### NTA Virtual Global Meeting on Population and the Generational Economy

# Labor market informality, gender and time inequality in Colombia

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## Introduction

- NTTA uses the 2016 National Time Survey (ENUT).
  - The latest available for Colombia
  - Nation-wide representative
- Household characterization to explore the relation between time use , labor market participation, informality and the role of gender per household head.
  - •2018 Census data estimates that about 4 out of 10 households are female-headed.
  - •46.8% of the Colombian workforce is employed in the informal sector.

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## Average Household Structure

|                                 | Female-headed<br>households | Male-headed<br>households | p-values |
|---------------------------------|-----------------------------|---------------------------|----------|
| Household head Age              | 51.688                      | 49.043                    | 0.000    |
|                                 | [16.538]                    | [15.698]                  |          |
| Household head Partner (=1)     | 0.197                       | 0.792                     | 0.000    |
|                                 | [0.398]                     | [0.406]                   |          |
| Household members               | 3.066                       | 3.365                     | 0.000    |
|                                 | [1.719]                     | [1.640]                   |          |
| Household members under age 12  | 0.545                       | 0.607                     | 0.000    |
|                                 | [0.864]                     | [0.865]                   |          |
| Household members under age 18  | 0.880                       | 0.931                     | 0.000    |
|                                 | [1.117]                     | [1.093]                   |          |
| Subsidized Social Security (=1) | 0.487                       | 0.453                     | 0.000    |
|                                 | [0.500]                     | [0.498]                   |          |
| Unsatisfied Basic Needs Score   | 0.419                       | 0.411                     | 0.284    |
|                                 | [0.822]                     | [0.784]                   |          |
| Standard I                      | Deviations in Brac          | kets                      |          |

- Male-headed household tend to be larger in Colombia.
- Female household heads usually do not cohabitate with partner.
- A larger proportion of households with female head have subsidized social security, which we use as a proxy for labor market informality.
- We do not find significant average difference in economic wealth (as measured by UBN) across genders of the household head.

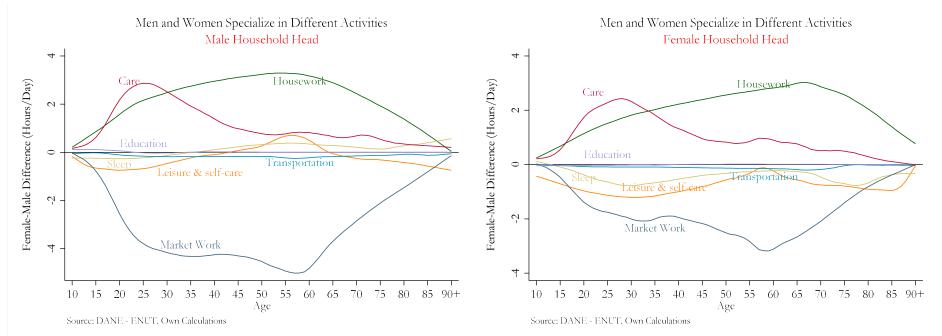
#### Households' average characteristics per household head gender

|                                   | Males                     |                             |          |                           | Females                     |          |  |
|-----------------------------------|---------------------------|-----------------------------|----------|---------------------------|-----------------------------|----------|--|
|                                   | Male-headed<br>households | Female-headed<br>households | p-values | Male-headed<br>households | Female-headed<br>households | p-values |  |
| Sanitary Facilities (=1)          | 0.772                     | 0.814                       | 0.000    | 0.784                     | 0.830                       | 0.000    |  |
| Knows how to read (=1)            | 0.951                     | 0.953                       | 0.243    | 0.958                     | 0.945                       | 0.000    |  |
| Age                               | 40.234                    | 32.222                      | 0.000    | 37.353                    | 42.655                      | 0.000    |  |
| Score UBN                         | 0.120                     | 0.158                       | 0.000    | 0.122                     | 0.121                       | 0.600    |  |
| Poor(=1)                          | 0.083                     | 0.122                       | 0.000    | 0.081                     | 0.085                       | 0.087    |  |
| Housework Production (Hrs./Week)  | 7.333                     | 5.371                       | 0.000    | 22.381                    | 19.235                      | 0.000    |  |
| Care Production (Hrs./Week)       | 5.959                     | 4.622                       | 0.000    | 14.591                    | 11.694                      | 0.000    |  |
| Housework Consumption (Hrs./Week) | 12.613                    | 11.971                      | 0.000    | 12.565                    | 13.347                      | 0.000    |  |
| Care Consumption (Hrs./Week)      | 3.062                     | 3.890                       | 0.000    | 3.878                     | 3.290                       | 0.000    |  |

Source: Own Calculation from ENUT-2016

- Women in female-headed households dedicate less time to unpaid housework and care production than women in male-headed households.
  - The reduction in care activities is larger than the reduction in unpaid housework activities.
- Men in male-headed households dedicate more time to care production, mainly because men in female-headed households tend to be children and elderly.

## Use of time per gender of the household head



#### Men and Women Specialization: Area under the curve

|                     | Male-headed | Female-headed |
|---------------------|-------------|---------------|
|                     | households  | households    |
| Leisure & self-care | -17.451     | -62.139       |
| Care                | 87.64       | 79.364        |
| Housework           | 175.977     | 161.823       |
| Transportation      | -11.82      | -7.352        |
| Market Work         | -248.054    | -137.915      |
| Sleep               | 9.591       | -34.395       |
| Education           | 1.282       | -0.313        |

## Households' characteristics per market work formality

|   | Males                 |                         |                | Females               |                         |                |  |
|---|-----------------------|-------------------------|----------------|-----------------------|-------------------------|----------------|--|
|   | Formal<br>Market Work | Informal<br>Market Work | p-values       | Formal<br>Market Work | Informal<br>Market Work | p-values       |  |
| Sanitary Facilities (=1)                    | 0.907                 | 0.652                   | 0.000          | 0.913                 | 0.685                   | 0.000          |  |
| Knows how to read (=1)                      | 0.984                 | 0.917                   | 0.000          | 0.982                 | 0.919                   | 0.000          |  |
| Age   | 38.659                | 37.453                  | 0.000          | 40.593                | 38.849                  | 0.000          |  |
| Score UBN                                   | 0.108                 | 0.154                   | 0.000          | 0.099                 | 0.147                   | 0.000          |  |
| Poor(=1)<br>Housework Production            | 0.074                 | 0.115                   | 0.000          | 0.063                 | 0.104                   | 0.000          |  |
| (Hrs./Week)<br>Care Production (Hrs./Week)  | 6.674<br>5.885        | 6.942<br>5.294          | 0.002<br>0.000 | 19.288<br>12.352      | 22.790<br>14.293        | 0.000<br>0.000 |  |
| Housework Consumption                       |                       |                         |                |                       |                         |                |  |
| (Hrs./Week)<br>Care Consumption (Hrs./Week) | 11.876<br>3.455       | 13.040<br>3.104         | 0.000<br>0.000 | 12.406<br>3.638       | 13.490<br>3.579         | 0.000<br>0.524 |  |

Source: Own Calculation from ENUT-2016

## Households' characteristics per market work formality

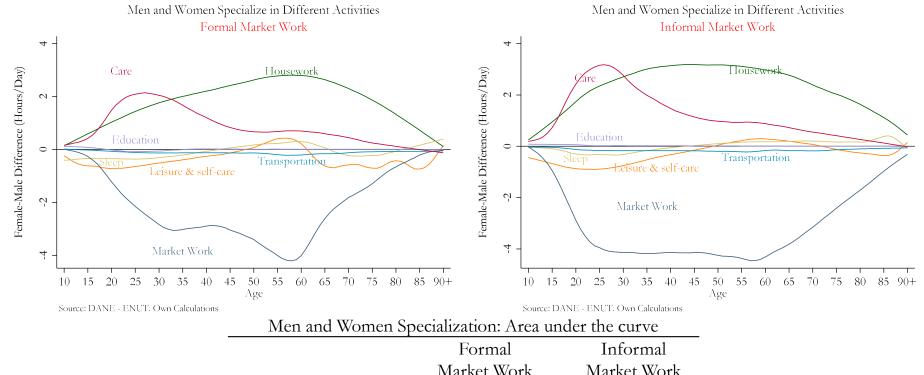
- •We use subsidized social security as a proxy to measure informality in the job market.
- •We find that women within households that participate in informal market work produce more housework and care time.
- •As expected, both women and men that participate in the informal market work are poorer than formal market work households.

## Households' characteristics per market work formality

| Household        | Individual     | Informality      | Head of 1      | Household        |                | Household<br>tner |
|------------------|----------------|------------------|----------------|------------------|----------------|-------------------|
| Informality      | Formal<br>(=1) | Informal<br>(=1) | Formal<br>(=1) | Informal<br>(=1) | Formal<br>(=1) | Informal<br>(=1)  |
| Formal<br>(=1)   | 0.49           | 0.02             | 0.52           | 0.02             | 0.54           | 0.01              |
| Informal<br>(=1) | 0.06           | 0.43             | 0.07           | 0.4              | 0.05           | 0.4               |

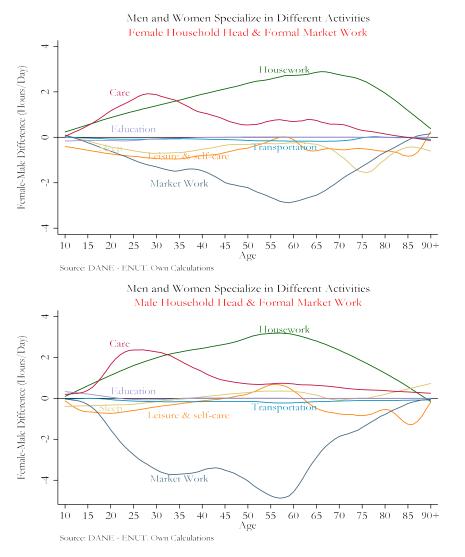
Informal households are those where the majority of members belong to the subsidized social security program. Source: Own Calculations from ENUT 2016.

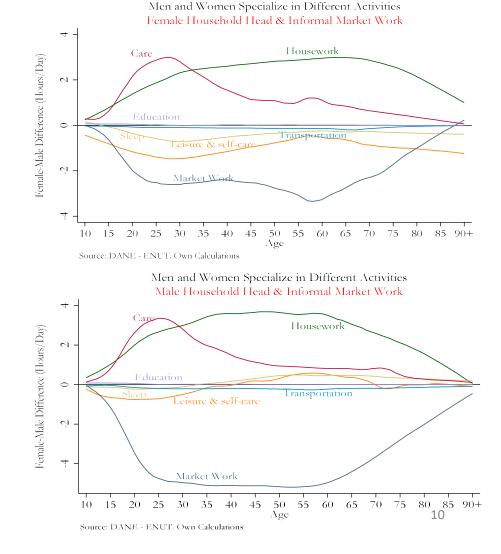
## Time use per formal paid work



|                     | Market Work | Market Work |
|---------------------|-------------|-------------|
| Leisure & self-care | -29.379     | -21.854     |
| Care                | 66.218      | 93.236      |
| Housework           | 143.621     | 183.651     |
| Transportation      | -8.93       | -11.603     |
| Market Work         | -167.363    | -248.349    |
| Sleep               | -6.039      | 1.586       |
| Education           | 0.407       | 1.567       |

#### Time use by the sex of the household head and market work formality





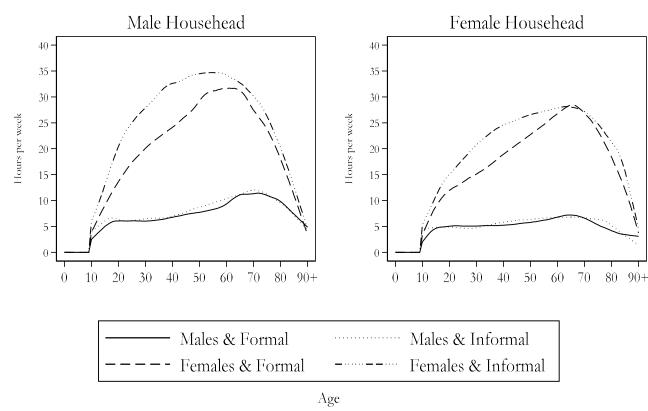
# Time use by household head gender and market work formality

|                     | Men and Women Sp | pecialization: Area und | er the curve |               |
|---------------------|------------------|-------------------------|--------------|---------------|
|                     | Formal M         | Formal Market Work      |              | Market Work   |
|                     | Male-headed      | Female-headed           | Male-headed  | Female-headed |
|                     | households       | households              | households   | households    |
| Leisure & self-care | -28.98           | -47.53                  | -5.92        | -78.31        |
| Care                | 76.73            | 61.89                   | 97.86        | 95.79         |
| Housework           | 153.91           | 144.79                  | 202.69       | 178.00        |
| Transportation      | -10.26           | -6.79                   | -13.93       | -8.07         |
| Market Work         | -197.18          | -110.96                 | -296.67      | -161.89       |
| Sleep               | 4.74             | -42.61                  | 15.12        | -29.72        |
| Education           | 1.87             | -2.58                   | 1.42         | 1.23          |

Source: Own Calculation from ENUT-2016

## Household Production Profiles

Household Production By Sex of the Household Head and Market Work Formality Colombia: 2016-2017

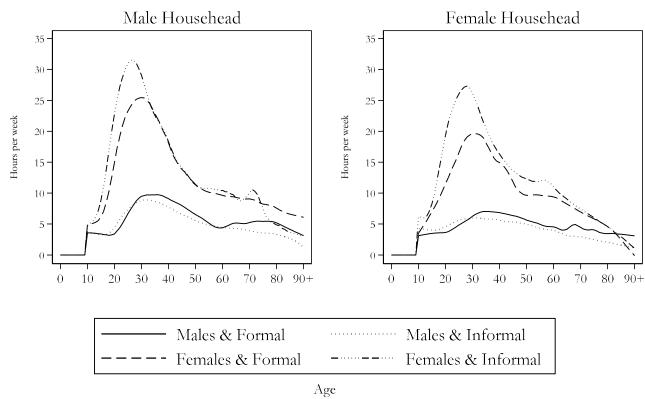


**Note:** Household production includes laundry, cooking, hh maintainance, repair and management, pet care, shopping and, transportation time. **Source:** DANE - ENUT. Own Calculations

- Women in informal maleheaded households produce the most housework at all ages.
- Men, between 15 and 80 years old, produce the least less housework independent of the household head gender.
- It seems informality pushes households to dedicate more time to housework production activities.

## Production Care Profiles

Production Care By Sex of the Household Head and Market Work Formality Colombia: 2016-2017



**Source**: DANE - ENUT. Own Calculations

- Production care profiles show a similar pattern to that of the household production profiles.
- Results suggest that women in informal maleheaded households produce more care time at almost every age.
- While formal males produce slightly more care time than informal males.

## Preliminary Regression Analysis

|                     | (1)              | (2)              | (3)         | (4)         |
|---------------------|------------------|------------------|-------------|-------------|
| Dependent Variables | Unpaid Housework | Unpaid Housework | Child Care  | Child Care  |
| Dependent Variable: | (Hrs/Week)       | (Hrs/Week)       | (Hrs/Week)  | (Hrs/Week)  |
| Woman (=1)          | 15.11***         | 12.40***         | 7.609***    | 5.344***    |
|                     | (0.108)          | (0.104)          | (0.118)     | (0.100)     |
| Age                 | 0.866***         | 0.656***         | 0.302***    | 0.325***    |
|                     | (0.00876)        | (0.00881)        | (0.0135)    | (0.0120)    |
| Age^2               | -0.00822***      | -0.00517***      | -0.00408*** | -0.00388*** |
|                     | (0.000117)       | (0.000116)       | (0.000159)  | (0.000141)  |
| Constant            | -10.80***        | -9.292***        | -1.207***   | -2.249***   |
|                     | (0.145)          | (0.154)          | (0.254)     | (0.232)     |
| Observations        | 68,905           | 71,056           | 56,300      | 60,667      |
| R-squared           | 0.544            | 0.504            | 0.546       | 0.609       |
| Sub-sample          | Informal         | Formal           | Informal    | Formal      |
| Household FE        | Yes              | Yes              | Yes         | Yes         |

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

## Exploratory Regression Analysis

- Regression results are consistent with NTTA profiles' evidence
- •Our results suggest that women in formal and informal households dedicate more time to unpaid housework and childcare activities than men.
- Columns (1) and (2) together suggest the gender gap between men and women is wider in informal households than in formal ones. This results are also consistent for childcare in columns (3) and (4).

## Conclusions

- Female-headed households are smaller than male-headed households, mainly because the household head is single.
- Women in female-headed households usually produce less housework and care time than females in male-headed households.
- Nevertheless, women in the formal female-headed households dedicate less time to housework and care activities that women in informal female-headed households -> double pressure for informal women
- Informality and the sex of the household head do not seem to affect significantly the time men dedicate to housework and care activities.

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## Appendix A: Unsatisfied Basic Needs Score

- Colombia's Unsatisfied Basic Needs (UBN) index uses 15 different variables to measure poverty across the country.
- Unfortunately, ENUT's doesn't have complete information for all 15 variables the UBN index needs.
- We compute an approximate UBN score using the 9 available variables in ENUT.
- Although we can't fully verify the validity of our score, it does correctly correlate with main variables like household size, household income, health problems, among others.

## Appendix B: Integrals Calculation

- To compute the area under the curve of male and female differences in the use of time we use Stata command integ.
- We compute the difference by sex and use Friedman's Super Smoother (supsmooth) to obtain the smooth difference in time use by age and category.
- integ first fits the smoothed points with a cubic spline which is then analytically integrated to give an approximation for the integral of smoothed function.
- For more information on the cubic spline method see Press et al. (2007). Numerical Recipes: The Art of Scientific Computing. 3rd ed. New York: Cambridge University Press.