Box 12

Effect of the economic crisis and fiscal consolidation on unpaid care work and the international care economy

Economic downturns also have an impact on the extent and distribution of unpaid care work. In some countries, the most recent economic crisis and the consequent fiscal consolidation measures have resulted in a number of public spending cuts that not only have major negative impacts on all citizens, but are considered to be incompatible with the achievement of substantive gender equality (Rubery, 2015; UN Women, 2014). Globally, 125 countries have contracted public expenditures in 2015 (90 of them are developing countries). In particular, since the first wave of fiscal contractions (2010–11), 130 governments are considering operating a freeze or contraction of public sector jobs and instituting cuts to cap their wage bill (Ortiz et al., 2015). For instance, in Greece, Hungary, Ireland, Latvia and Portugal, cutbacks in the public sector have led to job losses for women in occupations where women hold a higher share of employment (Vaughan-Whitehead, 2013). This not only affects women's income, but also their access to family-friendly policies, as public sector jobs are more likely to offer these measures than those in the private sector (Rubery, 2013). In addition, cuts have been made to public spending on family allowances and child benefits; housing benefits and subsidies for fuel, agriculture and food products, which are likely disproportionally to affect women, who rely on this support more than men. In 14 out of 23 European Union countries with data on real expenditures, total government expenditure on family and child benefits declined in 2012 to below 2008 levels (UN Women, 2014).

The ILO estimates that 105 countries are considering the implementation of additional adjustments, including pension reforms that might result in the cutting of old-age benefits, while others are contemplating health-care reforms (56 countries) or other measures to rationalize or further target social provision (107 countries), which could take effect between 2016 and 2020 (Ortiz et al., 2015). Research shows that job losses and public spending cuts in social benefits and services are typically offset by the additional time and effort devoted by women to caregiving and other unpaid work, with women acting as a "safety net of last resort" in economic downturns (Elson, 2014; UNRISD, 2010). For instance, an assessment study on the impact of the 2008 financial crisis in developing countries shows that many informal workers in the 10 cities surveyed were increasing their unpaid home-based production. Overall, the crisis had resulted in more poverty and other harmful consequences for the well-being of urban informal workers and their families (Horn, 2010).

Finally, measures reducing the provision of social protection in higher-income countries have also resulted in an increased demand for migrant women's labour, particularly in jobs in the care economy, which often come with no access to social protection and labour rights. For example, in the last decade, migrants constituted 47 per cent of the increase in the workforce in the United States and 70 per cent in Europe (OECD, 2014b). In Australia, estimates show that foreign-born workers make up 25 per cent of all care workers and this share is as high as 50 per cent in Austria (Fujisawa and Colombo, 2009). In Italy, migrant workers are performing a greater role in providing care, as the proportion of officially registered domestic workers that are foreign-born increased from 16.5 per cent in 1991 to 73 per cent by 2005, 87 per cent of these being women (Rostgaard et al., 2011; Di Santo and Ceruzzi, 2010). These trends point to the crucial role that migrant women play in filling care deficits, in particular following the crisis, and are also observed in middle-income countries in Asia, Latin America and Africa (ILO, 2014g).

Because care work involves tasks that women have traditionally performed without pay, the skills required for care work, which are often considered to be innate to women, and care provision in general, are undervalued or even overlooked in national measures of the economy (ILO, 2012c). At the same time, according to the resolution concerning statistics of work, employment and labour underutilization adopted by the Nineteenth International Conference of Labour Statisticians in 2013, unpaid household and care work is a recognized form of work. Seen in this light, all women are working women, in view of the time, energy and skills that go into the unpaid work that they perform.

This major change in the way work and employment are defined and measured has important implications for gender equality at work. The new definition is a first step towards more and better statistics measuring – and therefore recognizing – the entire spectrum of paid and unpaid work performed by women and men. It will also help in the design, implementation and evaluation of policies to reduce and redistribute unpaid work. The importance of measuring and addressing unpaid work has also been noted in the framework of the recently adopted 2030 Agenda for Sustainable Development. As stated in target 5.4, linked to the Goal 5, to "Achieve gender equality and empower all women and girls", unpaid care and domestic

^{48.} As defined in the resolution concerning statistics of work, employment and labour underutilization, unpaid work is considered as part of "own-use production work", which refers to "any activity to produce goods or provide services for own final use". This includes household accounting and management, preparing and serving meals, cleaning, decorating and maintaining one's own dwelling, and also childcare, transporting and caring for dependents, including the elderly and other household members (ILO, 2013b).