

INTEGRATING UNPAID WORK INTO MACROECONOMICS

A Short History and the Philippine Experience

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I. The Invisible Woman

It is undisputed that the contribution of women to the economy, mostly in the form of unpaid labor, is well nigh invisible today, despite four World Conferences of Women starting in 1975, when the need to measure and value unpaid work was recognized. In the Third World Conference of Women in Nairobi in 1985 the clamor reached its peak: *The Nairobi Forward Looking Strategies*, as endorsed by the UN Economic and Social Council, recommended that the value of household goods and services be included in GDP: “*The remunerated and, in particular, the unremunerated contributions of women to all aspects and sectors of development should be recognized, and appropriate efforts should be made to measure and reflect these contributions in national accounts and economic statistics and in the gross national product. Concrete steps should be taken to quantify the unremunerated contribution of women to agriculture, food production, reproduction and household activities.*” [para. 120, Report of the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women: Equality, Development and Peace, Nairobi, 1985]

Non-Marketed Equals Non-Economic. When that recommendation was made in 1985, goods and services that were produced by households for their own consumption were excluded in the estimation of Gross Domestic Product (GDP). This, by fiat of the UN System of National Accounts (SNA), first published in 1953. The reasoning behind this exclusion goes something like this: only (final) economic goods and services are included in the estimates of GDP. Goods and services are economic if they are marketed. Goods and services produced for own-account consumption by households are not marketed. Therefore they are not economic. Therefore they cannot be included in GDP.

Producers of non-marketed commodities are economically inactive. There is a devastating corollary: since non-marketed goods and services are invisible in GDP, the efforts that went into producing these goods perforce became invisible as well. How? Again by definition. Per the International Labor Organization (ILO), to be a member of the labor force, or to be “economically active”, one does not only have to be above a specified age (working age), but must be engaged in the production of economic goods and services – as defined by the SNA. Since the SNA-defined economic goods and services exclude those produced for home consumption, those involved in the latter’s production are not members of the labor force. They are economically inactive.

Warring Efforts. One can only appreciate the irony of a United Nations which on the one hand is at the forefront of efforts to eliminate discrimination against women and “mainstreaming” them and towards gender equality; and on the other hand has laid down, through the use of narrow, inadequate, erroneous definitions, the basis for women’s economic invisibility – and ultimately the discrimination against them. In the process, they have unwittingly loaded the dice in favor of “emerging markets”, in the sense that the growth rates of the latter are overestimated: as household production enters the market, GDP, by SNA standards, increases, even if the production was always there – it just was not counted.

Impact of Invisibility on the Invisible: I have been teaching economics for over thirty years, and never once have I come across a definition of economics which equates it with markets. The basic fact of economics is scarcity, not markets. This cock-eyed view of the SNA of what should be included and excluded in a country's gross domestic product has not only distorted the macroeconomic picture (at best giving only a partial one), particularly in developing countries not far removed from the subsistence level; but the non-recognition of the contribution of women to the economy and society in the national statistics have also implicitly perpetuated gender inequalities. "Official non-recognition of contributions to the national as much as to the household economy obviously leads to non-recognition in policy making, planning, allocation of resources, the provision of support services and information, and of course in the distribution of the benefits of development. The failure to recognize much of the work which women do is therefore a failure to take women into account in all these areas" [APCAS/94/9].

Some Reforms: The wheels of justice turn exceedingly slow, and it took eight more years to address the Nairobi clamor. The SNA 1993 revision explicitly recognized household production of goods and services for own consumption as economic activity (para 1.21). But that had a large element of lip service to it, because while the SNA production boundary was expanded to include household production of goods (as well as water-carrying, at the insistence of developing countries) it still excludes non-marketed services. *Figure 1* shows the economic activities that are "SNA" and "non-SNA" as of 1993, with previously excluded unpaid household production of goods now within the SNA production boundary, but the unpaid household production of services still outside the boundary.

In what is considered by many to be a major step forward, the 1993 UNSNA also recommended the use of special satellite accounts that can be linked to but are separate from the SNA accounts, in recognition of the limitations of the central framework in addressing specific aspects of economic life important to a specific country. They "expand the analytical capacity of national accounting for selected areas of social concern in a flexible manner, without overburdening or disrupting the central system" [1993 SNA para.21.4] – thus the terms "augmented", "expanded", "enhanced" GDP. It has been regarded by many as a "realistic" compromise between the advantages of tradition and the adaptation of new economic, social and political requirements.

A Critical Appraisal: I realize I may be a minority of one, but I confess to disappointment about its unreserved acceptance by the Beijing Conference in 1995 – a far cry, it would seem, from the Nairobi desire to have unpaid work reflected in the GDP proper. Certainly, including unpaid household services in a satellite account is better than excluding it completely. But there are disadvantages to this: First, relegating women's contribution to GDP to an adjunct, supplemental position, violates the concept of gender equality – if men and women are to be treated equally, they should be equally visible in the national accounts. An augmented, expanded, enhanced GDP – such patronizing terms – is not what is needed. What is needed is an accurate picture that reflects the reality on the ground. Why should women not be included in the "central system"? Second, insisting on a truncated GDP – and it is truncated, as we all know from various estimates (*Table 1*) of just how much unpaid work contributes to the economy – and then "enhancing" it is like amputating a person's leg, and then giving the amputee a crutch.

Third, the reference to the "advantages" of tradition vs. new economic, social and political requirements may be misplaced. The cavalier treatment of women's caring services in the home, one should not be surprised to learn, has not always been the norm. Over 200 years ago, in the censuses of population in both England and the United States, housewives, or more accurately women whose work consisted largely of caring for their families, were

considered to be productive/gainful workers. Unfortunately, over time, that view of the role of women slowly changed, so that by 1900, housewives were no longer considered productive workers – they were formally relegated to the census category of “dependents” (which included infants, young children, the sick, and the elderly) – mouths, rather than hands. This situation, I am sorry to say, was partly due to the influence of Alfred Marshall, the greatest economist of his time. [Nancy Folbre “The Unproductive Housewife: Her Evolution in Nineteenth Century Economic Thought, in Signs, Spring 1991].

Fourth, as mentioned previously, “economic” and “market” are not, never have been, and never should be interchangeable. Certainly first world economies are market economies, but imposing that first world reality as a criterion for the developing world makes no sense. We should remind ourselves that Gross Domestic Product is the measure of the market value of **all** final goods and services produced in a country during a year; it is not the market value of **only** those final goods and services that are bought and sold in a market. Using the latter definition for fear of being overburdened is like looking for one’s car keys one block away from where one lost them – simply because the light is better in the new location. It is more convenient, but you won’t find the keys.

Undoubtedly, the valuation of unpaid work is difficult – but that is par for the course in national income accounting, or for that matter in any endeavor where measurement is involved. I recall that prior to its publication (come to that, it is still being criticized), Mahbub Ul Haq’s Human Development Index (HDI) was the subject of savage criticism, and he was advised not to use it until the problems were ironed out. If he had followed that advise, the HDI would still be unpublished today and the world would be the poorer for it. Instead, he took the plunge – with the HDI being constantly fine-tuned, a work in progress. What was important was that the methodology used was transparent, the need for improvement was recognized, and constructive criticism was welcomed. Following the UNDP lead, many countries are now estimating intranational HDI’s .

More to the point, it is not as if unpaid work in the national accounts is uncharted territory. The Norwegian national accounts for the period 1935-1943 and 1946 to 1949 included estimates of the value of unpaid household work, as apparently did other Scandinavian countries [UNIFEM, Valuation of Unpaid Work, Gender Issues Fact Sheet 1, referring to Asiaksen, Julie and Charlotte Koren, 1996, “Unpaid household work and the distribution of extended income: the Norwegian experience]. The question raises itself – if it could be done sixty and seventy years ago, why not now?

The reasons given in the 1993 SNA for excluding unpaid household services are not persuasive (see paras 1.21-1.23). Why the market sector in an economy should be more important than the non-market sector, or for that matter why the monetary sector should be more important than the real sector, is not made clear. But the one that, as far as I am concerned, takes the cake is that including own-account household services in GDP will mean that all persons engaged in such activities would become self-employed, “making unemployment virtually impossible by definition”.

Well, maybe it is high time to reexamine the employment concepts again, starting from the one that counts anyone who worked at least one hour in the past seven days as employed – as long, of course, as the work was to produce an SNA-approved good or service. This, to my mind, makes the concept of employment meaningless.

There is nothing wrong, and everything right about shifting the focus from unemployment to underemployment (those employed, but seeking more work), both visible and invisible. It is clear, from looking at the statistics on poverty and employment, that it is not the quantity so much as the quality of employment that is important. The general view is that unemployment and poverty are closely connected. That is a myth. In a country like the Philippines, the poor cannot afford to be unemployed. Family poverty incidence in the Philippines was 27.5% (2000, using national standards). Poverty incidence of families where

the head was self-employed (using ILO norms) was 38.3%; while poverty incidence among households where the head of household was unemployed was a much lower 14%. The self-employed group, by the way, make up over half of the total number of poor families in the Philippines. It is they, the self-employed who deserve at least as much attention as the unemployed.

In sum, the SNA cloaks the contribution of women to the economy with invisibility by using narrow, and at the very least inadequate definitions. That cloak should and can be removed. Including their contribution in satellite accounts should not be considered a final and permanent solution but rather a preliminary and temporary one.

II. Removing the Invisibility

Time-Use Surveys (TUS) to Valuation to Satellite Accounts to Full Integration: the Philippine Experience

If it is indisputable that women's contributions to the economy are statistically invisible, it is at least arguable that time-use data, either from full time-use surveys or from time-use questions included in regular household surveys, are a sine qua non in counting paid and unpaid work of men and women, which in turn is a necessary first step in removing that cloak of invisibility. The second step would be to use the time-use data to create monetary measures of the value of non-market production to facilitate their integration into the GDP figures – in the current environment through the use of satellite accounts. The third step would be to create the satellite accounts and to institutionalize them (in the sense of not being one-shot deals). And the final step, which is beyond the horizon at this time, would of course be the full integration of unpaid labor into the country's national accounts.

Much work has already been done with regard to the first step. A 1999 Report [Horrihan, et. al "A Report on the Feasibility of Conducting a Time-Use Survey"] lists over 57 time-use surveys undertaken by 38 countries starting from 1924 (USSR) up to 1999. The United Nations Statistics Division website features a map and a list of countries and areas – twenty in all – that conducted TUS between 1990 and 2004, seven from the developed and thirteen from the developing world. A UN Ecosoc report shows that as of February 2004, 95 TUS had been undertaken in 19 countries of the ESCAP region (58 country membership) since 1960, of these 44 had been conducted in the last 14 years, and 8 since 2000. It also reports that at the world level, 82 countries have carried out at least one TUS. And the US seems to be making up for lost time in a big way: Only one TUS is listed under its name (1965-1966), until 2003, when it started undertaking monthly time-use surveys. And of course along the way, many conceptual, methodological, and measurement problems have been ironed out, many lessons learned, which is the *raison d'être* of this seminar.

Slow Progress. But if anywhere up to 82 countries have undertaken at least one TUS, not as many have used the data gathered to value the time spent on unpaid household labor. Even fewer countries have started or developed household satellite accounts. And none, with the possible exception of Australia and Germany, have institutionalized it, i.e. are doing it on a regular basis. *Table 2* gives a partial listing of countries which have valued unpaid work together with notations on whether they have developed satellite accounts.

Why does there seem to be, for the greater number of countries, not much follow-through, as it were, in integrating unpaid work into the country's national accounts? One reason could be that the learning curve is a deep one, notwithstanding the enormous research and training efforts on the part of organizations like INSTRAW (United Nations Research and Training Institute for the Advancement of Women) [Measurement and Valuation of Unpaid

Contribution (1995) and Valuation of Household Production and the Satellite Accounts (1996)] and ESCAP [Guidebook for Integrating Unpaid Work into National Policies (2001), prepared with UNDP and UNIFEM], not to mention national institutions.

Then there are the usual problems related to lack of financial resources, particularly in developing countries.

But resolving the technical problems involved in TUS and valuation of the unpaid work that it generates, are still not sufficient to achieve the goal of integrating unpaid work into the national accounts and macroeconomic policy. The support of policy makers and stakeholders have to be mobilized, which requires that they are made aware of the benefits derived from such an integration. Without that support, the valuable data gathered and analyzed may end up as a matter only of academic interest, or worse, mouldering in library shelves.

The Philippine Experience. In this regard, the Philippine experience may be instructive. As far as gender empowerment goes (and it doesn't go very far), the Philippines has been shown to be better off than countries in East and Southeast Asia which boast of higher per capita incomes and a higher Human Development Index (HDI). This can be seen from the data in *Table 3*, where the Philippines has the lowest GDP per capita and the lowest HDI, but the highest Gender Empowerment Measure (GEM), a measure which focuses on the participation of women in political and economic decision-making as well as power over economic resources. 1/ [UNDP, Human Development Report 2006]

At the same time, the country is one of four (with Canada, Ghana, and India) cited as good-practice case studies in the development of gender-sensitive indicators in a reference manual for governments and other stakeholders prepared for the Commonwealth Secretariat in 1999. 2/ [Tony Beck, "Using Gender-Sensitive Indicators: A Reference Manual for Governments and Other Stakeholders, Commonwealth Secretariat, 1999]. It is not coincidental that a majority of the high level personnel in the Philippine Statistical System are women. In short, if ever there was a list of developing country that could be in the forefront of women's visibility-raising activities, the Philippines would have to be included in it.

The effects of the International Conferences on Women It must be said that much of the success the country has had at advancing the status of women and moving toward gender equality is owed in no small part to the galvanizing effects of the preparations for and the aftermaths of the International Conferences on Women starting in 1975. It is not coincidental that the National Commission on the Role of Filipino Women (NCRFW), the first national machinery of women in Asia, was established by Presidential Decree at the beginning of 1975, in time for the First International Women's Conference in Mexico. The Nairobi conference caused another flurry of activity, this time focused on mainstreaming women's concerns in policy making, planning and programming of all government agencies. This led to the launching of the Philippine Development Plan for Women (PDPW) 1989-1992, (which may have been the first of its kind), and a successful lobby for legislation ensuring women equal rights in all areas (Women in Nation-Building Act). In the wake of the Beijing Conference came the Philippine Plan for Gender-Responsive Development 1995-2025, a 30-year perspective plan officially adopted as the country's main vehicle for implementing the platform of action adopted that outlines the policies, strategies, programs and projects that the government must adopt to enable women to participate in and benefit from national development. Under Executive Order 273, the PPGD was adopted as the country's main vehicle for implementing the 1995 Beijing Declaration and Platform for Action (PFA) adopted at the 1995 UN 4th World Conference on Women.

The numbers to support all the great words were provided by the work of an Inter-Agency Committee on Women and Statistics, which published the first edition of "Statistics

on Filipino Women”. The crowning glory to such efforts was to have been to empirically measure the contribution of women to the economy – their contribution to the SNA-type GDP, but more importantly, their share in a GDP that more accurately reflected all productive activities in the economy.

Promising Start. And this the country’s National Statistical Coordination Board (NSCB) proceeded to do. Scarcely two years after Beijing, it proposed to construct satellite accounts which, first, identified the distribution by sex of the economy in accordance with the SNA production boundary, then identified, measured and included unpaid housework services of those in the labor force, also by sex, and finally included the unpaid work of those not in the labor force – those not considered economically active in the SNA

Of course, there were problems which would have discouraged the faint-hearted. The proposed national time-use survey project, the first nationwide TUS to be conducted in the country, whose results were to be used in the NSCB’s valuation attempts, fell by the wayside – victim to the change in the executive directorship of the NCRFW and an accompanying change in priorities (in favor of an all-out push for programs and projects to eliminate violence against women).

The attempt to distinguish the contributions of males and females to the “conventional” GDP also met up with problems, e.g. GDP by employment reflects only number of employed persons by sex but not by labor input (and the one-hour per week definition of employment complicates matters); there was also the underestimation problem presented by the fact that unpaid housework is also done by persons younger than 15 years of age. All these aside from the problems associated with classification and valuation of the different types of unpaid labor (it is noteworthy that the value that was assigned to unpaid labor was assumed to be equal to the compensation of janitors – using the generalist approach)

Nothing daunted, the NSCB decided to make a first pass anyway, using data generated from previous TUS. This in itself posed some challenges: the need to validate the data from these sources, the shortcomings of the data themselves – e.g. surveys were not nationwide, volunteer work and travel related to unpaid work not included in any previous TUS.

Still and all, the effort was an excellent start toward removing the cloak of invisibility of unpaid labor as far as the economy was concerned. The work was completed in 1998. The results, covering the years 1990-1998 are summarized in Figures and Tables. [Virola and de Perio, “The Contribution of Women to the Economy”, 1998]

Women in the Philippine Economy. Briefly, it was found that:

1. The share of women in the “conventional” (including only SNA activities) GDP as measured by employment and by hours of work, ranged from 35% to 39% (*Table 4*). In the more accurate GDP which includes unpaid work – the NSCB calls it the “adjusted” GDP – women’s contribution increases to 48%-53% (*Tables 5 and 6*).

2. With the inclusion of unpaid household services, GDP itself increases by 27-40% over the nine-year period. (*Table 7*)

3. About 90% of the total unpaid hours of work is done by women (which is much higher than the 65-68% share in a developed country like Canada during roughly the same period. Among the employed and unemployed, about 71-73% are done by women, but it goes up to 91% among those not in the labor force (all per SNA-ILO definitions). (*Table 8*)

4. By economic activity, the contribution of women to unpaid hours of work in agriculture, fishery and forestry; manufacturing, wholesale and retail trade; financing, insurance, real estate and business services; and community, social and personal services – sectors which comprise about 80% of GDP – is greater than that of men. (*Table 8*)

These results were presented nationally in the National Conference of Statistics and internationally in the International Statistical Institute biennial meetings in 1999 (where it was the only paper dealing with the contribution of women

No Effect. While it was no doubt of interest to the professionals in the field, it made not a dent in the public consciousness, much less in the consciousness of the policy-makers and the women. It actually never reached them. The results were as invisible as the unpaid work that was being measured, and therefore could not have made a difference.

And they remain so.

The same fate seems to have been met by a TUS conducted in 2000 by the National Statistics Office. It was a scaled down version. In spite of all the methodological and conceptual advances both in time-use and valuation processes, there seemed to be no felt need for a national TUS survey in the Philippines, so the proposal was scaled down to “pilot” status covering two areas – one urban, one rural. Even then, the results do not seem to have captured the attention of, nor made any impression on, the major stakeholders, although the NSCB used them to update the conventional and more accurate GDP figures for 1999 and 2000 – which nobody knows about.

No work has been done since 2001 on measuring women’s contribution to the economy and the integration of unpaid labor into the national accounts. The promising start has fizzled out. In fact, had it not been for Devaki Jain and the Casablanca Dream, I would never have found out what had happened. [“Women Weave Peace into Globalization”, Casablanca, 12 -15 January 2007, www.casablanca-dream.net]

Post Mortem. What was the connection? One of the realizations at Casablanca was that unless women’s contributions to the economy were recognized and accepted, we would continue to be second class citizens with all its negative implications. And nobody else could be relied to push for that recognition and acceptance but we ourselves. It dawned on me that as a student and teacher anytime these past fifty years, every time the subject of the National Income Accounts came up, there would always be the accompanying observation that one of the shortcomings of the estimates was that while it included the services of paid domestic workers, it did not include the services of housewives who performed the same services and more. It was time to work to make that observation superfluous.

So, arriving home from Casablanca, I immediately contacted the Secretary General of the NSCB, Dr. Romeo Virola, and explained that I wanted to meet with him and his National Accounts staff, to get a better feel of what it would take to pursue the goal of integrating women’s unpaid labor into the macroeconomic picture provided by our national accounts, and hopefully even set a time frame for achieving this goal. He was totally supportive of the idea, and welcomed my concern, and then recounted to me the efforts he had already made – and abandoned – in this regard. But he assured me that he and his staff would be eager to resume those efforts – if there was a demand for it.

In subsequent discussions, Dr. Virola expounded on this point. In his opinion, although many conceptual technical, methodological, and measurement problems still have to be ironed out, he did not agree with the conventional (read UN SNA) thinking that these constituted the main obstacle to estimating women’s contributions to the economy in general, and the integration of unpaid work into the national accounts in particular. These could be overcome, and to a certain extent, the results of their earlier efforts demonstrated this.

The constraint, that caused him to abandon his efforts, was a lack of demand – as he said, “How can we continue to produce statistics that are not being asked for, or used, when there are calls for other data to be generated?” And what is behind this lack of demand? There may be a lack of understanding of how the statistics can be used for more effective decision-making (on the part of the policy-makers) or how they can be used as tools in influencing

these decisions (on the part of the policy advocates). To overcome this, what is needed, according to Dr. Virola, is “capacity-building of the users of the statistics”.

But the demand constraint, it would seem, may arise not only because of a lack of ability on the part of the “consumers”, but because of a lack of desire or willingness on their part as well. This point was made clear by Lourdes Beneria [“The Enduring Debate Over Unpaid Labor”]. There are those who think that it is worth neither the time nor the effort to measure unpaid labor, who do not see how such information could be of use to the poor exploited woman who is the subject of such information, that resources would be better spent on other activities that would benefit her directly. These views, held as they are by some feminists, cannot but weaken the efforts to integrate unpaid labor into the macroeconomy. And they could be used to explain, in the case of the Philippines, why the NCRFW leadership shifted focus from unpaid labor to violence against women.

It must also be pointed out, however, that there may be another reason, though never articulated, for the unwillingness to pursue the issue of integrating unpaid labor into the macroeconomy: the preservation of the status quo, where women remain invisible, exploitable and unable to widen the choices open to them.

Plans for a resurrection. But all is not lost in the Philippine case. Dr. Virola and the NSCB are ready and willing to give the effort a second go – and have said that they can update the conventional and accurate GDP accounts using the 2001 TUS up to at least 2005. They realize that there are going to be problems, have already listed them down, but they say they can come up with a set of preliminary figures for up to 2005 in about six months. There is a quid pro quo: they require an articulated demand for the data – from the public, or from the policy-makers or from the NCRFW, preferably all three. And since they don’t have the budget for it, this must be a private sector effort. Fair enough.

III. Conclusions and Recommendations

Conclusions: What conclusions can be drawn from the foregoing?

First, it is the SNA that threw a cloak of invisibility over women’s contributions to the economy, by using narrow, and at the very least inadequate definitions. That cloak can and should be removed. Segregating these contributions in satellite accounts should not be considered a final and permanent solution but rather a preliminary and temporary one.

Second, the full integration of unpaid work into the macroeconomy which has been established to be done mostly by women, can be accomplished, given the present SNA reality, as a sequence of steps – gathering time-use data, then valuing that unpaid work, then creating the satellite accounts, then institutionalizing them (estimating them regularly), and then fully integrating them as part of the national accounts’ “central system”. To date, to the best of my knowledge, less than half of the UN system have gathered time-use data; at most half of that half have begun valuing unpaid work (mostly developed countries), less again are creating satellite accounts, and at most one or two have begun institutionalizing them. Progress has indeed been slow in removing the cloak of invisibility.

Third, the slowness of this progress is less a problem of technical, supply constraints, as it is a problem of demand – either a lack of ability or a lack of willingness, or a combination of both, to carry it forward on the part of potential users, or even the potential beneficiaries themselves.

Recommendations. It is the third point to which we must now address ourselves. What can be done to increase, or even create the demand for the data that will allow women’s contributions to be visible? Here, we have to reach out to other disciplines, other professions

for help and guidance. In a nutshell, what is required is a series of consciousness-raising or awareness increasing activities. It is not enough that data are produced, and that the producers of the data know that they have a gold mine. It is not enough that the user capacity should be increased. The public should be on the side of the angels. They should also want that data to be produced in the first place, and want to know the results, and want their leaders to make use of those results. Because it is the public that can exert the pressure on reluctant policymakers or technocrats or organizations, or anybody else who is in the way.

In other words, the effort to integrate unpaid work into the macroeconomy must include not only time use-surveys and valuation processes and satellite accounts until the final goal is reached. It must include a proactive effort to get the public interested in what is being done or should be done. Not only should the public demand that data, but preferably the nature of that demand should reach epidemic proportions so that the only possible outcome is the desired outcome.

How did epidemics get into the picture? This is explained in a fascinating book that may not cross the path of economists and statisticians [Malcolm Gladwell, “The Tipping Point”]. The author, Malcolm Gladwell, posits that ideas, messages, behavior, spread like viruses do. As in epidemics. And an epidemic has three characteristics: it is very contagious, little causes have big effects, and tipping points.

How a tipping point is reached is also explained. Three factors are involved – starting with “The Law of the Few”, which says that the success of epidemics depend on the degree of involvement of a few people with a particular and rare set of social gifts. Connectors, who have at the hub of a large network of people from different walks of life, and who can connect these people with each other; mavens, who are to information what connectors are to people; and salesmen, who can sell ideas or products because they somehow can communicate that they believe in these ideas or products.

The second factor is the “Stickiness Factor”, which ensures that once a person gets infected (buys the message), she stays infected. What is involved in making something sticky is to find a way of packaging information that under the right circumstances, will make it irresistible.

And lastly, the “Power of Context”, which posits that people’s behavior are affected by circumstance rather than any innate set of values. He illustrated it by recalling the so-called Stanford Prison Experiment, where 24 normal, ordinary students turned into either sadists or nervous wrecks depending on whether the role randomly assigned to them was to be a guard or a prisoner (the experiment had to be stopped after only six days).

Clearly, the integration of unpaid work into macroeconomics has not yet reached that tipping point. What is needed to achieve these are people – whether researchers, economists, statisticians, feminists, who have the talents to be either connectors, or mavens, or salesmen; with a message that will not be forgotten (here is where the talents of advertising and marketing agencies can be tapped, and where it is clear that research budgets should include a component for information and education); and an environment that will shape the behavior of people in a large way.

Unless these requirements are met, integrating unpaid work into the macroeconomy will remain an idea whose time has not yet come.

Figure 1. Conventional GDP and Unpaid Housework Services

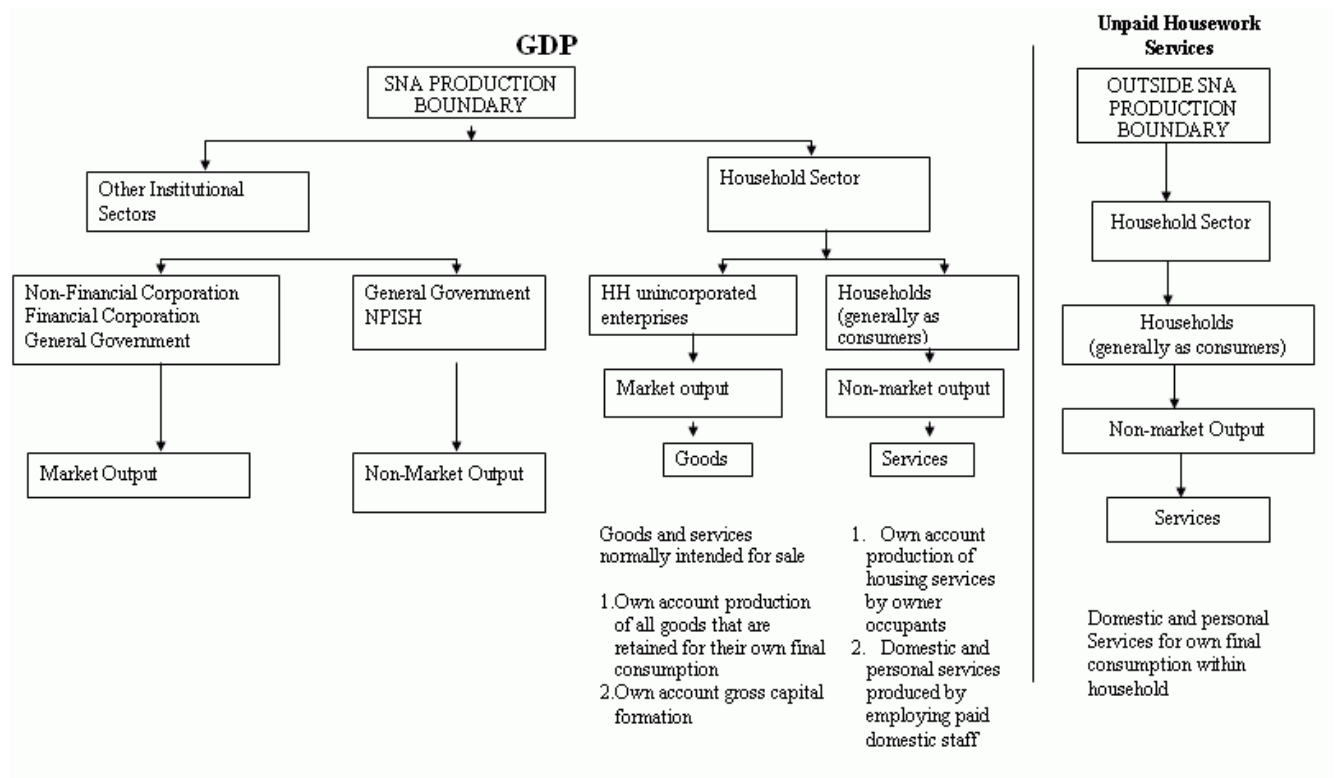


Table 1. Paid/Unpaid Work (Various Studies)

Reference			Average Total Hours of Paid Work /Day		Average Total Hours of Unpaid Work /Day		Ratio of Unpaid Work to Unpaid & Paid Work	
			<i>W</i>	<i>M</i>	<i>W</i>	<i>M</i>	<i>W</i>	<i>M</i>
Lingsom ¹	1975-1985		2.4	4.9	4.5	2.1	0.65	0.3
Canada ²	1992		2.7	4.5	4.5	2.6	0.63	0.37
Japan ³	1991		3.0	5.8	4.0	0.5	0.57	0.08
Miralao ⁴	1979	Single	8.0	6.4	3.0	1.7	0.28	0.21
		Married	7.0	7.4	7.9	2.6	0.53	0.26
NEDA ⁵	1984	Employed	5.6	-	4.3	-	0.44	-
		Unemployed	-	-	-	-	-	-
		Outside the Labor Force	-	-	-	-	-	-
IPC /Ilo ⁶	1985-1990		3.7	5.3	6.6	1.9	0.64	0.26

¹ coverage: Denmark, Norway, United Kingdom, Netherlands, Hungary, US and Canada
Unpaid House Work (UHW) = cooking, shopping, child care, odd jobs around the home and travel time related to these activities

² UHW = cooking, housekeeping, maintenance/repair, shopping, child care, volunteer, others

³ UHW = housekeeping, elderly care and nursing and shopping

⁴ coverage: Municipality of Candelaria and Sta. Cruz in Zambales Province and Barangay Sto. Niño, Marikina, Metro Manila

UHW = marketing, washing clothes, ironing clothes, cleaning house/yard, cooking washing dishes, fetching water, gathering/chopping firewood, sewing/mending clothes, child care

⁵ studied women whose

UHW = marketing, laundry, cleaning house, cooking, washing dish gardening and home beautification, baby sitting and caring the children, other unpaid HH dues

⁶ coverage: Rural Women and Men in Bicol (1985, 1987, 1990) and Mindanao (1990)

UHW = total home production time

TABLE 2. Valuation of Unpaid Work, various countries

Part I: Some countries with efforts to value unpaid work

Part II: Other countries mentioned in some references, which have started or developed satellite accounts of unpaid work¹

I. Some countries with efforts to value unpaid work

Country	Time series	Results	Data source	Remarks	Institution-ization	Link/Source
1. United Kingdom	1995	Value of unpaid work was estimated at between 40% and 120% of GDP, depending on the method by which its monetary value was measured	1995 General Household Survey	Experimental household satellite account		http://www.radstats.org.uk/n0074/article2.htm Developing Gender Statistics in the UK by Linda Murgatroyd
2. Finland	2001	GDP is increased by 40% and household consumption by almost 60% when production excluded from the national accounts are included in the figures. Among the various principal functions of household production, the highest GVA figure was recorded for housing. Its share was 43% of all household production. Meals and snacks accounted 27% of household production.	1999-2000 Statistics Finland's Time Use Survey, 2001-2002 Household Budget Survey	Finnish Household Satellite Account has been compiled in compliance with Eurostat and SNA93 guidelines		http://www.kuluttajatutkimuskus.fi/files/4919/2006_household_satellite_account.pdf Household Production and Consumption in Finland 2001: Household Satellite Account
3. Germany	2001	Using the generalist rate, the "GVA of HH production" for 2001 amounted to 820,000 million euros. This was roughly the equivalent of the value added of German industry and the trade, hotel and catering and transport segments together.	1999-1992 and 2001-2002 time-use surveys (TUS)	Compiled a household satellite system on the basis of the time use surveys. Compiling a satellite account of household production is a compromise to accommodate the demand to take unpaid work into account in economic		http://www.genderkompetenz.info/eng/gendercompetence/subjectareas/employment/unpaid/aspects Gender aspects in the area of unpaid work

¹ Was just mentioned in an article or paper that said countries are developing or have developed satellite accounts valuating women's unpaid work. Further research is needed on the main documents for each of these countries describing the methodology as well as presenting the resulting estimates.

Country	Time series	Results	Data source	Remarks	Institutionalization	Link/Source
				figures without including it completely in the GDP.		
4. Australia	1992, 1997	<p>Unpaid household work accounted for 91 per cent of the estimated value of total unpaid work in 1997.</p> <p>The value of total unpaid work in 1997 was estimated to be about \$261 billion (48 per cent of GDP), compared with about \$225 billion in 1992 (54 per cent of GDP).</p> <p>Women contributed 63 per cent of the estimated value of total unpaid work in 1997 (65 per cent in 1992).</p> <p>The estimate of the value of total unpaid work as a proportion of GDP in Australia is comparable with estimates made in other countries which have conducted studies using similar methodology (the estimates range between around 40 to 60 per cent of GDP, with the exception of Germany where the estimate is 71 per cent of GDP).</p>	Time use surveys conducted in 1992 (pilot) and 1997	Results have been released as a "satellite account" to the national accounts.	ABS has conducted the 2006 TUS and data from the survey is expected to be publicly available in 2007. Results will be used to update the monetary value of unpaid work (i.e., for 2007).	<p>http://www.oecd.org/dataoecd/23/18/2508574.pdf</p> <p>Aspects of Sustainability: Australian Experience by Barbara Dunlop, Australian Bureau of Statistics</p>
5. Canada	1961-1992, 1992-1998	<p>The estimated value of unpaid work in Canada in 1998 was \$297 billion. Between 1992 and 1998, the value of unpaid work increased by 18.3% (in nominal terms) comparing to 1992. As a percentage of GDP, however, it fell three percentage points, from 36% to 33%.</p> <p>Women who were not employed contributed the greatest proportion in the value of households' unpaid work with 36% in 1998. Those employed contributed at 27%. Conversely, a greater share of the value of households' unpaid work</p>	Major time use surveys conducted in 1986 and 1992, 1998	In the case of non-marketed goods and services, the national accounting approach is to assess value in relation with costs.	Publication on Households' Unpaid Work: Measurement and Valuation is being published by the Statistics Canada's	<p>http://www.statcan.ca/english/conferences/economic2003/hamdad3c.pdf</p> <p>Valuing Households' Unpaid Work in Canada, 1992 and 1998: Trends and Sources of Change</p> <p>http://www.swc-cfc.gc.ca/dates/whm/1998/index_e.html</p> <p>Women's History Month 1998: Canadian Women Making an Impact</p>

Country	Time series	Results	Data source	Remarks	Institutionalization	Link/Source
		was attributed to men who were employed (22%) than men who were not employed (15%). This reflects the fact that a higher proportion of men than women are employed (65.9% for men versus 53.8% for women).				
6. Bulgaria	1988	The value of production in non-SNA activities is 47% and 71% of GDP based on net wages and gross wages, respectively. Estimate based on labour costs is 13 percentage points higher than those based on gross wages (84%).		Value of labor and value of production at cost of inputs in non-SNA activities (as percent of GDP) ²		http://unstats.un.org/unsd/publication/SeriesF/SeriesF_75v2E.pdf Household Accounting: Experience in Concepts and Compilation, UN
7. Denmark	1987	The value of labor inputs in non-SNA activities based on labor costs is 37% of GDP, which is 16 percentage points higher than those based on net wages (21%). Net wages are calculated as gross wages for unskilled manual workers minus the average tax paid by these workers. The value of production in non-SNA activities based on labor costs is 43% of GDP. If gross value added for owner-occupied dwelling is included, the value rises from 43 to 50.		-do-		• -do-
8. France	1985	The value of labor inputs in non-SNA activities based on gross wages and labor cost is 33% and 36% of the GDP respectively.		-do-		• -do-
9. Norway	1990 1992	The value of labor inputs in non-SNA activities using labor cost is 38% of the GDP. Using opportunity cost approach, specialist method, and generalist method, the value of unpaid work was estimated at 39, 38, and 37% of GDP.		-do- Based on a study by Dahle/Kitterod		• -do- http://www.unescap.org/stat/meet/wipuw/wipuw-01.pdf Economic Evaluation of Unpaid Work in Republic of Korea

² May not necessarily be women's unpaid work.

Country	Time series	Results	Data source	Remarks	Institution-ization	Link/Source
10. Korea		The value of unpaid work took up 30-40% of GDP and 70-90% of total annual wage.				http://www.unescap.org/stat/meet/wipuw/wipuw-01.pdf Economic Evaluation of Unpaid Work in Republic of Korea
11. Netherlands	1990	Using opportunity cost approach, the value of unpaid work was estimated at 108% of GDP. Using specialist method, it is estimated at 82% of GDP.		Based on a study by Bruyn-Hundt		• -do-
12. Austria	1992	Using opportunity cost approach, the value of unpaid work was estimated at 138% of GDP.		Based on a study by Franz		• -do-
13. Switzerland	1997	Using opportunity cost approach, specialist method, and generalist method, the value of unpaid work was estimated at 49, 41, and 52% of GDP.		Based on a study by Sousa-Poza		• -do-
14. Japan	1996	Using opportunity cost approach, specialist method, and generalist method, the value of unpaid work was estimated at 23, 15, and 20% of GDP.		Based on a study by M. Fukami		• -do-
15. New Zealand	1990 1999	Using opportunity cost approach, specialist method, and generalist method, the value of unpaid work was estimated at 66, 42, and 51% of GDP. The value of productive unpaid work by New Zealanders aged 15 years and over was 39% of GDP.		Released by Statistics New Zealand -do-		• -do- http://www.stats.govt.nz/products-and-services/Articles/unpaidwork-Jun01.htm

II. Other countries mentioned in some references, which have started or developed satellite accounts of unpaid work³

1. Integrating women's unpaid work into economic indicators (Laura Lee, UNDP Malaysia) - http://www.undp.org.my/uploads/files/unpaid_work_women.pdf

Note: Countries underlined are those not included in part I above.

“The EU statistic agency, Eurostat, began developing a harmonized satellite system of household production under a pilot programme which allows the calculation of unpaid household labor..... Countries participating in the pilot include the Basque region, Finland, Italy, Luxembourg, and Slovenia....”

2. Time-Use Data for Policy Advocacy and Analysis: A Gender Perspective and Some International Examples by Lorraine Corner, Regional Economic Advisor, UNIFEM Asia-Pacific and Arab States - <http://www.unifem-ecogov-apas.org/ecogov-apas/EEGProjectsActivities/TimeUseMeetIndia200210/paperLC.pdf>

“... Countries such as Australia, Cuba, Japan, and Republic of Korea have or are developing satellite accounts of the value of unpaid work. Australia integrated the monetary value of unpaid work into the analysis of the household sector in its national accounts for the first time in 1997.”

3. Policy Implications of Unpaid Work: Public Agenda for Gender and Development “Paid and Unpaid Work in Bangladesh....Nonmarket work increase conventional GDP by 29%”

Table 3. Per Capita Income, Human Development Index and Gender Empowerment Measure, selected countries, 2004

COUNTRY	PER CAPITA GDP (pppus\$)	HDI (RANK)	GEM (RANK)
MALAYSIA	10,276	0.804 (61)	0.506 (55)
THAILAND	8,090	0.784 (74)	0.486 (60)
SOUTH KOREA	20,499	0.912 (26)	0.502 (53)
<u>PHILIPPINES</u>	4,614	0.763 (84)	0.533 (45)

Table 4. Percentage Distribution of GDP by Sex, 1990-1998, At Current Prices

Year	Men		Women	
	Employment	Hours of Work	Employment	Hours of Work
1990	63.47%	63.18%	36.53%	36.82%
1991	62.75%	62.26%	37.25%	37.74%

Table 5. Percentage Distribution of GDP and GNP Adjusted for Unpaid Housework Services by Sex Using Hours of Work, Employed-Opportunity Cost; Unemployed and Not in the Labor-Market Price, In Million Pesos At Current Prices

Year	GDP Adjusted			GNP Adjusted		
	Total	Men	Women	Total	Men	Women
1990	100.0%	51.95%	48.05%	100.0%	52.69%	47.31%
1991	100.0%	49.31%	50.69%	100.0%	50.14%	49.86%
1992	100.0%	48.45%	51.55%	100.0%	49.30%	50.70%
1993	100.0%	49.54%	50.46%	100.0%	50.29%	49.71%
1994	100.0%	49.04%	50.96%	100.0%	49.71%	50.29%
1995	100.0%	49.77%	50.23%	100.0%	50.33%	49.67%
1996	100.0%	50.21%	49.79%	100.0%	50.97%	49.03%
1997	100.0%	48.68%	51.32%	100.0%	49.50%	50.50%
1998	100.0%	47.27%	52.73%	100.0%	48.30%	51.70%
1990-98	100.0%	49.4%	50.6%	100.0%	50.1%	49.9%

Table 6. Percentage Distribution of GDP and GNP Adjusted for Unpaid Housework Services by Sex using Hours of Work, Employed, Unemployed and Not in the Labor Force-Market Price, In Million Pesos At Current Prices

Year	GDP Adjusted			GNP Adjusted		
	Total	Men	Women	Total	Men	Women
1990	100.0%	52.15%	47.85%	100.0%	52.89%	47.11%
1991	100.0%	49.46%	50.54%	100.0%	50.29%	49.71%
1992	100.0%	48.57%	51.43%	100.0%	49.42%	50.58%
1993	100.0%	49.71%	50.29%	100.0%	50.46%	49.54%
1994	100.0%	49.18%	50.82%	100.0%	49.85%	50.15%
1995	100.0%	49.92%	50.08%	100.0%	50.48%	49.52%
1996	100.0%	50.35%	49.65%	100.0%	51.11%	48.89%
1997	100.0%	48.80%	51.20%	100.0%	49.62%	50.38%
1998	100.0%	47.33%	52.67%	100.0%	48.37%	51.63%
1990-98	100.0%	49.5%	50.5%	100.0%	50.3%	49.7%

Table 7. GDP and GNP and Adjusted GDP and GNP for Unpaid Housework Services 1990-1998, At Constant Prices

Year	GDP	GNP	Adjusted GDP	Adjusted GNP
1990	720,690	716,929	913,002	909,241
1991	716,522	720,218	951,573	955,269
1992	718,941	731,396	984,727	997,183
1993	734,156	746,921	972,618	985,383
1994	766,368	786,136	1,029,654	1,049,422
1995	802,224	824,525	1,046,542	1,068,843
1996	849,121	884,226	1,110,373	1,145,478
1997	892,860	930,363	1,187,830	1,225,333
1998	888,075	931,127	1,242,643	1,285,695

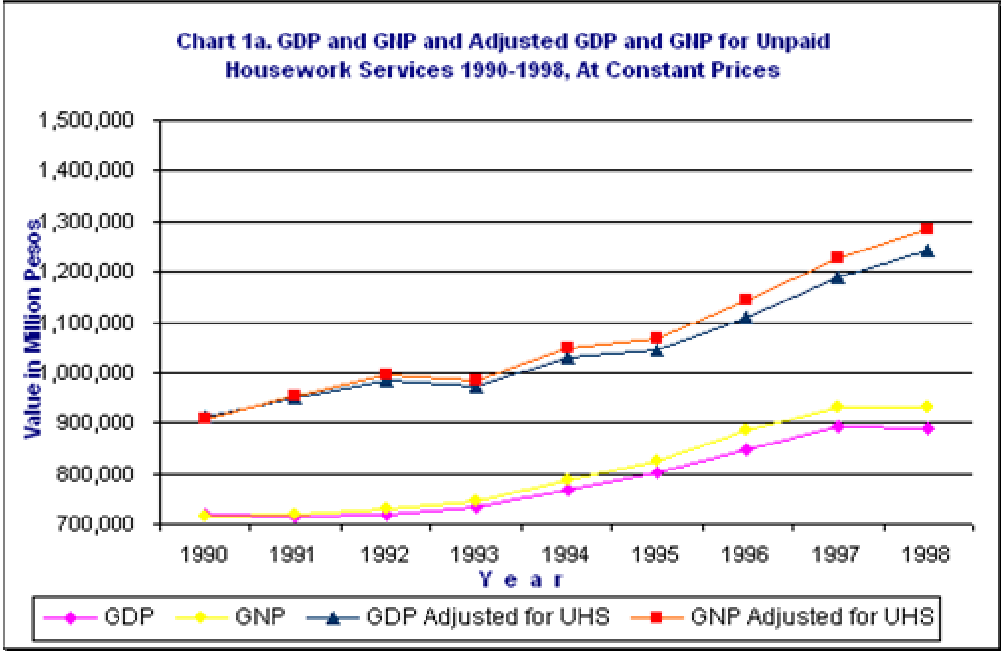


Table 8. Percentage Distribution of Total Unpaid Hours of Work (Housework Services) By Sex, Employed, Unemployed and Not in the Labor Force (In 000)

	1990		1991		1992		1993	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
A. Employed	27.46%	72.54%	27.30%	72.70%	27.98%	72.02%	27.26%	72.74%
Agriculture, Fishery and Forestry	13.14%	14.97%	13.38%	14.63%	13.60%	16.19%	12.99%	15.75%
Mining and Quarrying	0.24%	0.09%	0.27%	0.10%	0.26%	0.09%	0.22%	0.08%
Manufacturing	2.44%	8.90%	2.60%	9.72%	2.79%	9.98%	2.59%	9.27%
Electricity, Gas and Water	0.15%	0.16%	0.17%	0.14%	0.15%	0.11%	0.17%	0.13%
Construction	1.92%	0.17%	2.00%	0.22%	1.98%	0.20%	2.03%	0.20%
Wholesale and Retail Trade	2.57%	22.12%	2.23%	23.15%	2.31%	23.30%	2.40%	23.12%
Transportation, Communication and Storage	2.47%	0.40%	2.44%	0.43%	2.57%	0.52%	2.76%	0.52%
Finance, Ins, Real Estate and Business Services	0.61%	1.66%	0.57%	1.51%	0.58%	1.54%	0.60%	1.72%
Community, Social and Personal Services	3.91%	24.09%	3.65%	22.80%	3.74%	20.10%	3.49%	21.94%
B. Unemployed	25.98%	74.02%	27.35%	72.65%	27.93%	72.07%	28.40%	71.60%
C. Not in the Labor Force	8.93%	91.07%	8.44%	91.56%	8.53%	91.47%	8.94%	91.06%
TOTAL	10.49%	89.51%	10.14%	89.86%	10.26%	89.74%	10.64%	89.36%

	1994		1995		1996	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
A. Employed	27.08%	72.92%	27.00%	73.00%	27.01%	72.99%
Agriculture, Fishery and Forestry	12.78%	14.47%	12.37%	15.19%	11.48%	14.01%
Mining and Quarrying	0.17%	0.04%	0.15%	0.04%	0.17%	0.09%
Manufacturing	2.60%	9.54%	2.51%	9.43%	2.65%	8.83%
Electricity, Gas and Water	0.15%	0.15%	0.15%	0.15%	0.18%	0.12%
Construction	2.08%	0.18%	2.29%	0.17%	2.56%	0.17%
Wholesale and Retail Trade	2.39%	23.75%	2.46%	23.86%	2.55%	23.86%
Transportation, Communication and Storage	2.75%	0.50%	2.85%	0.57%	2.94%	0.61%
Finance, Ins, Real Estate and Business Services	0.57%	1.64%	0.63%	1.81%	0.76%	2.01%
Community, Social and Personal Services	3.60%	22.65%	3.60%	21.77%	3.72%	23.30%
B. Unemployed	28.91%	71.09%	28.10%	71.90%	29.02%	70.98%
C. Not in the Labor Force	8.99%	91.01%	9.10%	90.90%	8.81%	91.19%

	1997		1998		Average 1990-98	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
A. Employed	26.42%	73.58%	25.81%	74.19%	26.99%	73.01%
Agriculture, Fishery and Forestry	10.95%	13.19%	10.71%	13.22%	12.30%	14.56%
Mining and Quarrying	0.19%	0.07%	0.17%	0.03%	0.20%	0.07%
Manufacturing	2.50%	9.05%	2.40%	8.78%	2.56%	9.26%
Electricity, Gas and Water	0.19%	0.16%	0.19%	0.16%	0.17%	0.14%
Construction	2.62%	0.27%	2.27%	0.24%	2.21%	0.20%
Wholesale and Retail Trade	2.62%	24.40%	2.53%	24.42%	2.46%	23.60%
Transportation, Communication and Storage	3.03%	0.67%	3.10%	0.74%	2.79%	0.56%
Finance, Ins, Real Estate and Business Services	0.68%	1.97%	0.71%	2.01%	0.64%	1.78%
Community, Social and Personal Services	3.64%	23.79%	3.74%	24.60%	3.68%	22.84%
B. Unemployed	29.41%	70.59%	31.36%	68.64%	28.60%	71.40%
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C. Not in the Labor Force	8.80%	91.20%	11.24%	88.76%	9.14%	90.86%
TOTAL	10.47%	89.53%	12.79%	87.21%	10.80%	89.20%