

## MEMO

To Hon Julie Anne Genter, Minister for Women

From Deb Malcolm, Principal Policy Analyst

Date: 4 March 2019

Subject: Work programme on the contribution and value of women's unpaid work

Priority: Routine

### Purpose

---

1. This memo provides you with a draft Ministry for Women work programme for 2019 on understanding the contribution and value to society of women's unpaid work.
2. Attached is:
  - Appendix One: work programme context
  - Appendix Two: an overview of work programme activities.

### Work programme overview

---

3. The Ministry is undertaking work to understand the contribution and value of women's unpaid work in New Zealand society.
4. We know that women spend a greater proportion of their time on unpaid and/or caring work. Although this makes an important contribution to the economy and plays a pivotal role in society and to individuals and communities, it is not visible, widely understood, recognised, or acknowledged as 'real' work.
5. New Zealand's success as a country is dependent on unlocking the contribution of all our people, including women and men, across all aspects of society. We want to ensure that the value generated to society by women in unpaid work is given appropriate recognition in policy and investment decisions.
6. Valuing the contribution of women's unpaid work fits with the Government's priorities to build a stronger and fairer country for all New Zealanders; grow and share more fairly New Zealand's prosperity; and ensure everyone who is able to, is earning, learning, caring or volunteering.

7. Supporting women in unpaid work contributes to the Government's social and economic wellbeing priorities. This aligns with the Ministry's three strategic outcomes
  - 1: The contribution of all women and girls is valued
  - 2: All women and girls are financially secure and can fully participate, and thrive
  - 3: All women and girls are free from all forms of violence and harassment
8. Unpaid work, especially caring, domestic, and household work, as well as community and service work, is also a driver of the gender pay gap, including ethnic gender pay gaps for Māori and Pacific, other ethnic and other minority women. The Gender Pay Principles Working Group included Principle 3: the relationship between paid and unpaid work, in the set of guidelines for use by all state sector agencies as one way to address the gender pay gap.<sup>1</sup>
9. To count and value unpaid work, especially work that is traditionally undertaken by women, may also help to appropriately value women-dominated work, and address pay equity. The historical and contemporary undervaluation of paid work that has been mostly done by women, especially domestic, and care and support work, is intrinsically linked to the marginalisation and undervaluation of women's unpaid work.
10. The outcomes we are seeking include:
  - a better understanding, visibility, recognition, and acknowledgement of the value of women's work: paid and unpaid
  - appropriate recognition of unpaid work in policy and investment decisions
  - increased employees, unions and agencies' recognition of the role women play in unpaid work and how it impacts on their work participation, including ensuring it does not disadvantage them
  - reduced social inequality and improved family wellbeing
  - reduced unfair burden of care on individuals and improved quality of care to those who need it
  - reduced gender stereotyping, including in different cultural, ethnic, and geographic communities.
11. Issues we wish to address include:
  - how we should measure unpaid work, e.g. Time Use surveys?
  - how can we ensure appropriate recognition of unpaid work in policy and investment decisions?
  - should the economic value of unpaid work be recognised? For example, as a measure of the GDP; through the use of gender-responsive budgeting and gender mainstreaming analysis
  - what value society places on unpaid work? For example, as a way of improving wellbeing and reducing social inequality
  - what are Māori and Pacific women's perspectives on unpaid work, for their wider whānau, hapu, iwi, aiga, and cultural communities?

---

<sup>1</sup> <https://women.govt.nz/work-skills/income/gender-pay-gap/gender-pay-principles>

- what is the relationship between unpaid and paid work? For example, the impact of time out of the paid workforce on women returning to work; how to get employers to value unpaid work as part of the skills-base women bring to the workforce
- how much choice do women feel they have to participate in paid/unpaid work?

## Our work programme for 2019

---

12. We propose three streams of work:

- building and promoting the evidence
- promoting a public discussion on the value of women's unpaid work
- promoting the continued measurement of unpaid work in New Zealand.

Following this, we will publish the key findings of this work.

13. To do this, we will:

- build the evidence base through a series of literature reviews looking at international evidence, and New Zealand's gender and cultural perspectives of valuing unpaid work.
- commission a series of essays from experts from a variety of academic, cultural, professional, and other backgrounds, looking at differing aspects of valuing unpaid work.
- hold a public seminar (to be live streamed online) hosted by the Minister for Women with experts, focusing on how unpaid work should be valued in New Zealand.
- interview diverse women on how they want to be valued and acknowledged while in unpaid work, and how to recognise and value unpaid work in paid employment.
- encourage Stats NZ to undertake Time Use surveys on a regular basis and/or to integrate Time Use data into the IDI to bring a longitudinal dimension to the data.

## Role for the Minister for Women

---

14. We have identified opportunities for you as Minister for Women to promote the contribution and value of women's unpaid work by:

- hosting a public seminar with key experts (July 2019)
- releasing the report on women's contribution to unpaid work (November 2019)
- using the findings of the literature reviews in speeches and through the media
- seeking Ministerial support for unpaid work to be measured in New Zealand and counted for as a contribution to economic, social, cultural and wellbeing outcomes.

## Contact for telephone discussion (if required)

---

Name	Position	Telephone	1 <sup>st</sup> Contact
Deb Malcolm	Principal Policy Analyst	9(2)(a)	✓

## Appendix One: Work programme context

---

### Women undertake a disproportionate amount of unpaid work<sup>2</sup>

- 1 The New Zealand labour market is still highly gender segregated, with most women working in women-dominated jobs and most men working in men-dominated jobs. Men also dominate management and leadership roles in the labour force, especially in higher-paid professions.

*'Women and men have different patterns of participation in the paid workforce, primarily because women spend a greater proportion of their time on unpaid and/or caring work. As a result women are disadvantaged in areas such as pay, progression, security of employment and retirement income. When women's skills and experience are not recognised they are underutilised and undervalued in the workforce.'*<sup>3</sup>

2. Women make up the majority of those in caring roles. McKinsey Global Institute (2015) found 75 percent of unpaid care is undertaken by women; the OECD (2014) noted that women typically spend between two to ten times more time on care work, than men. The last Time Use survey undertaken in New Zealand in 2009/10 found women spent approximately four hours 20 minutes on unpaid work, while men undertook two hours and 32 minutes. Information was not collected on whether this is by choice.
3. The expectation is still that women will undertake essential unpaid work, particularly the primary caregivers for children, ageing relatives, and those with disabilities. This perpetuates gender inequality.
4. The OECD has noted that the unequal distribution of caring responsibilities is linked to discriminatory social institutions, stereotypes on gender roles, and gender inequalities in the workforce. The combined burden of unpaid care work, and the undervaluation of women's paid work caused by pay equity issues, impact on the gender pay gap.

*Gender inequality in unpaid care work is the missing link in the analysis of related gender gaps in labour outcomes in three areas: gender gaps in labour force participation rates, quality of employment, and wages (OECD Development Centre 2017)<sup>4</sup>*

### Men want to parent more

5. Evidence from the Christchurch longitudinal study has found men wanted to parent more and actively be involved in unpaid caring work for their children. Gibb, Fergusson and Boden (2013)<sup>5</sup> directly asked parents about their time use satisfaction, and found that men were less satisfied than women with both their work-life balance and work-parenting balance, and reported that they would like to be more involved in childcare.

---

<sup>2</sup> Time spent in unpaid work can include routine housework, shopping, care for household members, child care, adult care, care for non-household members, volunteering, travel related to household activities, and other unpaid activities.

<sup>3</sup> [http://www.oecd.org/dev/development-gender/Unpaid\\_care\\_work.pdf](http://www.oecd.org/dev/development-gender/Unpaid_care_work.pdf)

<sup>4</sup> *ibid*

<sup>5</sup> Gibb, S.J., Fergusson, D.M., Boden, J.M. *Gender Differences in Paid and Unpaid Work: findings from a New Zealand Birth Cohort*, Policy Quarterly, Vol 9, Issue 3, August 2013 pp 65-71

## Unpaid work impacts on women's workforce participation

6. The amount of time spent on unpaid care work is negatively linked to women's participation in the labour force. The OECD (2014) found that 'in countries where women spend an average of five hours on unpaid care activities, 50 percent of women in the working age-population are employed or looking for a job. Whereas, in countries where women spend three hours on unpaid care work, 60 percent of women are active in the labour force. A decrease in women's unpaid care work is related to a ten percentage point increase in women's labour force participation rate'.<sup>6</sup>
7. In New Zealand, men and women spend around the same time in paid work (seven hours a day or 49 hours a week). While around 60 percent of men's work is paid, nearly 70 percent of women's work is unpaid.<sup>7</sup>
8. More recently the 2013 Census confirmed that women were more likely than men to take part in unpaid activities, representing 66.5 percent of people who provided care for a child who did not live in their household. Women also make up 65.8 percent of care for a sick or disabled person who did not live in their household. The 2013 Census also found that unpaid family workers<sup>8</sup> are more likely to be women (56.4 percent) versus men (43.6 percent), and a quarter of these workers were aged 65 and over.<sup>9</sup>
9. Countries with a high rate of unpaid care work performed by women compared to men, have greater rates of women in part-time work. In New Zealand, one in three employed women work part-time, and of those part-time working women, one in five is under-employed. They accumulate less work experience than men, and this can count against them when seeking more responsible or senior positions.
10. Fewer higher-level positions are available on a part-time basis. When women work part-time, they are more likely to miss out on more challenging work and professional development opportunities. They may also choose employment below their skill level and accept poorer conditions to accommodate family responsibilities.
11. There is further impact when gender and other factors such as ethnicity are considered together. Māori and Pacific women aged between 15 and 24 years are more likely than other women to not be in employment, education or training, start child bearing early, and receive a benefit. They are more likely to be both under-employed and over-employed (e.g. multiple jobs), than other women. Women with disabilities are also significantly under-employed in comparison to men with disabilities.
12. Ministry for Women research shows that while mothers in paid work suffer a 'motherhood pay gap' which increases the longer they stay out of the work force, mothers who were in low-paid or no-paid work, before becoming parents, face an 'employment gap'. Women who were not in education, employment or training (NEET) before coming mothers, or those in low-paid jobs, were less likely to enter the work force after having children. This is likely due to the unpaid domestic and care work that involves having young children.<sup>10</sup>

---

<sup>6</sup> ibid

<sup>7</sup> StatsNZ Time Use survey 2009/10

<sup>8</sup> Unpaid family workers are defined as those who worked without pay for a business owned by a relative

<sup>9</sup> Stats NZ 'Quick stats about work and unpaid activities' (2013) - <http://archive.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-work-unpaid.aspx>

<sup>10</sup> Ministry for Women, *Parenthood and Labour Market Outcomes* (2018)

13. All of this has a significant impact on women's lifetime earnings, financial security and their capacity for retirement savings, which are substantially reduced in comparison to men.

### **Employers' recognition of unpaid work**

14. Women's unpaid work experience is often not recognised by employers as part of the package of skills and experience women bring to the workforce, especially after periods of caring for children. As a result, women are disadvantaged in areas such as pay, progression, and security of employment. Women often experience decreased earnings when they return to the paid workforce from career breaks, they often experience difficulty getting their careers back on track. When women's skills and experience are not recognised, they are often undervalued in the workforce.
15. Studies however, have shown that mothers who do paid work remotely are among the most productive employees in professional workplaces, and other women with unpaid work responsibilities are better able to perform at their paid jobs, when their unpaid work is accounted for.<sup>11</sup>
16. Employers need to take active steps to ensure that time out of the workforce by women for unpaid and/or caring work does not result in workplace disadvantage. The skills and experience gained through unpaid and/or caring work are utilised and rewarded, and that work is allocated in a way that positively recognises different patterns of workforce participation.<sup>12</sup>

### **Making unpaid work visible**

17. Unpaid work is one of the largest 'sectors' in the economy. The United Kingdom (UK) Government Statistician noted in 2016 that unpaid work is the equivalent of all retail and manufacturing in the UK. A report by PwC in Australia found that 'if the total economy includes a conservative estimate of the value of unpaid childcare work then, in 2011 terms, it is a \$345 billion sector, making it almost three times bigger than the financial and insurance sector.'<sup>13</sup>
18. Statistics Canada reported that women do two-thirds of the 2.5 billion hours of unpaid work performed in Canada annually, and depending on how it is measured, that work is worth between \$235 billion and \$374 billion annually<sup>14</sup>. New Zealand women's unpaid contribution to organisations is valued at \$30.4 million more than men's contribution.<sup>15</sup>
19. There is however no universally accepted way to measure the value/contribution of unpaid work. The economic value of women's unpaid work is not included in gross domestic product (GDP) or national income accounting indicators, making the analysis of unpaid work difficult and largely economically invisible.

---

<sup>11</sup> <https://flexijobs.com>

<sup>12</sup> <https://women.govt.nz/work-skills/income/gender-pay-gap/gender-pay-principles>

<sup>13</sup> <https://www.pwc.com/au/australia-in-transition/publications/understanding-the-unpaid-economy-mar17.pdf>

<sup>14</sup> [http://www.gov.pe.ca/photos/original/acsw\\_paid\\_full.pdf](http://www.gov.pe.ca/photos/original/acsw_paid_full.pdf)

<sup>15</sup> Women and men's contribution to volunteering

20. The most common approach has been to measure the market replacement cost by calculating what the value of unpaid care would be in the paid care sector if a person was employed to perform such work. However, this only considers unpaid work from an economic perspective and is dependent on what market value is given to work (paid and unpaid) being measured. It doesn't reflect the other benefits to society (e.g. cultural, social, etc.).

### **The use of Time Use surveys**

21. Another way to measure unpaid work is to move away from economic indicators to measuring the time women spend in unpaid work. This is widely used internationally.<sup>16</sup>
22. A Time Use survey evaluates how much time is spent providing different services, such as time spent in the workforce versus time spent on unpaid domestic work. Results of these surveys have shown that unpaid work, particularly caring and domestic work, is often disproportionately undertaken by women, who often spend proportionately less time in paid work than men.
23. By applying a value (such as the minimum wage) to unpaid work, Time Use data can be translated into the language of economics to understand its economic contribution.
24. Stats NZ has twice collected detailed information about time spent on unpaid work and the type of activity undertaken, including childcare. The last Time Use survey was undertaken in New Zealand in 2009/10 and found women spent approximately four hours 20 minutes on unpaid work, while men undertook two hours and 32 minutes.
25. Since the last survey, women's (paid) labour force participation has increased, and older people are staying in the labour force longer. More parents are using formal childcare over informal childcare, and women are having children a little later, or not at all. There has been increased attention to workplace inequality, particularly the gender pay gap, and social attitudes on the role of women may have shifted as a result. As a result Time Use data about domestic unpaid activity is out of date. Stats NZ is currently looking at a new Time Use survey for 2020/21.

### **Other measures of unpaid work**

26. *The Living Standards Framework* (LSF) has been developed by the New Zealand Treasury to consider the collective impact of policies on wellbeing. The Treasury is currently consulting on aspects of the framework to be included in a dashboard. The Treasury considers Time Use data could contribute information about volunteering, leisure time and positive social activity, if the supply of data was reliable.
27. More recently, official statistics have been generated on time spent volunteering and on work outside the household. Volunteering is a subset of unpaid work. Data on time spent volunteering, donations to organisations, and barriers to volunteering, was collected as a module to the GSS in 2016. In 2018, a hybrid volunteering module ran within the Household Labour Force Survey which included questions on unpaid work for family members outside the household. Volunteering New Zealand undertook a survey on volunteering in 2016.

---

<sup>16</sup> <https://stats.oecd.org/index.aspx?queryid=54757>

## Understanding the policy and investment implications of unpaid work

28. The impact of women's unpaid work has not been considered in the development of government policy and/or investment decisions. If unpaid work is not measured and valued, it has the potential to be overlooked when governments make laws, set policies<sup>17</sup>, and make investment decisions for New Zealand.

*.... neglecting unpaid care work leads to incorrect inferences about levels and changes in individuals' well-being and the value of time, which in turn limit policy effectiveness across range of socio-economic areas, notably gender inequalities in employment and other empowerment areas (OECD Development Centre, 2014).*

29. Policies development should not limit the choices women have; there are however multiple structural elements in work and policies that currently limit these choices. For example, 23 percent of mothers have difficulty finding childcare, and the parental leave parameters lead to women taking extended leave outside of work<sup>18</sup>. By using a gender lens, policies that could have a negative effect on women can be challenged and/or amended.

30. Ways to recognise women's unpaid work in policy development and investment decisions could include:<sup>19</sup>

- introducing a regular measurement of women's contribution to unpaid work using Time Use surveys, instead of GDP-type economic transactions, to identify what people are really doing and valuing
- introducing gender analysis in all policy development
- introducing gender budgeting and gender mainstreaming that analyses the impacts (positive, negative or unintended) of budget decisions on women<sup>20</sup>
- gaining a better understanding of the impact of unpaid work on the wider economy
- recognising the links between valuing unpaid work and better valuing paid work that has been undervalued, including women-dominated work affected by pay equity issues, as well as appropriately valuing so-called, 'low-skilled' work
- better understanding and measuring the unpaid work for all women in New Zealand, including cultural perspectives from Māori and Pacific, and other cultural and ethnic minorities
- improving and normalising family-friendly working conditions that enable parents to balance their working hours and caring responsibilities. E.g. flexible work and part time working arrangements for all positions and employees, without adversely affecting security of employment arrangements, and increasing paid parental leave (for mothers and fathers)
- ensuring access to affordable child care, and care for older family members, to allow for better work-life balance
- scoping jobs and allocating work in a way that positively recognises and rewards the skills and experience gained through unpaid and/or caring work
- creating workplace environments that support and encourage men's participation in unpaid and/or caring work.

<sup>17</sup> <https://www.odt.co.nz/lifestyle/magazine/making-it-count-0>

<sup>18</sup> Ministry for Women Statement of Intent 2018 -2020, p14

<sup>19</sup> [http://www.oecd.org/dev/development-gender/Unpaid\\_care\\_work.pdf](http://www.oecd.org/dev/development-gender/Unpaid_care_work.pdf); [http://www.gov.pe.ca/photos/original/acsw\\_paid\\_full.pdf](http://www.gov.pe.ca/photos/original/acsw_paid_full.pdf)

<sup>20</sup> There are two major levers governments have in gender budgeting – tax measures (such as tax advantaged savings plans) and direct expenditures (such as welfare, childcare, old age support)

## Appendix Two: Overview of the Ministry for Women work programme on valuing unpaid work

Activities		Why it matters	Minister's role	What we will do
Building the evidence	International literature review	Provides an evidence base on how international countries are measuring and incorporating unpaid work into policy development	Release the literature reviews Promote through speeches, media release and social media	Publish the literature reviews on the Ministry website Use the evidence to inform policy/ promote measurement in New Zealand
	Māori literature review Pacific literature review	Provides understanding of how unpaid work is valued in a cultural setting	Release the literature reviews Promote through speeches, media release and social media	Publish the literature reviews on the Ministry website Use the evidence to inform policy
	Interviews with women	Provides women's understanding of unpaid work	Release the report on the 'women's voices' Promote through speeches, media release and social media	Publish the women's stories on the Ministry website Use the evidence to inform policy
Promote public discussion	Seminar on unpaid work	Experts from different perspectives to promote discussion on how unpaid work is valued in New Zealand	Host the seminar Promote through speeches, media release and social media	Provide key messages/supporting communications Organise and live stream the event
	Series of 'essays' from experts	Brings different perspectives to promote discussion	Release the essays Promote through speeches, media release and social media	Provide key messages/supporting communications Publish the essays on the Ministry website
	Raising the profile of men undertaking essential unpaid work	Men sharing unpaid work can help address the gender inequalities/pay gap	Promote through speeches, media release and social media	Build on the evidence from research to encourage public debate on the caring roles men wish to take
Measuring unpaid work	Learnings from the international literature review on measuring unpaid work	If unpaid work is not measured it cannot be valued or incorporated in policy development	Promote the Time Use survey with the Minister for Statistics Learnings from the bilaterals with countries at CSW63	Develop a paper on measuring unpaid work Ongoing discussion with StatsNZ

### Activities timeline 2019 (resource dependent)

March	April	May	June	July	August	September	October	November
Work programme proposal	International literature review Māori literature review Pacific literature review		Paper on unpaid work	Seminar on unpaid work Commission 'essays' from experts		Interviews with women on experiences of unpaid work		Publish report on valuing unpaid work Possible Ministerial event

**Who we will work with**

Suggested stakeholders/agencies	Activity
9(2)(a)	
StatsNZ	Time use survey
The Treasury	Wellbeing framework
Ministry for Social Development	Carers strategy review
Ministry for Health	Funded family care review
9(2)(a)	

RELEASED