



Ministry of Economy
Argentina

The Value of Care: A Strategic Economic Sector

A Measurement of Unpaid Care and Domestic Work in the Argentine GDP



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Executive Summary

The current report, “The Value of Care: A Strategic Economic Sector. A measurement of Unpaid Care and Domestic Work in the Argentine GDP,” estimates the contribution of care work to the Argentine economy and how it changed under the Covid-19 lockdown during 2020. The National Directorate of Economy, Equality and Gender, headed by Dr. Mercedes D’Alessandro, presented the report in August 2020.

The report found that Unpaid Care and Domestic Work (UCDW) amounts to 15.9% of the GDP and represents the largest sector in the entire economy, followed by industry (13.2%) and commerce (13%). If the vast amount of domestic tasks carried out in Argentine homes everyday were remunerated, the sector would contribute **U\$S 67,438 million dollars** to the GDP.

The work is not distributed equally, however. The report found that 75,7% of the tasks are carried out by women – who carry out 96 million hours of unremunerated household and care work.

The report also analyzes how the sector’s importance within the GDP grew during the pandemic: while many productive sectors decreased activity, care work increased to 21.8% of the GDP and increased by 5.9 percentage points over the pre-pandemic measurement. The care economy took on unprecedented importance during the pandemic lockdown, and sustained social functioning.

The burden of increased UCDW falls mainly on women and follows a logic of inequality. A grave so-called "care crisis" pre-dates Covid-19. Pandemic-spurred changes in UCDW reinforce the urgent need to address the issue, as a condition for female labor insertion and to close inequality gaps.





The pandemic heightened specific challenges already faced by women. **The burdens of unpaid care and domestic work increased exponentially due to lockdowns.** Additionally, many so-called “essential” jobs are feminized: women are the majority of nurses, cleaning service at hospitals, teachers, workers in the food industry and cashiers at supermarkets, heads of community soup kitchens. The domestic service sector, the most important source of employment for Argentine women, is one of the most affected by the COVID-19 crisis. **For many women, sustaining a work activity in-person or remotely while simultaneously attending to care demands is unsustainable in the long-term, a fact that has consequences both on productivity and on their employment possibilities.**

UCDW is a sector that produces essential goods and services for social, economic and productive activity. Understanding this fact is a necessary step to value these tasks, redistribute their load, strengthen their infrastructure and guarantee that they are carried out in a way that contributes to improving quality of life. **This report considers the care system a strategic sector for Argentina now and in the future.**





Invisible economic support: Unpaid Care and Domestic Work

The COVID-19 pandemic changed everybody's routines. In Argentina, Mandatory Preventive Social Isolation (ASPO in Spanish acronym) measures were implemented to contain the spread of the novel coronavirus. In the ASPO's most restrictive phase, circulation was limited to essential workers. Workplaces, schools and care spaces were closed. Households faced an extra burden of unpaid care and household chores that had previously been resolved in various ways. Hours dedicated to cleaning, cooking and organizing the home increased during the pandemic, as did time required to care for children, adolescents, and the elderly. The situation exposed tasks that have usually been performed invisibly within homes, and created an unsustainable new normal.

Unpaid Care and Domestic Work (UCDW) is the invisible backbone of contemporary capitalist society. It allows people to feed themselves, satisfy their care needs, maintain habitable conditions, generally carry out their daily activities and participate in the labor market, study or enjoy leisure time, among other pursuits. **The distribution of UCDW is structurally unequal: 9 out of 10 women perform these tasks for an average of 6.4 hours a day. They triple the time spent by men on such work.**

This asymmetric distribution helps to explain why women's participation in the labor market is 20 percentage points lower than men's. It also leads to their holding more precarious jobs, which in turn implies greater social vulnerability; such as lacking access to healthcare and greater difficulty in, eventually, obtaining pensions. Compared to men, women have higher levels of unemployment, earn less and, are, consequently, poorer. These are direct effects of the care work burden carried by women.





Indicators	Women	Men	Gap
Labor Force Participation Rate	49.4%	69.4%	20
Labor Force Participation Rate including housewives/men	61.5%	70.8%	9,3
Unemployment rate	9.5%	8.4%	-1.1
Unemployment rate in under 30s	18.9%	16.9%	2
Employment rate	44.7%	63.6%	18.9
Total individual income in population with income	\$22,252.80	\$30,777.50	27.7%

Source: National Direction for Economy, Equality and Gender based on data from EPH-INDEC (4th trimester 2019) on urban population over 14-years-old

Nonetheless, UCDW is absent in mainstream economic discussions, despite the time commitment these activities require. These tasks are not recognized as productive and are not included in analysis models, nor are their contributions to the economy identified. **This report estimates and monetizes UCDW as a way to value and quantify a sector that enables the functioning of the economy as a whole.**





One way to measure UCDW's value within the production system is to calculate the value these tasks would have if they were remunerated. These jobs, carried out for free in homes, have a cost for those who perform them, and they are a substantial contribution to the general production of goods and services -- a tension made more evident in the current pandemic context. This report focuses on measuring the contribution of the UCDW to Gross Domestic Product (GDP) and, based on this, its variation in the context of the pandemic. This exercise sustains the case that the care sector is a strategic sector of relevance to Argentina's economic reactivation.





The unequal burden of care: Hours of unpaid work and time gaps

In Argentina, the only tool available to measure time spent by people in their homes on UCDW is the Time Use Survey (ENUT) in the Annual Survey of Urban Households (EAHU), which was carried out by the National Institute of Statistics and Census (INDEC) in the 3rd quarter of 2013. This module sought to obtain information regarding the participation and time allocated by people aged 18 years and over to housework and caring for household members. The unpaid domestic work module consisted of three questions, all of which referred to the immediately preceding day (“yesterday”):

1. How much time did you spend on: house cleaning, laundry and grooming, food preparation and cooking, home shopping, home repair and maintenance? (The category used in the processing was "housework.")
2. How much time did you dedicate to schoolwork support to household members? (The category used in the processing was "school support.")
3. How much time did you spend caring for children / sick or elderly, household members, including travel times? (The category used in the processing was “caring for people.”)

Two indicators were constructed from the resulting data: participation rate in paid activities and hours dedicated to unpaid domestic work. These indicators allow us to measure, for the first time, the burden and composition of unpaid work in Argentina and are used here to calculate UCDW as a part of the GDP.





According to this survey (as mentioned in the report “Gender Gaps in Argentina. The situation and challenges.” DNElyG, 2020), **women perform more than 75% of unpaid domestic tasks. 88.9% of women participate in these tasks and dedicate an average of 6.4 hours a day to them. Meanwhile, only 57.9% of men participate in these jobs, to which they dedicate an average of 3.4 hours a day.**

Participation rate and average time spent on unpaid care and housework, by gender

	Men		Women		Total	
	Participation rate	Average Time	Participation Rate	Average Time	Participation Rate	Average Time
Housework	50.2	2.4	86.7	3.9	69.4	3.4
Schoolwork support	6.9	1.9	19.3	2.2	13.5	2.1
Care of people	16.8	3.8	31.1	6	24.3	5.3
UCDW hours total	57.9	3.4	88.9	6.4	74.2	5.3

Source: DNElyG based on data from the Survey on Unpaid Work and Time Use (EPH-INDEC, 3rd quarter 2013) in the population aged 18 years and over.





The difference in the distribution of unpaid tasks is greater among those who are younger (18 to 29 years old) and less among those aged 60 years and over. The presence of children in the home widens the gap in the distribution of unpaid work: women without children under 6 years of age perform 72.7% of UCDW, while those with two or more take care of 77.8% of them. Women dedicate more hours to domestic work, even when comparing a woman who works (outside the home and paid) for a full day with a man who is unemployed (5.9 hours and 3.2 hours a day respectively). **In all cases and in all its dimensions, the distribution of UCDW is markedly unequal in terms of gender.**

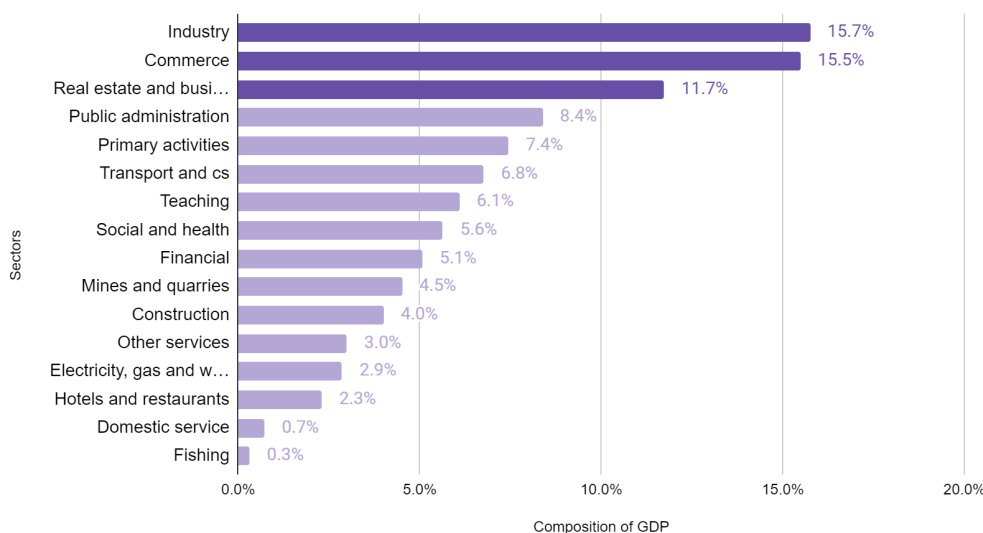




Measuring care in the GDP -- valuing the invisible

GDP¹ reflects a country's economic performance. Among other things, it permits international comparisons and demonstrates growth and/or economic development dynamics. The indicator's composition is one of the ways to read this indicator. In Argentina's case, the sectors with the highest contribution to GDP are industry and commerce. Yet, UCDW is not included in GDP calculations, because it is not measured and because it is not considered productive work – the indicator excludes an activity that is fundamental for the national economy.

Sectors as% of GDP



Source: DNElyG based on data from the Advancement of the Level of Activity - INDEC, 4th quarter 2019.

¹ By not considering net indirect taxes, we henceforth refer to the Gross Aggregate Value as an indicator of GDP.





According to our analysis, **UCDW contributes 15.9% to Argentina's GDP**. This value is in keeping with results from other countries in Latin America, which vary between 15% and 24%.

There are certain methodological differences regarding the estimated market value of unpaid tasks. Colombia (20.4%), for example, uses the specialist method, which assigns an hourly pay value to each task equivalent to that of a remunerated worker in a similar sector. This method assigns the equivalent hourly wage of education sector personnel educational support, health sector wages to care of people, and household chores the paid rate for domestic service. In comparison, Guatemala (18.8%) uses the generalist method, which assigns the same hourly income to all tasks (generally pegged at domestic service hourly rates). Costa Rica (15.7%), Ecuador (15.2%), Mexico (24.2%), Peru (20.4%) and Uruguay (22.9%) use hybrid methods that combine both formulas. For example, one assigns the value of domestic employment for all tasks except education income, which is allocated for educational support. **This report employs the generalist method with domestic service wages, which in Argentina are the lowest of the aforementioned incomes, a conservative methodology that establishes a minimum value parameter.**

The International Labor Organization (ILO) estimates that UCDW's contribution is 9.0% of GDP, with great heterogeneity between countries. In Spain, for example, it amounts to 10.3% of GDP, France 14.8%, Germany 15.0%, New Zealand 20.0% and 26.8% in Australia, to name a few. These differences may represent a diversity of scenarios (labor laws, how care is resolved, infrastructure, among others), as well as data sources, methodologies, and decisions on how to perform the calculation and present the results.



The Value of Care: A Strategic Economic Sector. A Measurement of Unpaid Care and Domestic Work in the Argentine GDP.



						Value of UCDW as % of GDP		
COUNTRY	YEAR	SOURCE	COSTS	SALARY FUNCTION	GROSS / NET	MEN	WOMEN	TOTAL
Colombia	2012	Encuesta Nacional de Uso del Tiempo + Gran Encuesta Integrada de Hogares (GEIH)	Replacement	Specialist	Gross salary	4.1	16.3	20.4
Costa Rica	2011	Encuesta sobre Uso del Tiempo Gran Área Metropolitana (EUT-GAM)+ ENAHO	Replacement	Hybrid	Gross salary	4.25	11.46	15.72
Ecuador	2012	Encuesta Nacional de Uso del Tiempo + Tabla Generación del Ingreso por Industria de Cuentas Nacionales CICN (Basada en la OIU)	Replacement	Hybrid	Gross salary	3.42	11.78	15.2
El Salvador	2010	Módulo uso del tiempo de Encuesta de Hogares de Propósitos Múltiples 2010	Replacement	Hybrid	Gross salary	4.5	16.8	21.3
Guatemala	2014	Encuesta Nacional de Empleo e Ingresos (ENEI)	Replacement	Generalist	Gross salary	2.5	16.3	18.8
México	2014	ENUT + Encuesta Nacional de Empleo (ENE) + Encuesta Nacional de Ocupación y Empleo (ENOE)	Replacement	Hybrid	Both and compared	6.2	18	24.2
Perú	2010	ENUT 2010	Replacement	Hybrid	Gross salary	6.3	14.1	20.4
Uruguay	2013	Encuesta Continua de Hogares	Replacement	Hybrid	Gross salary	6.6	16.3	22.9

Source: ECLAC, Systematization of the experiences of economic appreciation of the unpaid work of households, 2018.





Our methodology

The procedure we used to quantify the contribution of UCDW as part of GDP² consists of the following steps:

1. Calculation of the hourly wage from domestic workers.
2. Multiplication of that wage by the number of hours dedicated to UCDW (derived from TUS 2013).
3. Estimation of the number of people who perform UCDW.
4. Multiplication of the annual amount of UCDW (income per number of hours) by the number of people estimated in 3.
5. Addition of the total UCDW to GDP.
6. Comparison of the weight of the UCDW sector with the rest of the productive sectors.

We used the substitution method, based on ENUT data, which includes the totality of hours dedicated to UCDW. The market value or average income per hour of domestic house workers, of U\$S 1.40 per hour³, is based on the Permanent Household Survey (EPH) 4th quarter of 2019 data.

The comparison of UCDW's value with that of other GDP sectors is conclusive: **UCDW represents 15.9% of GDP and is the sector with the highest contribution in the entire economy, followed by industry (13.2%) and commerce (13.0%). If paid, UCDW would represent U\$S 67,438 million⁴, a value that results from the large scale at which unpaid domestic tasks are performed in homes.**

² Other methodologies are developed in the corresponding section.

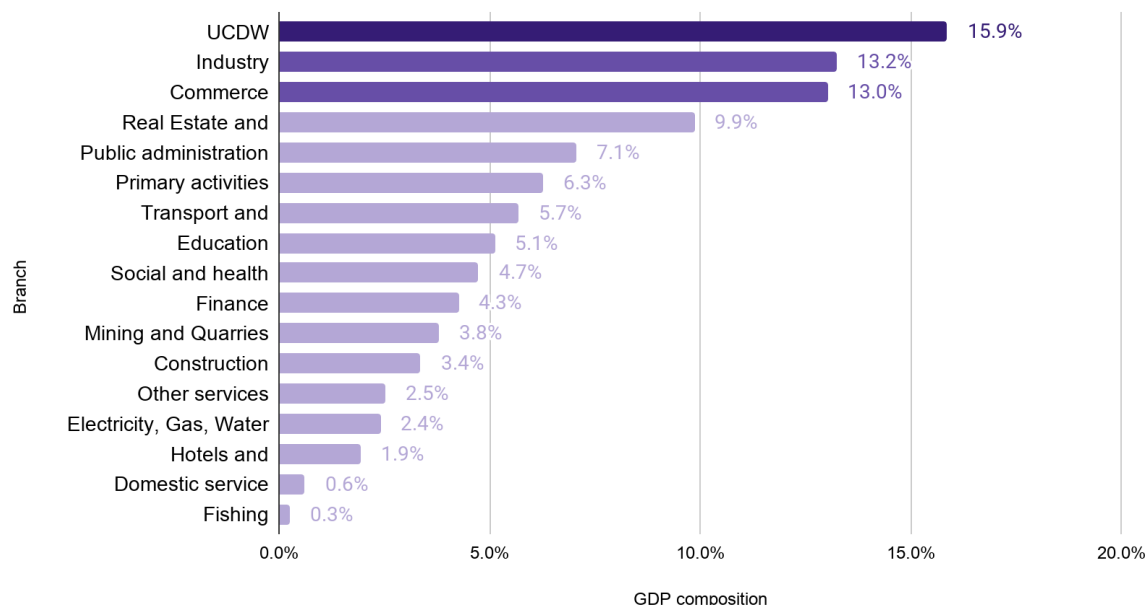
³ \$86.3 Argentine pesos per hour (value U.S. dollar exchange rate third trimester 2019).

⁴ \$4,001,047 million Argentine pesos (value U.S. dollar exchange rate third trimester 2019).





UCDW as a % of the GDP



Gender participation in UCDW as part of the GDP is uneven: 75.7% of the tasks are carried out by women. In other words, women are responsible for more than three-quarters of UCDW. As a whole they dedicate 96 million hours of free work per-day to housework and care.

This reality is closely linked to the unequal burden of domestic and care tasks. If these tasks were remunerated women would contribute U\$S 49,427 million⁵ (75.7%) to the economy, while men would contribute U\$S 15,895 million⁶ (24.3%). **In other words, women contribute 3 times more to the GDP in the national economy's most relevant, though invisibilized, sector.**

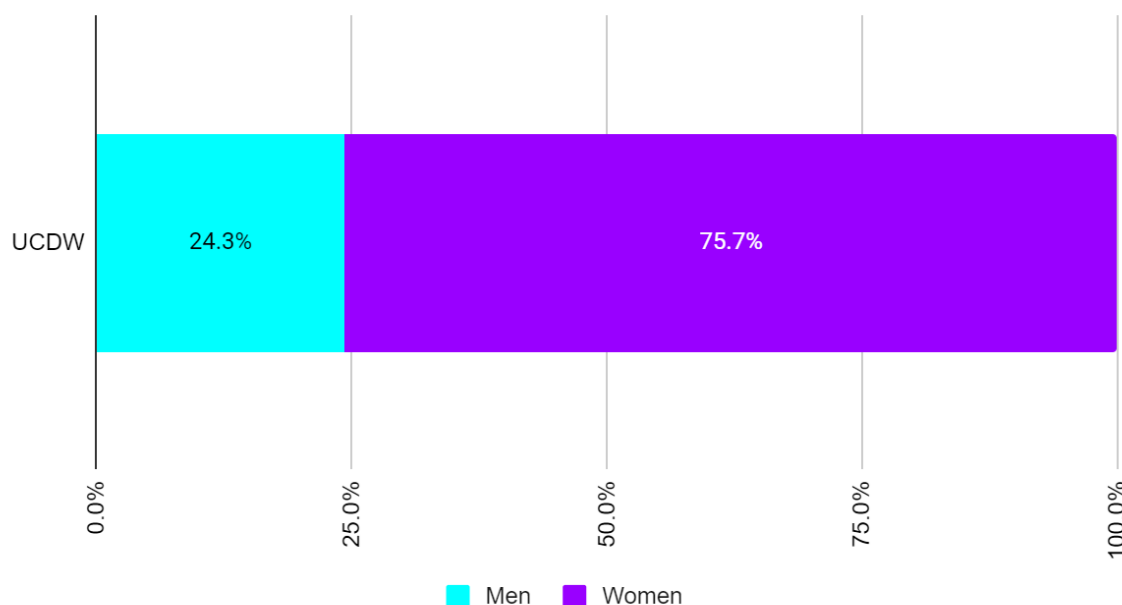
⁵ \$3,027,433 million Argentine pesos.

⁶ \$973,613 million Argentine pesos.





Contribution to the value of UCDW by gender



Source: DNElyG elaboration based on data from the Survey on Unpaid Work and Time Use (EPH-INDEC, 3rd quarter 2013) in population 18 years and over, EPH-INDEC and Advancement of the Activity Level - INDEC, 4th quarter and 2020 population projections from the CENSUS 2010-INDEC.

This contribution to the total economy by women of US\$ 49,427 million⁷ per year (if it were paid), is equivalent to more than twice the Transport and Communications sector or almost four times the Construction sector's contribution.

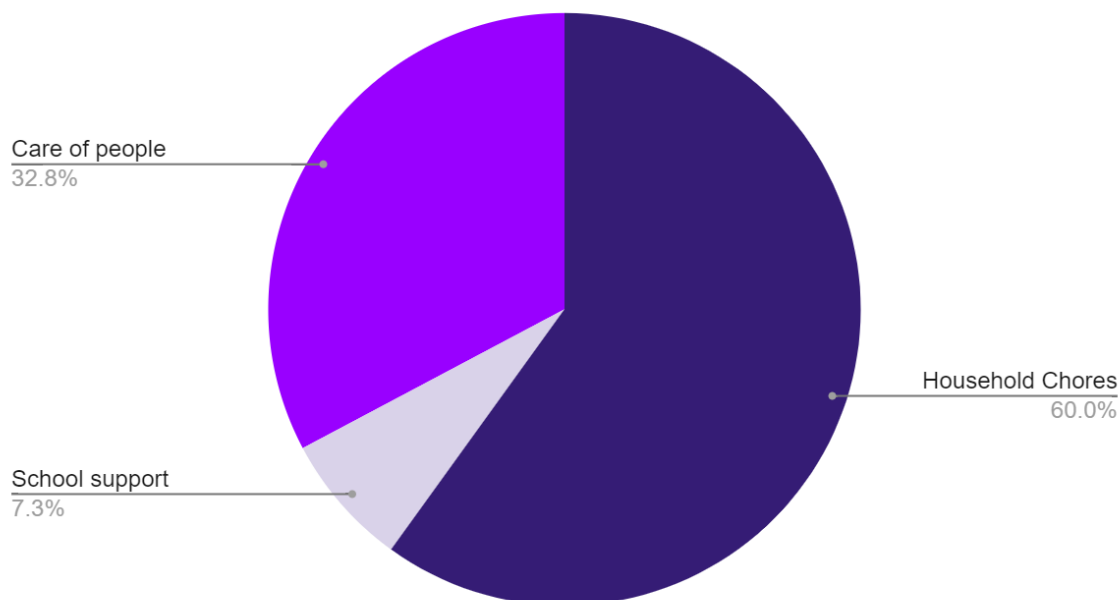
When analyzing UCDW values by type of task, Household Chores have the greatest weight (60%), followed by Care of People (32.8%) and School Support (7.3%).

⁷ \$3,027,433 million Argentine pesos.





Composition of UCDW by task



Source: DNElyG elaboration based on data from the Survey on Unpaid Work and Time Use (EPH-INDEC, 3rd quarter 2013) in population 18 years and over, EPH-INDEC and Advancement of the Activity Level - INDEC, 4th quarter and 2020 population projections from the CENSUS 2010-INDEC.

The pandemic generates an increase in the three tasks mentioned, given the greater demand for care, educational support and cleaning and maintenance tasks at home. The next section will show the calculations made for the scenario in the ASPO situation (coronavirus restrictions).





A heavy and unequal responsibility around the world

Women and girls carry out more than three fourths of UCDW in the world and constitute two thirds of the paid care labor force.

They carry out 12,500 million hours of UCDW per day. These tasks valued at minimum wage would represent a contribution of at least U\$S 176,327 million⁸ annually to the global economy – more than three times the size of the global technology industry.

In low-income countries, women of rural areas dedicate up to 14 hours a day to unpaid care work.

Around the world, 42% of women cannot get a job because they are responsible for all the care, compared to just 6% of men.

80% of the 67 million domestic workers in the world are women; 90% don't have access to social security and more than half have no limits on their weekly work hours.

Source: OXFAM

⁸ 10.8 billion Argentine pesos.





Pandemic care: UCDW on steroids

The pandemic requires isolation and/or social distancing measures that included school closures throughout Argentina starting March 20, 2020. Spaces such as childcare, community centers, preschools, among others also closed. Which means children and teenagers remained in their homes and carried out school and leisure tasks there, where each family had to privately resolve how to supervise and accompany them. In addition, the part of the population that outsourced domestic work in private homes – cleaning, food, shopping or maintenance – was forced to carry it out by their own means. Thus, **the “old normal” estimated 6.4-hour UCDW routine increased for most households.**

In order to estimate how this change affects the routines of the population, we performed a simulation exercise following these steps:

- Of the total of households, we included those with children under 18 years of age (47.4%, a value based on the EPH of the 4th quarter 2019)
- We added 4 more hours of care to these homes above those estimated by the ENUT 2013 (which is equivalent to half a full day of schooling). It is relevant to note that this is a conservative simulation, as it adds only 4 extra hours to people with children under 18 in the home, but it serves to reflect the importance of these activities both before and during the pandemic.
- We added cleaning hours by using the salary values of people who work in the paid market, as a simulation of replacement of the task of preparing food by work or community canteens and the goods delivered by public schools.

We recalculated the contribution of the UCDW sector to GDP adding these assumptions.

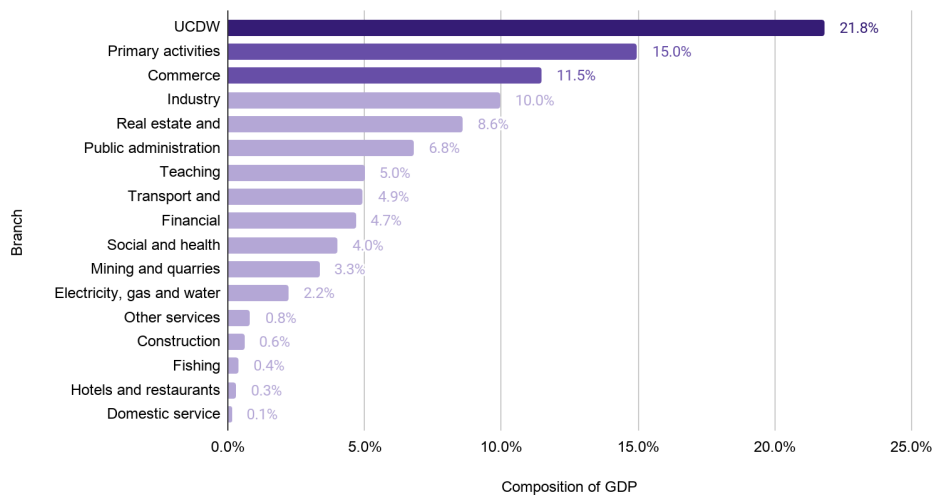




The pandemic changed other economic sectors as well. In April, the month with the strongest ASPO restrictions across the country, many sectors sharply reduced their production levels.

The automobile industry, for example, did not produce a single unit. In order to reflect this in the calculation of UCDW within the GDP, we simulated a shock to all the other sectors, following the variations in the non-seasonally adjusted indices of activity presented in the Monthly Estimator of Economic Activity (EMAE-INDEC) between Dec. 2019 and April 2020.

UCDW as a % of GDP (ENUT 2013)



Source: DNElyG elaboration based on data from the Survey on Unpaid Work and Time Use (EPH-INDEC, 3rd quarter 2013) in the population aged 18 years and over, EPH-INDEC and Activity Level Advancement - INDEC, 4th quarter, 2020 population projections from the CENSUS 2010-INDEC and EMAE April 2020 INDEC.



In this exercise, the UCDW sector's participation in the pandemic GDP is 21.8%, and shows an increase of 5.9 pp with respect to the pre-pandemic measurement. UCDW's greater weight in terms of GDP is explained by two phenomena: on the one hand, the increase in the weight of unpaid care and school support tasks and, on the other, the decrease in activity in 14 of the 16

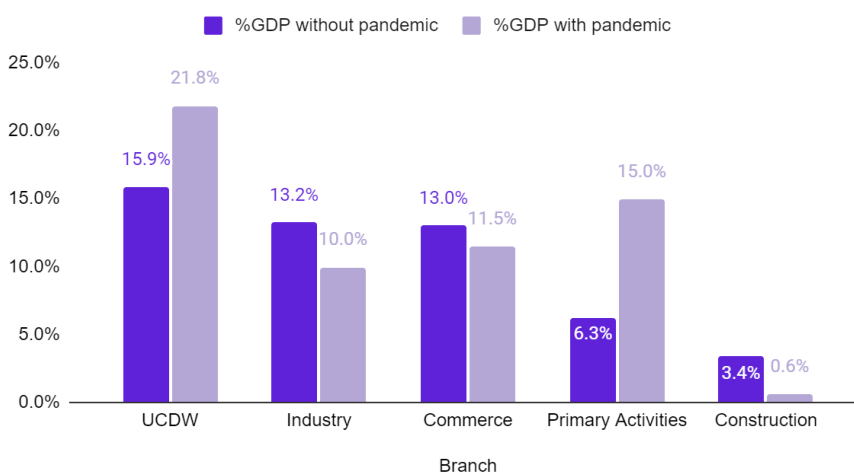




activities remaining considered. **While UCDW increased this 5.9 percentage points (pp) during the pandemic, industry fell 3.2 pp, commerce 1.5 pp and construction 2.8 pp.**

Within the UCDW sector composition, estimated school support with the addition of 4 hours on average went from representing 7.3% in "normality" to 19.6% "in pandemic." This new level is related to hours of educational support and care required in the absence of in-person classes. Each extra hour in addition to the 4 that have been established in this base exercise, increases U\$S 3,660 million⁹ to the estimated total amount.

Sectorial participation within GDP



Source: DNElyG elaboration based on data from the Survey on Unpaid Work and Time Use (EPH-INDEC, 3rd quarter 2013) in the population aged 18 years and over, EPH-INDEC and Activity Level Advancement - INDEC, 4th quarter, 2020 population projections from the CENSUS 2010-INDEC and EMAE April 2020 INDEC.

Care sector participation in the GDP increased significantly, even as traditional production shut down due to quarantine measures. **The care economy took on unprecedented importance during the pandemic lockdown, and sustained social functioning.**

⁹ \$224,219 million Argentine pesos.





Care: Argentina's main economic activity

Additionally there is the cost to women's work trajectory, disproportionately put on hold in response to lack of care options.

The exercise of pricing UCDW and measuring its contribution to the economy helps demonstrate the need to rethink a system of responsibilities -private and public- in which women carry out unpaid labor as part of "gender-inherent" obligations. Up-to-date information on Time Use at the national level will be crucial to dePricing UCDW permits comparison with other sectors and demonstrated that it is Argentina's main economic activity. The COVID-19 pandemic effect additionally transforms the sectoral composition of GDP, so that UCDW's weight increases between 5.9 and 7.1 pp compared to a pre-pandemic scenario. **The burden of the UCDW expands while most activities contract.** This is a consequence of the greater demand faced by households to carry out all these tasks in a context in which community, care, educational, and containment institutions are closed; and more time spent in homes.

The burden of increased UCDW falls mainly on women and follows a logic of inequality. The so-called "care crisis" was already serious before the pandemic. Pandemic-spurred changes in UCDW reinforce the urgent need to address the issue, as a condition for female labor insertion and to close inequality gaps.

A care solution is crucial to ensure women's job continuity, in person or remotely. Regular work activities have increasingly resumed in Argentina, but educational, community, and care institutions have not¹⁰. Legal regulations protect formal sector workers during school closures. But this right is difficult to access for informally employed workers – 40% of the workforce, and far more in certain sectors like domestic service, which is 75% informal employment. **Additionally there is the cost to women's work trajectory, disproportionately put on hold in response to lack of care options.**

¹⁰ This report in the original Spanish was released when this was still the case.





The exercise of pricing UCDW and measuring its contribution to the economy helps demonstrate the need to rethink a system of responsibilities -private and public- in which women carry out unpaid labor as part of “gender-inherent” obligations. Up-to-date information on Time Use at the national level will be crucial to design a robust methodology that captures the economic contribution of UCDW to GDP, as well as updating and comparing the evolution of the results. Likewise, incorporating rural area data would provide a more complete picture and likely increase the weight of UCDW in the total economy, given antecedents recorded in the reviewed bibliography.

Branch	Prop. Occupied total	Prop. Occupied women	Prop. Occupied men	% Informal	% with children of 6 in the home	% with children of 12 in the home	% with adolescents of 18 in the home
Primary activities	1.1	0.3	1.6	24.8	23.8	41.3	51.5
Manufacturing industry	10.9	7.5	13.5	30.1	26.0	43.0	55.1
Construction	9.0	0.9	15.4	71.2	33.2	50.4	62.5
Commerce	18.2	17.2	18.9	42.9	23.1	39.3	51.6
Hotels and Restaurants	4.1	4.3	3.8	49.4	25.3	41.1	54.3
Transport, storage and communications	7.6	2.3	11.7	29.0	23.8	37.0	51.9
Financial services, rental and businesses	10.5	10.2	10.7	24.7	19.7	31.8	41.8
Public administration, defense and social security	8.2	8.3	8.2	14.0	27.3	41.9	56.0
Teaching	8.2	13.9	3.7	9.5	19.0	33.5	46.4
Social services and health	6.5	10.2	3.6	27.1	20.7	34.6	47.0
Domestic service	7.6	16.2	0.9	76.0	22.9	41.9	57.2
Other community service. social and personal	6.2	7.4	5.3	47.5	23.7	40.3	51.0

Source: DNElyG elaboration based on data from the EPH - INDEC (4th quarter 2019).





Care in the public policy agenda

The care economy crisis predates the pandemic and has taken on increasing prominence in the policy agenda. In December 2019, Argentine lawmakers passed a bill that includes the National Time Use Survey in the statistical system, and includes questions that will provide rich statistical detail regarding UCDW in Argentina, moving forward. (Law 27.532, Boletín Oficial, 2019) In June 2020, INDEC published "Towards the National Survey on Time Use and Unpaid Work" a document that outlines the methodological underpinnings of this tool and a route for its future application. This survey will be of vital importance so that the exercise carried out in this report can be improved in the future and provide a standardized measurement of UCDW.

The Inter-Ministerial Committee for Care Policies, created in February 2020, creates a space for government officials to articulate different initiatives that seek to transform cultural and economic patterns that reinforce inequality gaps. The Committee aims to further "policies that contribute to a fairer social organization of care, that achieve a better family and social redistribution of the task, as well as better redistribution between genders, and that contribute to recognizing care as a need, as a job and as a right" (Let's Talk about Care, July 2020). The group brings together 12 agencies of the executive branch, including the Ministry of Women, Gender and Diversity (which coordinates said Committee), Ministry of Economy, AFIP (tax agency), PAMI (pension social services), ANSES (social security agency), Ministry of Social Development, Ministry of Education, among others. The Committee

There has been growing recognition of the value of UCDW work in Argentine public policies. For example, in 2005 a policy of pension "moratoriums" modified Argentina's pension system, which is based on the contributions that workers make over the course of their labor lives, an arrangement that excludes informal workers and housewives who do not make those payments. The "moratoriums" permit people to access pension plans without the approximately 30 requisite years of payments – **the policy recognizes and monetizes unpaid care and domestic work carried out by Argentine women.** In fact, this moratoriums **has been informally known as "retirement for housewives," and it is a relevant tool to close gender gaps**





and to fight against elderly poverty. Although the moratoriums allowed many male workers to enter the retirement system, by 2019 **73.4% of those who have a retirement via moratorium are women.**

In the pandemic context, measures like Emergency Family Income (a cash transfer program oriented towards informal workers that included domestic service workers and housewives), the Telework Regulation Law, and licences for care for public employees show how care is increasingly present in the public agenda. Yet, there is still a long way to go, and public policies will require a better record of UCDW and its economic impact. This report by the Ministry of Economy, the first to measure the contribution of UCDW to the GDP, forms part efforts to ensure that care takes a central role in policies targeting the pandemic crisis.

The pandemic heightened specific challenges already faced by women. **The burdens of unpaid care and domestic work increased exponentially due to lockdowns. Additionally, many so-called “essential” jobs are feminized: women are the majority of nurses, cleaning service at hospitals, teachers, workers in the food industry and cashiers at supermarkets, heads of community soup kitchens. The domestic service sector, the most important source of employment for Argentine women, is one of the most affected by the COVID-19 crisis. For many women, sustaining a work activity in-person or remotely while simultaneously attending to care demands is unsustainable in the long-term, a fact that has consequences both on productivity and on their employment possibilities.**

UCDW is a sector that produces essential goods and services for social, economic and productive activity. Understanding this fact is a necessary step to value these tasks, redistribute their load, strengthen their infrastructure and guarantee that they are carried out in a way that contributes to improving quality of life. Investment in care is not only necessary for women to improve their professional opportunities and live more dignified lives, but also to professionalize care and revalue it socially. **This report considers the care system a strategic sector for Argentina now and in the future.**





Methodology

The methodology for calculating UCDW's contribution to GDP was developed from guidelines of international organizations, such as ECLAC and official statistical institutes of various countries. Some of the Latin American countries that have official UCDW calculations as a GDP sector are Mexico, Colombia, Costa Rica, Ecuador, Peru, Uruguay, and Guatemala.

UCDW is constituted by the sum of the tasks that are carried out within the scope of the home, the care of its members and volunteer work. In this report, UCDW's share in GDP was estimated using the so-called "substitution" methodology. This method consists of assigning market value to UCDW work, given by the average hourly wage per-hour received by a worker who is dedicated to different domestic tasks. The estimation was carried out based on information recorded by the 2013 Time Use Survey, specifically the proportion of men and women who perform these tasks and the average hours they dedicated to them. Finally, to contextualize the data, economic activity data were obtained from the activity level reports carried out by INDEC and from the Monthly Estimator of Economic Activity (EMAE - INDEC) published in July 2020 to simulate sectoral "shock."

The substitution or replacement methodology for calculating the value of UCDW was selected because it was used by the eight countries in the region that carry out this calculation (Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Peru and Uruguay) with some small differences.

Among the publications that address the calculation of this sector of the economy, there are methods that assign the salary to be attributed to domestic workers, while others use "hybrid" methods that assign unpaid labor the salary value of similar paid jobs. For this publication, given the categories that are surveyed in the available time surveys and the information available to account for both formal and informal salaries, the decision was





made to use the average hourly income of domestic service employees as estimator for total activities (generalist methodology). In the 4th quarter of 2019, this value was \$ 86.3 pesos per hour of work of those employed in the Domestic Service activity registered by the EPH (which may have difficulties with income underreporting).

Likewise, it is important to note that given that one of the sources used for this methodology is the EPH, meaning the results are relevant for urban areas in the 31 agglomerates surveyed. In rural areas, the amount of hours of unpaid work is usually, according to comparisons in other countries with surveys that cover the entire territory, higher than in urban areas; that is why it is considered that the results presented may underestimate the value of the sector. Finally, it is worth mentioning that the information corresponding to participation and the hours by gender dedicated to unpaid housework are, as mentioned before, from the survey carried out in 2013, with which there may have been changes since then.

In all methodological decisions, the most conservative position was adopted, to arrive at minimum values that serve as a base, considering possible under-registration biases. Future exercises can be carried out to add assumptions, use or complement these estimates with new data. They can also be updated with the publication of the results of the survey on the use of time that the INDEC will carry out in 2021. Both the methodology displayed for the calculation of UCDW as the simulation of its variation in isolation can also be important inputs for the unification, review and comparison of values and methodologies between countries.





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The Value of Care: A Strategic Economic Sector. A Measurement of Unpaid Care and Domestic Work in the Argentine GDP.



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Open Society Foundations supported the translation of this report from the original Spanish.

The original report was published in August 2020, and can be accessed at:
https://www.argentina.gob.ar/sites/default/files/los_cuidados_-_un_sector_economico_estrat egico_0.pdf

January 2021



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