

# Counting Women's Work by Socio-Economic Status— Colombia

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**COUNTING  
WOMEN'S  
WORK**

# Context

- Colombia, like the rest of the world, is aging due to the demographic transition
- Aging, rather than a problem, is a **prize** societies achieve by making large investments in infrastructure, public health and education, plus all the other improvements that translate into mortality reductions
- However, it is an incomplete prize if not everyone has a good standard of living at advanced ages

# Context

- Colombia is in the middle of its demographic bonus, with under replacement fertility (since 2015), and aging will accelerate around year 2040
- Mortality is decreasing, at a slower pace now, but there is a large excess male mortality
- Cohorts between ages 40-50 represent the “exodus generation”

# Labor Market

- Half of workers in Colombia are in the informal sector, meaning no full social security coverage
- Law 100/1993 increased health coverage from 25% to 95% in 2015, however pension coverage only increased from 23% to 25%
- Occupational gender segregation exists in the labor market
- Colombia is a typical example of the “Latin American paradox”

# Hypothesis

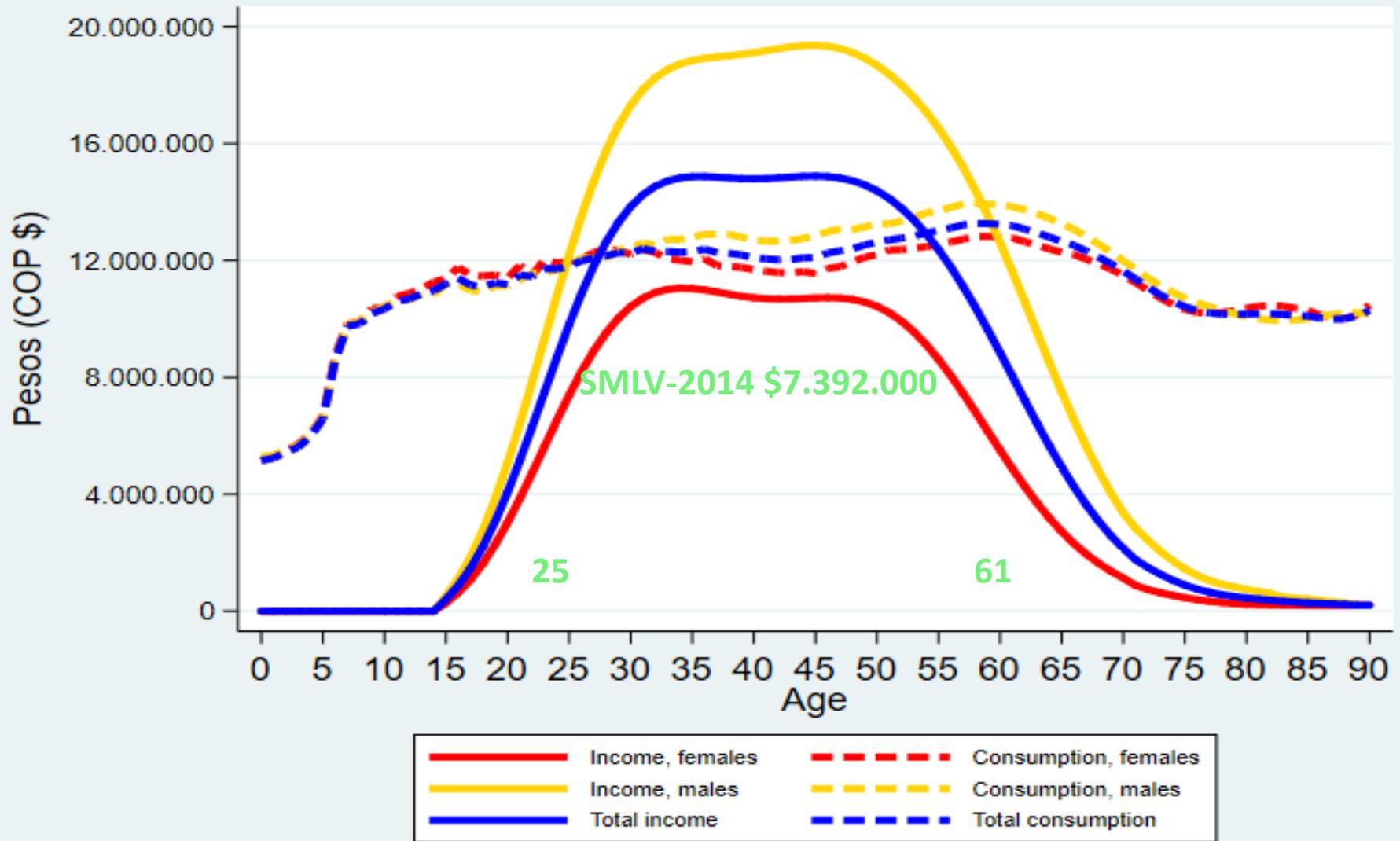
In Colombia the demographic bonus will be missed if:

- Gender bonus is wasted: using it will increase productivity and income for households -> achieved by time-use policies
- Informality persists: Very low income and no access to the pension system with low women's labor participation -> correct today to improve future income

# Methods

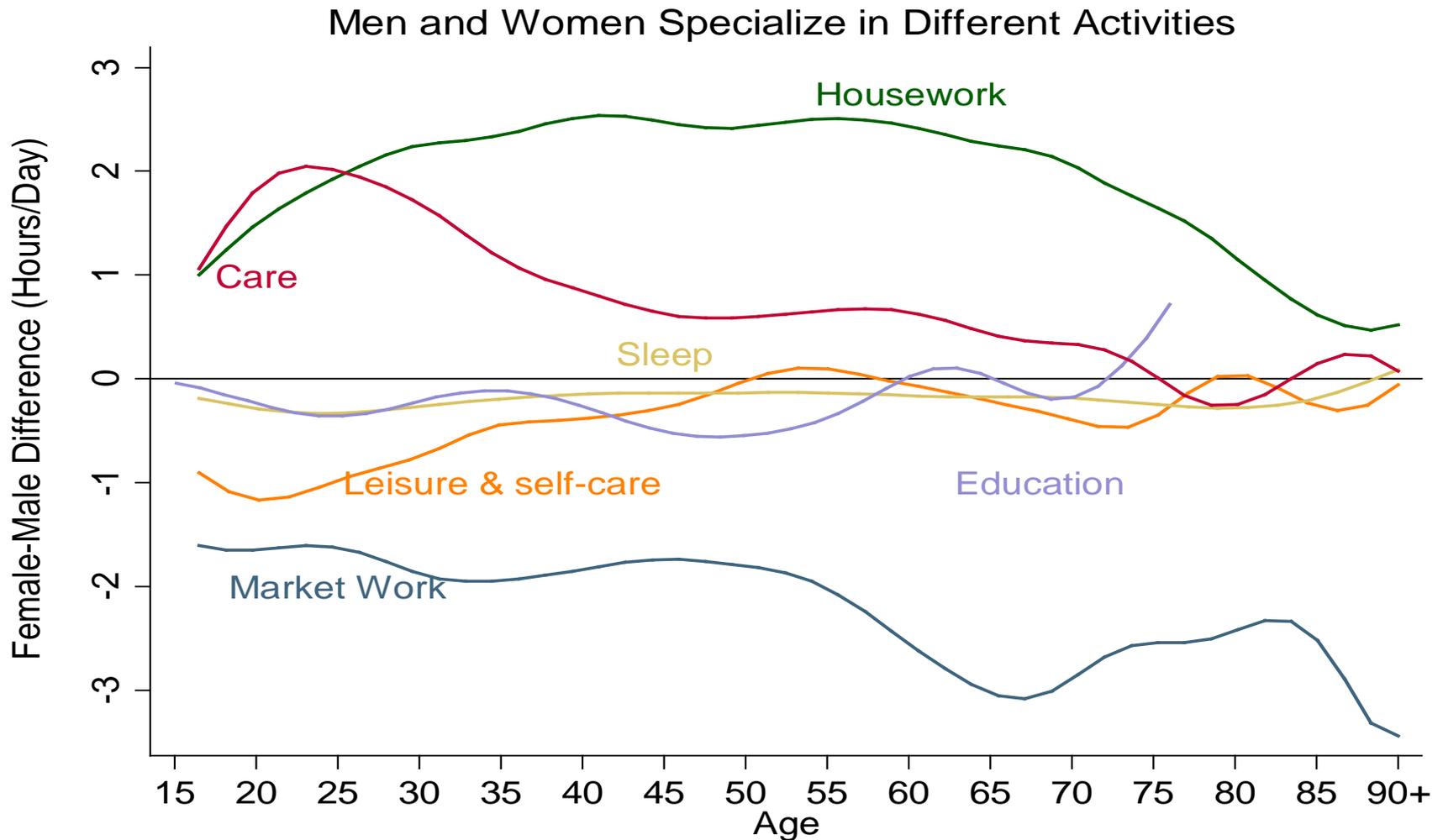
- We followed National Transfers Accounts (NTA) and National Time Transfers Accounts (NTTA) (UN-NTA 2013; Donehower, 2014)
- NTA produces age profiles for macroeconomic accounts from the SNA system and a household survey of income/expenses
- NTTA produces age and sex profiles of all time use to produce paid and unpaid work, from a time-use survey

# Life Cycle Deficit in Colombia-2014



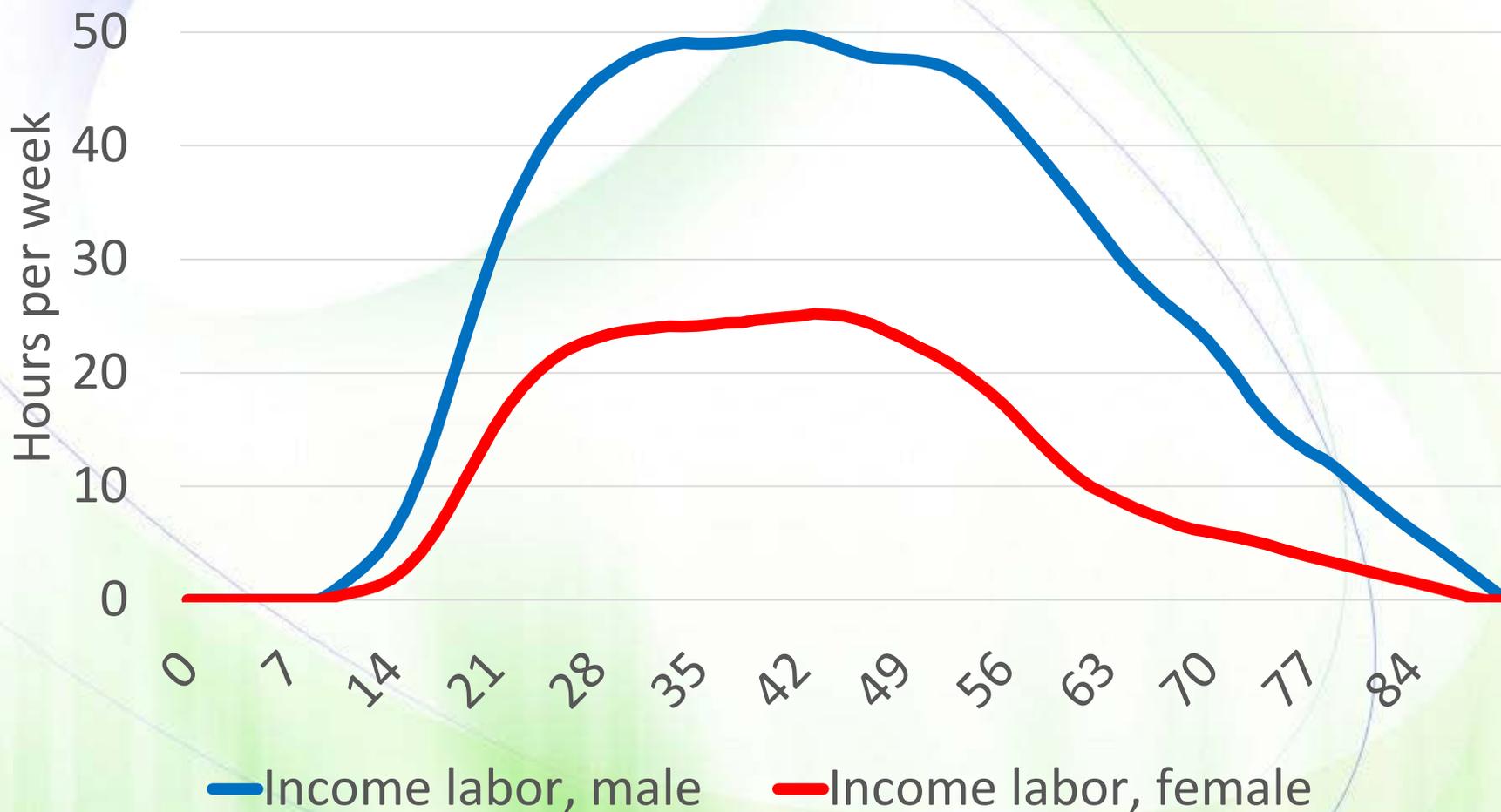
Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)

# Average gender differences time use, Colombia, 2012-3



Source: Urdinola & Tovar (2017, NTA WP#17-06)

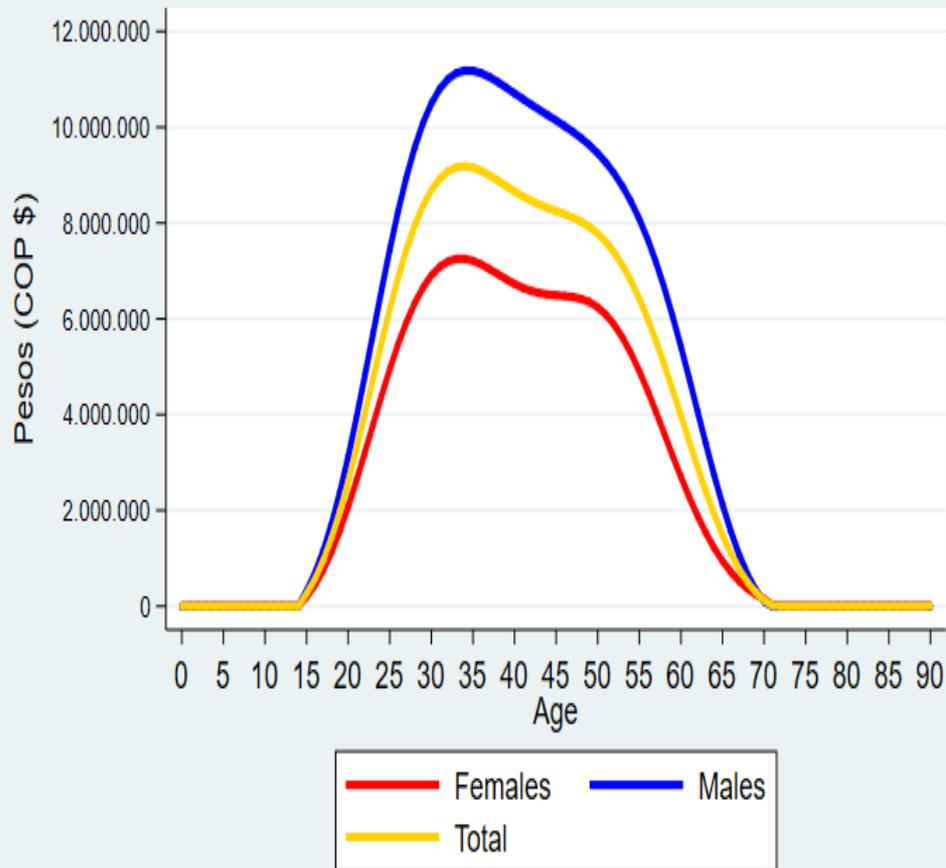
# Time dedicated to paid work per gender, Colombia 2012-3



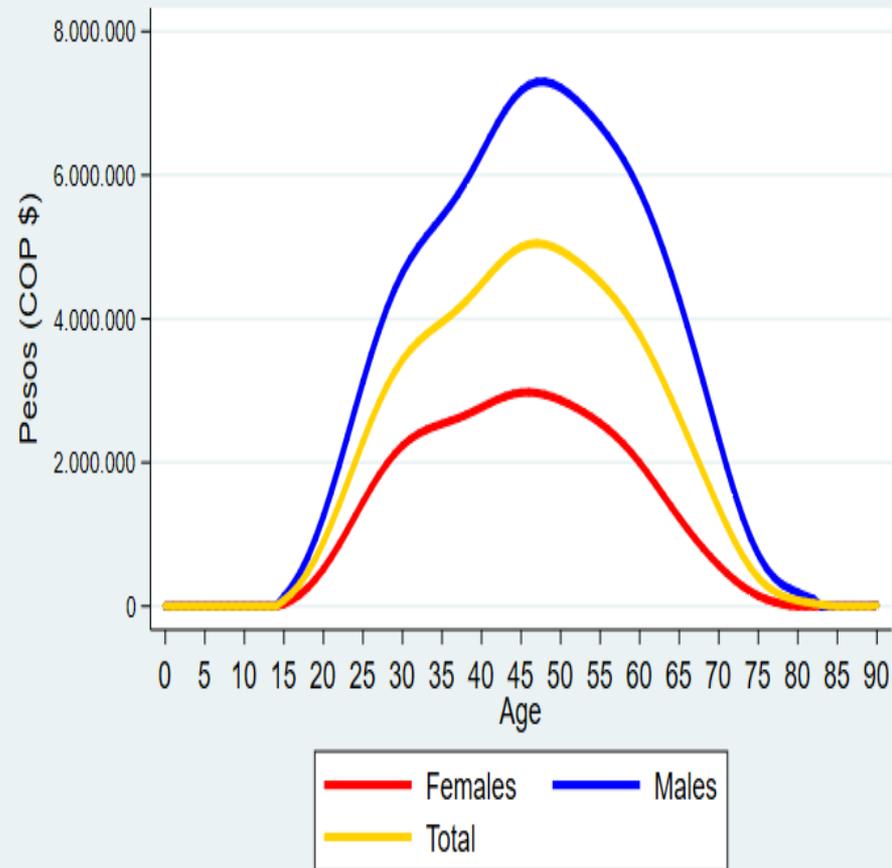
Source: Urdinola & Tovar (2017, NTA WP#17-06)

# Labor and Self-employment Income, Colombia-2014

Labour earnings by sex  
Colombia 2014



Self-employment income by sex  
Colombia 2014

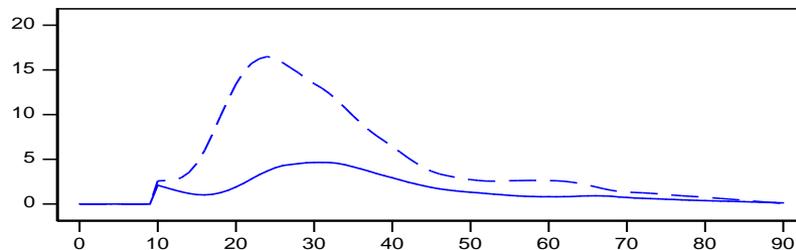


# Caring production by gender,

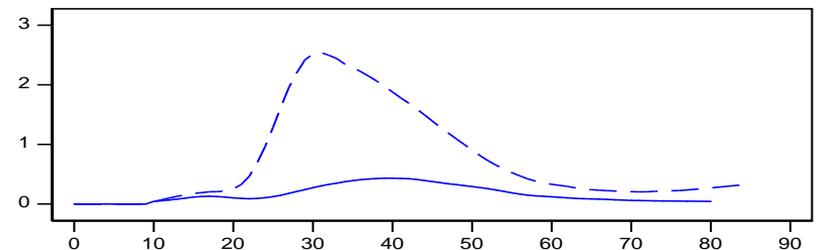
## Colombia, 2012-3

Care Production (Time)  
2012-2013

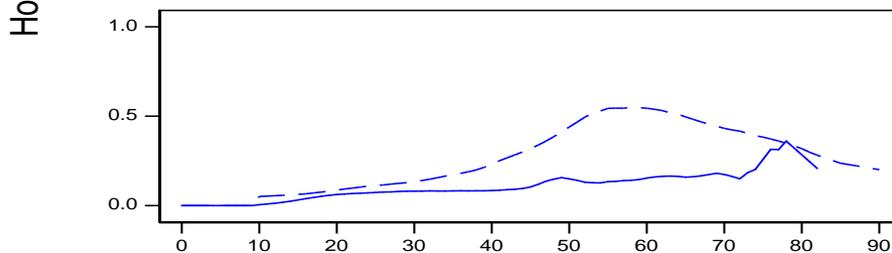
5 and under



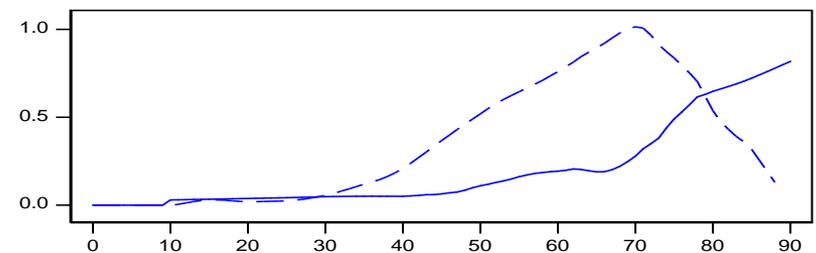
6 to 18



19 to 64



65+

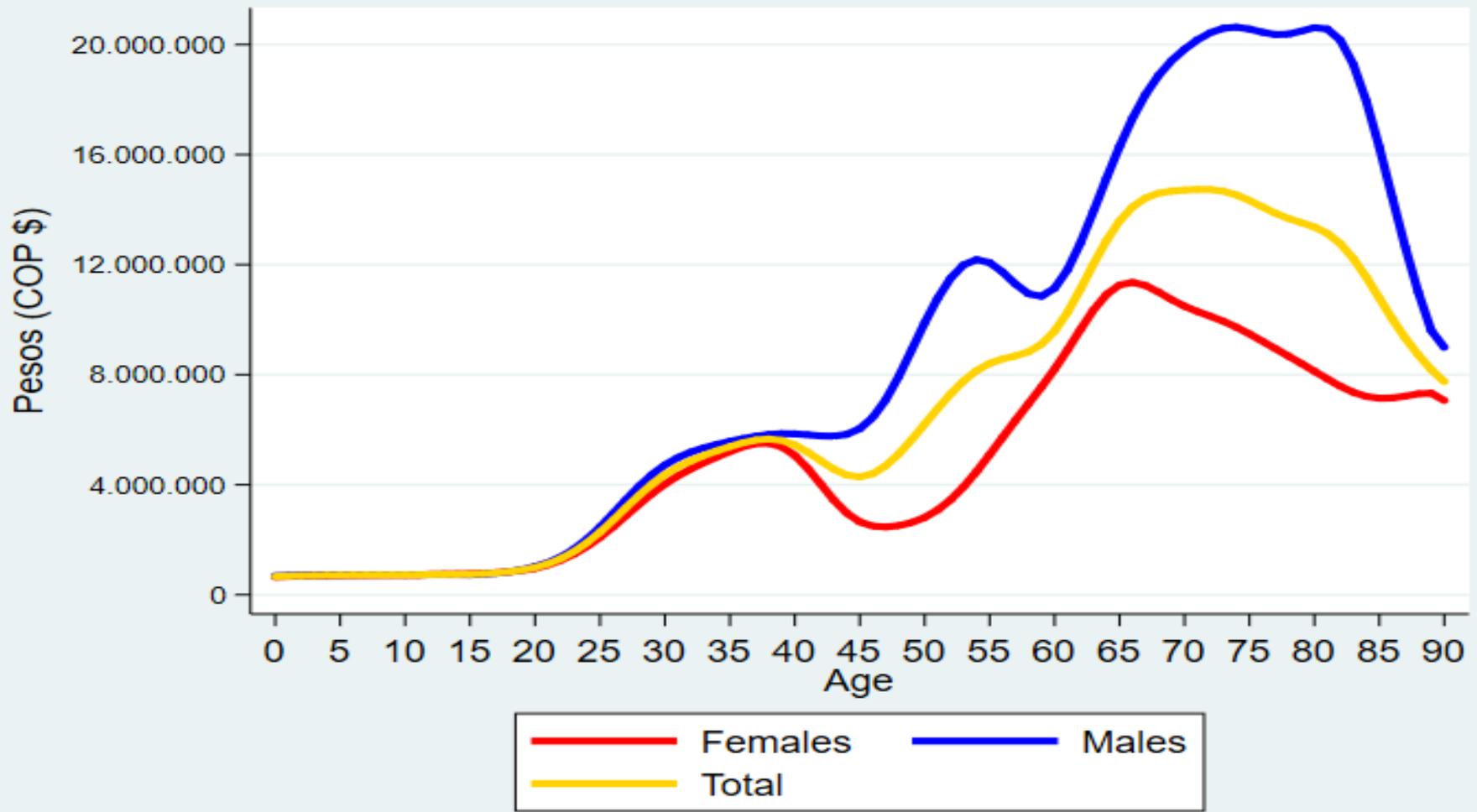


— Production, male      - - - Production, female

Age

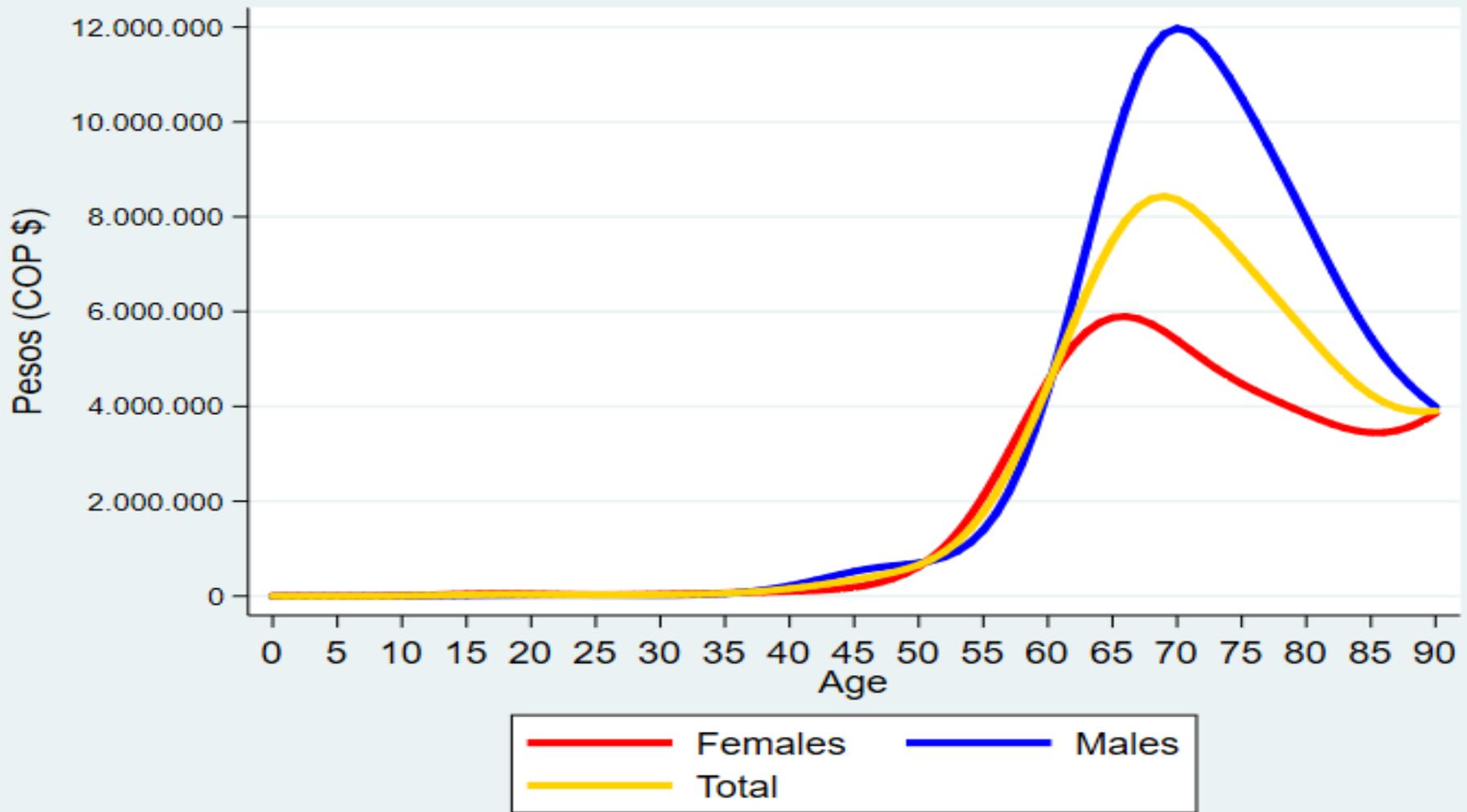
Source: DANE. Own Calculations.

# Public Transfers-Inflows (Received), Colombia 2014



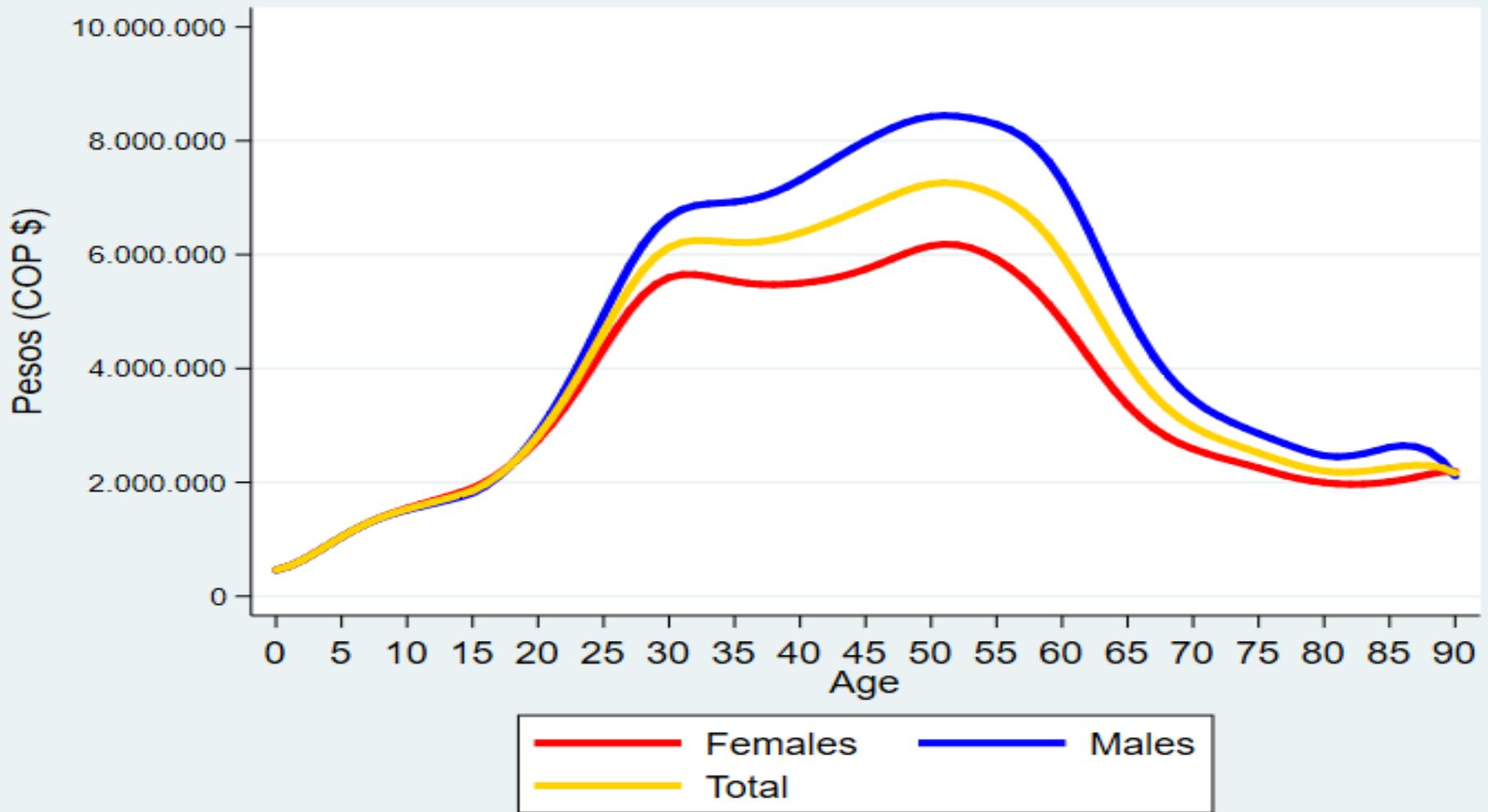
Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)

# Public Transfers-Inflows: Pensions, Colombia 2014



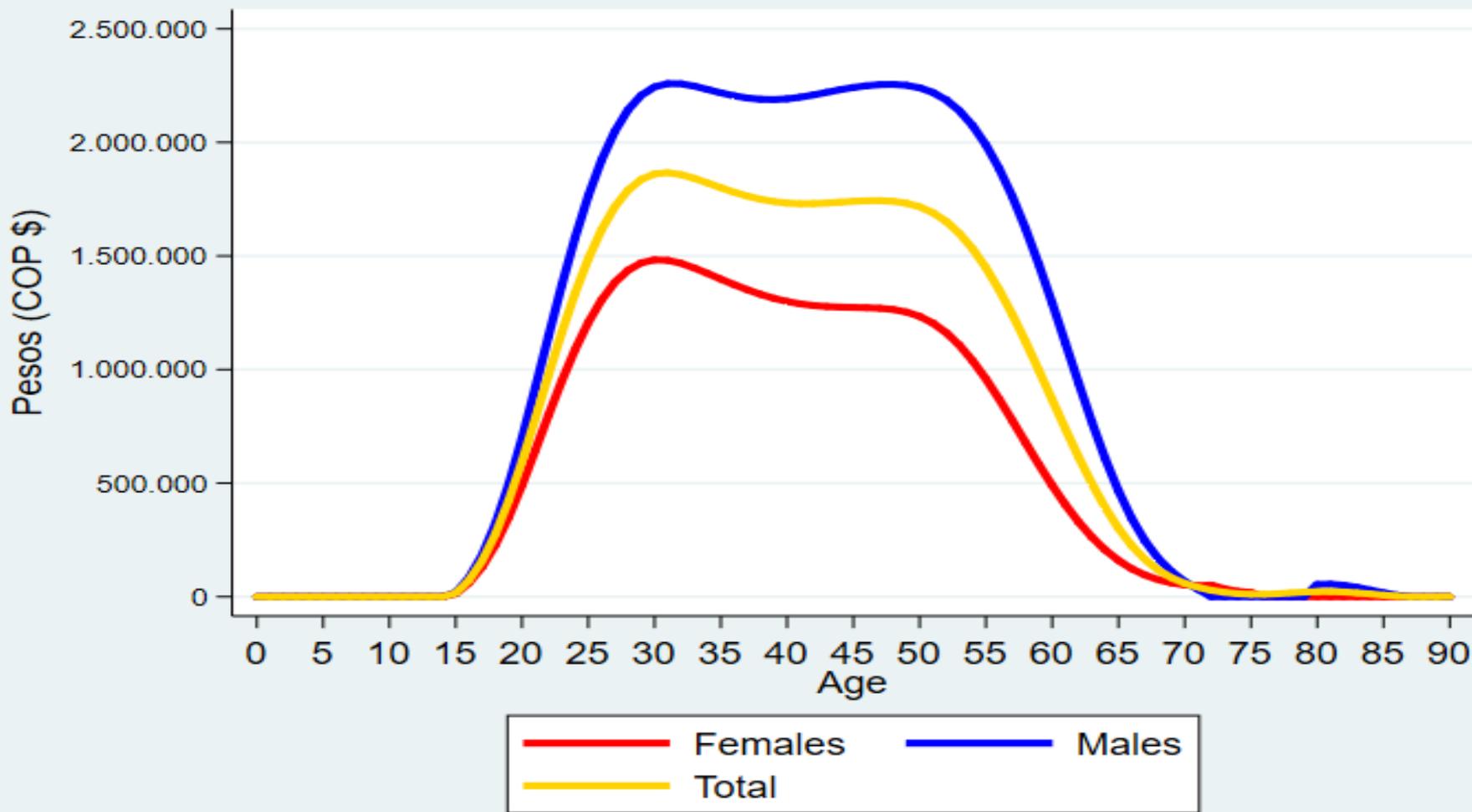
Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)

# Public Transfers-Outflows (Given), Colombia 2014



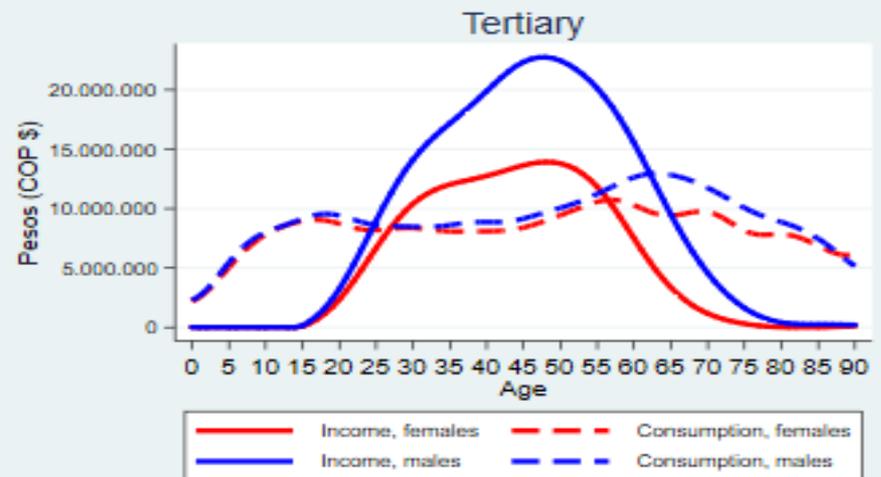
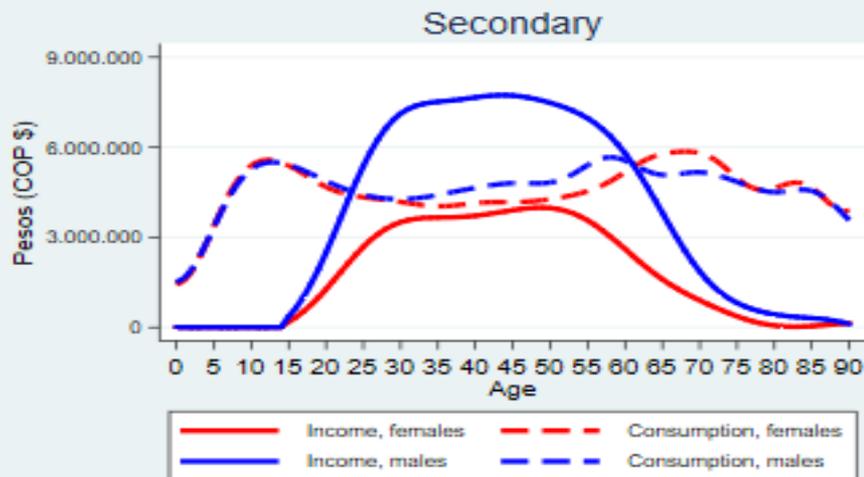
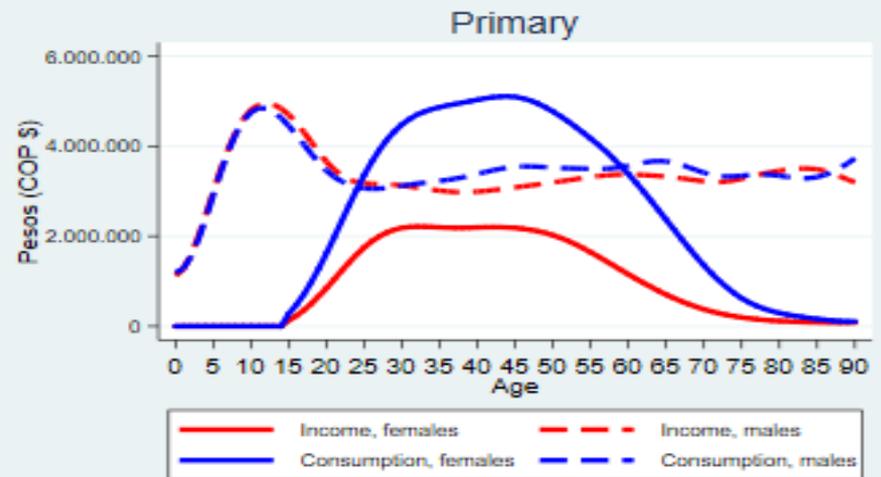
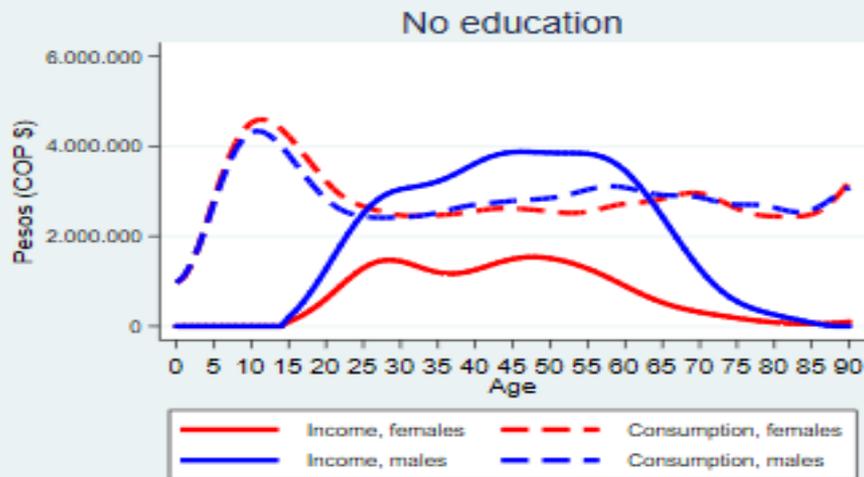
Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)

# Public Transfers-Outflows: Pensions, Colombia 2014



Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)

# Socioeconomic Inequality: LCD by educational level and gender

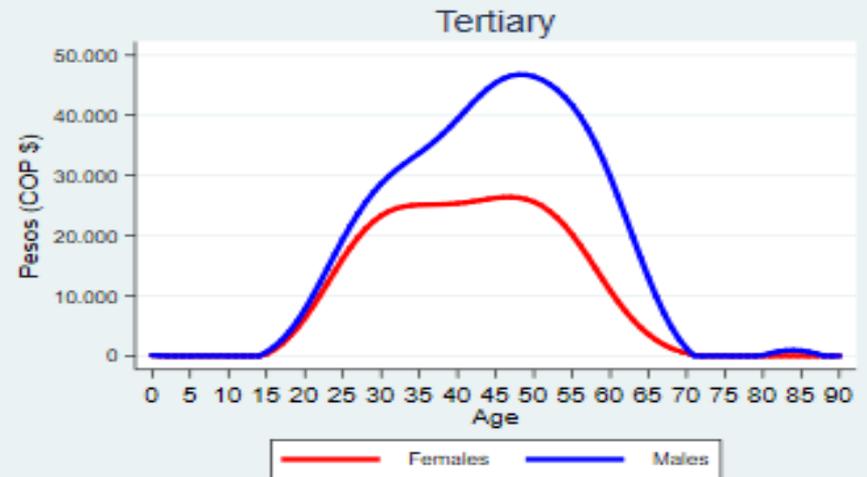
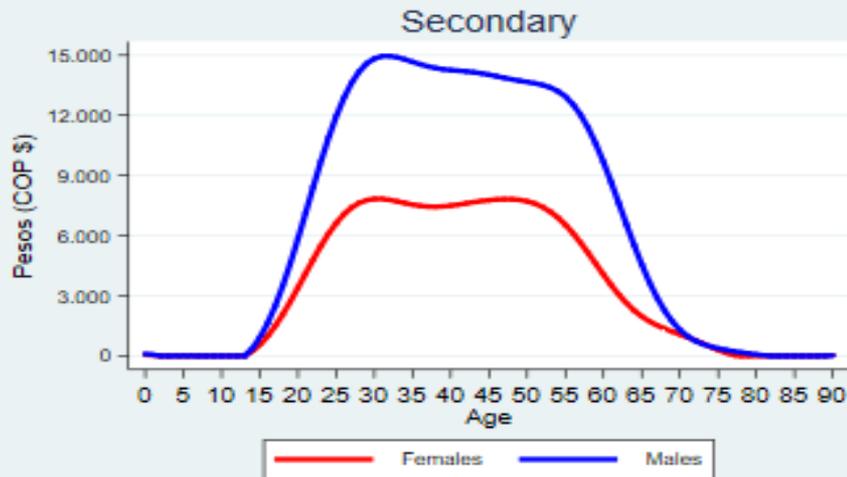
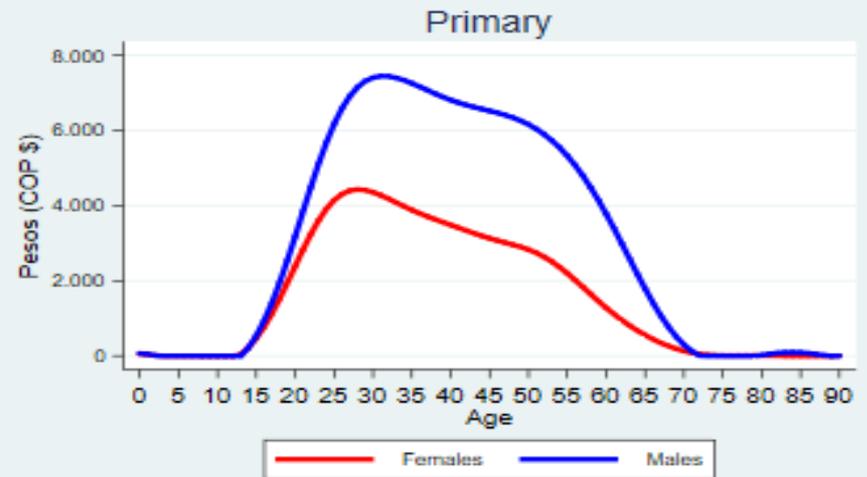
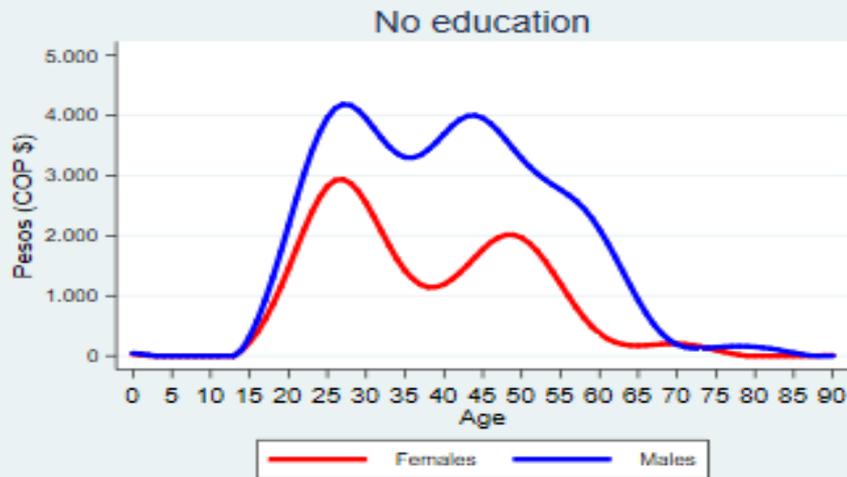


# Public Transfer Inflows: Pensions (TGSOAI) by educational level and gender



Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)

# Public Transfer Outflows: Pensions (TGSOAO) by educational level and gender



Source: Urdinola & Tovar (Preliminary results NTA-Colombia, 2014)



# Discussion

Men and women have different demographic and labor market patterns, take different decisions on consumption and the type of jobs they prefer, as well as in time use, with implications in savings and pensions, so:

- Why apply the same incentives/policies for savings and pension systems to both sexes?
- Why design the same labor market policies for both?

# Discussion

- In Colombia, as in all other countries that have produced their NTTA, housework is predominantly feminine and paid work masculine
- Child care is the activity that takes the most time among unpaid housework production, and deprives the producers from paid income
- Once pulled from the labor market, women in their 20s hardly come back to it

# Discussion

- To increase contributions to the pension system, the labor market must formalize as many workers as possible, otherwise the demographic bonus will be lost
- That would also improve the quality of life of future generations of pensioners as well as their descendants who will benefit from their time transfers to younger generations

# Policies?

As usual a cost-benefit analysis is necessary for any public policy, but here we propose some alternatives:

- Financial education from early ages
- Reducing the informality is also reducing inequality and to take advantage of the gender bonus
- Formalization would allow a mandatory shared maternity leave

# Policies?

To take advantage of the gender bonus:

- Promote childcare within or near the work place by reducing labor-related taxes to companies willing to implement this policy
- Promote policies that create incentives for men to do more caring activities, such taking children to school, taking grandparents to the doctor and the like

# Policies?

To take advantage of the gender bonus:

- Grandparents as caregivers: Newly subsidized pension system allows people in their 50s who have not contributed to the system to start contributing to receive a minimum pension a few years later- BEPS (Decreto 295, 2017)
- Thus, women with children could pay contributions to their parents/in laws that only require a maximum of COP\$990.000 per year (US\$330)

**Gracias!!!**

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