EXECUTIVE SUMMARY

For FEMM committee

European Parliament

Gender equality: Economic value of care from the perspective of the applicable EU funds[1]

This study was commissioned by the European Parliament's Policy Department for Citizens' Rights and Constitutional Affairs at the request of the FEMM Committee.

It explores the impact of COVID-19 on the EU care economy, the gendered nature of care work and its continued reliance on unpaid or low-paid work of women. Issues of valuing and measuring care are examined selected countries are examined with different systems of care provision. Despite the recognition of the centrality of the care economy during the pandemic, the establishment of a new highly significant EU funding mechanism (the Recovery and Resilience Fund, RRF) is focused largely on digital and green investments, paying only marginal attention to gender equality and the care economy.

Background

Gender inequalities are at the heart of the care economy, directly linked to women's position on the frontline of unpaid and low-paid work in the globalised care economy. COVID-19 pandemic has demonstrated the essential nature of care work and its central role in the functioning of economies and societies. Despite the critical role caring activities play in EU economies, contributing directly to economic and social well-being, care is undervalued, receives little recognition, and is frequently low-paid or often unpaid. At a global level, care work is overwhelming carried out by women, often as part of a hidden or underground economy and shaped by historical and persistent gendered inequalities. Care involves both physical and emotional labour and encompasses the paid work of childcare, education and healthcare workers, those employed in institutional long-term care (LTC) settings, informal or unpaid work in the community as well as domestic work in the home. Care is a spectrum of activities that reveals the critical, although largely unrecognised, interdependence and interconnectedness of society.

Aim

This research study aims to examine the gendered nature of the EU care economy, the impact of COVID-19 on care and the care sector and the extent to which gender equality and care have been taken into account in the EU COVID-19 Recovery Plan. By exploring the potential for a new EU strategy on care and the potential for a new model of care, this study argues that the care economy should be seen as a social investment and have a central place in the funding of the post-crisis EU Recovery Plan. Research indicates that investing in the labour-intensive care economy generates a high level of return through growth in women's employment and an increased level of social and economic well- being. By funding quality diverse care services, women's time spent on unpaid work is reduced and new opportunities are opened up for women in education and paid employment, particularly those in low-income, migrant and lone parent households. Through new ways of thinking about care activities and enactment of different policies respecting the diverse needs of care recipients and care providers, a new model of care would be generated based on a more equal sharing of care work and greater involvement of men with care activities - societies based on enhanced gender equality and stronger social justice, in the interests of both men and women.

[1] Full study in English: https://www.europarl.europa.eu/RegData/etudes/STUD/2021/694784/IPOL_STU(2021)694784_EN.pdf

Policy Department for Citizens' Rights and Constitutional Affairs
Directorate-General for Internal Policies
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Core Recommendation:
Funding for the **care economy** should account for at least **30 per cent** of the expenditure under the EC *Recovery Plan for Europe* to create equal standing with the 37 per cent already allocated to green transformation investments and 30 per cent to digital transition investments.

Recommendation: EU should develop a clear policy framework that designates funding and supports to the care economy as *public investments in social infrastructure* that are defined as key priority areas in EC economic and budgetary policies.

Recommendation: Eurostat should collect disaggregated data on care, the provisions of different types of care and profiling the composition of both formal and informal carers, paid and unpaid care workers in relation to gender, age, nationality, disability and ethnicity in different care settings.

Recommendation: Data on care should be used in the development of an EU Care Strategy, with a focus on the care economy as social investment and encompassing a strategic approach towards care providers and care recipients.

Mainstream economics operates under an international system of measuring economic activity, which primarily values only market-based economic activities, that are paid for or that generate an income on the market. The majority of care work globally is unpaid, so therefore not measured and consequently is absent from, or marginal to, the concerns of economic policy-making. This renders a significant proportion of the work carried out by women on a global level uncounted, invisible and undervalued. By using time use surveys, the UN has estimated that unpaid work accounts for between 20 and 40 per cent of GNP at global levels, and unpaid care accounts for most unpaid work. Women's role in unpaid and low paid care work is directly connected to the persistence of gender inequality. Covid-19 pandemic has highlighted how women's invisible work in the care sector is propping up economies at global and national levels. Analysis of caring activities - paid and unpaid care work - reveals that it is highly gendered, whether in the formal or informal economy or whether carried out in homes, communities or in institutional settings.

Recommendation: Time use surveys should be centrally managed and produced by Eurostat, drawing on a data template completed at MS level, ensuring that complex time use data is available for MS on a gender, age, ethnicity and nationality and disability basis and that generates estimated values of unpaid work.

Working conditions in the care sector are poor, are frequently carried out by those in marginalised low-income households, including many migrant women in vulnerable situations. Many migrants find themselves in situations in which their formal qualifications are not recognised and, as a result, trapped in low pay and low-status precarious employment. Women continue to experience a significant care penalty that has been exacerbated during COVID-19, due to the sudden withdrawal of a range of educational and care services. Conditions during the pandemic meant that home-based working had to be combined with home-schooling and childcare, and those responsibilities are largely carried out by women, forcing many to reduce working hours or, in some instances, exit paid employment.

Recommendation: Training and educational qualifications should be linked to the establishment of a career structure for each different cohort of carers, within a system of reciprocal recognition of qualifications at EU and global levels, and this should be implemented at MS levels.

Recommendation: Increased funding should be made available for training and education programmes for care workers in paid care, and also in informal systems of care. Provision of inclusive social protection for formal and informal, paid and unpaid caregivers should be resourced.

Recommendation: An enhanced system of leave entitlements for parents and carers should also be resourced in a manner that has a significant impact on increased sharing of care responsibilities.

Recommendation: Protections for migrant workers in home-based and institutional care should be developed and clear lines established for access to residency rights and citizenship at MS level.

There is increasing evidence of a crisis in care. An increasing proportion of the populations of EU MS are in the older age groups and demand for all kinds of care has been increasing while simultaneously, the proportion of women in paid employment is growing. Unmet care needs are a feature of many EU countries, as traditional systems of extended family care are no longer available to meet household needs, and public investment has failed to fill the care gap. Underlying lack of investment, linked to often low-quality privatised care services, characterise long-term care (LTC) facilities in many countries. This generated a particular vulnerability to COVID-19 infection among both residents and staff of LTC facilities,

and in many countries, enforced isolation of even those seriously ill and dying. It is estimated that 42% of deaths from COVID-19 occurred in these institutional congregated settings, providing often poor levels of care for older people, people with disabilities and particularly isolated and marginalised asylum-seekers and refugees in some countries.

Recommendation: EC should review MS provision of care for people with disabilities and older people, both in residential care facilities, community-based care and home-based settings with the objective of making greater resources available and increased funding for transitions to home- and community LTC.

Recommendation: Funding for investing in de-congregation and creation of individualised spaces in LTC residential settings should be increased.

Recommendation: Funding for investment in forms of housing that creates independent living and supported housing spaces based on the principle of autonomy for people with disabilities and older people should be increased.

COVID-19 brought with it an increase in reports of gender-based sexual and domestic violence across the EU, as family and community networks were dismantled and more homes became places of danger. At the same time, services provided by both statutory agencies and NGOs have been curtailed and emergency help has not been available or been restricted to on-line services. Full and partial lockdowns to deal with the spread of COVID-19 have been introduced in many countries, which has meant temporary unavailability of maternity, sexual and reproductive health services, of particular importance to women. In some countries, restricted access to contraception and abortion services, together with restrictions on travel has forced many women with crisis pregnancies into highly vulnerable situations.

Recommendation: MS should develop systems to link into new structures and policies at EC, based on the recognition of sexual and domestic violence as a *Eurocrime,* and the Istanbul Convention should be resourced and fully implemented at MS levels.

Recommendation: Training and education programmes for volunteers and staff should be funded on a multi-annual basis and investment in second stage housing to facilitate households exiting emergency systems.

Recommendation: Particularly vulnerable communities in emergency congregated settings, such as refugees, homeless, asylum seekers and those suffering from gender-based sexual and domestic violence should be housed in appropriate and safe community-based settings and, at a minimum, with private individualised and family spaces with autonomous cooking and catering facilities and specific supports to integrate adults and children with the wider communities.

Recommendation: Funding should be provided at EU and MS levels to address the restriction on sexual and reproductive care services (including maternity care services) during the pandemic. A policy framework should be developed by the EC to ensure that full access to comprehensive reproductive (including abortion services) and sexual health services is available in every region of the EU and is inclusive of LGBTQ+ care needs and services.

Responses to COVID-19 by EU countries has lacked a gender analysis of the impacts of COVID-19 on women and men, and those of non-binary gender, and consequently lack of a gender perspective to inform policy-making and strategies to combat the pandemic. Based on research evidence, the care economy should be designated a public investment in social infrastructure with a recognised capacity to generate enhanced economic activity, as well as economic and social well-being, which is in the interests of greater gender equality and social justice.

The EU has established an unprecedented new funding system to which Member States can apply and criteria for funding highlight two specific funding strands: digital transition and green transformation which together are expected to account for two-thirds of approved funding. While these two funding strands may benefit both women and men, there is no mention of the care economy as a priority for funding, despite the recognition of the role of care services during the pandemic. Unless a specific strand of funding, to the value of 30 per cent of total funding, is allocated to the care economy, the EU Recovery Plan for Europe will reinforce or exacerbate gender inequalities in the post-crisis period. Specifying the substantial and diverse investments needed in the care economy, is the only way that the digital and green economies can be put on an equal footing with the essential care economy.

Recommendation: Support for care economy should be ringfenced (at 30 per cent of total funding) and, together with gender equality, should be designated as criteria for funding of MS Recovery and Resilience Plans.

Recommendation: Gender and equality budgeting should be systematically implemented at central EC level, and at all stages of the budgetary process of the EC.
Recommendation: Gender impact assessments and gender mainstreaming need to be resourced and carried out by the EC on its own central EC budgets and within all EC funding systems, both ex ante and ex post assessments.

Recommendation: EC should apply gender equality indicators to the process of reviewing RRPs submitted by MS, to each programme of funding included in RRPs for EC funding (including proposals for matching funding).

Recommendation: The EC should play a central role in ensuring that Emergency Covid-19 Committees and Emergency Health Structures established in MS during the pandemic and post-pandemic are composed in a more gender equal manner, and particularly in the planning and implementation of RRPs.

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