

ISSUE BRIEF

Ensuring tax policies recognize and serve to represent, reduce and redistribute unpaid care work



1. What do we mean by “unpaid care and domestic work”?

The new standard definition of “work” signals **an advance in worldwide recognition of care and domestic work – paid or unpaid – as work**. In 2013, the 19th International Conference of Labor Statisticians defined work as comprising “any activity performed by any person of any sex and age to produce goods or to provide services for use by others or for own use.”¹ Employment, on the other hand is defined as work performed for pay or for profit.

Care work includes the following:

- The **direct care of persons** including children, older persons, persons with disabilities, and able-bodied adults,
- **domestic work** such as cooking and food preparation, cleaning, washing clothes, water and fuel collection.²

2. How much time do women and men spend on unpaid care work?

Women take on an overwhelmingly larger share of unpaid care work. According to a report by the International Labour Organization (ILO), data from 64 countries representing two-thirds of the world’s working age population shows that **women on average perform 76.2 percent of total hours of unpaid care work, more than three times as much as men!**³

In Asia and the Pacific, men perform the lowest share of unpaid care work of all regions (1 hour and 4 minutes), with 28 minutes in Pakistan (or 8.0 per cent of men’s total working time) and only 31 minutes in India (7.9 per cent). **The regional average for women is 4 hours and 22 minutes**. When both work for pay or for profit and unpaid care work are accounted together, the working is on average longer for women (7 hours and 43 minutes) than it is for men (6 hours and 57 minutes).

3. Why is unpaid care work an urgent issue that needs to be addressed?

Unpaid care work is a barrier to realizing gender equality and to the full enjoyment of women’s human rights. As one of the factors that contribute to women’s income and time poverty, unpaid care work manifests gender stereotypes and reinforces **deeply embedded gender inequalities** and **discriminatory social norms**. For many decades, women’s movements all over the world have raised the issue of unpaid care work as a **major barrier to women’s empowerment**.

While **care work** is vital to all economies, it is **largely undervalued, often unpaid and rendered invisible**. A large part of the world’s care needs is met by unpaid carers, majority of whom are women. The above mentioned ILO report shows that **16.4 billion hours per day are spent in unpaid care work** – this is equivalent to 2 billion people working eight hours per day without pay. If such services were to be valued on the basis of an hourly minimum wage, they would amount to **9 percent of global GDP** or US\$11 trillion (purchasing power parity in 2011).⁴

¹ The 19th International Conference of Labor Statisticians. Resolution concerning statistics of work, employment and labour underutilization. 2013. In <https://www.ilo.org>.

² Gender and Development Network: Unpaid care: A priority for the post-2015 development goals and beyond. Briefing 6, July 2014.

³ ILO (2018), Care work and care jobs for the future of decent work, Key Findings and messages. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_633135.pdf.

⁴ ILO (2018), Care work and care jobs for the future of decent work, Key Findings and messages. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_633135.pdf.

4. What are the international commitments to address unpaid care work?

The **Beijing Declaration and Platform for Action (BPfA)** adopted by the UN in 1995 recognised unpaid care and domestic work as **important contributions to the economy** but also as a **serious constraint** for the realisation of **women's human rights**. The **Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)** asks State Parties to modify discriminatory social norms and provide essential social services to enable women and men to participate equally in work, family and public life. **CEDAW urges governments to provide support systems and infrastructures** such as child-care facilities, maternity and paternity benefits, and other services that help reduce and redistribute care work.

Addressing unpaid care work is also recognised as a crucial step towards achieving the **Sustainable Development Goals (SDGs) by 2030**. **Goal 5 (Achieve gender equality and empower all women and girls by 2030)** includes a specific target to “recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.”

In 2017, during the **61st session of the Commission on the Status of Women (CSW)**, the UN Member States pledged to close the gender gap and to reduce and redistribute unpaid care and domestic work that falls disproportionately on women.

5. What does the issue of ‘unpaid care and domestic work’ have to do with tax and fiscal justice?

The recognition of **women's care labour** as an essential contribution to the economy, unfortunately, **has not been translated into sweeping or thoroughgoing changes in macroeconomic policies, including tax and fiscal policies, which benefit women**. Although unpaid household work that leads to the production of goods is considered part of the “production” by the System of National Accounts (SNA), the SNA fails to capture all forms of unpaid care work such as caring for the sick.⁵ **Valuation of unpaid care work has yet to be integrated or mainstreamed in tax and fiscal policies.**

Unpaid carers, mostly women, remain beyond the reach of income tax nets as well as social safety nets. Tax systems reflect gender biases or contain hidden provisions that discriminate against women and against unpaid carers, or put them at a disadvantage by not recognising their contribution to the household and the national economy. While many tax policies provide for some tax allowances for dependents (economically dependent persons like unemployed spouse or children), these allowances do not necessarily translate into benefits for the unpaid carer.

Feminist scholars argue that gender-neutral tax policies can reinforce gender inequalities; on the other hand, tax policies that are based on a recognition of gender differences, including in care and domestic work, can play a critical role in providing enabling conditions for women's greater access to paid work and access to individual income as well as better distribution of care work between women and men in households or families.⁶

Across the world, **demands for women's labour beyond care work have increased;** however, the push for integrating more women in the formal economy has not necessarily led to gender equality outcomes in all spheres of life. Whether women are employed in paid work or not, **women continue to bear the brunt of unpaid care work, and remain caught in the ‘multiple burden’ trap.**

While the global economy has benefited from the reduced production costs (i.e. costs of producing labour as a commodity) through women's unpaid care work, **corporations also gain from tax exemptions on labour as part of the costs of production.**⁷ On top of this, multinational corporations often enjoy tax incentives, or worse, commit tax abuses that result in illicit financial flows, **leading to massive loss of revenues that could and should have been used for financing gender-responsive public services.** All these conditions combine to enable multinational corporations to amass capital and profit at the expense of workers, unpaid carers, and sometimes, national economies.



⁵ Valuing Care Work, UNDP. 15 March 2016. <https://HDR.UNDP.org/>

⁶ Kathleen Lahey. Gender Equality and Taxation in Viet Nam, Issues and Recommendations. UN Women Viet Nam. 2016.

⁷ APMDD Gender and Tax Justice Primer. Asian Peoples' Movement on Debt and Development. September 2016.