

It's About Time!:

The undervaluation of the social reproductive economy and its impact on women and their employment.

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In Scotland, as in the rest of the world, it is generally women's time that is used to sustain the social reproductive economy, particularly regarding the delivery of unpaid care, be it the care of children or elderly, sick or disabled relatives. Whilst the endowment of these unpaid services are crucial to the wellbeing, health and wealth of society the 'loss' of women's time is perceived by economists to be a leakage, that is, a cost or a burden to the market economy.

The current development model in Scotland is focused on growth i.e. economic development, and tends to undervalue the social reproductive economy. It considers the cost of providing child care services as a loss to the market economy rather than an investment that enables mothers (and fathers) to work and progress their careers or business interests.

Despite an understanding of children's need for early childhood development, as described in the Scottish governments Early

Years Framework (2008)ⁱ, there is little gendered analysis in child care policy in Scotland. Neither child care policy nor child poverty policy is discussed from a gendered perspective, either in terms of the needs of women or in terms of the need for women's participation in the market economy.

Thus there is no free universal child care provision in Scotland, it is deemed too costly. In a current consultation on tackling child povertyⁱⁱ the government acknowledges that current child care provision is inadequate but that any improvement is prohibited by the current economic climate.

Parents in Scotland are guaranteed 475 hours per annum (12 ½ hours per week for 38 weeks of the year) of free part time pre-school education (child care) for children between three and four years of ageⁱⁱⁱ. This annual entitlement is laid down in the Early Years Framework (2008) whereby local authorities are duty bound to secure a pre-school education place for all three and four-year-olds whose parents are working at least 16 hours a week.

In 2009 it was estimated that of the 190,110 3 and 4 year old children in Scotland 131,296 were eligible for free pre-school education. Of these, 107,420 were in registered pre-school education funded by the local authority^{iv}. The 58,814 children that were ineligible either had a parent(s) that did not work the required 16 hours per week or

their birthdays did not align with the term start dates^v.

For additional care hours or care for children under 3 some parents can apply for Working Tax Credits to reimburse up to 80% of the cost of registered childcare. They cannot claim for time endowed by unregistered carers such as grandparents, other relatives or friends. These Working Tax Credits are capped at £175 per week for 1 child and £300 per week for 2 or more children. The actual amount that can be claimed depends on income and childcare costs. To be eligible for the childcare element of Working Tax Credit the claimant must be:

- A lone parent that works 16 hours or more per week.
- A couple, both in paid employment of 16 or more hours per week. *Or if one parent works 16 or more hours per week and the other does not work, but is an in-patient in hospital, in prison or incapacitated for childcare purposes.*

Higher income earners can choose to take a 'salary sacrifice'. This is where a person's salary is reduced by a specific amount and they receive that amount in support towards childcare instead. This reduces their Income Tax and National Insurance Contributions due to the reduced level of salary. As a basic taxpayer, this can save parents up to £904

per year in childcare costs or up to £1,195 a year if paying the 40% higher rate tax.

In 2008, 35% of children under three and 87% of children in the UK between three and school age were in formal childcare, both figures are above the EU average (28% and 83% respectively) and close to the Barcelona targets^{vi} for provision of formal childcare.

However, recent surveys by The Day Care Trust and AVIVA have reported that child care costs in Scotland are higher than in the UK generally; A week's childcare in Scotland costs, on average, £100.38 compared with £93.28 in England and £80.25 in Wales. The typical cost of a full-time nursery place for a child under two is £152 a week – more than £7900 a year. With five-day childcare for 2 children taking almost £16,000 p.a. out of an average £25,428 annual salary many parents have found themselves working purely to cover the cost of childcare. This is discouraging almost half of parents (generally mothers) from returning to full time employment and some giving up work completely for at least 5 years. (Source: The Day Care Trust)

This forfeiting of women's time, careers and income to care for children is compounded by expectations that it will be women who will again, in a second round of caring later in their career, take time out to care for their elderly relatives. Of Scotland's 650,000 unpaid carers of elderly, infirmed or disabled people 66% are women.

Women's endowment of their time to care has lasting implications for their careers, family income and their pensions. Thus women are more likely to be poor than men in Scotland, particularly single mothers and women pensioners. Less than 125 of women receive a full state pension and women's average retirement income is 53% of an average man's pension.

Despite the high costs of child care incurred by parents, those people that provide child care do so at very low salaries. Child care workers earn on average £7.50 - £8 per hour as compared to a plumber who earns £40-45 per hour. It is difficult to comprehend why the care of a boiler is given 500% more value than the care of a baby or small child. The majority of child care workers are women and the majority of plumbers are men.

Occupational segregation based on gendered assumptions about capacity and suitability of men and women to certain occupations is exacerbated by even deeper assumptions about the value of work 'traditionally' done by women - cooking, caring and cleaning. Gender stereotypes and assumptions about care work and the consequential low pay discourage men from moving into caring professions.

These assumptions about the lack of value of 'women's work' in the social reproductive economy, the transfer of these assumptions into the market or formal economy in the form of low salaries, and the need for

women to sacrifice their careers and their income and or reduce to part time hours in order have time to care for children and others have resulted in a significant pay gap -'12% gap between men's and women's full-time hourly rates, and a shocking 32% gap when you compare women's part time hourly rate to men's full-time hourly rate.'^{vii}

Women returning to work after caring face a multitude of challenges and often end up in jobs that are not commensurate with their experience or qualifications. Many take up part time positions to facilitate the flexibility they need to manage the demands of family and work. However, part time hourly rates of pay in Scotland are lower than full time rates for the same job. Women are the most likely to be in part time employment.

Whether or not women in Scotland decide to have children or care for relatives they will pay the price. The assumption that they just might have children or need time off to care is enough for employers to bypass them in terms of career and development opportunities, or not employ them in the first place. Young female graduates within 5 years of leaving university earn 15% less than their male counterparts with the same qualifications.

Time is the one thing that all people have to exchange in equal measure. Yet somehow women's time is just worth less than men's whether in the market economy where they are paid less per hour or in social

reproductive economy where the use of their time to care is perceived as a loss and a cost -

a leakage.

Women in selected 'top jobs' over the last five years.	% women				
	2003	2004	2005	2006	2007 2008
Public and voluntary sectors Women's average representation 20.6%					
Public appointments	32.2	33.6	34.7	34.7	32.4
Local authority chief executives	9.4	12.5	12.5	12.5	12.5
Senior police officers	6.9	7.1	7.1	10.7	7.4
Judges of the Court of Session	9.4	9.4	12.5	11.8	11.8
Head teachers in secondary schools	17.6	17.6	21.0	23.2	25.9
Further Education college principals	22.9	26.1	22.7	27.3	29.5
University principals	14.3	14.3	14.3	21.4	21.4
Health service chief executives	23.8	23.8	19.0	23.8	23.8

There are 6 steps that could be taken to change this pattern of exploitation:

1. Establish national labour policy that prohibits inconsistencies between the hourly rate of pay for full time and part time work and enforce it.
2. Provide universal free child care that is paid for through taxation.
3. Pay child care workers what they are really worth, this will also encourage men into the profession and reduce occupational segregation.
4. Make flexible working the norm for men and women. Invest in, and promote of the value of, flexible working so that employees have access to flexible working hours and conditions e.g. the ability to work from home. *Through their Working Better project^{viii} the Equality and Human Right Commission (EHRC) is trying to demonstrate to the business sector and the government that by making it easier for employees to balance work and family life they access and maintain a wider pool of talent; men can take time out to care without fear of credibility and promotion prospects; and women are not*

prejudiced by assumptions that they will take more career breaks and time off to care than men.

5. Challenge dominant economic models that do not acknowledge people's contribution of unpaid time to care for children and relatives as an asset; The provision of unpaid care is an endowment to societies' health and wellbeing and therefore to it's ability to work and grow. *There has been some progress since April 2010, at least, in acknowledging the impact of women having taking time off to care on their pensions; people that have not paid National Insurance because they had given up work to care can now claim pension credits.*
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6. Mainstream gender analysis across the school curriculum, so that future adults are not gender blind in their policy and practice.

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www.scotland.gov.uk/Resource/Doc/257007/0076309.pdf

ii

<http://www.scotland.gov.uk/Publications/2010/11/15103604/1>

iii

[The Standards in Scotland's Schools Etc Act 2000](#)

iv Source: Estimated population by sex, single year of age and administrative area, 30 June 2009, GRO-Scotland

v Children can access a free care place the term following their third birthday thus some children will be 3 but waiting for the next term.

vi In March 2002, the Barcelona European Council acknowledged the importance of childcare in terms of growth and equal opportunities calling on Member States to *'remove disincentives to female labour force participation and strive, taking into account the demand for childcare facilities and in line with national patterns of provision, to provide childcare by 2010 to at least 90% of children between 3 years old and the mandatory school age and at least 33% of children under 3 years of age'*.

vii <http://www.closesthegap.org.uk/what-is-the-pay-gap.html>

viii <http://www.equalityhumanrights.com/advice-and-guidance/here-for-everyone-here-for-business/working-better/>

ix <http://www.nidirect.gov.uk/index/information-and-services/caring-for-someone/money-matters/caring-and-your-pension.htm>