



IN BRIEF

# POLICY BRIEF ON THE CARE ECONOMY IN ETHIOPIA



Photo: UN Women/ Fikerte Abebe

## Introduction

The care economy involves a wide range of paid and unpaid work activities for providing direct and indirect care for primarily care-dependent populations, such as children, older people, people with disabilities, and those who are ill. It also involves providing care for working individuals. A significant proportion of care work is unpaid, done in households by women and girls. Paid care work in social, domestic, and personal services, as well as in the education and health sectors, is predominantly the preserve of women.<sup>1</sup>

Care work, both paid and unpaid, lies at the heart of human societies. It is an important sector that could enhance economic growth, gender equity, and women's empowerment. However, care work is unrecognized and undervalued on a global scale. The System of National Accounts (2008) does not contain a definition of "unpaid care and domestic work" (UCDW). Care labor is, therefore, not regarded as being productive work and is frequently referred to as the "hidden care economy".<sup>2</sup>

The need for care workers is growing because of demographic, socio-economic, and environmental transformations. If the care economy is not properly addressed, it will result in a severe global care crisis and exacerbate existing gender inequalities.<sup>3</sup>

This policy brief stresses the importance of investing in the care economy to meet multiple development priorities. It urges policymakers to take the gender dimensions of the

care economy into account as an input and/or key component when revising the National Women's Policy.

---

**There is NO economy without care – ALL economic systems depend on care for people and care for the environment. So, it is not a matter of 'adding' care to the economy, as it is always a part of the economy for it to function. It is about 'making care work visible' in the economy.**

---

UN Women, 2023. UCDW Advocacy Guideline

## Gender dimensions in the care economy: Gaps and opportunities in Ethiopia

In Ethiopia, families/households are responsible for providing care services. Within families, caregiving is predominantly undertaken by women and girls. Globally, women and girls conduct more than three-quarters of the total unpaid care work, which is over three times more than men.<sup>4</sup>

Unpaid work worsens existing gender gaps in employment outcomes, wages/earnings, and pensions. The undervalued and gendered nature of the care chain extends to paid care work, where the majority of the work is provided by women around the world, who encounter workplace gender-specific barriers that reduce their earnings and well-being. Globally,



## POLICY BRIEF ON CARE ECONOMY

constitute around 70% of the health and social care workforce and earn 24% less than men.<sup>5</sup> In Ethiopia, women comprise most of the health workforce.<sup>6</sup> Women work significantly longer days when counting both paid and unpaid work.

Key gender issues in the care economy include the following.

### Labor force participation

UCDW is the main reason why relatively more women than men are unemployed or underemployed in the formal economy.<sup>7</sup> According to ILO, an estimated 606 million women worldwide, or 41% of those who are currently unemployed, are excluded from the labor force because of UCDW. In line with this, Ethiopia's employment-to-population ratio is 59.5%, with males accounting for 69% of the workforce, while females stand at 50.2% of the workforce.<sup>8</sup> Given the close relationship between inequalities in unpaid work and inequalities in the labor market, no real progress toward gender equality in the labor force can be made without addressing inequalities in unpaid work.<sup>9</sup>

### Public infrastructures and care services

Public infrastructures, gender-responsive time- and labor-saving technologies, and care services such as childcare, elder care, and so on, are crucial in addressing women's time constraints and enhancing economic opportunities for all. When public services are reduced or inadequate, it is primarily women and girls who fill the gap in subsidizing these basic services.

### Representation in the informal sector

When there is no access to affordable care services, women prefer to engage in the informal sector, which allows them to undertake paid work while fulfilling unpaid care responsibilities. Women's struggle to balance unpaid care responsibilities with paid employment can lead to "occupational downgrading", in which women choose jobs below their skill level and accept lower pay, as well as poorer working conditions.

### Socio-cultural norms

Discriminatory social norms contribute to gender inequalities in unpaid and paid care work. These norms shape gender roles that promote paid work as a masculine task and unpaid care work as women's responsibility. On the other hand, women's paid care occupations are seen as unskilled or an extension of "natural responsibilities" such as breastfeeding, and perceived "traditional" roles as caregivers.

### Policy and legal frameworks on care

Compliance with international obligations is essential to recognize and redistribute unpaid care work. These include the Beijing Platform for Action (1995), SDG goal 5 (5.4 and beyond), the Universal Declaration of Human Rights, CEDAW, ILO Conventions, and the African Union Agenda 2063.

At a national level, also, there are laws and policies on unpaid and paid care work. The FDRE Constitution clearly states that women shall have the right to equality in employment, promotion, and pay. It also states that they have the right to maternity leave with full pay. The National Policy on Ethiopian Women (1993) addresses the issue of women's workload and the need to improve access to basic infrastructures and social services. Moreover, the Civil Service Proclamation No. 1064/2017 mandated government institutions to set up nurseries where female civil servants can breastfeed and take care of their newborns. Ethiopian Labor Law No. 1156/2019<sup>10</sup> revised the period granted to pregnant women for maternity leave from three to four months, and it also introduced three consecutive days of paternity leave with full pay. The Ten years development plan (2021–2030) targets all government institutions to establish childcare centers by 2030. Women's Development Package (2017) also emphasized increasing women's economic participation by creating an enabling environment in which reducing women's workload and accessing public infrastructures are among the means.

Despite the above provisions and efforts made by some government sectors, there is no specific policy and strategy to address the concerns in the care economy in Ethiopia.



This could be the reason why the care economy is not considered in macroeconomic policy, budget allocations for public services, tax, and other policies. services, tax, and other policies.<sup>11</sup>

## Why invest in the care economy?

Investing in the care economy improves women's and men's access to good-quality and affordable care services and infrastructures. It promotes inclusive growth and human development by addressing the interlinked issues of poverty, health, education, decent work, and gender equality. According to ILO estimates, unpaid care work represents about 9% of global GDP, or approximately US\$11 trillion.<sup>12</sup> Moreover, an ILO study conducted in 45 countries on paid care services shows that an additional 3.5% of total GDP is needed to increase expenditures on care services to achieve SDG targets in education and health in these countries. An increase in spending of this magnitude has the potential to create over 117 million new jobs directly in the education and health care sectors, and indirectly in other interlinked sectors. More than half (55%) of these jobs are likely to go to women.<sup>13</sup> The evidence suggests that investing in the care economy has employment and economic returns, including fiscal gains.

### The main reasons for investing in the care economy:

- Unpaid care work constitutes nearly half of the total work time globally, daily contributing essential physical and social inputs for the healthy reproduction of people, with women bearing the heaviest burden.
- Gender disparities in the unpaid care work burden act as a systematic driver of gender inequalities in other economic and social outcomes, as well as hinder women's contribution to development.
- Spending on paid care services creates a substantial number of jobs and generates labor earnings and reduces women's time constraints.
- The care economy is a development policy issue beyond gender inequalities that has to do with enhancing female labor force participation, creating decent jobs, and developing an effective strategy for sustainable and inclusive growth.

## Policy recommendations – 5Rs strategies

### Recognize, Reduce and Redistribute UCDW

- Conduct time-use surveys regularly and incorporate unpaid care work in national statistical systems and decision-making.
- Invest in care policies, good-quality care services, care-relevant public infrastructure, and gender-responsive time- and labor-saving technologies.
- Promote gender-responsive labor market policies that support the attachment, reintegration, and progress of unpaid workers into the labor force.
- Enact and implement family-friendly working arrangements to balance work hours and caring responsibilities.
- Encourage education on the development of positive masculinity and male engagement for more gender-equal families, workplaces, and societies.

### Reward paid care workers

- Regulate and implement decent terms and conditions of employment and achieve equal pay for work of equal value for all care workers.
- Ensure a safe, appealing, and stimulating work environment for both women and men care workers.
- Enact laws, put policies in place, and implement measures to protect migrant care workers.
- Recognize and promote family and community members with positive behavior/practice towards UCDW, including those who practice the sharing of household chores.

### Represent paid care workers

- Ensure that women are given equal opportunities to participate in leadership positions at all levels of political, economic, and public life.
- Encourage care workers and employers to have freedom of association.
- Promote information exchange and strengthen the right to collective bargaining in care sectors.
- Promote coordination and cooperation between trade unions and civil society organizations representing care workers, care recipients, and unpaid workers.

## Conclusions

The care economy is vital for human survival and impacts all dimensions of development. It requires policymakers to pay close attention to the need for investing in the care sector; and value and recognize the role of the care economy in advancing gender equality and economic growth, which should be reflected and considered by the National Women's Policy. Policymakers should be aware that putting the care economy at the forefront of efforts to eradicate poverty and close gender gaps will positively impact human well-being and economic development.

## References

- <sup>1</sup> UN Women - ILO JP, 2021. Policy tool: A Guide to Public Investments in the Care Economy.
- <sup>2</sup> United Nations Economic and Social Commission for Asia and the Pacific, 2022. How to invest in the care economy: A primer.
- <sup>3</sup> ILO 2018. Care work and care jobs: for the future of decent work.
- <sup>4</sup> ILO 2018. Care work and care jobs: for the future of decent work.
- <sup>5</sup> ILO 2018. Care work and care jobs: for the future of decent work.
- <sup>6</sup> Ministry of Health, 2013. Ethiopia Health sector gender training manual.
- <sup>7</sup> ILO 2018. Care work and care jobs: For the future of decent work.
- <sup>8</sup> CSA 2021. Ethiopia Labour force and migration survey key findings.
- <sup>9</sup> ILO 2018. Care work and care jobs: For the future of decent work.
- <sup>10</sup> The proclamation shall not be applicable to contracts relating to persons such as members of the Armed Force, members of the Police Force, employees of state administration, judges of courts of law, prosecutors, and others whose employment relationship is governed by special laws.
- <sup>11</sup> UN Women, 2022. UCDW Advocacy Guideline, unpublished.
- <sup>12</sup> ILO, 2018. Care work and care jobs: For the future of decent work.
- <sup>13</sup> ILO 2018. Work and care jobs: For the future of decent work.