

#### Hidden Vacancies?

From Unpaid Work to Gender-Aware Public Job Creation

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## Outline of the Paper

- 1. Introduction
- 2. The Economic Policy versus Social Policy Divide
- 3. The Social Content of Macroeconomic Modeling
- 4. Unpaid Work and the Macro-Economy
- 5. Why are ELR and ESG Important for Women?
- 6. Why are Jobs Created Through ELR and EGS Important for Gender Equality?
- 7. Economic-Wide Outcomes
- 8. En-Gendered SAM Modeling of Public Job Creation
- 9. Concluding Remarks

## OUTLINE of the presentation

- A. Why ELR, EGS, EPWP

  economic or social policy?

  The Social Content of Macroeconomic Models
- B. Public EGP and female participation (enhanced employment opportunities but not only)
- C. HIDDEN VACANCIES
- D. ELR's impact on the economy
- E. Macroeconomic framework
  The economy without gender
  Through a gender-aware lens

# HIDDEN VACANCIES? TIME USE STUDIES

Health Care Sector

Education Sector

Water and Sanitation

Transportation

etc

# Macromodeling without Gender: 3 Markets and 3 Economic Agents

The Macroeconomy can be viewed as consisting of three types of markets

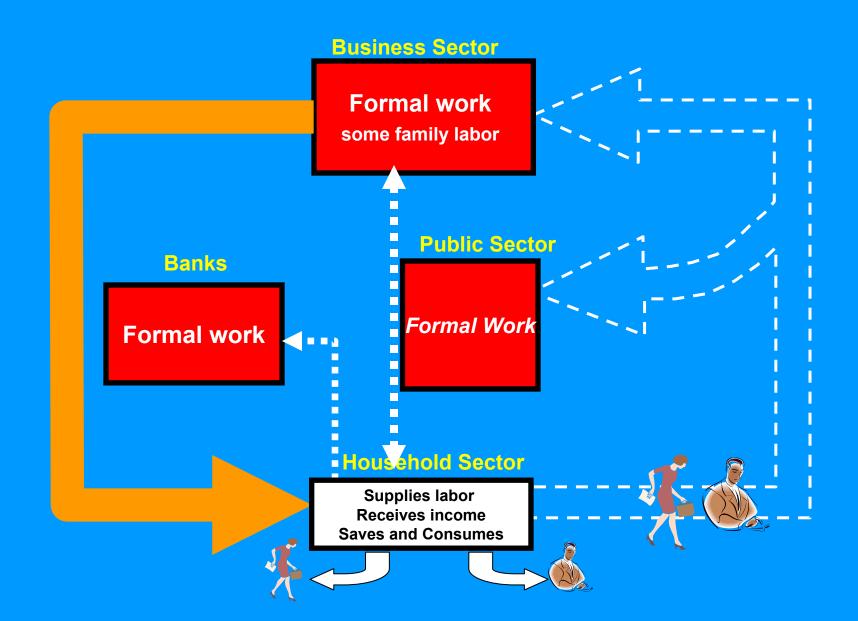
- the Goods and Services Market (consumption & investment goods & services)
- the Inputs Market (Labor & other inputs into production)
- the Financial Assets Market (where borrowing and lending occurs)

# Macromodeling without Gender: 3 Markets and 3 Economic Agents

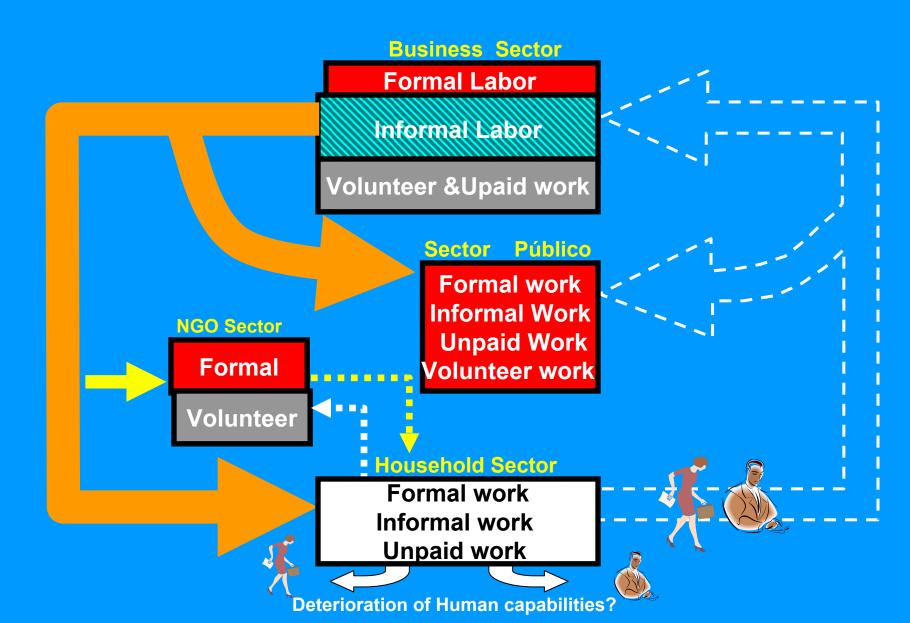
In Standard Macroeconomics there are three types of economic agents that interact with each other in these markets: Households, Firms and the Government. Economic agents appear in the role of buyer in one market and as sellers in another.

- In the <u>Goods market</u> firms supply goods and services. Households and the government appear as buyers of consumption goods and other firms appear as buyers of investment goods.
- In the <u>Input market</u> firms enter as purchasers of labor services and land and machinery and households appear as sellers of these services
- In the <u>Assets market</u>, households supply savings and, firms, government or other households borrow to finance their expenditures.

## **HOUSEHOLDS** in the Economy



## ... a different perspective



# Gender-aware Macroeconomic Analysis: what for and how

#### HOW?

• Change the overall vision of the articulation of the "economy":

Households

- a)consume and save, BUT ALSO
- b)produce goods and services
- c) "produce" and reproduce
- human beings
- Disaggregate labor into: formal paid, informal paid, unpaid labor

## Gender-aware Macroeconomic Analysis: what for and how

#### **IMPACT ANALYSIS**

- to inform how gender differences may affect the achievement of **policy goal** (expenditures patterns and health/education of children)
- to make transparent how build-in gender biases (bank's lending practices, labor market discrimination) are inequitable and at times inefficient for people and for the economy
- to predict possible differentiated outcomes for men and women (employment, care activities etc)

# Modelling the economy-wide impact of an employment guarantee programme

- 1. How a SAM-approach can contribute to the study of EGPs? What are the key ingredients of a gender-aware SAM?
- 2. How does the proposed approach improve on earlier gender modelling?
- 3. What the proposed approach add to other modelling of EGPs?

## Why a SAM approach?

- Description of production and distribution processes
- Emphasis on social relations and interdependencies
- Useful in highlighting the many important interconnections between the market and the non-market economy
- A different (extended) vision of what constitute the economic system

### Standard SAM structure

	Expenditures:									
Receipts:	1. Activities	2. Commodities	3. Factors	Households	4. Institutions Enterprises	Government	5. Rest of the World	6. Capital Account	Total	
1.Activities		Domestic Sales				Export subsidies	Exports f.o.b.		Production	
2.Commodities	Intermediate inputs			Final HH Consump.		Final Gov. Consump.		Investment	Domestic Demand	
3.Factors	Value- Added								Value-Added (f.c.)	
Households			VA Labor	Interhousehold Transfers	Transfers	Government Transfers	Remittances from Abroad		Household Income	
Enterprises			VA Capital						Enterprise Income	
Government	Indirect Taxes	Import Tariffs		Income Taxes	Corporate Taxes				Government Receipts	
5.ROW		Imports c.i.f.							Imports	
6.Capital Account				HH Savings	Enterprise Savings	Gov. Savings	Net Capital Inflow		Total Savings	
Total	Gross Output	Domestic Supply	Factor Outlay	HH Expenditure	Enterprise Expenditure	Government Expenditure	Foreign Ex Earnings	Total Investment		

4.

# Gender-disaggregated accounts: useful but not enough

Activities:

Food

Commercial crops

Lab-int manufacturing

Cap-int manufacturing

**Public Services** 

**Private Services** 

Etc.

Commodities:

Agriculture

Lab-int manufacturing

Cap-int manufacturing

**Public Services** 

**Private Services** 

Etc.

Labour:

Unskilled agricultural

Unskilled

- Female ++

- Male ++

Skilled

- Female ++

- Male ++

Capital

Households:

Rural rich

Rural poor

Urban rich

Urban Poor

Female Headed ++

Firms

Government

Rest of the World

Capital Account

Total

#### Unpaid work fully integrated in SAM accounts: an example

		Activities/Commodit	Factors		Households				
		Market	Non-market	F Lab paid	F Lab unpaid	M Lab paid	M Lab unpaid	Rural	Urban
A/ C	Market	Conventional I/O	Ext. I/O (e.g. household cooking using food bought in the market)					Final consumption	Final consumption
	Non-market	Ext. I/O (e.g. public health service that requires meals to sick patients to be provided by family members)	Extended I/O ??					Home own consumption	Home own consumption
F	F lab paid	VA							
	F lab unpaid	VA (e.g. subsistence agriculture)	VA						
	M lab paid	VA							
	M lab unpaid	VA	VA						
Н	Rural			Labour income		Labour income		Transfers	Transfers
	Urban			Labour income		Labour income		Transfers	Transfers
	Government	VA/Indirect Taxes, etc		Social Security	Тах	Social security	Tax		
	Firms				Tax		Tax		

## What sort of questions can we answer which are relevant to EGSs?

- Identify sectors with the highest 'subsidies' from unpaid work, and the gender distribution of work within them
- Calculate employment generation potential of different sectors through both direct and indirect job creation
- Likely distributional impact across different household groups in terms of both income and time
- Likely effects on final demand and output

- We cannot ask questions about: possible price effects, substitution in either consumption or production (both market and non-market), changes in labour productivity, other dynamic aspects. For this we need a more fully developed model.
- How does this approach improve current non-gendered modelling approaches?