

## Summary of the ESA-WEN Seminar on COVID, care and wellbeing: What do we really value?

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This ESA-WEN seminar occurred on 26 May 2020, and the video link to the full seminar is [here](#).

The speakers were Dr Suzy Morrissey (University of Auckland), Catherine Fox (author & journalist), Hon. Associate Professor Julie Smith (Australian National University) and Emma Dawson (Per Capita), moderated by Dr Leonora Risse (RMIT University & WEN National Chair).

The panel explored the impact on the COVID-19 pandemic on the:

- unpaid non-market economy
- factors that truly matter for wellbeing
- role of women in society.

### **Unpaid non-market economy**

The panel started off by discussing how the issue of unpaid non-market activities has always existed, but been amplified by COVID-19, as women take on more unpaid household work. As Suzy noted, 'GDP measures economic activity so long as this takes place in the market.' This excludes positive activities such as volunteering, but also negative externalities such as environmental destruction.

If we valued unpaid work in Australia, studies have shown that unpaid childcare alone is three times larger than our largest industry, financial services. Julie highlighted the unrecognised value of human milk – at about \$4 billion per year – is significantly larger than the cow milk industry.

The discussion indicated that if we included unpaid work in GDP, we would likely *not* be seeing a decline in GDP during this pandemic. In fact, as Julie noted, unpaid work provides a buffer during downturns, in that unpaid work absorbs displaced workers who lose their job, and good and services such as childcare are traded among family and friends.

It also highlights that unpaid and unvalued household work distorts thinking and policy making, ensuring that our government spending is inefficient and inequitable, as policy is focused on market sectors rather than the unpaid market.

## **Role of women in the crisis**

Frontline essential workers in the service and care economy, such as nurses and aged care workers, are disproportionately women and experience more hazardous working conditions and lower wages than other industries. As Emma pointed out, partly due to the prevalence of casual and part time work in Australia, while the global health and care workforce is 70% female, in Australia this is 80%.

COVID-19 has exacerbated the risks for frontline workers (particularly women) who cannot work from home and are not being paid to bear this additional risk. Suzy and Julie noted that we could consider a wage premium for frontline workers, reflecting how we measure the value of a life in labour economics through the wage premium for risky jobs, as has been considered in the U.S.<sup>1</sup>

## **Covid has exposed gender stereotypes and gender roles in households**

The pandemic has further reinforced gender roles in the households, the panel argued. As Catherine shared, a recent New York Times survey found that while 50% of men thought they were doing most of the home schooling during lockdown, only 3% of women agreed with that.<sup>2</sup> Research shows that even an unemployed man does not do more housework than the employed woman he lives with, and Australian survey data during COVID has shown that women do disproportionately more of the additional housework and care work associated with the pandemic.

Emma further noted that there are significantly more women detaching from the labour market than men in Australia during this pandemic, for example with men reducing working hours by 7.5% while women have reduced hours by 11.5%. This indicates that despite relatively high female participation rates, it is women who are taking the sacrifice to stop working during this downturn.

There is some hope of reversing these stereotypes. Catherine said that with hours contracting for both men and women, the full time male breadwinner and part time female partner structure may change. A greater recognition of the efficiency of flexible work may also lead to more of a blending of hours at home and work.

The panellists also discussed that the gender balance of household work is caused in part by the long paid working hours in Australia relative to other countries. One policy therefore to redistribute unpaid work in the household is to reduce the standard working week.

Trials of a four day working week have been shown to lead to a marked shift in the amount of unpaid care that men take on, as they have more time available outside of leisure time. A four day week has also been shown to lead to higher productivity and happier workers, and ensures that workers are paid for what they accomplish and contribute, rather than simply the hours of being present at work.<sup>3</sup>

## **Other government policy coming out of COVID**

Finally, the panel discussed how government policy can be designed to place a higher value on paid and unpaid work done by women. Suzy suggested that we rethink how we use infrastructure investment as stimulus during and after recessions, by considering the high rates of return associated with social infrastructure such as childcare and healthcare centres, compared to

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<sup>1</sup> <https://www.youtube.com/watch?v=CPyJZem918M>

<sup>2</sup> <https://www.nytimes.com/2020/05/06/upshot/pandemic-chores-homeschooling-gender.html>

<sup>3</sup> <https://www.theguardian.com/world/2018/jul/19/work-less-get-more-new-zealand-firms-four-day-week-an-unmitigated-success>

traditional ideas of physical infrastructure. UK research shows the much greater payoffs in terms of jobs arising from investments in childcare, compared to construction.<sup>4</sup>

Julie further proposed, as she argued in her recent piece 'Women are not babysitters for the economy'<sup>5</sup>, that we need to change our thinking on economic stimulus, to reconsider large investments in male dominated industries like construction. She also indicated that we should be rethinking broader questions on productivity and economic wellbeing, and how we can redesign our systems and institutions to better contribute to these outcomes.

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<sup>4</sup> <https://womenscount.wbg.org.uk/what-gender-budget-analysis-can-show/public-investment-in-social-infrastructure>

<sup>5</sup> <http://www.broadagenda.com.au/home/women-are-not-babysitters-for-the-economy/>