

**WIDE Conference Basel 2009 Juni 18th Brigitte Schnegg, IZFG,
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**Key Findings of the UNRISD Study on Care Economy
The case of Switzerland
Draft**

Two weeks ago, the Swiss parliament decided to rise the age of retirement for women from 64 to 65, putting an end to a traditional practice which privileged women. This last step towards an equal age of retirement for men and women was not only justified by gender equality, but also by demographic and financial arguments: women's higher life expectancy leads to higher pension costs and to higher health costs.

What seems to be fair and economically reasonable turns out to be unjust and unreasonable, if we consider it under a care economy perspective. This is one of the outcomes of the UNRISD Case Study on Care Economy in Switzerland. Let me give you some facts and figures to explain this and to show you some more results of political and social relevance.

(Slide 2: Name der Autorinnen)

Our study largely bases on existing time use surveys of the Federal Office of Statistics on Paid and Unpaid work, the so called Schweizerische Arbeitskräfte-Erhebung. The study was carried out at the Interdisciplinary Center for Gender Studies of the University of Berne by Mascha Madörin in collaboration with Nadia Baghadi.

(Slide 3: unbezahlte Arbeit)

- The first thing we have to be aware of concerns the amount of unpaid work done in this country: its total volume in hours exceeds the volume of paid work by more than 20%. Unpaid work to a large extent is unpaid care work. To give you a concrete example: Women spend nearly as much time preparing meals and washing dishes at home as both men and women do paid work in the industrial sector.

In terms of economic value, unpaid work corresponds to 64% of GDP in Switzerland.

- Second point: unpaid work is mostly done by women while paid work is predominantly done by men: women are responsible for almost two thirds of unpaid work while men's share in paid work is about 64%.

- Third remark: Gender asymmetries are important, not only with regard to the distribution of paid and unpaid work, but also with respect to the type of activities women and men engage in. It will not be a surprise that

we found men's share of unpaid activities above the average when it comes to administrative labour, caring for pets and gardening or handicrafts and institutionalised voluntary work, while women's share is particularly high in activities like preparing meals, cleaning and laundering, feeding and washing babies, nursing and caring for sick and frail adults and helping out in other households ("informal" voluntary work).

(Slide 4: wöchentliche Arbeitszeit)

A significant difference refers to the distribution of care work within the life cycle. While men's engagement in care activities is more or less the same during their whole lifespan, women's burden changes considerably and is particularly high in the age between 25 and 39, the period, when they have young children. As we all know, these years are also decisive for one's professional career. In other words, women are most busy with unpaid care work in the same years of their lives when they should strongly invest in their job, a fact that has negative impacts on women's careers and on their wages: the pay gap between women and men in Switzerland amounts to about 20%.

- This brings me to my next point, to the coping strategies of households with heavy care burdens: How can households deal with a very high overall workload resulting from a high burden of paid work and unpaid care work simultaneously? They have different options:

They can either try to substitute unpaid care by paid care or they can substitute paid work by unpaid care work. A third option would be to reduce direct care work by using public care facilities – however, this option is difficult because a sufficient offer of affordable public care institutions is mostly lacking in our country.

Substituting unpaid care by paid care only makes sense for a very small proportion of households in which both partners have very good jobs so that they earn more than they spend for this solution (in terms of costs for private child care facilities, wages for domestic workers and additional taxes).

So for most couples with care responsibilities, it comes to reducing paid work in order to provide enough time for unpaid care needs. Unequal pay between women and men strongly influences the subsequent decision: Due to their lower pay, women in average have to invest 25% more hours in paid work in order to earn the same amount of money as men.

Therefore it is likely that women will be the ones to reduce their paid work while men will expand it. This is exactly what happens in Switzerland, where about 57.1 % of the employed women work part-time, while proportion of part time workers with men is only 11.9 %.

- Before I come back to my introductory remark concerning women's age at retirement, let me briefly compare the care diamond in child care with the care diamond in elderly care.

→ First of all, there is a big difference in dimension: the number of hours needed for paid and unpaid child care is five times as large as the number of hours needed for caring for frail and elderly adults.

→ The differences are also considerable with regard to who is responsible for care: 80% of child care is done at home, mostly by mothers and fathers; another 10 % is assumed by relatives, for the most part grandmothers. Professional carers such as nurses, teachers etc. contribute another 10% of the time needed. In the case of elderly care, paid care plays a much more important role: About two third of elderly care takes place either in hospitals or nursing homes or by professional homecare institutions. Only a little bit more than 10% of the care for the elderly is committed to persons living in the same household while the remaining 22% is unpaid care work done by relatives, friends and neighbours who live outside the household.

- My next point brings me back to the introduction. The following table shows the distribution of unpaid care work between women and men, differentiated according to child care (column III), care of elderly and sick adults living in the same household (column IV) and informal voluntary work which is equivalent to care work for persons outside the household of the caregivers (column V). In column I you find the different age groups and in column II you see their % within the population above 15 years.

There is a lot of interesting information in this table – but we can't go into details. But I would like to draw your attention to the red figures. What do they tell us? First of all, persons over 65 are doing clearly more unpaid care work than what corresponds to their share in population. In other words, elderly people's engagement in unpaid care work for adults – elderly or sick – is definitely above average. And second: The contribution of elderly women is even considerably higher than men's of course. Further data show that they are doing care for grandchildren as well as for their partners and for friends and neighbours. Elderly women are giving much more unpaid care to other persons than they receive, or in other words, they are net-caregivers.

What has this all to do with women's age at retirement?

Firstly the public discourse which constructs elderly women as a problem to our social security system is not only wrong, but also unfair. Elderly women's contribution to the care system is much higher than their claims. Secondly: Rising the age of retirement of both women and men will have an unforeseen impact on public expenditure, because the availability of the elderly - and particularly of the elderly women - for unpaid care will decline.