

CARE WORK AND THE ECONOMY

Advancing policy solutions with gender-aware macroeconomic models

POLICY BRIEF | 20 – 11

THE IMPACT OF INVESTING IN SOCIAL CARE ON EMPLOYMENT GENERATION, TIME- AND INCOME-POVERTY AND GENDER GAPS: A MACRO-MICRO POLICY SIMULATION FOR TURKEY

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POLICY HIGHLIGHTS

- **Women previously engaged in full-time homemaking are the main beneficiaries** of the new jobs created, about half of whom are **mothers of young children** who also benefit from access to full-time ECEC services (Figure 1).
- On average, these women then spend **23% fewer weekly hours on household production**, the bulk of which may be attributed to expanded ECEC services (Figure 2).
- New earnings generated through job creation, especially that in the ECEC sector, **narrow the gender earnings gap** in the country.
- The ECEC expansion **reduces the incidence of time poverty** among those who work fewer than 60 hours per week, **especially women**.

Overview

This study presents a macro- and micro-analysis to estimate the effects of increased government spending on social care in Turkey, an upper-middle-income country.¹ Spending increases are focused on the early childhood education and care (ECEC) sector to close the care deficit against the policy target of OECD average enrollment rates for preschool children by age group. Employment generation and growth effects are considered on the macro-side, while time, income, and their joint effects are considered on the micro-side via the Levy Institute Measure of Time and Consumption Poverty (LIMTCP). Results are interpreted in terms of implications for subsequent policy creation.

Key Figures

Figure 1: Distribution of New Jobs Created from Increased Spending in the ECEC Sector by Previous Labor Market Status and Gender

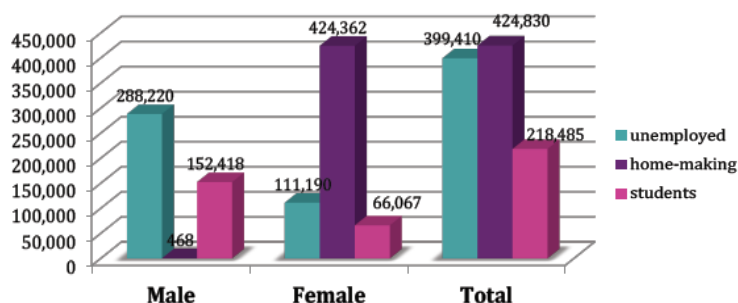
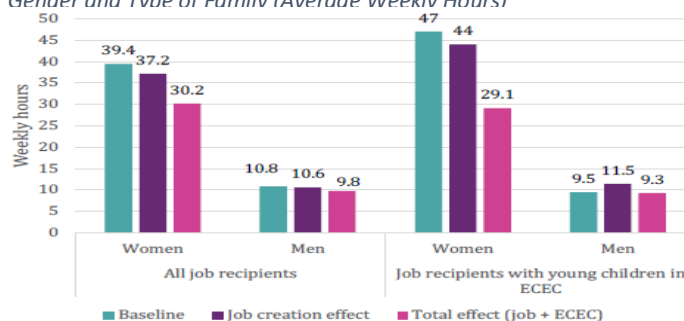


Figure 2: Required Hours of Household Production by Job Recipients by Gender and Type of Family (Average Weekly Hours)



¹ This paper is part of a third wave of policy simulations exploring the effects of differential investments in social care infrastructure. See the complete working paper for a summary of the first two waves and how the present study is situated in this rich body of literature.

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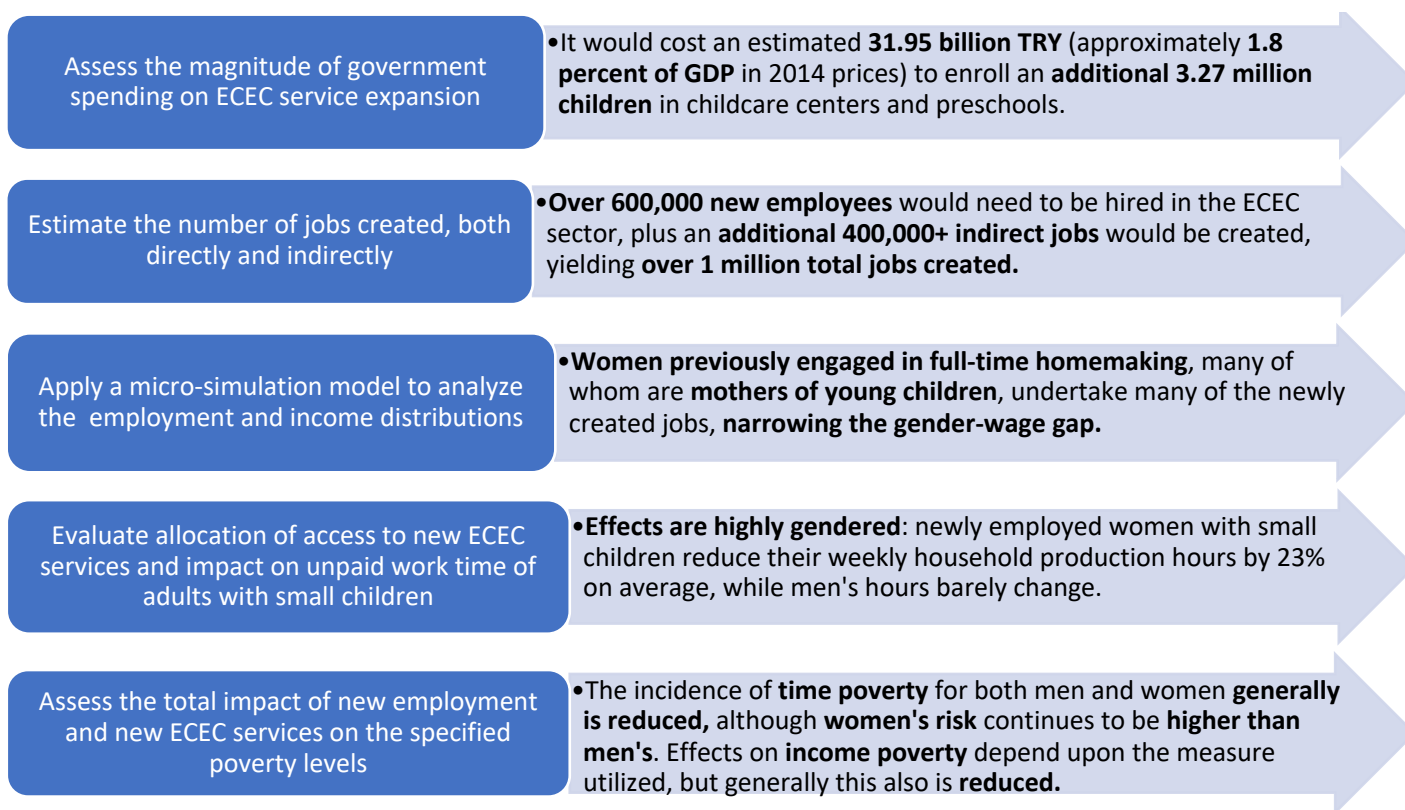
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Analysis Framework & Primary Results

The analysis steps used, and their primary results, are summarized in Figure 3. Attention is paid to gendered changes in wellbeing in terms of access to new employment and earnings, access to newly available services, and the consequent changes in women's and men's allocation of paid and unpaid work time.

Figure 3: Analysis and Primary Results



Conclusions

- Increased spending on the social care service sector has the potential to facilitate gender-equitable inclusive growth through demand-side effects.
- It also reinforces these outcomes on the labor supply side through the generation of new jobs.
- Policy interventions for gender parity need to go beyond giving access to jobs and services.
- These interventions need to entail more comprehensive interventions, such as labor market regulation for work-life balance with equal gender incentives and better working conditions.

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