# ACTIO INSIGHT



WOMEN EMPOWERMENT:
CHARGING PATTERNS OF UNPAID CARE
WORK TO TRANSFORM THE CARE ECONOMY





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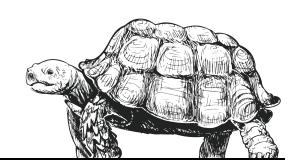
Care needs have been exacerbated since the COVID-19 pandemic. This has implications on the conditions of paid and unpaid care labor, specifically increasing the sum of unpaid care work women and girls assume. The 2020 World Bank Indonesia Country Gender Assessment (CGA) declared that the most common reason Indonesian women leave the labor market is to meet care needs imposed only on them and not their male counterparts, foregoing approximately US\$1,300 in earnings. This gender gap is among the most striking manifestations of the inequality between men and women, encompassing a nexus of gender, labor, health and autonomy. Yet, despite ongoing efforts, this issue remains unblemished in Indonesia, as exhibited in global and national statistical reports and assessments. Guided by the UN Women Strategic Plan 2022-2025, addressing unpaid care work to transform the care economy is necessary to realize women's economic empowerment at the impact level.<sup>3</sup>

The 2018 Central Statistics Agency (BPS) Report discloses a gap in the Labor Force Participation Rate (TPAK) between men and women, standing at 83.01 percent and 55.04 percent, respectively. This number has remained marginally the same for women for the last three decades. However, a more recent time-use survey conducted by the United Nations Development Programme (UNDP) and Abdul Latif Jameel Poverty Action Lab South-East Asia (J-PAL SEA) in 2021, involving over 1,000 respondents across eight cities in Indonesia, sees women performing labor beyond employment duties. The survey finds a higher proportion of women spending > 3 hours per day on home production compared to that of men, and a higher proportion of men spending > 2 hours per day on home production to that of women.<sup>4</sup>

The OECD describes unpaid care work as "all non-market, unpaid activities carried out in households - including both direct care of persons, such as children or elderly, and indirect care, such as cooking, cleaning or fetching water" (p. 2). Notwithstanding the argument of choice, social and cultural norms, features of the labor market, and lack of public services, infrastructures and policies constitute structural barriers to women's labor force participation. The history of care work being unpaid and performed by women can be explained by the reductive view that supposes 'caring' as a feminine trait inherent to women. Such a conclusion accepts the nature of 'caring' as involving few skills, therefore undermining its economic value and entailing a loss concurred by women and the economy. More specifically, unpaid care work denotes a systematic passing of hidden subsidies to the economy, with women disproportionately bearing its costs and systematic time-taxes.

The loss concurred by women comes in different forms. Women bear personal opportunity costs in terms of leisure, personal care and health, and home production trade-offs. Unpaid care work also implies structural confinement for women: it inhibits their social mobility and has been regarded as a root cause of intergenerational poverty. The magnitude of implications differ across socioeconomic conditions such as household income, education level, marital status and having children, but is unequivocally more prominent in low-income countries. To the economy, unpaid care work imposes an overall restriction on labor supply in the formal labor market, income that could have been generated, and lower levels of effective demand for goods and services that could provide employment and generate further economic activity.

Unlike its predecessor, the National Medium-Term Development Plan (RPJMN) 2020-2024 emphasizes the significance of achieving gender equality, empowerment of women, children and youth and the fulfillment of rights and protection to realize quality human resources and competitiveness. Family-friendly policies also exist to protect maternity and breastfeeding (i.e., Law No. 49/1999 on Human Rights; Act No. 13/2003 on Manpower; Law No. 36/2009 on Health; Government Regulation 33/2012; MoH Decree No. 450/MENKES/SK/VI/2004; Joint Regulations of Three Ministers; Sari Husada), and provide adequate childcare services (i.e., MoE Regulation 58/2009; MoE Regulation 137/2014; Technical Guidance of the Directorate of Early Childhood Education of MoEC of 2015; MoSA Regulation 30/2011; MoH 79/2014), in addition to a joint publication regarding community-based childcare training manual by ILO Indonesia, Bappenas, MAMPU, AusAID in 2015.





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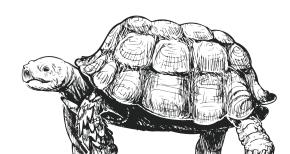
However, these measures are not enough to change the power dynamics of care. Social and gender norms prevail and are reflected in Indonesia's laws and regulations. In measuring laws and regulations restricting women's economic participation, the 2022 Women, Business and the Law Index exposed that men and women do not have full legal equality. Of particular interest to 'care', periods of childcare leave are excluded from pension payments and women are entitled to shorter paid maternity leave at 13 weeks than the ILO recommended of at least 18 weeks.<sup>11</sup> <sup>12</sup>

SMERU Institute informs the reasons for the aforementioned shortcomings as the lack of discourse on issues relating to unpaid care work in policymaking. This is due to (i) the general conception of unpaid care work as a domestic issue, (ii) the gendered division of labor embedded in Indonesian society, (iii) the lack of clear understanding of unpaid care work, and (iv) lack of definite efforts to value unpaid care work. Indeed, the 2018 BPS Report reveals this lack of recognition of unpaid care work as labor among executive decision-making, categorizing home production care workers as Non-Workforce.

Even paid care work, which is still heavily influenced by gendered roles, faces significant challenges in the policymaking process. For example, The Domestic Worker Protection Bill has been pending in the Prolegnas for years, highlighting the reluctance of the House of Representatives to pass legislation that addresses gender biases and shifts in behavior.

It is important for Indonesia to align itself with the key development advances to address this pervasive pattern of gender inequality and transform the care economy. First, it is critical to classify unpaid care work as labor. This action was formally conceived at the 19th International Conference of Labour Statisticians in 2013 to make women's local and global economic contributions visible. Second, to position the gender struggles of unpaid care work in relation to their potential labor outcomes, in both the private and public sphere. Despite 'care' being qualitative in nature, a variety of methods, including but not limited to time-use or time-budget surveys, and the promotion of Gender Responsive Budgeting to analyze unpaid care burden and care needs and to quantify the economic value of care work. 5DG Indicator 5.4.1 calls for measuring time spent on unpaid domestic and care work, by sex, age and location, which helps the government and policymakers to enhance the quality of evidence to recognize the nature and implications of unpaid care work to the economy. Third, SDG Target 5.4 calls for a valuation of unpaid care and domestic work in the public sphere through public services, infrastructures and policies, and in the private sphere through the promotion of redistribution of work. The supplying, regulating, and funding of domestic and formal care services, infrastructures and policies around the objectives of reducing and redistributing unpaid care work circumvents putting a strain on the labor market and the economy, as well as communities, families, individuals, and women in particular. 18 It is worth noting that initiatives to Recognize, Reduce and Redistribute unpaid care work must also be matched with fitting Rewards and Representation of paid care workers to avoid the perpetuation of gender disparity in economic activities, for by and large, care work remains a form of labor predominantly undertaken by women and girls."

Due to the intertwined challenges of care work and more comprehensive economic activities, dynamic and multidimensional approaches beyond the 5Rs is equally critical. Other key interventions encompassing public and private sectors, urban and rural areas, and formal and informal economies and workers specified in the Strategic Plan 2022-2025, include: (i) incentivizing decent work, equal pay for work of equal value, and entrepreneurship; (ii) supporting the development and implementation of macroeconomic policies and practices that advance gender equality and women's empowerment by working with ministries of finance and IFIs; reducing women's and girls' poverty by strengthening women's economic rights, labor force participation and employment rates, and access to social protection systems, as part of COVID-19 economic recovery; (iii) championing women's increased participation and leadership in green and blue economies and climate-resilient agriculture; and (iv) engaging with women's organizations, the private sector and trade unions to tackle discriminatory social norms, practices and legislation, and support women's active participation and leadership in the economy.<sup>20</sup>





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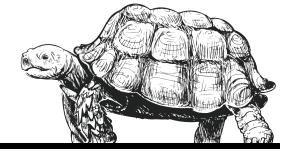
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