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Illustration: Eric Westbrook

# Placing a Value on Care Work

**I**n Massachusetts, as in every other place in the world, there are children needing care and education, people with physical and mental health needs, and those who require assistance with the daily tasks of life because of illness, age, or disability. The labor of meeting these needs—*care work*—is a complex activity with profound implications for personal, social, and economic well-being. Care work is not just a cornerstone of our economy—it is its foundation. Care work

**We estimate that unpaid care work is worth \$151.6 billion per year in Massachusetts. If it were counted as part of gross domestic product in 2007, it would account for 30.1 percent of the state's output.**



provides the basis for our human infrastructure. We need it to navigate through life as surely as we need roads and bridges.

With the help of a University of Massachusetts Creative Economy Grant, the authors have mapped this infrastructure for Massachusetts in 2007. The research examines three intersecting spheres of care work: paid care, unpaid labor, and government support for care.<sup>1</sup>

### **The Case for a Care Sector**

Included in what we call the care sector are: the labor and resources devoted to the daily care of Massachusetts residents, especially children, the elderly, and the disabled; the provision of K-12 education; and the administration of health care to both the well and the sick, regardless of age.

The care sector encompasses both paid employment and family labor, and cuts across several areas that usually operate in separate spheres and sometimes compete for the same state dollars. We need to think about it as a unit, however, one that comprises a vital part of the state economy.

At least two things unite the care sector. First, the combined successful outcomes of health, education, and other types of care work define our overall well-being

and allow us to function effectively as a society. In order to work, be an active part of communities, and participate in the political process, people have to be fed, nurtured, educated, and have their daily needs met. Care work accomplishes some of the most fundamental tasks of a society.

The second unique, but closely related, characteristic of care work is that its benefits extend beyond the individual directly receiving the care. Market mechanisms do not always effectively provide the quantity or the quality of care needed. Care, whether done with paid or unpaid labor, is a “public good,” and public policy and government fiscal support play a critical role.

The need for care is substantial. The 6.5 million individuals who live in Massachusetts all rely on care work for their physical and mental health and to meet their daily needs. According to the 2007 American Community Survey, 1,542,000 of those residents are children under the age of 18, who need intensive care and education. Another 864,000 individuals are over 65, and 138,000 of those are over 85; both groups have particular care needs. In addition, 213,000 Massachusetts residents have significant personal care limitations.

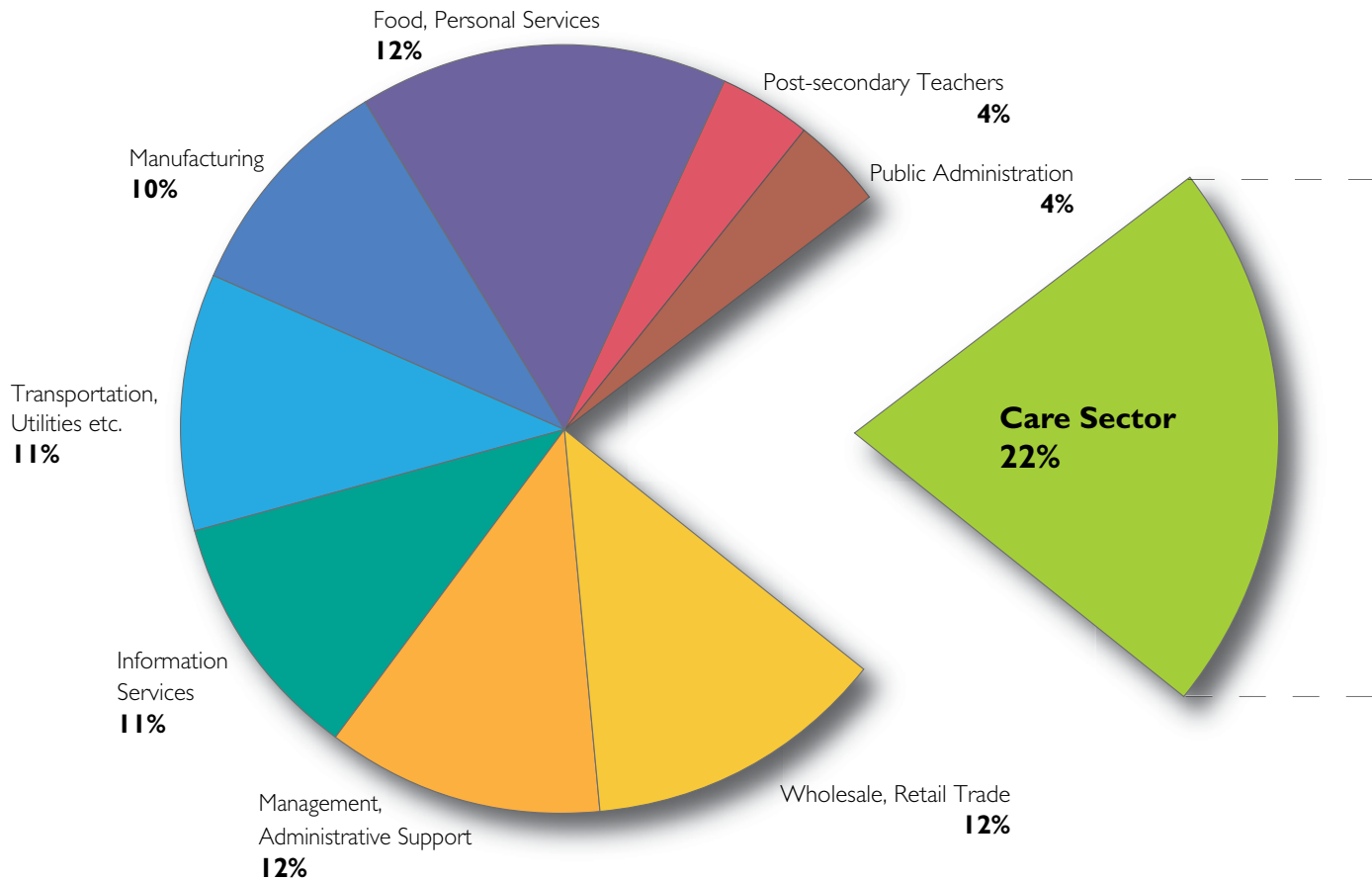
State domestic product, the U.S.

Bureau of Economic Analysis measure of goods and services produced and paid for in a state, measures health care, K-12 education, and social services as 13 percent of the total state product. However, because so much of care work is not paid for, that measure makes most care invisible. We provide measures of care work in each of three major spheres with the goal of informing policymakers, researchers, and advocates about the full value of the sector for the Commonwealth's economy.

### **The Paid Care Labor Force**

Paid workers in health care, K-12 education, child care, and other social services are a critical part of the Commonwealth's human infrastructure. In 2007, almost 800,000 Massachusetts residents worked in those industries. The workers, who are meeting residents' essential needs, represent 22 percent of the state labor force. (See “Massachusetts Workers by Industry, 2007.”) Sixty-one percent of the workers in the paid care sector in Massachusetts in 2007 were in occupations that directly involve *interactive* care: the doctors, nurses, teachers, child-care workers, social workers, and home-care aides on the front lines of caring for residents. The three largest inter-

## Massachusetts Workers by Industry, 2007



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active care occupations are registered nurses; elementary and middle school teachers; and nursing, psychiatric, and home health aides. The other 300,000 workers in the care sector include the administrative assistants, janitors, technicians, managers, and maintenance workers who support and enable the many institutions involved in the interactive function.

Care work, whether paid or unpaid, is performed largely by women. In Massachusetts in 2007, 75 percent of the workers in paid-care industries were women. By contrast, women made up only 41 percent of workers in other industries. There are also significant concentrations of racial/ethnic minorities and immigrants in certain parts of the care sector. For example, although immigrants make up 18 percent of the state labor force, foreign-born workers make up almost 40 percent of nursing, psychiatric, and home

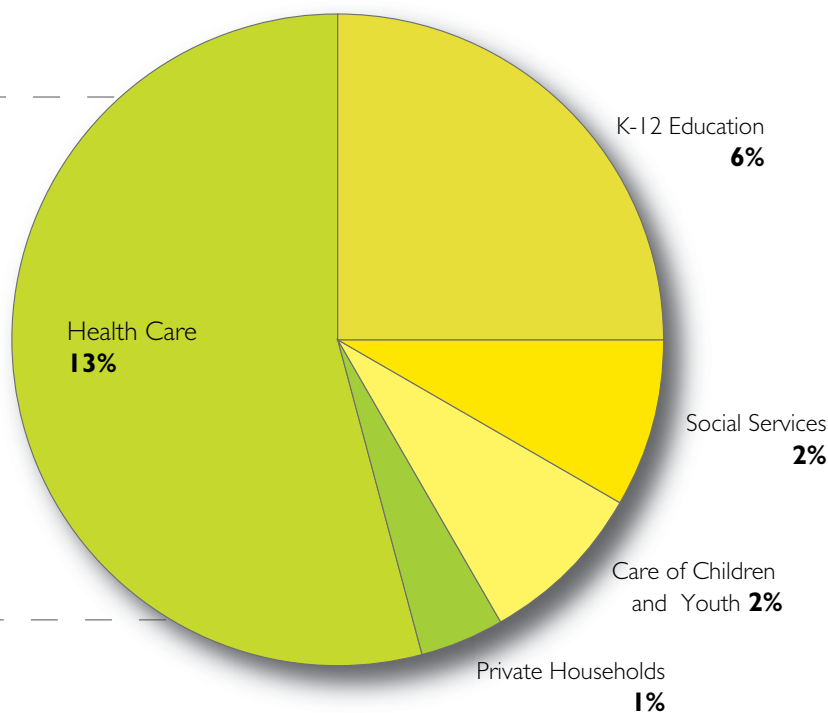
health aides; 31 percent of personal and home care aides; and 23 percent of child-care workers. Black and Hispanic workers are also overrepresented in these areas.

### Unpaid Caring Labor

Unpaid care helps people develop and maintain their everyday and future capabilities; strengthens human relationships; improves health; and helps people negotiate the complexities of obtaining paid care services such as getting to a doctor, finding a good child-care center, or learning about elder-care services. The American Time Use Survey collects data from a representative sample on what activities people perform, and with whom, over the course of a day. Using the survey's 2003-2007 data, we can measure unpaid care work performed in Massachusetts.

On average, every Commonwealth resident 16 years and older spent 3.7 hours a day





**Care Sector Detail**

Source: American Community Survey pooled sample 2006-2007.  
Note: Totals do not always sum to 100% because of rounding.



caring for children and other family members, maintaining their households, helping friends and neighbors, and/or volunteering time to community organizations. If we also include the time in which children are under the supervision of adults when the adults are pursuing other activities, the average is 4.8 hours every day. This translates to 24.9 million person hours each day. We would have to double the current labor force by hiring about 3.1 million workers on a given day—

working eight-hour shifts—to provide paid replacement for the unpaid time that individuals provide, on average, to care work.

Assigning a dollar value to unpaid care work equal to that of typical care workers, we estimate that unpaid care work is worth \$151.6 billion per year in Massachusetts. If it were counted as part of gross domestic product in 2007, it would account for 30.1 percent of the state's output.

### The Role of State and Local Government

Care work yields important public benefits, and state and local government support is crucial to ensure the availability of quality care for residents. In fiscal year 2007 state and local governments in the Commonwealth invested \$24 billion (57 percent of total combined spending) in K-12 education, health care, and in care

of young children and disabled and elder adults. Since all care industries accounted for \$47 billion of the Massachusetts gross domestic product in 2007, state and local governments' contribution are substantial.

The amounts spent were split fairly evenly between K-12 education and all other care provision (mostly health care), with 49 percent of expenditures on education and 51 percent on all other care. State government spent close to two-thirds (64 percent) of its fiscal year 2007 operating budget on the care sector (including funds that go directly to local governments, mostly for K-12 education). Of state-only funds, more than 40 percent were designated for health care. Fifty-six percent of total local expenditures went toward care provision. Almost all (97 percent) of total care expenditures on the local level went toward education.

### The Total Care Package

The care sector in Massachusetts is substantial. It employs one out of every five workers. Every year Massachusetts residents collectively provide 25 million unpaid hours of care, with close to two-thirds of state and local government dollars going to financing care work. The total care sector comprises 39 percent of state gross domestic product when the value of unpaid work in state output is included.

Care work is critical to both our current well-being and our future growth and development. The substantial role of public support in the care sector, however, makes it particularly vulnerable to budget cuts at both the state and federal level. Recent severe cuts place extraordinary challenges on paid and unpaid care workers and those they serve and may hurt the sector as a whole. The Commonwealth's overall human capabilities may well depend on finding a way to continue to invest in care.

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### Endnote

<sup>1</sup> See the full report at [www.countingcare.org](http://www.countingcare.org).