Measuring the economic and social value of domestic work

A general assessment of law and practice on domestic work across the world is that it is “undervalued, underpaid, unprotected and poorly regulated” in spite of the contributions that domestic workers make to the care and welfare of millions of households (ILO, 2010).

This Policy Brief is a summary of a working paper prepared by the author (Budlender, forthcoming). It addresses two key questions: What is the real value of domestic work? Can this value be measured and how? It does not come up with a single “true” value of paid domestic work. Instead, it recognizes that there are a range of different ways in which domestic work can be “valuable”, and also a range of different individuals and groups, at a range of different levels, who can benefit from this value.¹

Aimed at stimulating innovative and critical thinking about the subject, this Brief:

• presents a conceptual framework for thinking about what is meant when we refer to the “economic and social” value of paid domestic work; and
• proposes ways in which the social and economic value of domestic work might be estimated from a range of different perspectives using relatively commonly available survey data sources.

The methods presented in this summary are categorized into four broad groups according to the level at which value may be measured, namely the worker and her (it is usually a woman) family, the employer and his/her household, the country, and globally. Some of the proposed measures are also illustrated using South Africa’s Labour Force Survey and Time-use Survey data.²

1. Conceptual framework

Factors contributing to low value and status of domestic work

The ILO law and practice report on domestic work offers a wide range of reasons why domestic work is “undervalued, underpaid, unprotected ad poorly regulated” (ILO, 2010). One of the reasons is the similarity between paid domestic work and the unpaid care work done by women in their own homes in the form of housework and caring for other household members. Domestic workers are usually not male breadwinners but overwhelmingly women (who may well be the main breadwinners for their families and themselves) and, in many countries, child labourers. Further, these workers often either belong to historically disadvantaged and despised communities such as minority ethnic groups, indigenous peoples, low-caste, low-income rural and urban groups, or are migrants. They are therefore particularly vulnerable to discrimination in respect of conditions of employment and work. All these factors contribute to a situation where the work of domestic workers is undervalued in monetary terms, as reflected in the generally low wages received.³

Further, it is under-valued in societal terms in that its economic and social value is not adequately recognized by governments, citizens and others.

¹ Budlender’s forthcoming working paper provides more details on the conceptual framework and methodologies than what is presented in this Brief.
² The full paper by the author illustrates the alternative methods using survey data sources of South Africa and Uruguay.
³ For further discussion on wages in domestic work, also see ILO (2011), Remuneration in domestic work. Domestic Work Policy Brief No. 1 (Geneva).
The meaning of value

In economic terms, one can distinguish between valuation that is based on the cost of inputs, and valuation that is based on the value or price of the outputs produced.

On the input side, one might assume that the most obvious measure of economic value is the value that “the market” seems to assign it, namely the wage. However, it is generally acknowledged that there are many other factors beyond simple supply-and-demand that affect wages and that might make the wage an inaccurate measure of value. Among others, the characteristics of the typical worker (including gender, ethnicity, caste, age and geographical origin), where the work is done, the level of formality or informality of employment, and the ease of organizing and presenting collective demands, influence wages.

In output-based valuation, one estimates the value of the goods and services produced rather than the labour, capital and other inputs that go into producing the goods and services. Domestic work, however, constitutes a special case in that the international System of National Accounts (SNA-1993) specifies that by definition the output produced by a domestic worker is equivalent to her wage (including in-kind payments), which is equivalent to her productivity. Accepting this circular logic would mean that domestic work is never undervalued in terms of what is produced. It would also mean ignoring the caveats about the input approach described above.

Finding a physical measure of the output to which one can attach a price is also often challenging for paid domestic work. There are further challenges in considering what “productivity” means in the case of services such as domestic work. When producing “things”, productivity is increased when more things are produced with the same amount of inputs or within a smaller amount of time. In contrast, in the case of services, the time and care taken per person is part of the service. For these services, increasing productivity in the standard sense of the term would result in a lower quality or “amount” of output; for example, lesser number of minutes to bathe a sick person or feed a child.

The above considerations relate to economic value. What of social value? The fact that domestic work enhances the quality of life for the household could be considered to have a social value, as could the extent to which it eases the time and other pressures for the women and men who hire domestic workers and the children for whom they provide care. This value is difficult to measure. Further, what might be considered a social value by some could be considered to have little value by others.

Some of the proposed measures in this Brief suggest other ways, which have both economic and social aspects, in which paid domestic work has value. For example, the contributions that paid domestic work make in lowering the poverty and unemployment rates in a country have an economic value, which is heightened when the wages earned through domestic work and the conditions under which it is performed are decent. In addition, these contributions could be seen, among others, as furthering the right to work and ensuring socio-economic rights more generally.

Determination of wages

As noted above, one can question the assumption that the wage is an accurate measure of value. Ideally, one would therefore want to estimate what the “real” value of paid domestic work would be if wages were not skewed by discrimination and social values.

Before exploring ways in which to “correct” the wage value, one needs to understand the reasons why the values are “incorrect”. Useful for this discussion are the theory and concepts underlying comparable worth (or pay equity), which argues that jobs of equal value should be equally well remunerated.

Anker (1998) has shown empirically with cross-country data that occupational segregation is probably the strongest determinant of the gender wage bias. Some might argue that women’s relatively low pay is caused by this positioning, and argue further that this reflects the fact that women are working in jobs that have or produce less value for society. Others would argue that the low pay within these parts of the economy is, at least in part, caused by the fact that they are dominated by women. These arguments are relevant given that paid domestic work in most countries is dominated by women.

The ILO law and practice report (2010, para 139) highlights some of the factors that tend to depress domestic workers’ wages even more than those of otherwise comparable categories of workers. These include unequal bargaining power, isolation and “the perception that the ability to perform domestic work is innate”. Some argue that male-female wage differentials reflect skills differences. However, the Committee of Experts on the Application of Conventions and Recommendations (CEACR) has cautioned against undervaluing domestic work by setting the minimum wage for domestic work equivalent to that for unskilled workers (ILO, 2010, para 63). The CEACR has questioned the classification of domestic work as “unskilled work”, noting the complex tasks and responsibilities assumed by many domestic workers.4
Domestic work as a form of care work

Razavi (2007) describes “care work” as involving direct care of people, whether on a paid or unpaid basis. Care work can take place in private homes, where it might be done on an unpaid basis by household members or by non-household members, or on a paid basis by non-household members. The last-named could include domestic workers. Care work can also take place in public and private institutions, such as hospitals, nursing homes or – if care is defined broadly – schools.

Razavi points out that direct care is often perceived as being different from less-direct activities that ensure the presence of conditions for direct caregiving. These activities would include housework and cooking, tasks which are typical of the work that domestic workers do. She suggests that the boundary between direct and indirect care is arbitrary. Empirical evidence indicates that when one is providing direct care for a dependent, such as a child, the extent of indirect care increases.

The question whether all the work done by domestic workers constitutes care work needs to be considered if the methods used to estimate the value of domestic work are to draw on the methods used for valuation of other types of care. This question is also important if we argue that domestic work is currently “undervalued” because it involves a form of care work, and that care work more generally tends to be undervalued.

The law and practice report (ILO, 2010, para 22) observes that domestic workers may cook, clean, take care of children, the elderly and the disabled, and attend to domestic animals in private homes. These workers seem to fit neatly into the definition of care workers if one accepts Razavi’s contention that general housework should be included in the scope of “care”. Definitions of domestic workers often also include gardeners, guardians in private homes and family chauffeurs. The categorization of these workers as care workers is less clear. Nevertheless, we can safely assert that the majority of domestic workers are care workers and/or spend the bulk of their time doing care work. Further, the fact that this is the case influences the perception of domestic workers and the value attached to their work.

The care diamond

Razavi (2007) introduces the notion of the “care diamond” as a way of structuring thinking around the institutions that can provide care. The four corners of the diamond are the family or household, markets, the public sector and the not-for-profit sector.

The concept of the care diamond is potentially useful in highlighting to what extent government considers care work similar to paid domestic work to be important enough to provide these services itself, or to subsidize or fund the provision of such services in some other way. Where government does this, it would suggest that government attaches significant value to the work. Government provision or funding thus becomes an indicator of value.

Razavi notes that the care diamond is particularly pertinent when considering care for young children, the frail elderly, those who have chronic illnesses, and people with disabilities. However, it is difficult to think of many circumstances in which the state, or indeed the non-profit sector, would be the provider of ordinary housework services. They might do so as part of a package of support for particular groups, such as the elderly or ill, but it would be a very unusual state that introduced widespread policies for public provision of housework.

Williams (2010) highlights the role that government provision, funding or support for child care can play in facilitating and promoting women’s engagement in the paid labour market by relieving their unpaid care burden. Policies that relieve the burden of housework through direct government provision of such service or supporting its provision through subsidies could similarly be justified on the basis of encouraging women’s engagement in the paid labour market – both for the employing women whose time is freed up and for the domestic workers themselves.

Subsidization by government

Discussions of unpaid care work in the home commonly focus on the extent to which this relieves the pressure on government to provide services. Expressed differently, the discussion explores to what extent unpaid care work “subsidizes” government. A similar question can be asked in respect of paid domestic work. The difference is that, while in the case of unpaid care work individuals pay the subsidy through their labour, in the case of paid domestic work employers pay in money.

Unfortunately, there would be significant challenges in arriving at estimates of this subsidy. Perhaps the most important of these is deciding what government services could be considered alternatives to ordinary housework, including cooking. Fewer challenges would be faced in respect of child care, but this makes up only a portion of the work done by (some, but not all) domestic workers. If the challenges could be addressed and an estimate of the subsidy derived, its meaning would need to be considered carefully. Stated crudely, is it a “good thing” that some households (mostly wealthier ones) are buying...
for themselves services that the state should or might otherwise provide, including important services such as policing, health and child care? What does this mean in terms of access by the less wealthy to these services? Does it mean that the money “saved” by not having to provide for the wealthier households can then be spent on providing for the poor? Or does it mean that there is less public pressure on government to provide these services at all?

Lessons from valuation of unpaid care work

The literature describing attempts to value unpaid care work are potentially useful in trying to find measures other than the wage of the value of domestic work. The unpaid care work valuations are, however, different from the current endeavour, in that they attempt to assign a value in the complete absence of a wage.

Most approaches to the valuation of unpaid care work are based on the equation that specifies that the value of unpaid care work is equivalent to the number of hours worked multiplied by some measure of hourly earnings. Most approaches can be clustered into one of four basic groups, namely (a) the average earnings approach, (b) the opportunity cost approach, (c) the generalist approach, and (d) the specialist approach.

Underlying the first two approaches is the question of how much a person would have earned if he/she had done paid work rather than unpaid care work. The first approach calculates this using the average earnings for all people in the economy, while the second approach uses the actual earnings of the person who did the unpaid care work. The first of these approaches can potentially be used for the “correct” value of paid domestic work.

Underlying the third and fourth approaches to the valuation of unpaid care work is the question how much a household would need to pay someone else to do the unpaid care work – the replacement cost. The generalist approach calculates this by using the average wage paid to a worker, such as a domestic worker or housekeeper, who does most of the tasks associated with unpaid care work. The specialist approach does separate calculations for each task as if the household had employed a specialist to do it. The third approach would, like the second, be circular for paid domestic work as one would be replacing the domestic worker wage with itself. In theory, the fourth approach seems more suitable. However, there are technical and practical challenges to applying this.

2. Proposed measures of value for domestic workers and their families

Calculating the absolute value

The most obvious way to measure value for the workers doing the work is to use their wage or earnings.

Using the simple wage-based approach, measures of the value of domestic work to domestic workers could include:

• total number of domestic workers employed (equivalent to number of “direct beneficiaries”);
• total number of individuals living in households that include a domestic worker (equivalent to number of “indirect beneficiaries”);
• mean and median wages earned; and
• total wages earned for a given period.

These measures could be disaggregated by variables considered relevant for a particular country, including sex, ethnic group, location and the like.

Calculating the relative value

With this approach, the value (as measured by wages earned) of working as a domestic worker is compared with the value (again measured by wages earned) of doing other paid work.

A range of comparators can be considered. For example, one could compare mean (or median) earnings of domestic workers with earnings of all other earners, including employers, the self-employed and employees. Alternatively, one could compare mean (or median) earnings of domestic workers with those of all other employees (Box 1).

Box 1: Comparing mean and median earnings of domestic workers with those of other workers: Case of South Africa

The average monthly earnings of domestic workers are substantially lower – less than a quarter if one considers the mean – than those of other employed people in the economy. If analysis is restricted to employees, the disparity between domestic workers and other workers increases.

<table>
<thead>
<tr>
<th>Worker category</th>
<th>Mean (Rand)</th>
<th>Median (Rand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic workers</td>
<td>1,000</td>
<td>867</td>
</tr>
<tr>
<td>Non-domestic workers</td>
<td>2,400</td>
<td>4,604</td>
</tr>
<tr>
<td>Non-domestic wage employees</td>
<td>2,600</td>
<td>4,652</td>
</tr>
</tbody>
</table>

Source of data: Author’s calculations using South Africa’s LFS, September 2007.
The comparisons of domestic worker earnings with earnings of others could also be disaggregated in terms of characteristics thought to be relevant, which might include sex, education, age and years of experience, among others. The underlying aim would be to investigate what a domestic worker might earn if she was doing another job, but taking into consideration that the worker’s personal characteristics would influence what she would likely to earn. This analysis would thus provide a sense of the penalty (or advantage) imposed on a worker doing domestic work rather than some other job (Box 2).

Box 2: Does domestic work suffer from a “wage penalty”?

The table below gives the results of a regression of the log of hourly earnings using South African Labour Force Survey (September 2007) data, which includes gender, population group, education level, skill level, age, age squared and status of employment as independent variables. The base case consists of a female, African with primary education who is doing elementary work, is an employee and is in an occupation other than domestic work. All included variables except having no formal education are significant at the 95 per cent confidence interval. As expected, the domestic worker variable has a large negative coefficient. The R² is 0.3960.

<table>
<thead>
<tr>
<th>Independent variables: Worker characteristics</th>
<th>Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic worker</td>
<td>-0.15</td>
</tr>
<tr>
<td>Male</td>
<td>0.19</td>
</tr>
<tr>
<td>White</td>
<td>0.93</td>
</tr>
<tr>
<td>Indian</td>
<td>0.69</td>
</tr>
<tr>
<td>Coloured</td>
<td>0.35</td>
</tr>
<tr>
<td>No education</td>
<td>-0.10</td>
</tr>
<tr>
<td>Secondary schooling</td>
<td>0.24</td>
</tr>
<tr>
<td>Post-secondary education</td>
<td>0.86</td>
</tr>
<tr>
<td>Unskilled</td>
<td>-0.47</td>
</tr>
<tr>
<td>Age</td>
<td>0.02</td>
</tr>
<tr>
<td>Age squared</td>
<td>0.00</td>
</tr>
<tr>
<td>Employee</td>
<td>-0.39</td>
</tr>
<tr>
<td>_cons</td>
<td>2.65</td>
</tr>
</tbody>
</table>

Applying the coefficients for a 40-year old woman worker with no education gives a predicted hourly wage of R23.84 for a domestic worker as compared to R27.62 for other employees with these characteristics. Domestic workers thus earn 13.6 per cent less than other employees with the same characteristics.

Source of data: Author’s calculations using South Africa’s LFS, September 2007.

Calculating the “real” value of paid domestic work

In theory, one should also be able to correct for some of the factors that depress domestic worker wages by considering separately each of the tasks performed by a domestic worker and assigning the relevant wage of a non-domestic worker doing similar tasks to the time spent on each of the tasks.

A necessary step in this approach would be to identify occupations in which workers do similar work as paid domestic workers and for whom there are sufficient observations in the dataset to give reliable wage estimates.

There are two reasons why this approach is not recommended. Firstly, the necessary data describing how long domestic workers spend on different tasks within their workday are probably not currently available in any country. Secondly, this approach would still produce an under-estimate of the “true” value of paid domestic work, as many of the jobs associated with the sub-components of paid domestic work are also undervalued because they are dominated by women, produce services rather than products, and so on.

Estimating the degree of household reliance on domestic work

The previous estimates focus on the benefit to the worker. The estimates that follow expand the focus to the worker’s family and dependents. Measures of the extent to which households are reliant on domestic workers’ earnings include:

- estimating the number of households in which the only earnings are domestic worker earnings;
- estimating the number of households in which at least one earner is a domestic worker; and
- estimating the proportion of earned income or total income of the household derived from domestic worker earnings.

Contribution of domestic work to poverty reduction

This measure aims to estimate how many households are “lifted out” of poverty through the employment of one or more of their members as domestic workers. At root, the method involves estimating the total number of households under a given poverty line at a given point in time, and then re-doing the calculation after subtracting income earned by households through paid domestic work. As with the other proposed measures, the nature of the source data will determine the accuracy with which this measure can be calculated.
3. Proposed measures of value for employing households

Number of households benefiting from employing domestic workers

The simplest measure in respect of households that benefit from the services of domestic workers is the number of households that employ paid domestic workers. Where data are available, the measure could be disaggregated by relevant variables, such as location (rural/urban, or province) and income/expenditure quintile.

While this might seem a simple measure, it is not necessarily easy to derive. The number of households cannot be derived from standard labour force surveys because there is not a one-to-one relationship between workers and households.

One possible alternative source of information is household expenditure surveys. Here one would look for questions that asked about expenditure on paid domestic services. Further, some time-use surveys have indirect indicators of employment of a domestic worker. In the United Republic of Tanzania, the Integrated Labour Force Survey includes among the relationship codes for categorizing household members a code for domestic workers. This allows identification of households that employ a live-in domestic worker. The South African time-use survey of 2000 included a question asking who in the household did the most housework (Box 3). One of the pre-specified coded responses for this question indicated that a non-member of the household did so. In most cases, the non-member was likely to be a domestic worker. This question can thus be used to generate a proxy for the number of households with domestic workers.

Box 3: Households employing domestic workers: The case of South Africa

In the South African time-use survey of 2000, 7 per cent of households indicated that a non-member did most of the housework. The percentage was highest in urban formal areas (11 per cent), next highest in rural commercial areas (6 per cent), and 2 per cent or lower in urban informal or deep rural (i.e. ex-homeland) areas. In terms of population group, the percentage of households employing domestic workers is 29 per cent among households in which the first respondent was classified white, 19 per cent among Indian households, and only 2 per cent among coloured and African households.

Source of data: Author’s calculations using South Africa’s Time-Use Survey, 2000.

Total value of freed-up time

The benefit most frequently named by economists for a household of employing a domestic worker is that it can “free up” women in the household to undertake paid work. The suggested approach for this involves estimating the earnings received by a woman when she employs a domestic worker to do the domestic work so that the employing woman can engage in paid work elsewhere.

The estimate derived for this measure will almost always be larger than the domestic worker’s wages. As the ILO law and practice report notes, “[a]lmost by definition the wages of domestic workers are less than their employers earn on the labour market” (2010, para 23). This is so because the employer must usually pay the domestic worker out of her own earnings.

The second reason for lower earnings would be that domestic work might require fewer skills and have a lower “value” than the work done by the employer. However, this statement is open to question.

If the dataset allows identification of households that employ a domestic worker, then the calculation could sum the earnings of all adult female earners in that household or, alternatively, identify one of the adult female earners as the “employer” and thus the one whose earnings should be included. Either of these approaches is likely to result in a lower estimate than if men were also considered potential employers, given that female earnings are generally lower than male earnings. Further, a decision-rule would be needed for households in which there are no adult female earners.

If the dataset does not allow identification of households that employ a domestic worker, an alternative crude approach would be to assign the mean earnings calculated across all female earners other than domestic workers to all domestic workers and then to sum these attributed earnings.

4. Proposed measures of value for the country

Contribution to employment

A simple way of estimating the national benefit is to calculate paid domestic work’s contribution to employment, as measured by standard indicators, such as the employment rate and unemployment rate. The measure of number of “direct beneficiaries” suggested previously (see Section 2) already gives an indication of this. Here, the national contribution is measured as the impact on a rate rather than as an absolute number of people employed.
One would probably want to calculate this measure both at the overall national level and at disaggregated level. One obvious basis of disaggregation would be sex. Rural/urban or other locational disaggregation might also be illuminating.

**Contribution to personal income**

This measure aims to give a sense of the contribution that domestic work makes to overall spending power on the (Keynesian) understanding that increased spending power is likely to stimulate increased demand and hence higher growth. A simple form of this measure would consist of the sum of all domestic worker earnings. This could then be expressed as a proportion of all earned income.

Ideally, one would also like to have domestic workers’ income expressed as a proportion of all income, earned and unearned. Whether this is possible depends on available data sources in a given country.

**Comparison of time spent on paid and unpaid domestic work**

Another possible measure would involve a comparison of the total work time of domestic workers, summed across the economy, with the total time spent by non-domestic workers doing similar work. Rather than measuring monetary value, this approach could be seen as measuring “volume” of work.

The comparator – time spent by non-domestic workers doing similar work – could be estimated from time-use data if such data are available for the country concerned. Decisions as to which activities to include should not pose major problems, as most time-use classification systems include categories that cover the different forms of unpaid care work that are similar to paid domestic work.

Fortunately, many surveys that ask about employment include questions enquiring how much time is spent by workers per day or week on this work. The responses from these questions can be used to derive estimates of the time spent by domestic workers and these estimates can then be compared with the time spent by the population as a whole on domestic work-like activities.

**Proportion of households benefiting from paid domestic work**

A simple additional measure could be the number of households that utilize the services of a domestic worker. This measure involves conversion of the earlier measure “Number of households benefiting from employing domestic workers” into a rate by dividing the earlier measure by the total number of households in the country.

**Value produced by domestic work: Output approach**

Given the conceptual and practical complications and paucity of the necessary data, the output-based approach is probably not worth pursuing.

**Substitution for public expenditure**

Given the challenges and questions described above as to the meaning of a measure related to public expenditure, this measure is probably not a priority.

**Value of remittances**

Where domestic workers account for a substantial number or proportion of work migrants, one could explore possibilities of estimating the amounts remitted from domestic work specifically. In some cases, it should be possible to do this using data from official sources. In other cases, sample surveys within destination countries in which particular nationalities of domestic workers are employed or of returning migrants or migrants’ households might provide indicative data.

**Exploring the interaction of paid domestic work with other sectors**

The measures proposed above all reflect the situation at a particular point in time. They do not provide a means of exploring how paid domestic work interacts with and affects other parts of the economy. A suggestion in this respect would be the construction of a social accounting matrix that includes paid domestic work as a separate sector of the economy. This suggestion is similar to the more ambitious recommendation that such matrices be elaborated to include the unpaid care sector.

**5. Proposed measures of global value**

The need to look beyond a single country when considering the value of domestic work arises because of the large number of domestic workers who perform this service in a country that is not their own.

Global calculations of value are complicated by the fact that wage rates of domestic workers vary so much between countries. To some extent, these variations may reflect differences in general wage rates in the various countries; however, the variation extends beyond this. Firstly, countries have different rates of wage dispersion or inequality. As a result, the wage of domestic workers in one country will, for example, represent a very different percentage of the mean wage for the economy as a whole. Secondly, the wage penalty associated with domestic work differs across countries.
It should also be noted that, although this was not discussed above in respect of the other measures, the migrant phenomenon adds complication to some of the measures. For example, when calculating the value of domestic work to workers themselves, should this value be attributed to the country in which workers are working or the countries which they regard as “home”?

A Big Mac© measure
The real value of wages in terms of what they can buy differs across countries. One could therefore explore ways of measuring the “real” (in consumption terms) value of an hour or day spent doing paid domestic work across different countries. One possibility would be to estimate how many hours or days it would take a domestic worker to earn enough to buy one Big Mac© (or some other globally available product), analogously with the exercise that measures the real value of various currencies in a similar way. Alternatively, one could adjust domestic worker earnings in different countries by some other measure of relative purchasing power.

6. Conclusion
This Brief has presented a range of different possible ways of measuring the social and/or economic value of paid domestic work. Which of these ways is useful in a particular situation will depend on a range of factors. These include the purpose for which the measure is being used, as well as the available data sources.

Many of the proposed approaches result in monetary measures. In this sense, they can be seen as measuring “economic” value. However, in at least some of these cases, the monetary measure may be a proxy for a social value. For example, the number of households prevented from being poverty-stricken through having access to the wage of a domestic worker carries both economic and social value in the sense that poverty is a serious social concern. Similarly, the value of earnings of women who are “freed-up” to take on other employment through employing a domestic worker in their homes can be seen as contributing to the social goal of gender equality.

The contribution made by paid domestic work to lowering the unemployment rate, similarly, represents a substantial contribution. The contribution would, however, be even greater if the employment created took the form of decent work at a wage that recognized the contribution that the worker herself was making to the economy and society.

For purposes of thinking about minimum wages, the estimates of the current wage and wage penalty (and corollary of expected wage if there were no discrimination) are probably the most useful, and also will be feasible in many countries. The opportunity cost measure, which estimates (or perhaps over-estimates) the value of the earned income of employing women “freed-up” through employment of domestic workers is also likely to be attractive to those who see this as an important contribution of paid domestic work. The overall purpose of this Brief will have been missed, however, if these are the only measures that are pursued going forward.

REFERENCES

The Domestic Work Policy Brief series aims to stimulate and inform policy debates on advancing decent work for domestic workers. It provides information on terms and conditions of employment in domestic work, policy issues and different views on these issues, and varied approaches to addressing them around the world.

Policy brief n°3 was written by Debbie Budlender, Specialist Researcher, Community Agency for Social Enquiry.