

Economic efficiency of gender equality in care work

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The European Institute for Gender Equality defines care work as work that focuses on the physical, psychological, emotional and developmental needs of one or more people. The term describes both unpaid and paid activities. In addition to physical and mental care, it includes household-related activities such as cooking, cleaning or the organisation of everyday family life. The description of the task depends on the context and may also include the daily procurement of firewood and drinking water in rural areas in the Global South. The socio-cultural distribution of roles (including in developed countries) still disproportionately often sees women as having responsibility for performing care work, which makes it difficult for them to fully integrate into the paid labour market and participate in social and societal life. National statistical systems do not sufficiently collect data to assess the opportunity costs, as is the case in all sectors where women are disadvantaged by the gender gap.

Gender care gap

According to studies by UN Women, women globally spend around 2.5 times as much time in care work as men, with that figure even reaching 4.9 times more in North Africa and West Asia. The imbalance significantly limits women's time available for work. According to a global estimate by the ILO, around 748 million people (aged 15 and over) were not economically active due to care work in 2023, which is equivalent to one third of all unemployed people of working age. Of these, an estimated 708 million were women and 40 million men. Women who nevertheless work are often exposed to additional barriers, the so-called "motherhood employment penalty", with lower wages and lower opportunities for leadership positions.

According to data from the World Economic Forum, women account for 62.1% (2024) of paid health and care workers worldwide, who tend to be less well paid and are associated with working

conditions that are sometimes precarious. In addition, women account for an estimated 76% of all unpaid care work, according to the WHO. According to Oxfam, the financial value of unpaid care work globally performed by women is almost 11 trillion US dollars. It is precisely this figure that is not recorded by traditional economic measurements and key figures such as gross domestic product and is therefore not included in political decisions or economic plans.

Opportunity cost

ILO studies show that investments in a comprehensive care system could indirectly and directly create nearly 300 million jobs by 2035 by closing gaps in care policy and expanding care infrastructure. According to UN Women, 70 to 90% of women would benefit from the resulting income opportunities. This leads to a double benefit for women who benefit from (1) improved working conditions and remuneration as part of paid care work and (2) from relief in unpaid care work due to the availability of professional services. In addition to relieving the mental burden, this would enable them to earn a higher income through employment. Studies show, for example, that the availability of childcare opportunities has a positive effect on women's labour force participation rates – provided that there are no other limiting factors such as restrictive gender norms or lack of employment opportunities. Furthermore, childcare can also have a positive effect on the work productivity of women already in work. For example, women in Uganda who received one year of childcare free of charge increased their business revenues by an average of 47% compared to those who did not receive childcare.

Another consequence is the impact of increased wage labour in the care and non-care sectors, which would have a positive impact on the tax revenues of states investing in care systems and ultimately significantly support the financing of care systems. For example,

according to ILO estimates, every dollar spent on closing the childcare gap could lead to an average increase of USD 3.76 in global gross domestic product by 2035.

It should be noted that any possible economic effect is limited by the traditional distribution of roles. Gender-transformative approaches to the distribution of the remaining care work and the associated "mental load" involving men as change agents are therefore indispensable. Scientifically, the cognitive dimension of care work has not yet been sufficiently researched; however, a study in the US found that women bear 60% more of the "mental load" of care work.

Inadequate infrastructure

The lack of basic infrastructure – water supply, sanitation, electricity, public transport, etc. – represents a significant burden for (un)paid caregivers. Lack of technological progress and inadequate basic infrastructure make care work both more physically demanding and time-consuming, and sometimes of lower quality. According to WHO, one in eight healthcare facilities worldwide lacks a connection to the water supply, one in five lacks sanitary facilities and one in six care facilities lacks hand washing facilities.

Care systems for equality

As early as 1995, the Beijing Declaration and Platform for Action pointed out the disadvantages faced by women in care work and the associated reduced opportunities for economic development. Although significant improvements have already been achieved in many countries through appropriate policies and infrastructure, there is still considerable potential. The multitude of global challenges – from the coronavirus pandemic to the rise in conflicts and an ageing society – therefore calls for a profound reform of care systems with corresponding investments. Ultimately, the reorganisation of care work is an indispensable component in achieving the Sustainable Development Goals of the 2030 Agenda. ■