Centring care in Covid-19 economic recovery: a five-point care package

As high-level negotiations shape our economic future, there is emerging consensus on the need for a socially just and sustainable Covid-19 economic recovery, with growing awareness of the need to centre the “care economy” in this process. In this briefing, the Gender and Development Network and the Women’s Budget Group propose a “care package” outlining the actions needed in five areas: invest in social infrastructure; create decent work for underpaid carers; recognise unpaid care work; provide universally accessible social protection; and re-value care and well-being, putting them at the heart of Covid-19 economic recovery.

1. Introduction

As Covid-19 economic recovery measures are cast, consensus on the need for socially just and sustainable outcomes is apparent.¹ That “care” must play a central part in this process is also increasingly understood. Canadian Prime Minister Trudeau has recognised “the importance of taking early action to address inequalities in the care economy”.² In outlining the need for a feminist sustainable recovery, UN Secretary-General Guterres also calls for “social progress through investments in social protection systems and the care economy”.³ UN agencies are joined in this quest by health professionals, feminist experts, trade unions and women’s rights organisations.⁴ So, what does it mean to “centre care”?

Why care?

The term “care” describes the provision of health and social care for all ages, along with domestic work, in both the home and in communities. The “care economy” provides the complex socio-economic network of ways in which care is provided – essential for the well-being of society and the functioning of our economies.

The Covid-19 pandemic revealed our reliance on care, shining a spotlight on the magnitude of the global care deficit, as well as the glaring and growing inequalities in its provision. The costs of this deficit have been all too apparent – not just on the health and lives of those who receive insufficient care – but also on the lives of underpaid and
unpaid carers. Feminists have outlined the care economy, along with environmental sustainability and political freedoms, as the core components of Covid-19 recovery. In years to come, we will witness how a failure to invest in care today increases future costs while reducing economic activity and social well-being. What is needed now is not just gratitude and applause for the world’s unpaid and underpaid care providers, but swift and decisive action to address the gaps and inequities in the global provision of care.

How to centre care

This briefing considers what it will take to centre care in a way that is fair to caregivers, promotes the long-term interests of the community and provides quality care for all. Five inter-locking elements central to any “care package” within Covid-19 economic recovery are outlined below (Figure 1), with actions that are both necessary and viable. The rights and needs of those who provide and receive care are shown to intertwine with economic policies that begin to assign care its true value.

2. Public investment in social infrastructure

Governments should invest an additional two per cent of GDP in social infrastructure to create gender-transformative public health and care services that improve service provision for all, reduce women’s unpaid care burdens and create decent work for women.

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This briefing builds on the concept of the “5Rs” - the need to recognise, reduce, redistribute, unpaid care work and reward and ensure representation of paid and unpaid care workers. https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/---sro-port_of_spain/documents/presentation/wcms_702216.pdf.
Collectively, the labour, facilities and buildings in the social care, health and education sectors are known as “social infrastructure”. Public investment in these sectors improves the quality of care provision for the whole of society, has a positive impact on the economy through job creation and increased productivity, and reduces the unpaid care burden largely shouldered by women. They are classed as “infrastructure” because they benefit not only the direct users but also have knock-on effects on wider society, including increasing productivity of the workforce. Once recognised as “investment” – necessary for the economy to thrive – such spending would be protected when government budgets are tight.

Why invest in social infrastructure?

Investment in physical infrastructure, like roads and bridges, is widely recognised as a good way to create jobs. It has now been shown that similar levels of investment in social infrastructure can actually lead to the creation of more jobs, both directly and indirectly, through the “multiplier effect” where the increased income of those newly employed creates demand for other goods and services. Research in countries in both the Global South and North found that an additional 2 per cent of Gross Domestic Product (GDP) invested in care services could increase employment by as much as 6 per cent – twice as much as similar investments in construction industries.

A recent global study by the International Labour Organization (ILO) has further demonstrated how the economic stimulus to a care-centred Covid-19 recovery could be provided by investment in childcare and long-term adult care services. It suggests that by 2035, as many as 299 million jobs would be created and three-quarters of these would go to women, thereby increasing their employment rate by 10 per cent. The study also reports that across the world, GDP would increase by 3.6 per cent, and as much as 6 per cent in Africa.

The creation of jobs, in turn, generates future tax revenue streams by making this a valuable form of government investment. The jobs created by such investment would be in sectors where low-income women and women of colour predominate, and which are also low-carbon, thereby reducing inequality and promoting sustainability. Creating jobs for women will be necessary as part of the recovery from Covid-19. Women’s unemployment during the pandemic was 50 per cent higher than men’s and is returning at a much slower rate as economies emerge from the worst impacts of Covid-19. A study of 193 countries similarly reported high rates of unemployment for women, with 26 per cent of them losing their jobs by September 2021.

In addition, investment in care would – of course – increase the quality of health and care services, thus benefiting recipients as well as reducing the unpaid care burdens of the women whose labour fills the gaps when service provision is inadequate. Thus, a “win-win-win” solution is available where governments can improve care provision, create decent jobs, and reduce women’s unpaid care burdens. This is all while increasing future revenue streams, therefore ensuring the investment is self-sustaining. Yet, pressure is once again being exerted by donors on countries in the Global South...
to extend austerity measures and cut public spending. As we have witnessed in the past, this will have disastrous effects on equality, social cohesion, and future productivity. Ending this creeping austerity conditionality must be part of any Covid-19 recovery programme.

**Gender-transformative public services**

Investment in social infrastructure will need to create gender-transformative public services if they are to promote equity. For public services to be gender-transformative, they must be: affordable for all; appropriate for the needs and priorities of all communities, recognising intersecting discriminations; universally accessible both physically and socially, without stigma, and safe for all to use free of the fear of violence. They must also challenge underlying discriminatory gender relations, for example, by shifting the responsibility of care provision to the state, away from unpaid women.

**How should social infrastructure be financed?**

Given the self-sustaining nature of investment in social infrastructure, it is economically viable for governments to borrow the funds to resource it. Alternatively, it can be funded through progressive taxation – as outlined in the USA plan below. G7 governments should also support governments in the Global South to make this type of investment through the use of Special Drawing Rights (SDRs) and debt relief. The evidence suggests, however, that Public-Private Partnerships (PPPs) are not an efficient financing option. The subsidies that governments provide private investors through PPPs make them a more costly, less efficient form of investment in care services. PPPs are also less likely to provide equal access to quality services, focusing on more profitable services and the easiest-to-serve communities, rather than delivering for marginalised groups. Moreover, most include cost-cutting measures that reduce the quality of employment for those working in the sector.

**Is this feasible?**

In its April 2021 budget, the Canadian government recognised care as central to Covid-19 recovery with investment in childcare and, to a lesser extent, in elder care and care for people living with disabilities. In the USA, President Biden put forward the “Build Back Better” bill in 2021 that originally included US$3.1 trillion worth of provisions to cover areas such as childcare, home care and an expansion of healthcare. While the bill continues to be debated in the US Congress, it is evident that ambitious care-focused government initiatives are possible. In Argentina, public investments in care now amount to 6.6 per cent of total public investment. Additionally, in Japan, financing for long-term care homes increased during the pandemic.

While ultimately responsibility for care provision lies with governments, they can do this, in part, through sufficient funding for community organisations which can play an important role both in delivery and providing a voice within policymaking.
3. Decent work for underpaid carers

Governments must create decent work for women in the care sector, ensuring living wages and the promotion of ILO conventions.

During the pandemic, the value of those providing care, nurses, community-based care providers and those caring for the elderly, became all too apparent with many countries recognising them as “essential” workers. Yet their rewards continued to be gratitude for their compassion, rather than better wages and improved working conditions.

The devaluing of paid care work

Society’s failure to recognise the importance of care, and the skills involved in its provision, has had knock-on impacts on the wages and working conditions of those who provide it. This, in turn, has made it a sector where those with limited options – typically women without access to higher education, women of colour and migrant women – are often disproportionately represented. In Argentina, one-fifth of women workers are in domestic work as it offers one of the few opportunities for women from impoverished backgrounds to enter the labour market. For women from the Philippines, working overseas as domestic workers is an important source of income. Restrictive social norms mean that cleaning is one of the few forms of work available to Dalit women in India. Around the world, women make up 70 per cent of health workers and 90 per cent of social care workers. Already low-paid, the pandemic has further worsened conditions for these workers with extreme workloads under hazardous conditions. At the same time, domestic workers, especially migrant women, have been particularly hit by the pandemic with many losing their pay.

What would decent work look like for carers?

Ensuring decent work for health and care workers not only protects their rights but also ensures the continued high-quality provision of care services. ILO conventions have formalised labour protection, including the right to freedom of association and collective bargaining, which are essential for enabling care workers to advocate for themselves. The ratification of ILO Convention 189 on domestic work and ILO Convention 190 on ending violence and harassment in the world of work are also particularly important for those working in the care sector. Equal pay for work of equal value (comparing the pay of those in care sectors with men doing similar jobs in male-dominated and thus higher-paid sectors) and minimum living wages are also important for low-income women.

Is this feasible?

In 2020, New Zealand enshrined into law equal pay for work of equal value. Equal value pay is also recognised by the Canadian government, whose 2021 budget included measures to improve the wages and working conditions of paid care providers. In response to the Covid-19 pandemic, Germany, Japan and Mexico have increased minimum wages – an important way of reducing the gender pay gap given women’s concentration in low-paid sectors. Wage subsidies are being used to
encourage new hires as part of Covid-19 recovery measures in Colombia and Chile, with higher levels of subsidies for women.39

4. Recognition of unpaid care

The value of unpaid care work should be recognised across policymaking, with women’s unpaid care burdens reduced through gender-transformative public care services and investment in appropriate technology and infrastructure.

The pandemic undoubtedly brought an increase in women’s unpaid care work. This included caring for those with Covid-19 or other illnesses when hospitals and clinics were full and attempting to educate children at home. Cooking and cleaning responsibilities increased to avoid infection or simply because more people were at home, while more time was spent sourcing food for family consumption.40 Work in the community, such as community kitchens and creches, also increased in response to spiralling needs.41 In Sub-Saharan Africa, community health workers, 86 per cent of whom are unpaid, were heavily relied on during the pandemic.42 As a result of these various and increasing demands, 50 per cent of respondents in a global study in September 2021 reported experiencing additional care and domestic responsibilities – with women’s work more likely to increase than men’s.43 This extra pressure under Covid-19 also has had adverse mental health impacts, as well as reducing women’s time for paid employment, political activity or leisure and self-care.44

Who does unpaid care work?

Unpaid care work is primarily done by women. Even before the pandemic, women did twice as much unpaid care work as men.45 The toll is greater for women on low incomes who cannot afford private alternatives or labour-saving technologies and are less likely to have access to infrastructure like clean water or electricity.46 Prior to the pandemic, women’s unpaid contributions to health and social care were already high and estimated to be equivalent to a staggering 9 per cent of global GDP.47

Is unpaid care work recognised?

None of this unpaid work will count in actual measures of National Income. It has no formal “market” value despite being essential both to economic activity – maintaining household consumption and a productive workforce – and more importantly, to the well-being of society. Moreover, there is a misplaced assumption among policymakers that the supply of unpaid care work is infinite, elastic, and cost-free; it is none of these.

Research during previous waves of austerity has already shown that cuts in public services increase and intensify women’s unpaid work.48 Those on low incomes who cannot afford private alternatives have no choice but to increase their own labour to fill the gaps in service provision.49 But these costs to women’s time are frequently hidden as economic models are unable to measure them. The need to recognise and redistribute unpaid care work was emphasised almost thirty years ago in the Beijing Declaration and Platform for Action but has yet to be achieved.50 This lack of
recognised has continued during the pandemic. Research by UN Women found that unpaid care work remained largely invisible in government responses – with only 226 of 4,968 government measures world-wide addressing the issue.51

What is the solution?
Recognising unpaid care work as part of economic policymaking is an essential first step, with the governments of Canada, Argentina, and Finland among those starting to address the issue.52 But actual solutions will vary across contexts. For higher-income families, more flexible working and parental benefits will be part of the solution alongside challenging social norms that ascribe care as “women’s work”. But for the majority of households globally, with low incomes, those options are not affordable. The solution lies in a mixture of increased funding for gender-transformative public care services, and a reduction in the drudgery of care and domestic work through investment in technology (such as grain grinders) and infrastructure, particularly electricity and water.

5. Universally accessible social protection
⇒ All governments should recognise the need for, and fund, universal gender-transformative social protection.53 In addition, G7 countries should finance a Global Social Protection Fund.54

The public provision of social protection – whether disability or sickness benefits, old-age pensions, maternity provisions or unemployment payments – plays an important role in reducing poverty and promoting equity and social cohesion.55 Less widely recognised is that increases in social protection also lead to increased household consumption, which stimulates the economy and ultimately leads to greater tax revenues.56 Ensuring its provision must, therefore, be part of any countries’ recovery package.

Is current social protection sufficient?
The Covid-19 pandemic revealed and intensified the inadequacy of social protection provision globally. Less than 50 per cent of the world’s population has access to even one form of social protection measure, and this figure falls to just 17.4 per cent for those in Africa.57 Job loss is the area least covered, with only 18.6 per cent of unemployed workers worldwide eligible for unemployment benefits and women less likely to be eligible than men.58 The ILO argues that Covid-19: “…has revealed the pre-existing stark protection gaps across all countries and made it impossible for policymakers to ignore the persistent social protection deficits experienced, in particular, by certain groups such as informal workers, migrants and unpaid carers”.59

Why is it a particular issue for women?
Because of their lack of access to income and assets, and their disproportionate unpaid care work, women have more need of social protection, yet less access to it.60
While 34.3 per cent of men have access to at least one form of social protection, this applies to only 26.5 per cent of women. Eligibility criteria based on formal employment and prior contributions exclude the majority of the world’s women who work in the informal sector, or whose work is unpaid. Meanwhile, some social protection schemes reinforce gender norms either by attaching conditions that increase women’s care work (for example by requiring attendance at schools or clinics) or by granting access at the household level – usually to male “bread-winners”. Gender-transformative social protection schemes address these issues, recognising the different paid and unpaid work that women do, acknowledging the reality of work in the informal sector and unpaid care roles, and seeking to address and transform existing inequalities. This includes, for example, introducing universal access to social protection, and removing conditions attached to social security payments.

Is this feasible?

There is some hope for improvement. For example, in Argentina, the Ingreso Familiar de Emergencia was designed to ensure that those not receiving any other assistance – such as domestic workers and others in the informal sector – would be eligible for benefits. The ILO argues that:

“The unique policy window prised open by COVID-19 should embolden countries to take decisive action now about the future of social protection ... a robust social protection system will shore up and repair a fragile social contract and enable countries to enjoy a socially just future.”

There are also calls for a Global Social Protection Fund to provide the resources needed to kickstart universal, publicly funded national protection schemes for low-income countries in the Global South that would begin to address some of the inequities in provision worldwide.

6. Re-valuing care and well-being

Governments and international organisations must place care and well-being at the centre of Covid-19 economic recovery measures, funding the provision of care and rewarding those who provide it.

At the heart of a socially just and equitable Covid-19 recovery must lie a new understanding of care, putting well-being and the provision of care at the centre of all economic policymaking. Only when the purpose of socio-economic activity is reframed, with well-being and care as the ultimate goal, can the true value of care be understood.

How can we revalue care?

A vicious cycle has been created whereby paid care work is undervalued, and therefore largely done by low-income women, and often by migrant women and women of colour. These women have little voice in society and are excluded from policymaking, which perpetuates the devaluation of their work. In unequal societies, social norms devalue the skills involved in care work while market mechanisms, based on demand and supply, are inadequate to calculate its value. Recognising and
redefining the value of care’s contribution to society and acknowledging it as a public good will, in turn, lead to an appreciation of the work done by carers.67

Including care providers and receivers in key decisions will be necessary to break this cycle of devaluation. Part of the process of change will come when feminists and women’s rights organisations – particularly those providing care – meaningfully participate in economic policymaking. They will bring their technical expertise and political understanding of women’s priorities into decision making spaces. There are many examples of feminist leaders, particularly at the local level, who have reflected local priorities and centred care in policy responses. Examples of this include local leaders in India organising door to door education on pandemic safety, distributing food and banning alcohol sales to reduce gender-based violence.68

How does this impact policymaking?

Policymaking that recognises the value of care and acknowledges the hidden costs and knock-on effects of certain policies will have more realistic and equitable outcomes. This is not just about finances but also political choices, ensuring the representation of carers in decision making. Economic policymaking that fails to understand the role and contribution of care work will have major effects on gender and income inequality, and on the functioning of the “productive” economy. The real impact of cuts in public services and regressive taxation – austerity – was all too apparent in past crises.69 Yet these measures are beginning to creep back into International Monetary Fund “advice” to low-income countries.70

Is this feasible?

Some countries are trying to move on from the cycle of devaluing care. In Uruguay, political pressure – primarily from feminists – led to the passing of Law 19.353 creating a national care system (Sistema Nacional Integrado de Cuidados), extending the rights of both care receivers and providers and including them in policy design.71 In Argentina, the feminismo popular movement and inclusion of self-identifying feminists in the newly elected government led to the specific recognition of care in the newly elected government’s platform in 2019.72 Canada intends to pursue a feminist response to Covid-19 recovery, including funds to address injustices for paid and unpaid caregivers – both domestically and through their international assistance programmes.73

Conclusion

With crisis comes opportunity. Global leaders are currently shaping Covid-19 economic recovery plans – whether under the auspices of the G7, G20, on the Boards of International Financial Institutions or within the UN bodies. All have committed to a “just” recovery. It is vital now that this is realised with bold and innovative solutions that learn from past mistakes and from the experience of the last two years of the global pandemic. At the centre of any new visions will be a revaluing of care. The solutions are there, so too are the options for raising vital public finances. All that is needed now
is the political will and vision to re-value care and to ensure the well-being of communities around the world.

Five steps to a care-centred Covid-19 economic recovery:

1. **Invest in social infrastructure**: Governments should invest an additional 2 per cent of GDP into social infrastructure to create gender-transformative public health and care services that improve service provision for all, reduce women’s unpaid care burdens and create decent work for women.

2. **Create decent work for underpaid carers**: Governments must create decent work for women in the care sector, ensuring living wages and the promotion of ILO conventions.

3. **Recognise and reduce unpaid care burdens**: The value of unpaid care work should be recognised across policymaking, with women’s unpaid care burdens reduced through gender-transformative public care services and investment in appropriate technology and infrastructure.

4. **Provide universally accessible social protection**: All governments should recognise the need for, and fund, a universal gender-transformative social protection. In addition, G7 countries should finance a Global Social Protection Fund.

5. **Re-value care and well-being**: Governments and international organisations must place care and well-being at the centre of Covid-19 economic recovery measures, funding the provision of care, and rewarding those who provide it.

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12 De Henau et al. 2016
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26 ILO 2021a, p. 6


30 GADN 2022


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The Gender and Development Network (GADN) brings together expert NGOs, consultants, academics and individuals committed to working on gender, development and women’s rights issues. Our vision is of a world where social justice and gender equality prevail and where all women and girls are able to realise their rights free from discrimination. Our goal is to ensure that international development policy and practice promotes gender equality and women’s and girls’ rights.

The Women’s Budget Group is an independent and not-for-profit membership network consisting of women’s voluntary organisations, academics and policy experts whose aims are to promote a gender equal economy in the UK. We do this through conducting in depth analysis of the impact of policy on women. Our analysis has been used to influence policy debates on a national and local level.

For more information about GADN, please email the GADN Coordinator at coordinator@gadnetwork.org.

For more information about the Women’s Budget Group, see https://wbg.org.uk/.

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