informal economy and unpaid care work hold true for Jamaica. This pilot TUS shows that Jamaica follows the general trend in the differences in the amount of time that men versus women spend on unpaid care work and on paid work. The study shows clearly that the allocation of Jamaican women's time to unpaid care work has a negative correlation with their labour force participation rates, labour exclusion and gender pay gaps.

The data provides an empirical basis on which to argue that there are real costs to the economy of unpaid care work, providing a basis for measures to be taken to reduce those costs. That there is a quantitative basis of the problem shows that relieving women of the burden of unpaid care work can redound to the commercial benefit of the broader economy.

At 57%, Jamaica's female labour force participation rate, while on the higher end of the world's spectrum, has a great deal of room for improvement. However, women's allocation of unpaid care work means that they perform the majority of domestic, household and community work, at a cost to their ability to participate more fully in the labour market, to perform more productive, income-earning work, and to find and keep quality jobs. Addressing people's care needs would augur well for social wellbeing, productivity, diversification and economic growth.

The issues of the care economy are, therefore, multifaceted. If policy makers are concerned with increasing overall labour force participation and productivity, care needs must be addressed. If policy makers are concerned with the composition and quality of the future work force, care needs must be addressed. If policy makers are concerned with the health and wellbeing of the entire society, whether as a means to overall greater productivity and economic growth or as an end in itself, care needs must be addressed; and, not least, if policy makers care about women's rights and gender equality, care must be addressed.

A variety of options exist to do address the care problem. But given the particular circumstances and characteristics of Jamaica at the present juncture, vouchers issued by the government and redeemable for child care services through registered and licensed providers proffers the best option to have a meaningful impact on the problem. A pilot programme for evaluation would be a good starting point.

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# NOTES

# LOW LABOUR PRODUCTIVITY AND UNPAID CARE WORK



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