



Urgent Appeal for Policy Action on Household Satellite Accounts

Ensuring formal recognition of women's
unaccounted work and reducing GBV



Bangladesh context:

- According to the Global Gender Gap Report 2018, Bangladesh was ranked **48** among 149 countries

While Bangladesh was able to close over of its overall gender gap

72%

- Women in Bangladesh are involved in many unpaid domestic economic activities

Unaccounted work create significant value and social capital

- Non-recognition of women's unpaid work has often been identified as a key factor that attenuates their social status relative to men (Kabeer, 2012)

A large part of economic activities including household chores, care and agriculture work is undertaken by women, these remain unaccounted for in System of National Accounts (SNA)

Background

While the System of National Accounts (SNA), scripted in 1947 and consequentially modified, assists in providing detailed framework for the national accounts and accordingly, GDP of an economy, it fails to take into account the non-marketed service activities produced by households (Catherine et al., 2007). In other words, SNA cannot include the services produced by household for own consumption and sustenance.

We need to integrate unpaid work in mainstream policies for the following reasons:

1. Recognition of unpaid work is required by ensuring visibility of such works in the SNA
2. Continuous effort needs to be made towards reduction of unpaid work by reducing the drudgery part
3. Redistribution of burden/unpaid work among the male and female members of the household which would require bringing changes in the traditional patriarchal norms

What is Satellite Account?

Satellite accounts allow economists to go beyond the strictly limited boundaries of System of National Accounts (SNA), including altering boundaries of economic activities (Teillet et al., 1988; UNSTATS, 2006). Thus, satellite accounts allow the restructuring or inclusion of previously available monetary and non-monetary information for improved understanding and advancement of a particular economic sector or field.

Need for Satellite Account / Objectives:

1. Provide estimation on production, gross domestic product, private consumption and compiles satellite accounts
2. Contribute to recognize unpaid work as part of a new concept of work, TOTAL WORK
3. Create visibility for women's and men's contributions to the economy and society (reproduction and wellbeing)
4. Reveal the differences of unpaid work distribution between women and men within the household
5. Produce a set of statistics and indicators within the SNA framework to improve gender-sensitive measures and knowledge on the household economy for planning, policymakers, and monitoring.
6. Contribute to construct a sensitive gender framework

Importance of Satellite Account

The goods and services produced by households are produced by mostly female household members.

Historically, the production of household goods and services has been affiliated with the female household members of every society. Specifically, the services produced by households can be broadly described as care giving, cooking, household management etc. which have not been considered as part of economy, creating social stigma around such works and confining the contribution of female members as less than their male counterparts.

Workload inequalities reinforce broader gender inequalities and restrict women's opportunities to enter into the labour force and therefore economic empowerment. The issue of gender based violence is also reinforced form

continued inequalities. Bangladesh government is committed to attaining the Sustainable Development Goal (SDG) of gender equality and empowering women as well as implementing the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Beijing Platform for Action. Thus, it is important to introduce policy devices to succeed in these commitments.

Why SDG context is important for the valuation of women's unpaid work

- Target 5.4 under Goal 5 explicitly mentioned about recognizing and valuing the unpaid care and domestic work
- The contribution of women to national well-being through unpaid household work remains obscured and unrecognized since care giving and other activities do not accrue direct rewards
- Unpaid household work has indirect effects on productive work, but there is no easy way to measure
- When both paid and unpaid work are taken into consideration, in most cases, women carry higher share of burden compared to men
- It is critical to estimate the unpaid care and domestic work of women under the lens of "leave no one behind."

Women's unpaid work in SNA:

Defining household satellite accounts approach

Satellite Account approaches for 'recognizing' unaccounted work:

Replacement method can further be divided into:

- Generalist cost method considers the wage by the probable compensation for similar work if performed by an outsider of the household
- Specialist cost method considers the wage given that the service provider has specialization on that specific service which is provided in the marketplace.

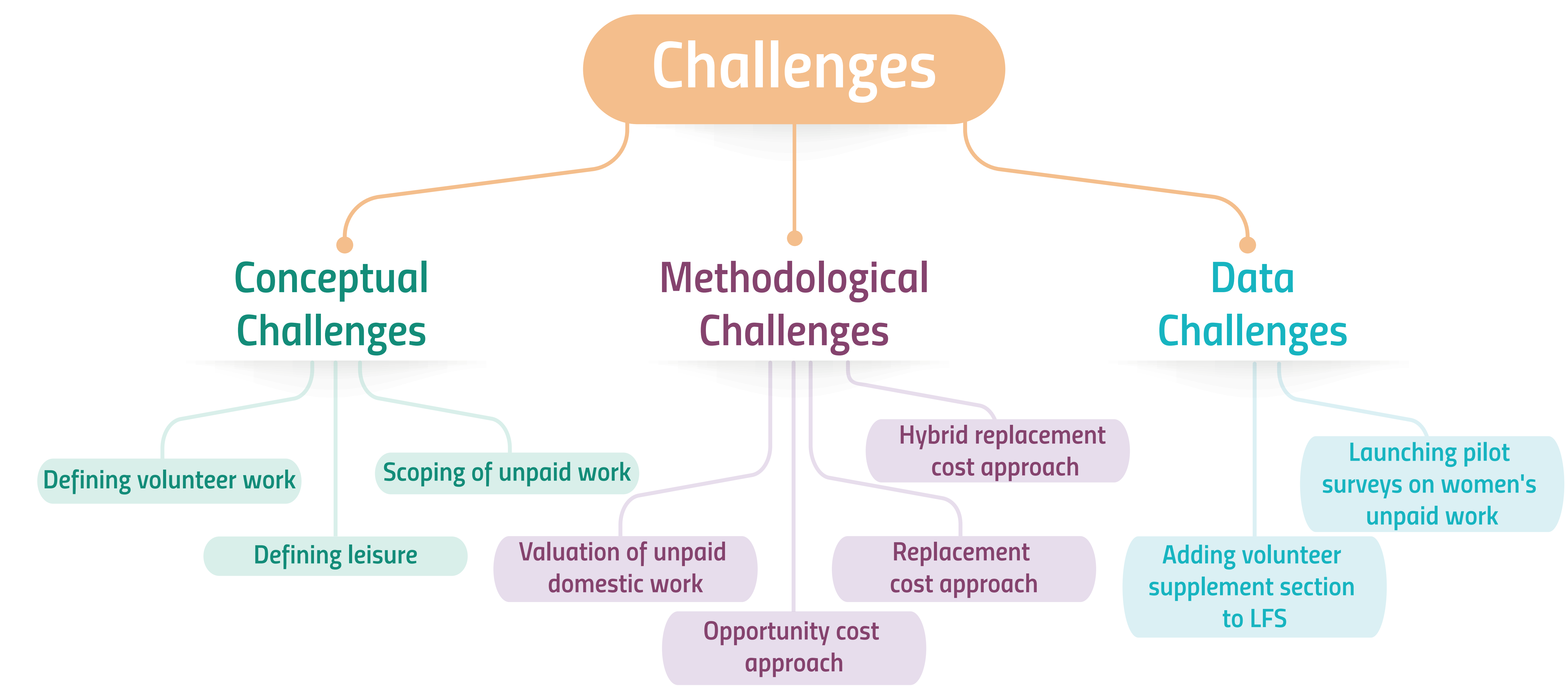
Replacement cost method

Considers a wage to the respective work performed by the household member if performed by someone else

Willingness to accept method

Considers the member's educational and other backgrounds to calculate her probable wage if she performed those activities herself in exchange of monetary compensation

Satellite account construction requires data, which can be found from either time-use surveys or modules incorporated in other surveys. These surveys can produce necessary information regarding time spent by the household members producing household services. Bangladesh Bureau of Statistics (BBS) can account for analyzing the problems and providing updated data.



Current situation around the world

Table 1 represents the summarization of several studies conducted by the project titled Counting Women’s Work by United Nations. One of the old studies on measuring the household services produced by households in Bangladesh used replacement cost method which showed that for the year 1989-90, GDP of Bangladesh would increase by 29 percent if unaccounted household services were included (Hamid et al., 1996). Further studies have evaluated both replacement cost method and willingness to accept method and the increase in GDP has been calculated to be more than 100 percent in some extent (Efroymson et al., 2007). For instance, replacement cost method and willingness to accept method produced valuation of unaccounted household services to be 76.8 percent and 87.2

Example from Tourism Satellite Accounts (TSA) in Bangladesh

Attempt has been made to address its tourism for the first time through “TSA of Bangladesh (Pilot) 2011-12” compiled in 2013-14. TSA is an accounting framework to measure goods & services associated with tourism following international standards, concepts classification and definitions. Activities like Tourism, health, education and environment are difficult to be captured in national accounts by supply side estimation following ISIC. Tourism is a demand based concept defined not by its output but by its use. Recognition as one of the most growing employment generating area, tourism is thus needed to be identified explicitly with its contribution to the economy by TSA.

percent respectively for the year 2013-14 (Khatun et al., 2015).

Table 1: Unaccounted Work as percentage of GDP for Several Countries around the World

Country	Unaccounted work (% of GDP)
Turkey	21.0 (2018)
South Africa	22.0 (2016)
Uruguay	31.0 (2018)
India	45.0 (1999)
Columbia	39.0 (2015)
Vietnam	17.0 (2016)
Spain	24.0 (2016)
Ghana	14.0 (2016)
Senegal	22.0 (2016)
Costa Rica	13.0 (2015)

Source: Counting Women’s Work¹

Household satellite accounts on production and consumption of unpaid work services

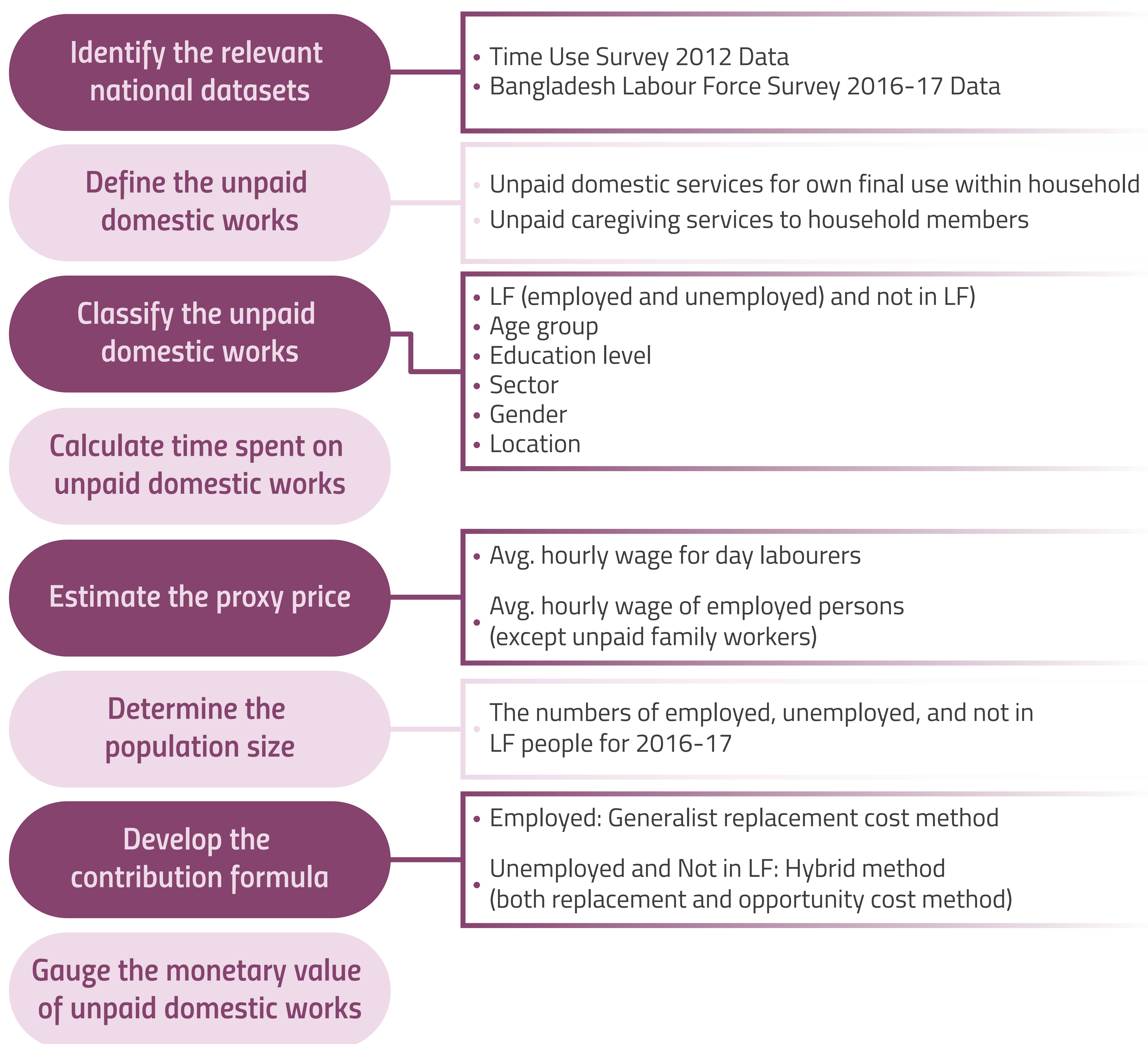
Proposed methodology²

Satellite account can capture the overall scenario of unpaid domestic work in the economy. Unpaid household services, are not within SNA boundary. It is necessary to assign a monetary value to perceive the magnitude of the unpaid work output in the same way as other economic activities. It is necessary to compile a satellite account to record the total household production and consumption.

One of the most popular approaches to construct satellite account is the production approach. The base of such account is the hours spent in unpaid domestic activities which can be derived from Time Use Survey. Satellite account also contains shadow (i.e. proxy) market prices for corresponding hours spent on unpaid domestic activities for monetarizing or quantifying these activities similar to conventional market activities in the economy. It is mentioned earlier that the base of usual satellite account is the hours spent of unpaid domestic activities. However, the value is aggregate in nature in the existing literature which is not optimal for observing heterogeneity within the population. Hence, we intend to disaggregate the population through several classifications to construct satellite account for Bangladesh. Such holistic approach will provide meaningful insights on the degree of unpaid work done by women and men which can lead us to proper policy suggestions.

¹For detailed information, please check: <https://www.countingwomenswork.org/publications/working-papers>
²“Recognition of Women’s Unaccounted Work and Its Inclusion in Gender Responsive Budgeting.” (2019), SANEM

Figure 1: Framework for Constructing Satellite Account



Priority setting on budget

- Making care work a priority in government economic policy making and budget setting
- Dedicating specific budget lines to strengthen and expand types of public services or programmes that reduce household unpaid care burden
- Incorporating awareness-raising elements of the contribution of care work, and coordinating across government sectors to build on potential synergies and ensuring that the needs of care are being addressed
- Strengthening awareness of the responsibility of governments and employers to address unpaid care work and the contribution of unpaid cares to human and economic development.
- Engaging technical group on satellite account for the promotion and protection of gender equality and coordination with the responsible national accounting entity
- Developing public social protection programmes to support care providers

International Classification of Activities for Time-Use Statistics³

1. Employment and related activities
2. Production of goods for own final use
3. Unpaid domestic services for household and family members
31 Food and meals management and preparation
32 Cleaning and maintaining of own dwelling and surroundings
33 Do-it-yourself decoration, maintenance and repair
34 Care and maintenance of textiles and footwear
35 Household management for own final use
36 Pet care
37 Shopping for own household and family members
38 Travelling, moving, transporting or accompanying goods or persons related to unpaid domestic services for household and family members
39 Other unpaid domestic services for household and family members
4. Unpaid caregiving services for household and family members
41 Childcare and instruction
42 Care for dependent adults
43 Help to non-dependent adult household and family members
44 Travelling and accompanying goods or persons related to unpaid caregiving services for household and family members
49 Other activities related to unpaid caregiving services for household and family members
5. Unpaid volunteer, trainee and other unpaid work
6. Learning
7. Socializing and communication, community participation and religious practice
8. Culture, leisure, mass-media and sports practices
9. Self-care and maintenance

Table 2: Types of Activities in relation to SNA⁴

SNA Productive Activities
● Work for corporations/quasi-corporations, non-profit institutions and government (formal sector work)
● Work for household in primary production activities
● Work for household in non-primary production activities
● Work for household in construction activities
● Work for household providing services for income
Non- SNA Productive Activities
● Providing unpaid domestic services for own final use within household
● Providing unpaid care giving services to household members
● Providing community services and help to other households
Personal Activities
● Learning
● Socializing and community participation
● Attending/visiting cultural, entertainment and sports events/venues
● Hobbies, games and other pastime activities
● Indoor and outdoor sports participation and related courses
● Mass media
● Personal care and maintenance

³ICATUS 2016 <https://unstats.un.org/unsd/gender/timeuse/23012019%20ICATUS.pdf>
⁴Estimating Women’s Contribution to the Economy: The Case of Bangladesh (2014), CPD

How to assign monetary value to unpaid household services?⁵

The proposed method is focused on:

1. Measuring the output according to the cost incurred
2. Considering that the only one input is unpaid work
3. Only time of primary activities is taken into calculations

Policy Recommendations

Putting women's unaccounted work in country development policy agenda:

Recognize

- Review and analyze examples of countries which have used Satellite **system of accounts** to take measures in Bangladesh
- **Evaluate women's work** in all its dimensions and give recognition and worth that it deserves is one way that society can raise the status of women which will **reduce violence and discrimination against them**
- Strengthen collection of primary datasets through regular, and comprehensive surveys; for instance, surveys comprising specific goals such as time-use survey
- Maintain updated satellite account to include the contribution of unpaid domestic work

Reduce

- Create provision of quality-controlled alternative support system.
- Encourage care services (e.g. day care, agencies to provide professional cook and other support stuffs etc.) and provide education and training necessary
- Ensure gender-friendly environment in educational institutes and workplaces (e.g. proportionate seats in bus, properly regulated and secured hostels etc.).
- Incentivize private sector to ensure gender-sensitive environment (tax rebate, cheaper credit facility etc.).
- Effectively implement maternity and paternity leaves along with flexible working hours for women in every sector.
- **Women's Economic Empowerment:** Reduce the **burden of care work** to increase employment opportunities. More wage-based work opportunity in formal sector is key to making women's unaccounted contribution more visible in the society

Redistribute

- Regularly organize root-level awareness raising programs regarding unpaid work by the government is important. Private sectors, civil society and other key stakeholders should be incorporated in such programs to achieve the desired outcome.
- Make the National curriculum gender-sensitive.
- Introduce **reforms in policy space and changes in social perception** towards women alongside making amendments in traditional accounting method
- **Radical policy support is required** along with a change in mindset and attitude of family members and society towards women.

General recommendations:

- BBS should conduct comprehensive time use survey on regular basis in order to present the time use pattern of both women and men across various activities
- BBS should leverage the National Strategy for the Development of the Statistics (NSDS) under the 'Capacity Building of BBS Project' to extend the existing surveys to capture the details of women's unpaid work
- Tap into the potential of internal resources along with mobilizing domestic resources for facilitating the process
- In connection to achieve SDG 5, the government should launch an independent survey for collecting data on women's unpaid work on a pilot basis
- Re-calibrate the scope and coverage of data collection through labour force survey in a way that facilitates the incorporation of a Satellite account in SNA of Bangladesh
- Invest more in capacity building along with conducting surveys on a regular basis

⁵ Detailed elaboration of mathematical process: "Recognition of Women's Unaccounted Work and Its Inclusion in Gender Responsive Budgeting," (2019), SANEM & MJF