

The Care Economy is Critical for Recovery

- Women have been disproportionately impacted by COVID-19. ¹ By April 2020, the number of women employed fell 5.3% compared to 3.9% for men.²
- The disparity is due to women being concentrated in casual roles and in sectors hardest hit by COVID-19 such as hospitality and retail.
- The economic stimulus packages announced so far focus on 'hard hats and high vis' industries which are male-dominated.³
- Young people have also been hit hard by the recession. Jobs in the care economy could provide rewarding careers for them in the future.
- As automation changes the shape of the workforce in coming decades, the care economy is likely to be less affected than other sectors, as it is based on human connection.
- The care economy is comprised of health, education and community services and includes paid and unpaid labour required to meet the needs of:
 - children to be cared for and educated,
 - everybody's physical and mental health that requires attention, and
 - the needs of individuals who require assistance with the activities of daily living because of illness, age or disability.⁴

Care Economy in WA

Health care and social assistance is the largest employing industry in WA and is projected to grow faster than any other area of the economy over the next five years.

The Care Economy Creates Jobs

- The care economy is worth an estimated \$762.5 billion and employs 20% of the Australian workforce.
- Care sector jobs are in high demand. As our population ages, there will be a growing need for care workers.
- Many people are expected to face joblessness, mental health and relationship problems as a result of the recession and will require support to avoid poverty and to rebuild their lives.
- Investment in the care economy generates more total employment, including indirect employment than investment in construction, especially for women and almost as much employment for men.⁵
- Every \$1m the government spends on education would create 10.6 direct jobs for women and 4.3 direct jobs for men, compared to every \$1m spent on construction which creates around 0.2 jobs for women and 1 job for a man.⁶

¹ Crab, A. (2020) Coronavirus has left Australian women anxious, overworked, insecure, ABC News.

² ABC News, Women have lost jobs faster than men during coronavirus but are getting less assistance

³ ABC News, Coronavirus reveals the precarious position of women in 'disposable workforce'.

⁴ The Australian Care Economy

⁵ The gendered employment gains of investing in social vs. physical infrastructure, De Henau and Himmelweit, 2020.

⁶ The Australia Institute

Female Employment Multiplier

The Australia Institute found that per million dollars spent, not only do care industries create more jobs for women than men, but they also create more jobs for men than construction does. The same pattern is present for education, health and hospitality.

The Care Economy Improves the Health and Wellbeing of Communities

- An investment into the care economy is an investment in the capability and resilience of our most precious asset - our people.
- Thousands of people every year require good quality financial and social services. This includes disability services, aged care, social housing and homelessness support.
- Access to early childhood education provides long term benefits. In addition to the social and developmental benefits for children, access to childcare allows parents to work and stimulates local economies.

It's infrastructure...social infrastructure

Infrastructure is generally assumed to be physical infrastructure such as roads and bridges which are durable and yield a return into the future. Investment in the social infrastructure of the care sector also yields returns to the economy and society well into the future.⁷

⁷ Social infrastructure includes facilities, spaces, services and networks that support the quality of

Stimulus focused on social infrastructure puts money into human capital instead of bricks and mortar. The return on investment in social infrastructure is better educated, healthier and better cared for population.

Recommendations

There are numerous ways to invest in the care economy for Governments to consider:

- Targeted investment in job creation and training in areas of unmet and growing need where there is a clear pathway to ongoing jobs (e.g. aged care, disability services, early childhood education and Aboriginal community controlled organisations).
- Traineeships for jobless workers with social skills in hospitality and tourism that provide future career options while servicing unmet and COVID-related need.
- Employ local community connectors to provide immediate advice and quickly connect people to the right services.
- Provide universal childcare to support workforce participation. It not only provides care jobs but frees up domestic care givers to take their knowledge and skills in other sectors
- Offer "carer credits" in the form of superannuation payments or pension top-ups in recognition of savings to the budget delivered by unpaid carers.
- Support upskilling and transition of workers into the disability support sector. Allow increased flexibility for people to access their NDIS funds.

life and wellbeing of our communities ([Infrastructure Australia](#)).