

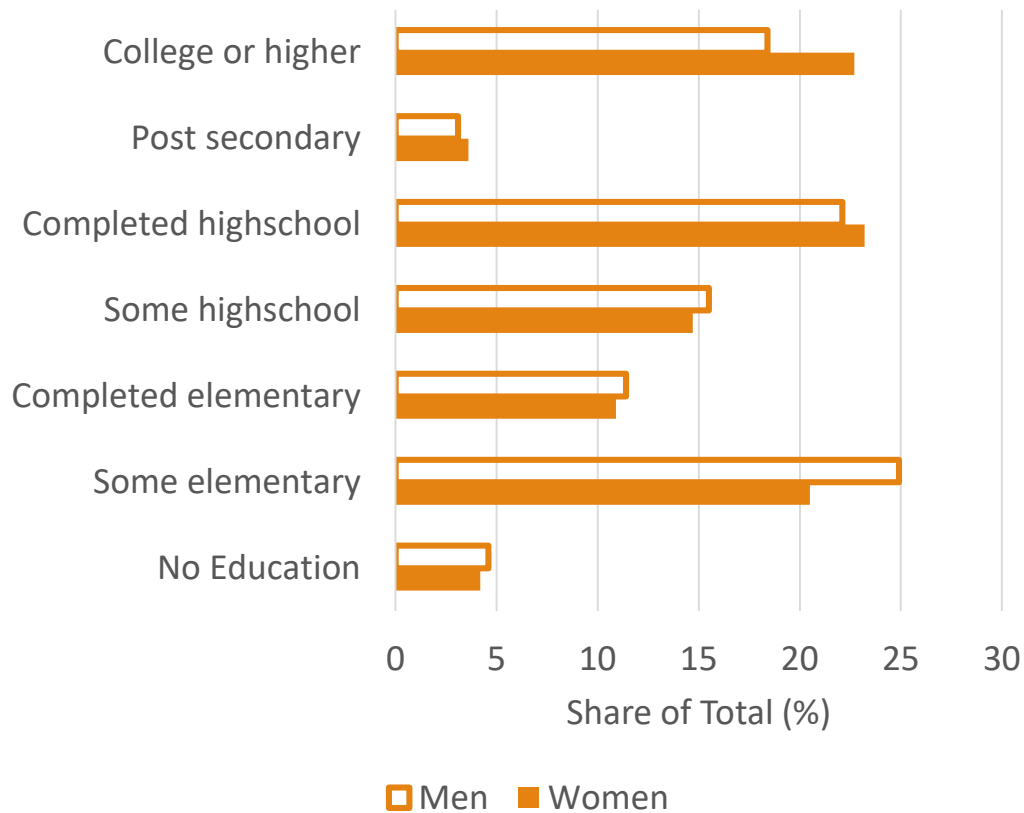
Valuing unpaid work in the Philippines

Michael R.M. Abrigo

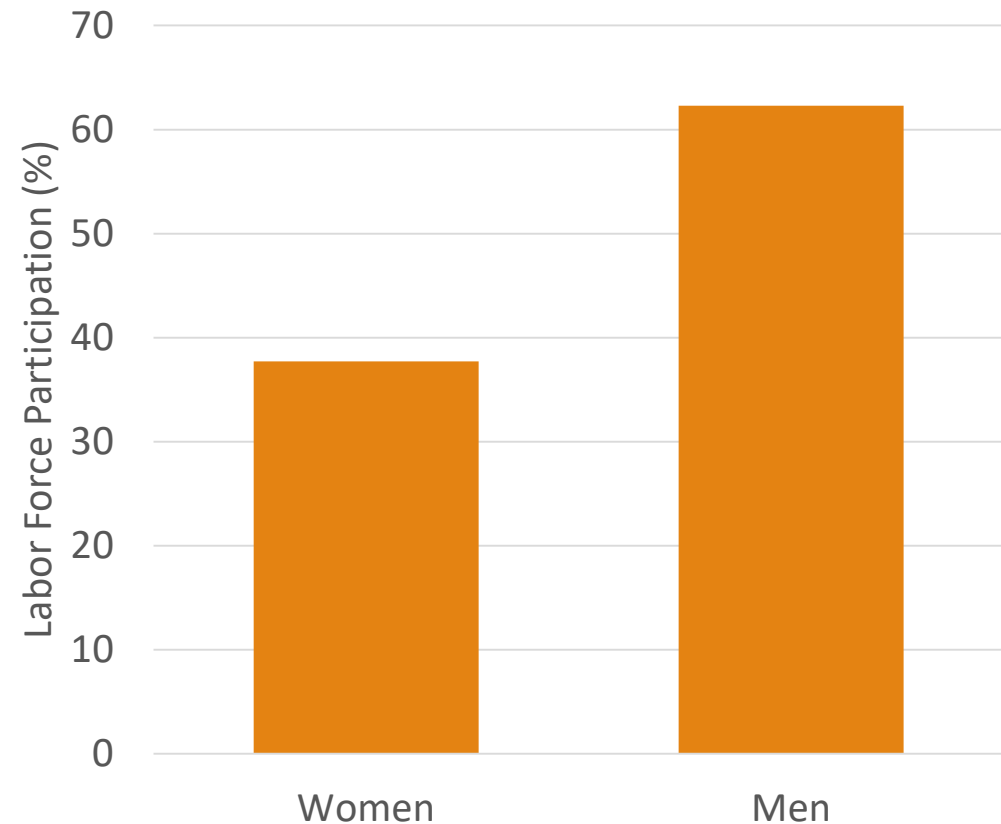


Women as untapped potential?

Females are better educated



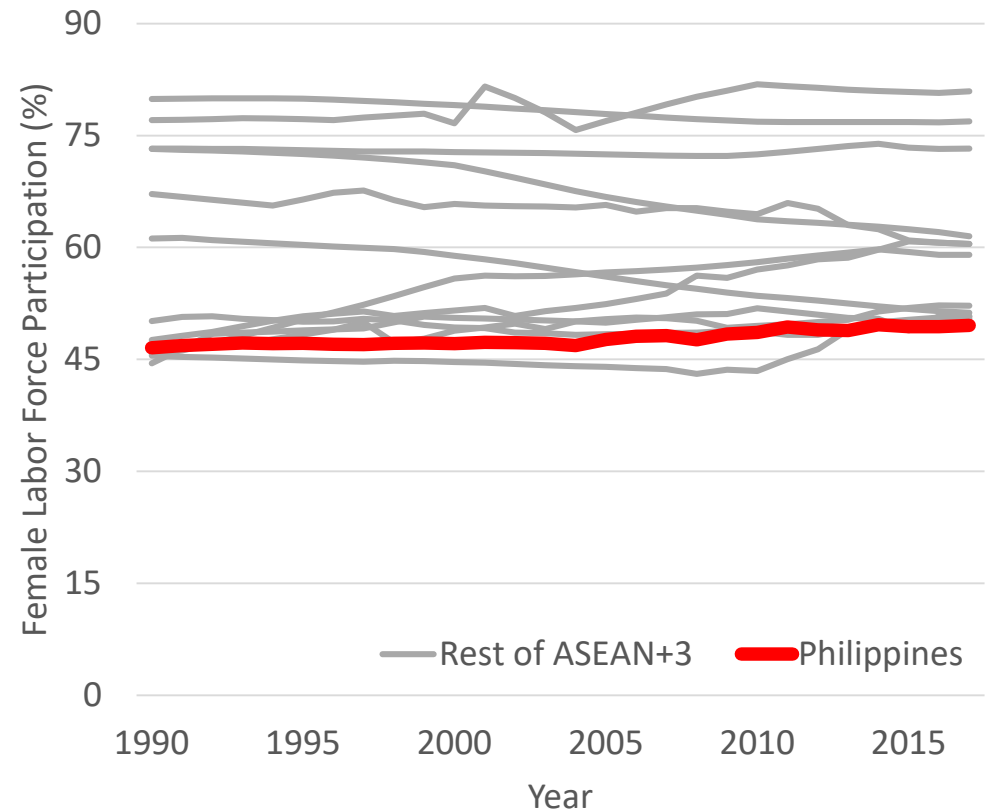
But lower labor force participation



Source: Philippine Statistics Authority

ASEAN+3 Comparison

Similar female labor force participation rate as Indonesia, Malaysia (Austronesian root?), and South Korea and Japan (definitely Philippines is not rich!)



Source: WDI database

What do women (and men) do in the Philippines?
How much do women (and men) contribute?

Pilot TUS 2000,
Philippine SNA,
Government
Administrative
Records

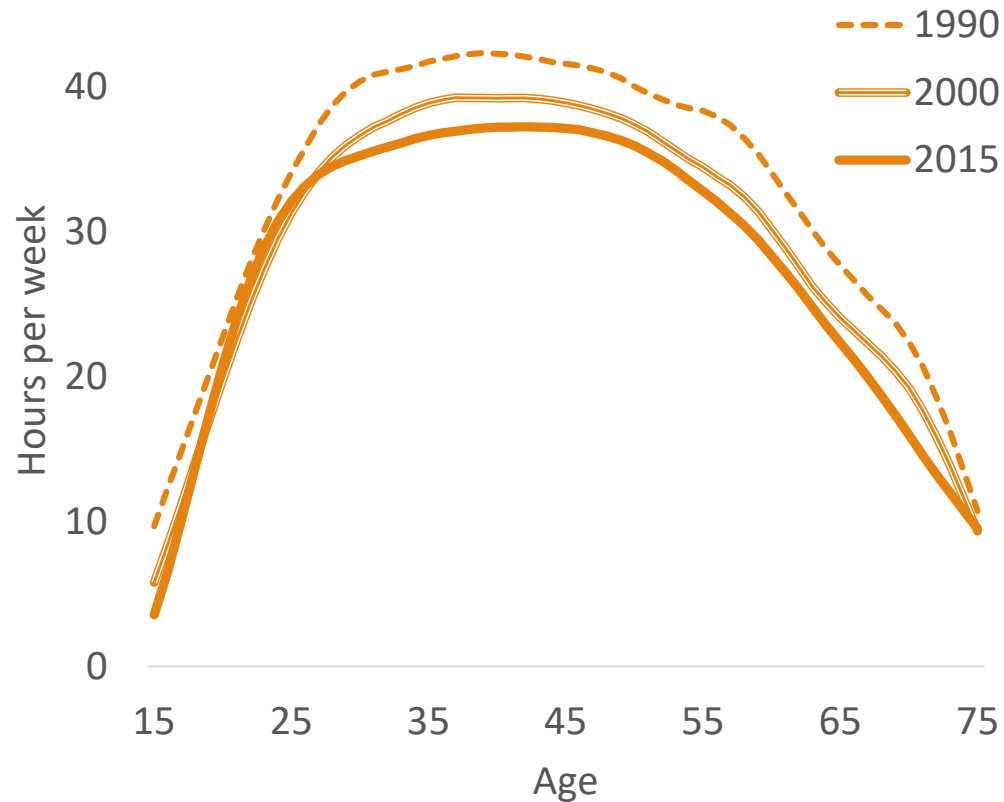
2015 Labor
Force, and
Family Income
and Expenditure
Surveys

NTA + NTTA

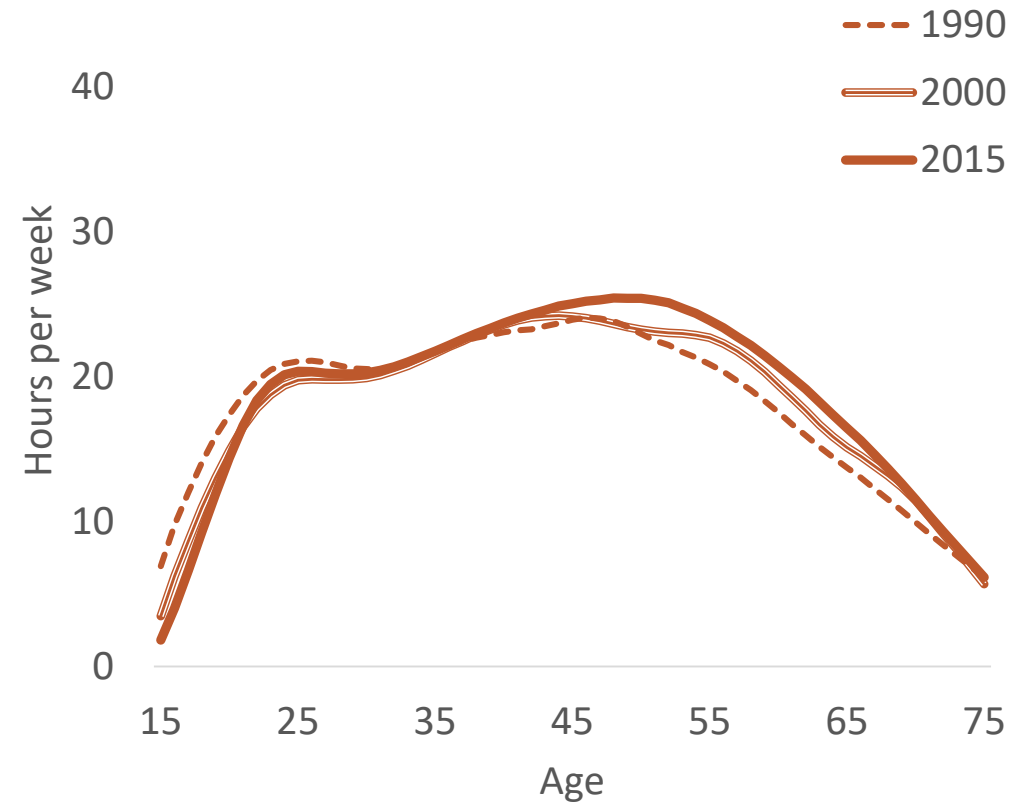
What do men and women do in
market production?

Time in market production

Men



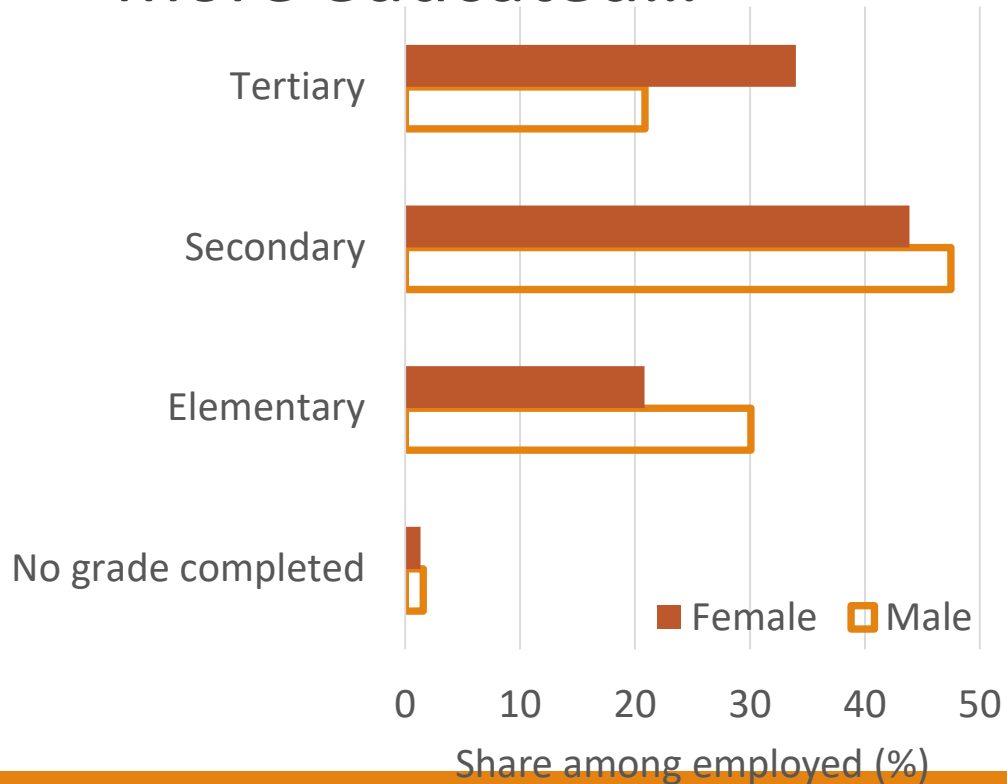
Women



Source: Philippine Statistics Authority

Who works where?

Employed women are likely more educated...



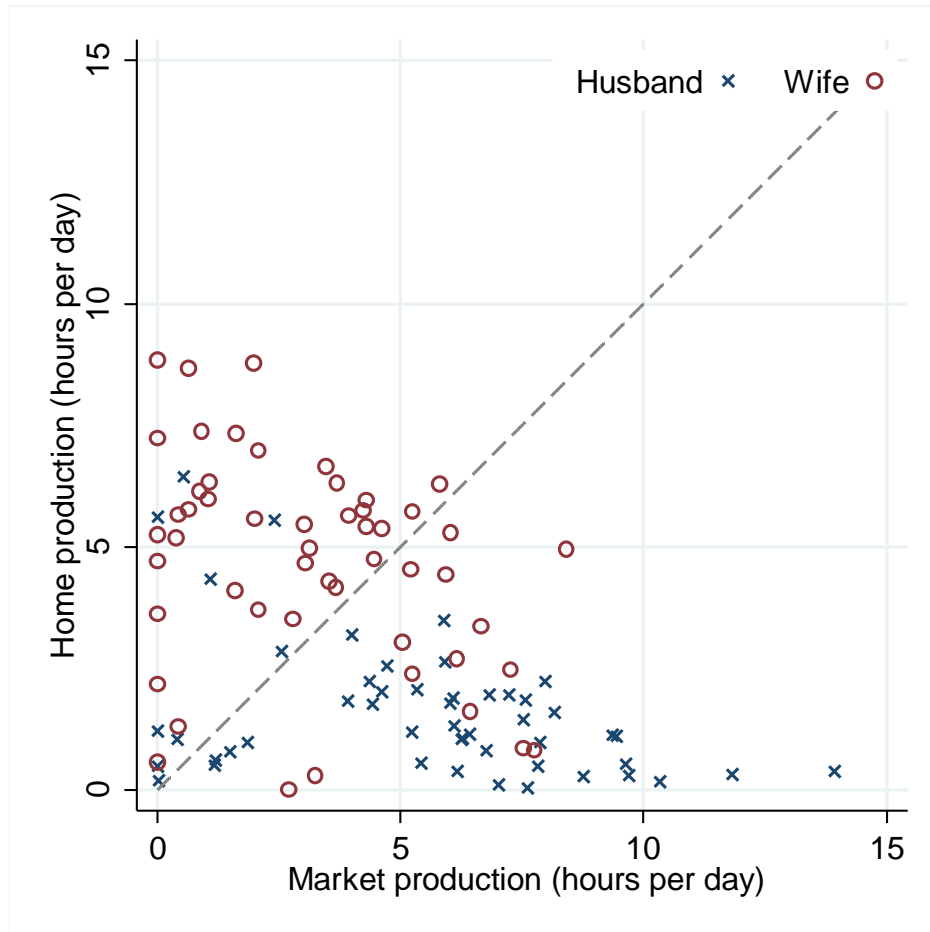
and in professional, technical or skilled occupations

Occupation	Male	Female
Managers	12.6	21.9
Professionals	3.0	9.2
Technicians and associate professionals	3.2	4.9
Clerical support workers	3.7	8.8
Service and sales workers	11.8	20.5
Skilled agricultural, forestry, and fishery workers	18.0	6.1
Craft and related trades workers	10.9	3.1
Plant and machine operators and assemblers	8.9	2.1
Elementary occupations	27.7	23.5
Armed forces occupations	0.4	0.0
All occupations	100.0	100.0

Source: Philippine Statistics Authority

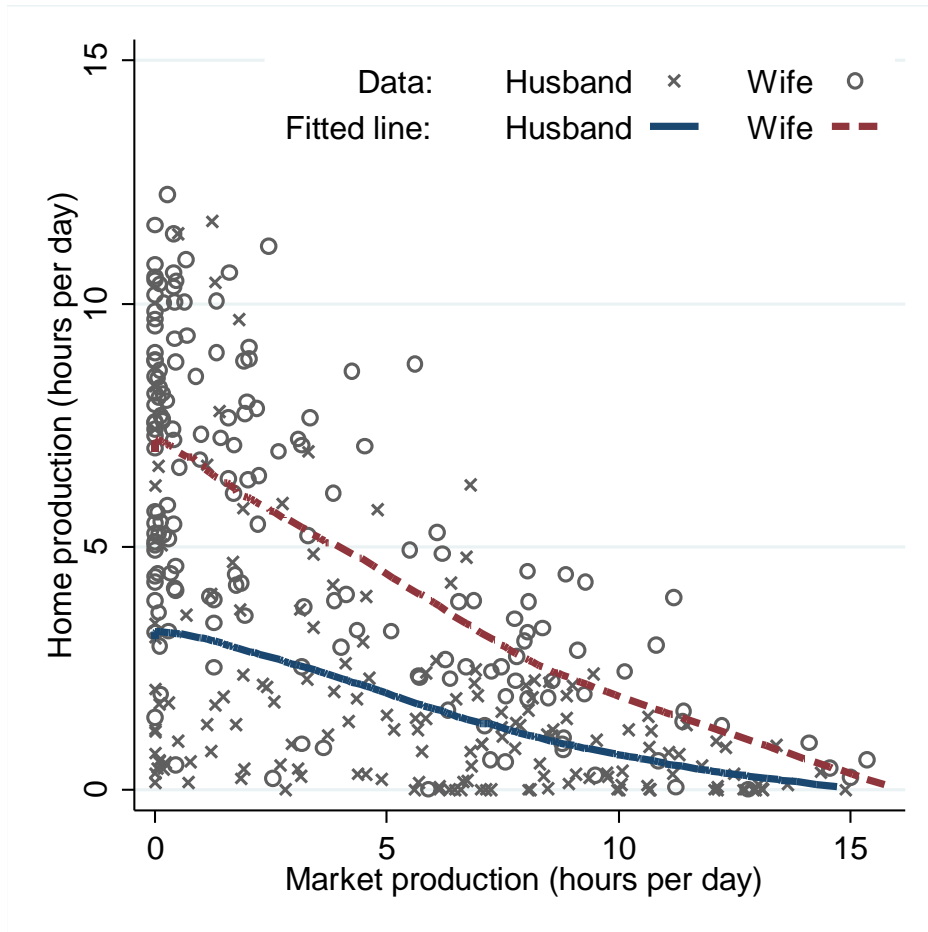
What do men and women do in
home production?

Time Specialization



Specialization between men (mainly market production) and women (mainly home production) similar to other countries

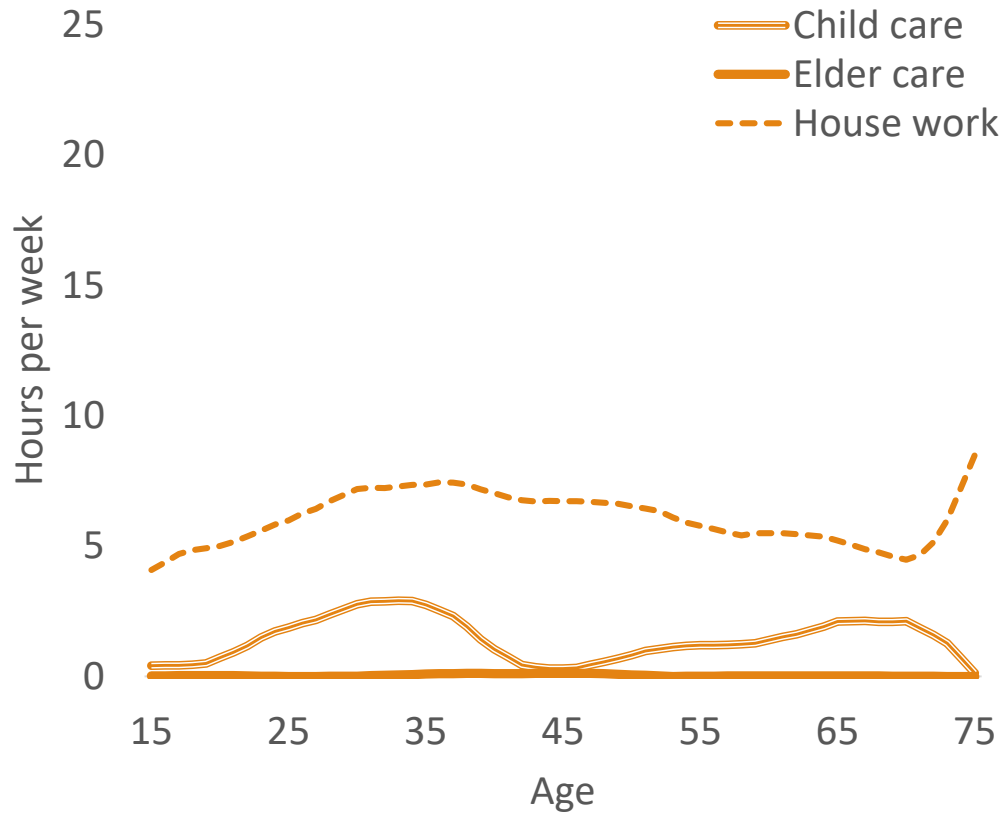
Double burden?



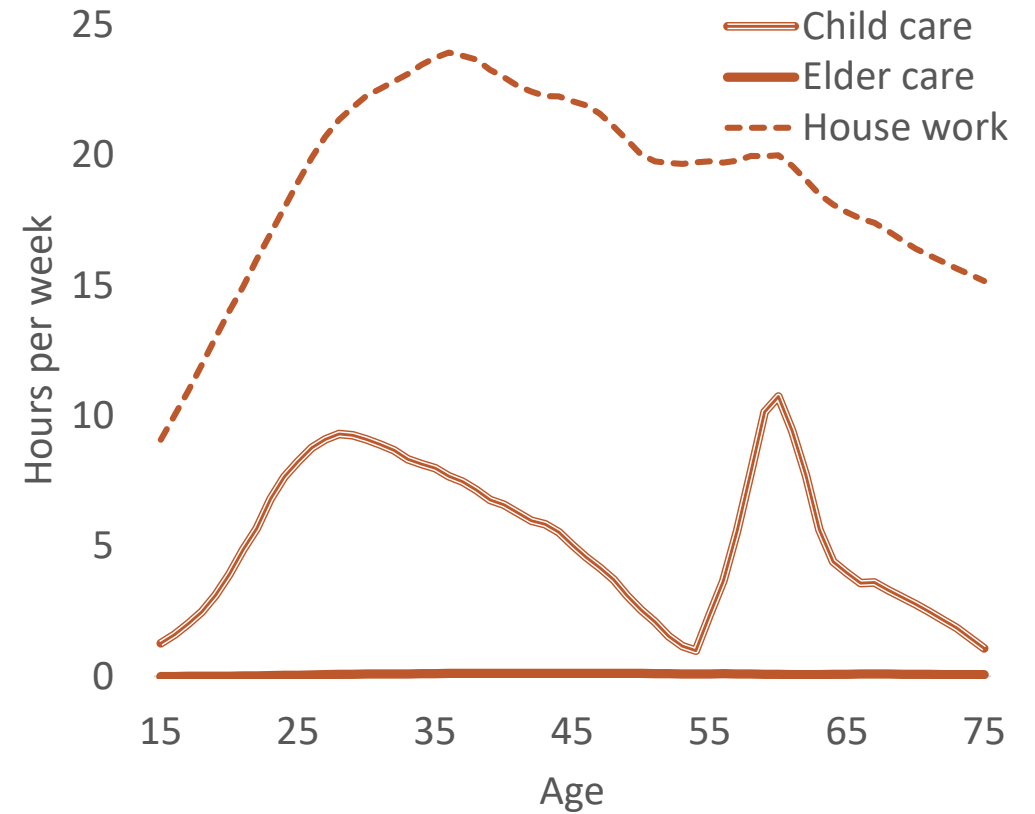
But given the same time allotted to market production among husbands and wives, women contributes more hours to home production

Time in home production

Men

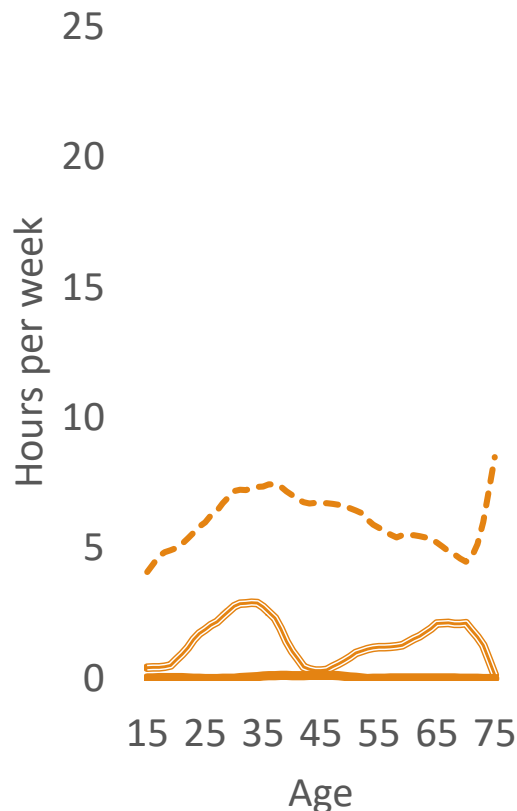


Women

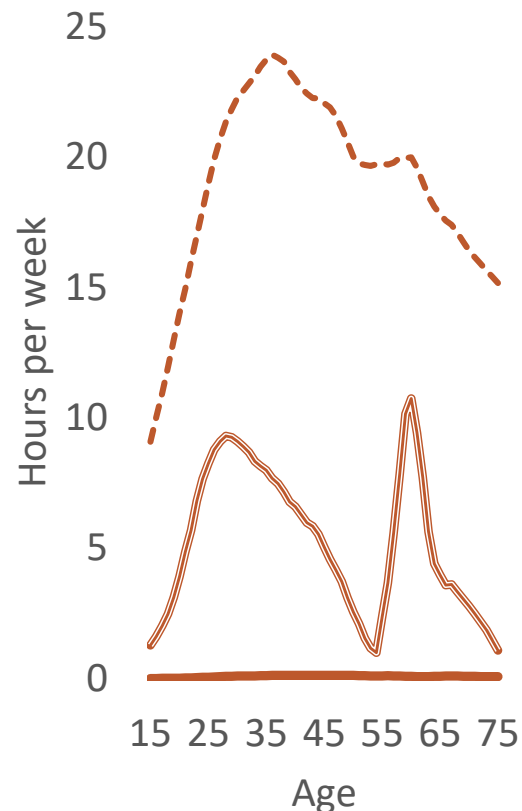


Time in home production

Men



Women



- Women contribute more home production time at all ages
- Two humps for childcare over the lifecycle for men and women: Household strategy to allow prime-age adults to participate in market production?
- Almost negligible time spent on eldercare

How much do men and women
contribute to the economy?

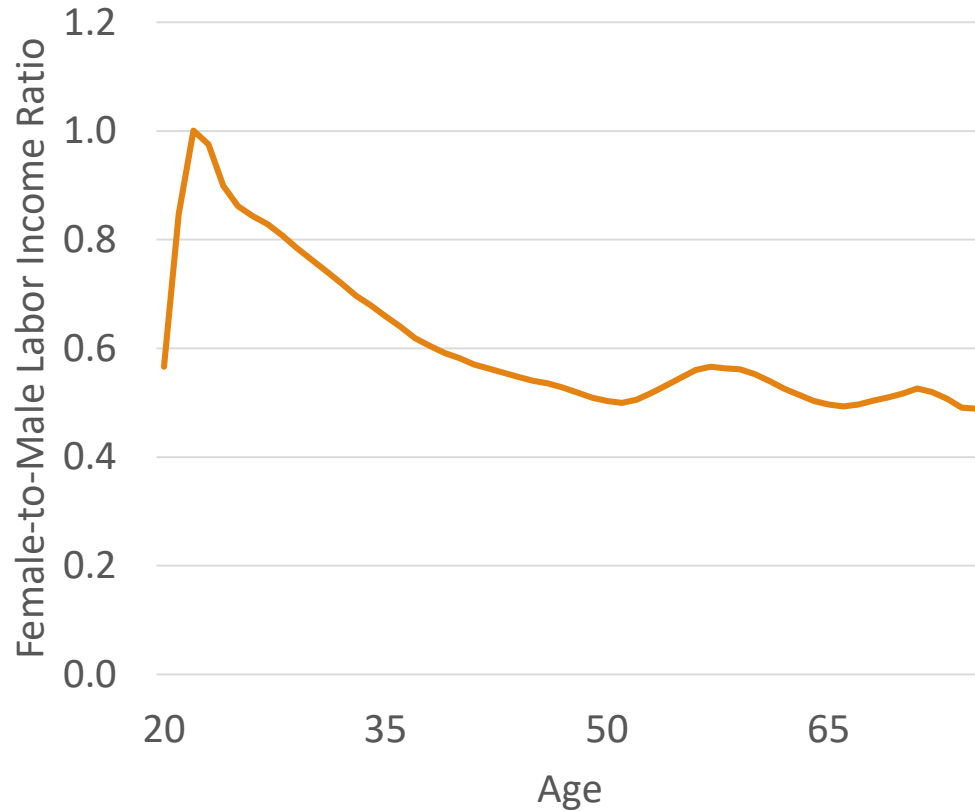
Lifecycle account, 2015



Highlights important lifecycle differences between men and women

1. Women have higher school enrollment rate especially in secondary and tertiary education
2. Women exit work for home care
3. Women continue to work in informal sector beyond retirement age

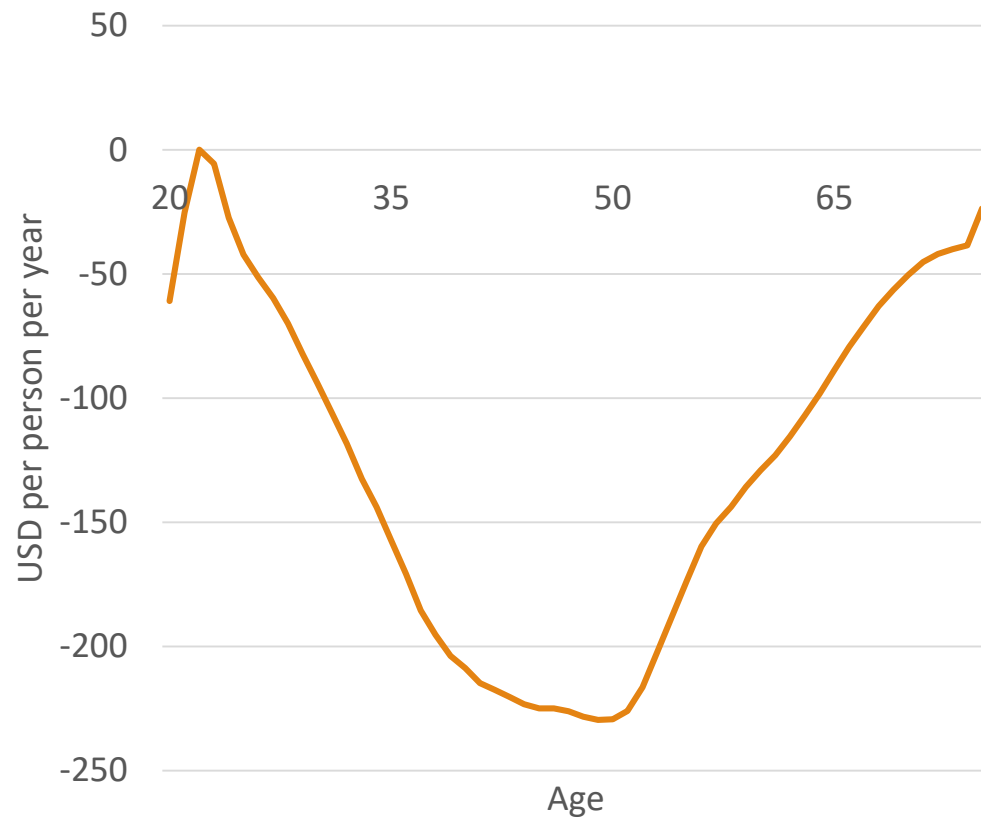
Labor income gender gap (relative)



Similar to Europe and the US with high gender parity around age 20

But more equal at old age compared to many other countries – role of self-employment is important

Labor income gender gap (absolute)



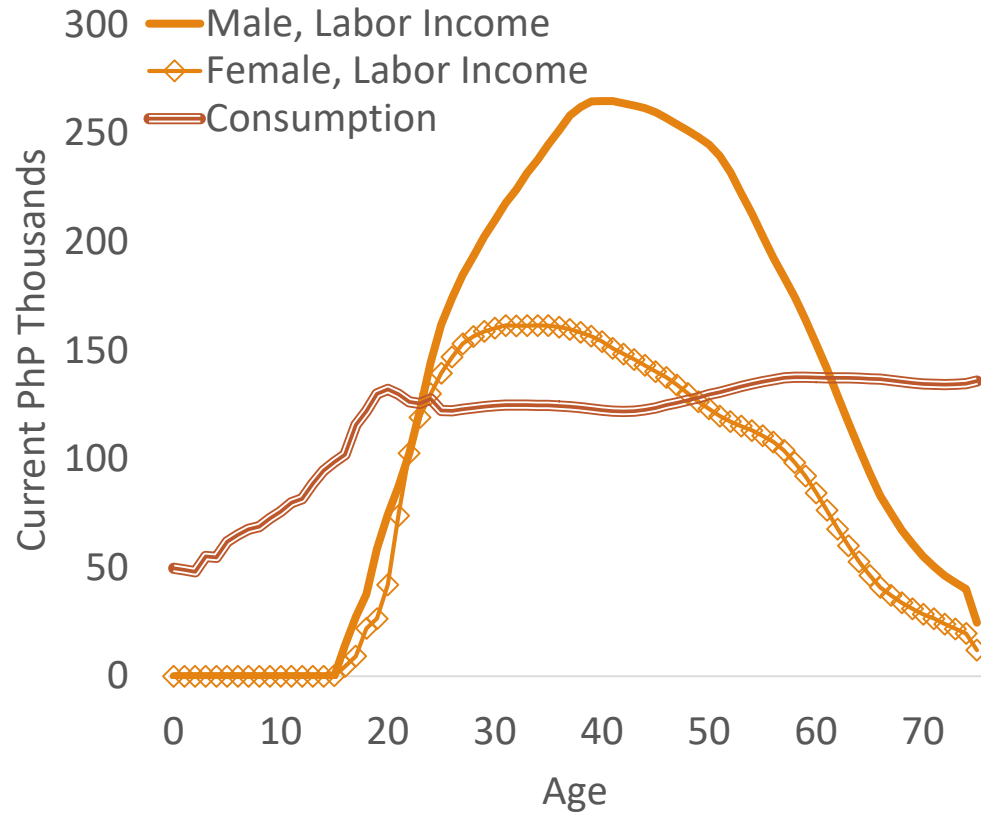
In per capita terms, gender gap is not as dramatic

At peak gap, 8% of per capita GDP or 50% of poverty line

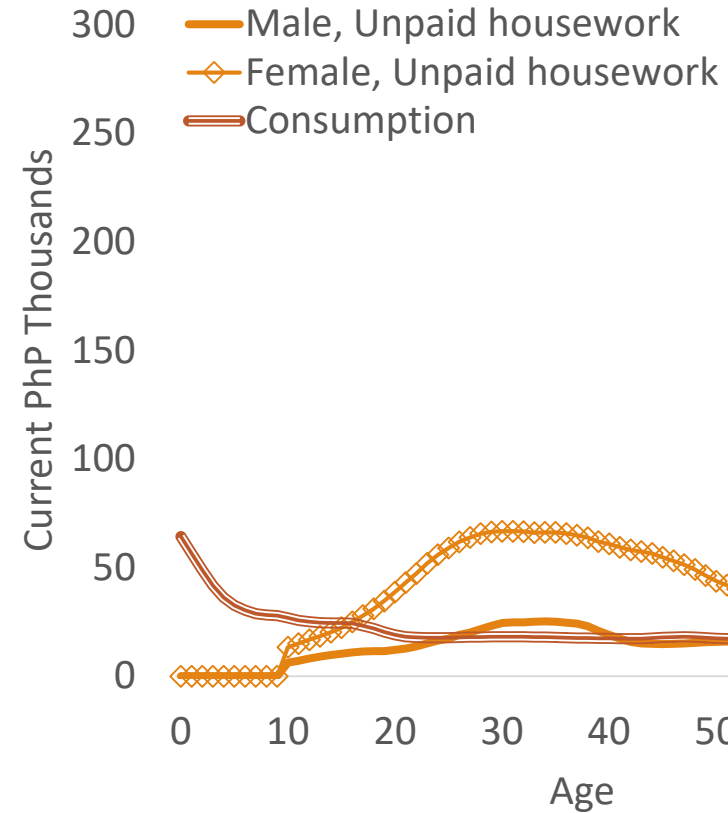
Absolute gap is relatively small at either end of the lifecycle

Market + non-market work, 2015

Market (NTA)

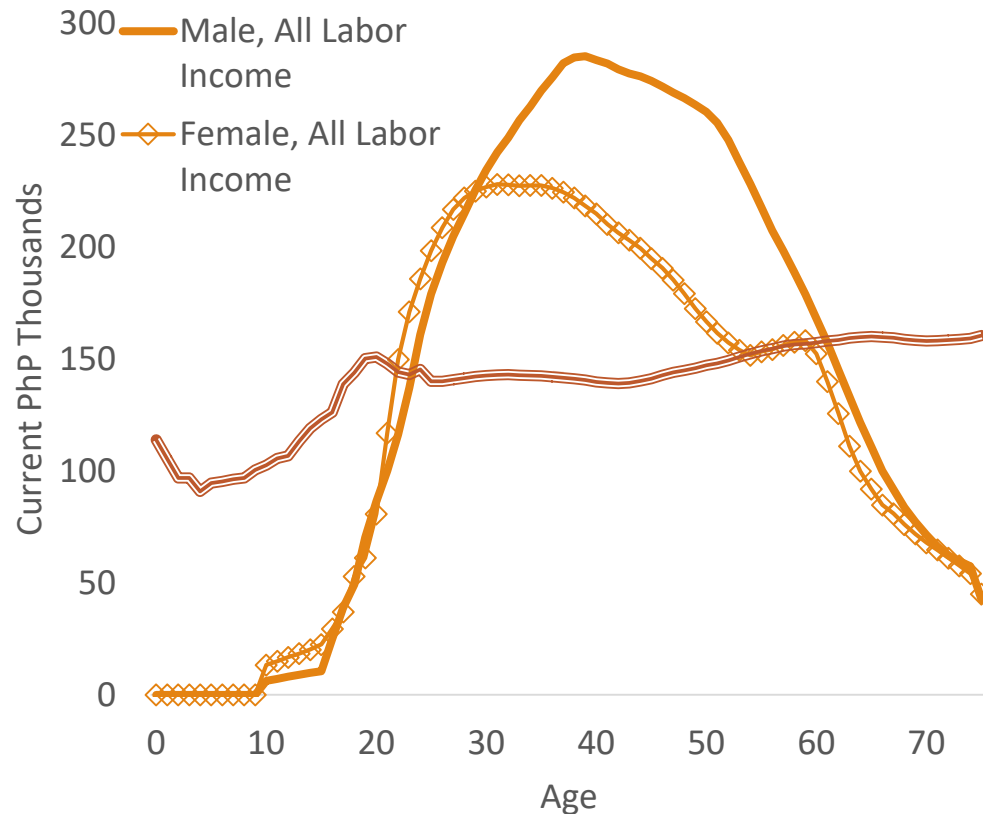


Non-market (NTTA)



Market + non-market work, 2015

Market (NTA) + Non-market (NTTA)



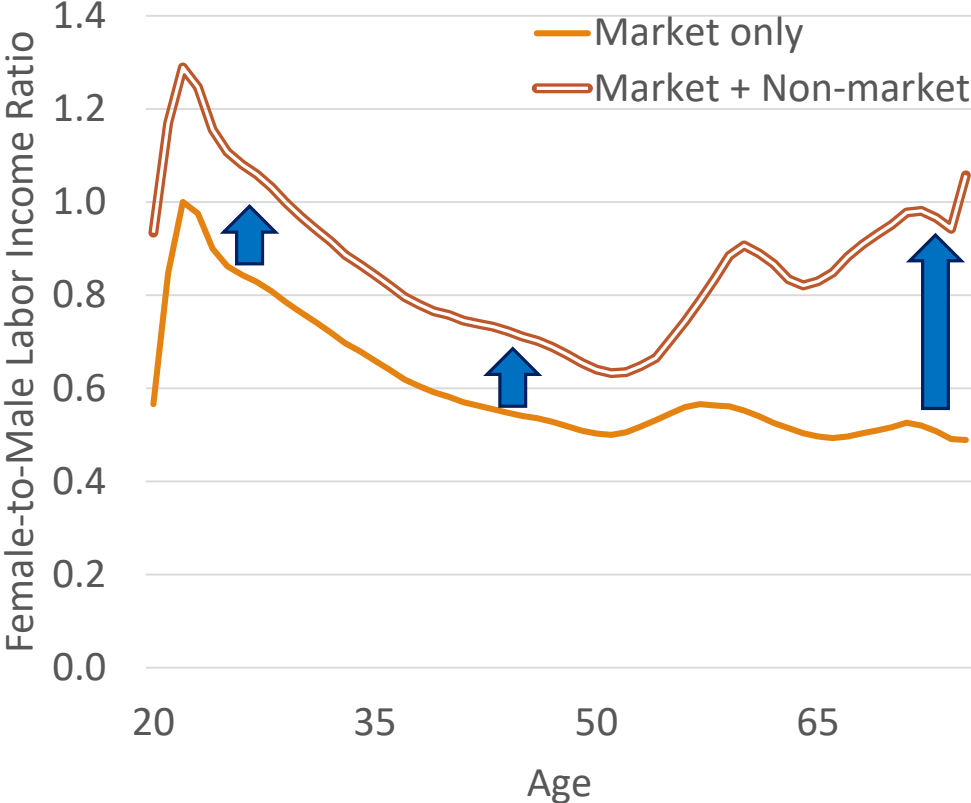
Unpaid home production comprises about one-fifth of all labor income if monetized

More important for women (33%) than for men (10%)

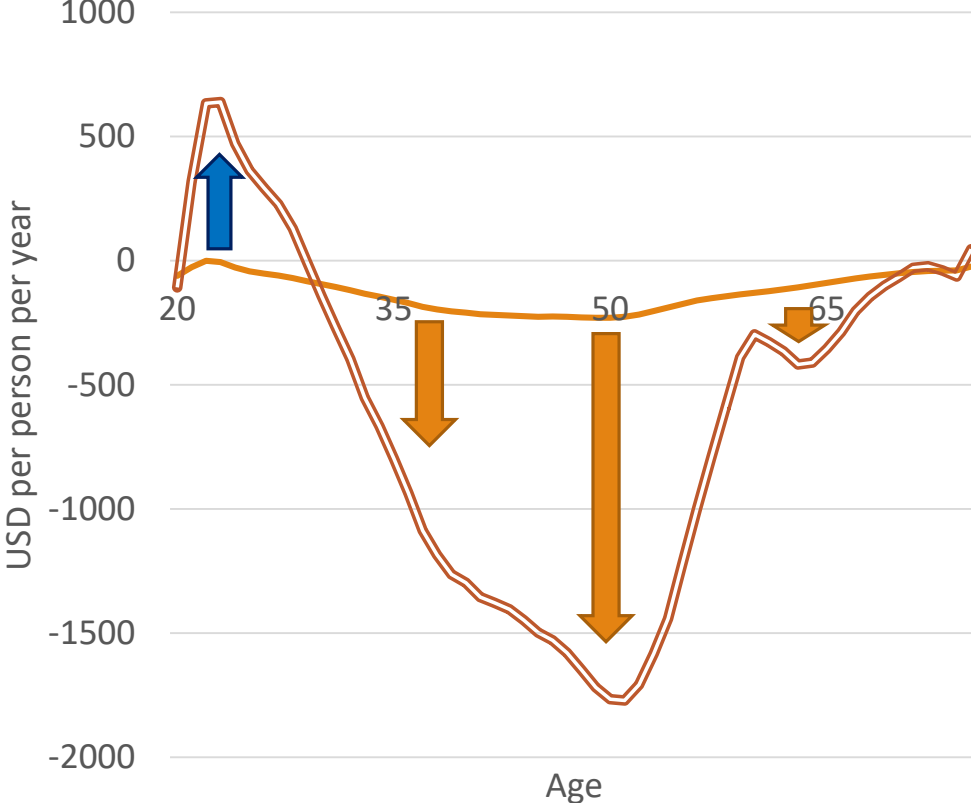
Does incorporating unpaid home production close the gender gap?

Gender gaps

Relative Gap



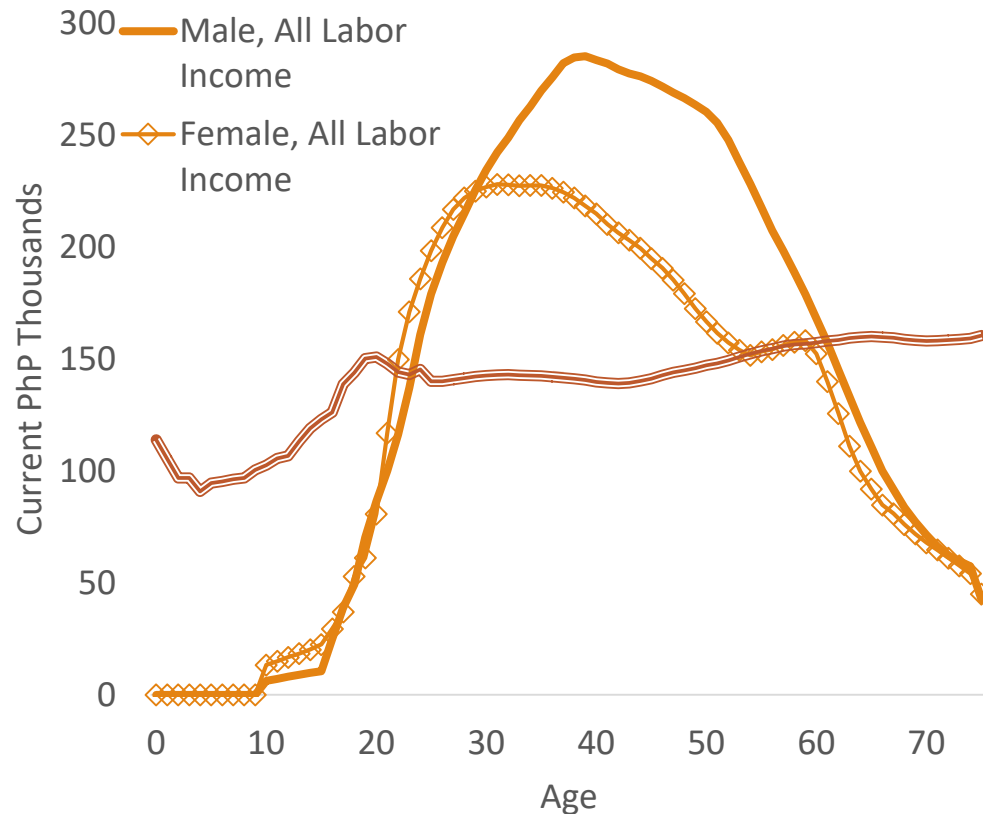
Absolute Gap



Can the gap be explained further?
(Are we missing something else? Why
would women choose to forego “labor
income” whether paid or unpaid?)

Closing the gender gap

Market (NTA) + Non-market (NTTA)



Although there is a large decrease in the relative gender gap when unpaid home production is monetized, the gap is still substantial – about 35% at peak

The gap is more dramatic when measured in absolute terms – about US\$1,800 per person per year at the peak, i.e., about 60% of per capita GDP

Human capital investments

- Estimate the association between non-market work and quality of children – proxy for quality of household (difficult to monetize)
 - Outcomes: (i) School participation, (ii) Age-for-grade z-score
 - Treatment: Female participation and time in market production
 - Identification: IV treatment by age of youngest child controlling for socio-economic status, family age distribution, child and parents characteristics
 - Focus on single family households

Time substitution

- Mother's time in market production
 - Decreases time for house work (elasticity = -0.4)
 - Increases spouses' time for house work (elasticity = 0.1)
- But men's share in home production is lower than women's
- Increase in spouse' home production does not compensate for decrease associated with mother working outside the home
- Similar results for childcare time (elasticities: -0.10 v. 0.05)
- No change in mothers' home production time when men change allocated time for market production

Quality of children

- Mother's labor force participation
 - Lower school attendance probability by about 40% points
 - Later completion by age (>4 SD years $\approx >6$ years) – includes both effects of non-participation and grade non-completion
- Similar results when using mother's time at market work
 - School attendance decreases by 0.1% points for every hour worked
 - Delays completion by about 1-2 months for every hour worked
- Modest to no association between quality of children and father's labor force participation or time in market production

Summary

- Unpaid home production is important
- Gender gap is not necessarily closed when unpaid home production is taken into account depending on measure
- While an improvement, we may still be undervaluing home production
- When women stay home, household quality improves, at least in the Philippines



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policy research

Thank you



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