

The Care Economy, Welfare Reform and Gender Equality in China

Sarah Cook

United Nations Institute for Social Development

Xiao-yuan Dong

University of Winnipeg, Canada

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1. Introduction

Care and the 'care economy' refers to the daily and generational work of reproduction, essential for the functioning of society and the economy. Care work includes those activities needed to keep people fed, clothed and clean, as well as those face-to-face activities associated with care of children, the sick, and the elderly (Elson 2000). The time and effort involved in this daily work of caring for oneself and for each other supports other economic activities as well as determining welfare outcomes for individuals, families and society. Thus, one of the key determinants of welfare provision and outcomes in any society depends on what happens within the household, where most unpaid care work takes place, and on how paid or 'productive' work and care work are balanced between the household, market and state or public spheres (UNRISD, Razavi,). The bulk of work of providing welfare outside the commodified market economy or state provision is done by women, and is largely unpaid. Even within the market, such work is generally undertaken by women – as domestic workers, or in professions such as nursing, teaching, and care of the elderly – and is often poorly paid.

This chapter examines how gender and welfare are intertwined in the case of China: the issue is not principally one of how women are treated within the welfare system as beneficiaries (although this is a related concern), but rather how the production of welfare in an economy is gendered, and affects the functioning of the economy, as well as being essential for achieving equity – whether along gender lines,

or for those requiring care for reasons of age, ill-health or disability. Ultimately, how the care burden (currently borne unequally by women) is shared – particularly between households, the state and employers - has implications for women’s labour force participation, earnings and access to social security, as well as for the welfare of those requiring care. It may also have longer term and system wide effects – social, economic and demographic.

The remainder of this chapter is organised as follows: the following two sections deal with welfare provision through a gender and care lens during the Mao and post-Mao periods. Section 4 examines in more detail the changes in specific care-related policies during the reform era. Section 5 assesses the implications of the reconfiguration of the care economy during this period with a particular focus on changing labour market outcomes for women in both the rural and urban sectors, as well as for economic and social outcomes more generally.

2. Welfare and Care Provision under Mao (1949 – 1976)

Since the founding of the People’s Republic of China, China’s welfare system has been shaped to fit the strategic priority of rapid industrialization (White 1998; Saich (this volume)). The Chinese government has generally sought to keep expenditures on social welfare down so that financial resources can be directed to achieve high levels of capital accumulation, following a similar model to other East Asian economies (Kwon, White etc). The *hukou* (household registration) system, established in 1958, was one mechanism contributing to this objective: restrictions on labour mobility between rural and urban areas, as well as between different cities, enabled the state to enforce different levels of entitlement to jobs, education and welfare benefits for urban and rural residents. In the last year before economic reform (1978), rural residents accounted for 82 percent of the Chinese population (Cheng and Selden 1994).

At the same time, the welfare system under Mao was ideologically rooted in the ideas of Marx and Engels that saw social production as an integrated process of the production of material products and the reproduction of human resources, and in communist notions of class solidarity and gender equality (Engels, 1972; Grapard, 1997). Inspired by the Marxist doctrine that women's emancipation is contingent on their participation in socialized labour, women's full participation in the labour force played a key role in the Chinese government's attempt to advance women's position in society (Croll, 1983). To mobilize women to participate in paid work, the Chinese government made concerted efforts to socialize care provision and alleviate the unpaid care burden on working women. Thus, care provision was an important component of China's socialised welfare system in the Mao period.

In the urban sector, individuals and their families gained access to social welfare through their employment or work unit (*danwei*). These included productive enterprises (state-owned or collective), public institutions such as schools and hospitals, and government agencies. The welfare provisions to urban workers and their families were determined and financed by the state and managed by the work units. Among these welfare benefits, women were entitled to 56 days of paid maternity leave after giving birth to a child (Liu, Zhang and Li, 2008); most work units had on-site breastfeeding rooms and mothers were given extra-break time to breastfeed their infants during the workday. As in the socialist countries in Central and east Europe and the Soviet Union, China established a childcare program that provided care to urban children from the earliest months of their lives until they entered primary school (Liu, Zhang and Li, 2008). Childcare programs were required to adjust their operating times to meet working mothers' needs. The fees for childcare were low and exempted for parents with financial difficulty.

Primary and high schools were heavily subsidized and university educations were free of charge for those who passed national university entrance exams. Social support for care of the elderly, the sick, and the disabled were provided for example through pensions, public health care, subsidized housing and retirees' service centres. These welfare benefits addressed the needs of the elderly for income security, medical care as well as socialization with others after retirement, while easing the economic and time burden on workers with care responsibilities.

In addition to welfare benefits provided through the work unit, the state also protected women from negative impacts of care responsibilities through a socialist labour regime in which workers were employed for life, and wages were centrally determined and not closely linked to job performance. Given these institutional arrangements, women did not have to relinquish employment opportunities for reproductive or care-giving roles; nor did they suffer substantial wage losses due to reduced work hours or lower labour productivity as a result of their care responsibilities. Thus, while women remained the primary care givers for children, the elderly and the sick, most working-age women in the cities participated in the labour force and worked on a full-time basis, and the gender earnings gap was small by international standards (Jacobsen, 1998; Kidd and Meng, 2001).

Compared with urban residents, state-provided or guaranteed welfare services for the rural population were minimal. Chinese rural lives were organized within a three-tiered collective system of the team, brigade and commune. The most important source of security for rural residents was the right to work on collectively owned land, and to claim a share of the collective income based on work points earned. Rural collectives relied on retained collective income to finance welfare provisions to their members (Perkins and Yusuf 1984). The main

services provided included subsidized primary and secondary education and access to basic but affordable health care. The commune-operated cooperative medical system covered 90 percent of the rural population. Under this system, rural residents paid only a small proportion of total medical expenses (less than 20 percent) (Wang, 2008). The role of rural collectives in direct care provision was limited, mainly involving temporary day care during the busy farming season and the provision of social assistance and nursing homes for orphans, the disabled, and elderly without children. More usually, caring for children, the elderly, and the sick was primarily undertaken within household on an inter-generational basis. Because agricultural production allowed for greater flexibility in location and time, and as most rural households could get care substitutes from extended families, the needs of working women for socialized care services in rural areas were not as strong as in cities.

Despite the dualistic features of the welfare system under Mao, the range and coverage of welfare provision for both urban and rural residents were unusual among countries as poor as China (White, 1998). The support of the state, work units, and rural collectives for care provision enabled women to enter into the labour force in large numbers and on a more equitable footing, while also contributing to rapid improvements in basic health and education, life expectancy and other welfare indicators. However, the work unit- and commune-based welfare provisioning systems restricted labour mobility and work incentives, which, in turn, led to widespread labour underutilization, skill-mismatch, shirking and low productivity (Meng, 2000).

3. Welfare Reforms and Care Provision in the Post-Reform Period

The welfare reforms undertaken since 1978, when China embarked on its transition from a planned to a market-oriented economy, can be divided into two main phases: the period to 2002 during which the work unit- and commune/brigade-based welfare systems were dismantled; followed by a period from 2003 to the present which has placed greater emphasis on inclusive growth and 'harmonious society', with efforts to reduce the contradictions between economic and social development.

In the first two decades of economic reform, the overriding concern of the Chinese government was to find the most efficient way of restructuring the productive economy, while distributional issues, including gender equity, were of secondary consideration. Analysts have pointed to the resemblance of China's development strategy to that pursued by the East Asian developmental states of Japan and South Korea in earlier stages of their development, by which public resources were directed to capital accumulation for building a competitive industrial base, while relegating the provision of welfare and care largely to the household and especially to women (White 1998). Both Chinese policy makers and mainstream economists were sceptical of the European welfare state, a viewpoint vividly illustrated by the statement of Premier Deng Xiaoping during his famous Southern Tour in January 1992 (Leng and Wang, 2004, p.1338):

"As the experience of developed countries in Europe has demonstrated, we should not ignore the role of the family. The family could play an important role. It would create social problems if we entirely relied on collective welfare provisions. For example, the problem of elder care could be left to the family to deal with. Europe has created a welfare society, letting the state and society bear the burden of welfare provision. Now this policy cannot continue.

With the population aging, there are more and more older people. The state could not afford to support them, nor could society. The problem would become more and more serious. We still need to preserve families. Many elderly people in our country are supported by their family. Starting from Confucius, Chinese culture has encouraged the family to provide for the elderly.”

Thus, during the first phase of the reforms, the institutional mechanisms that had supported care provision under Mao were destroyed. However, no serious policy measures were taken to address the challenges women increasingly faced in performing their dual roles as both workers and care-givers in the new market economy (Cook and Dong, 2011). In the urban sector, labour reforms and the privatization of state-owned enterprises and urban collectives brought an end to the era of lifetime employment and egalitarian labour compensation. From 1995 to 2002, the share of public sector employment in total urban employment fell from 75.6 percent to 33.4% (Dong and Xu, 2009). The sharp decline of the public-sector employment severely weakened the state’s ability to protect women in their reproductive role. Moreover, the dismantling of the work unit-based welfare system led to a substantial decline in state and employer support for child and elder care, shifting care responsibilities predominantly to the family (Liu et al. 2008). Furthermore, the welfare reforms transformed most welfare schemes from non-contributory to contributory, with contributions coming primarily from workers and employers, not the state. Thus under the new social insurance based welfare system, an individual’s entitlements to pensions and health care are, for the most part, determined by the individual’s labor market status. In the absence of accompanying measures, this system exacerbates the adverse financial consequences of care-giving for those who have to forego earnings or employment to look after dependents.

In the rural sector, the institutional reforms took place alongside industrialization and urbanization. The introduction of the household responsibility system in the late 1970s was followed by the expansion of off-farm rural industrial employment in Township and Village Enterprises (TVEs) in the mid-1980s. These enterprises were rapidly privatized in the late 1990s. At the same time, migration became a major feature of the Chinese economy, with the number of rural residents moving around the country in search of work increasing dramatically during this period (de Brauw et al. 2002).

These institutional and developmental transformations have created tensions for care provision. The dismantling of the communes and the privatization of TVEs weakened the capability of local governments to provide public goods and services for the rural population. As a result, from 1977 to 1985, the number of primary schools in rural areas decreased from 949,000 to 760,000, down by 19.3 percent, while the number of high schools in rural areas fell from 182,000 to less than 70,000, down by 62 percent (Zhang, 2003). The rural cooperative medical care system virtually collapsed in the early 1980s. Between 1998 and 2002, the number of kindergartens in rural areas decreased from 104,252 to 49,133, down by 53 percent (See Table 2). The expansion of off-farm employment and high rates of urbanization separated the workplace from the home, increasing women's needs for non-parental childcare services. Without access to publicly subsidized childcare programs, the vast majority of women in rural areas and migrant women in the cities rely on family care substitutes or fee-for-service day-care programs to enable their participation in the labor market. Furthermore, while restrictions to labour movement to cities have been relaxed over time, the Chinese government has been more cautious about the decoupling of social services and *hukou* status. Given the difficulty of

access to public services in destination cities, many migrant workers are forced to leave children, the sick or elderly parents behind, creating care deficits for left-behind dependents. According to the 2010 population census, 61 million children under the age of eighteen years – 40 percent of all rural children – were ‘left behind’, living with only one parent (mostly mothers) or with grandparents or other relatives, and 47 percent of the left-behind children were separated from both parents (UNFPA, 2013). In addition, most rural migrants are employed in private or informal employment, where the influence of labor market institutions such as trade unions, and work-time and minimum wage regulations, are weak. As a result, migrant women are disadvantaged in the labor market not only by their rural *hukou* status but also by their reproductive role.

As is widely recognised, China’s economic reforms while bringing about rapid income growth and lifting hundreds of millions of people out of poverty, also dramatically increased inequalities, generating social instability (Li et al. 2013). At the turn of the new century, the government made efforts to bring equity and social development back onto the policy agenda. Under Hu Jintao and Wen Jiabao, a series of policy measures were initiated to support the rural sector, less-developed regions, and expand the coverage of social safety nets. Progress in providing social security for the rural population was particularly impressive. The new cooperative health care program for rural residents was established in 2003 and rapidly expanded to cover almost all the rural population (98.3 percent in 2012) (Wang 2014). In addition, a rural minimum living allowance (*dibao*) system was established in 2007, and a year later 43.1 million rural residents received a *dibao* allowance (Li 2011). In 2009, a new rural pension scheme was introduced, and more than 326 million rural adults were enrolled in this

program by the end of 2011. In June 2010, the State Council announced that a residence permit system nationwide would be gradually introduced to replace the household registration system. The residence permit would enable migrants to enjoy the same social security benefits as urban residents, and allow them eventually to apply for residency in cities. The gradual delinking of *hukou* status from access to social security means that family migration is also replacing individual migration as the dominant mode of rural-urban mobility.

In recent years, care provision has also emerged onto the public agenda. Recognizing that investing in pre-school children has the highest social pay-off into the future (as compared with expenditures on adolescents, adults and the elderly), in 2010 the Chinese government announced a plan to expand early childhood education programs to poor rural counties, rural areas in central and western provinces and to cover migrant children in urban areas (State Council 2010). The rising burden of elderly care has also led to heated debates over the role of the state and the family in the provision of elder care and old-age security. However, much of the discussion on both early childhood education and elder care focuses on the well-being of care-recipients, while the situation of care-givers and the wider implications of the organisation of care for the economy and society, have received little attention. In the next section, we examine in detail how China's care policies have changed in the post-reform period, and their implications for women, gender equity, and the economy.

4. Care policies in post-reform China

Four sets of care policy measures that directly influence how women and men resolve the work-family conflicts – maternity leave, work time, and child and elderly care provision – are discussed below.

Maternity leave

In the post-reform period, the Chinese government introduced a series of regulations to strengthen the protection of women in the labor market. A new labor law adopted in 1995 stipulated that women and men have equal employment rights and no employer should lay off female employees, lower their wages or unilaterally terminate their labor contracts for reasons of marriage, pregnancy, maternity leave, or breastfeeding. The length of maternity leave was extended from 56 days prior to the reform to 90 days in 1988 and to 98 days in 2012. According to this, a woman is entitled to receive a maternity leave allowance as wage replacement and a reimbursement of expenses of pre-natal examinations, delivery, hospital care and medicine. The maternity benefits should be covered by the maternity insurance program or by the employer if the worker is not covered by the insurance program. The premiums for maternity insurance are paid by the employer based on the size of a company's payroll. The maternity insurance program, introduced in 2005, is managed by provincial governments. Unlike health and pension insurance, however, employers' participation in maternity insurance for employees is not mandatory.

Enterprises are unwilling to bear the costs associated with maternity leave. In 2012 only 33.5 percent of enterprise employees (including both urban residents and rural migrants) in the cities were covered by maternity insurance programs (Wang, 2014). Moreover, there are no effective means of enforcing these regulations in the emerging private sector. According to the

third survey of the Chinese Women's Social Status (CWSS) conducted by the All China Women's Federation (ACWF) in 2010, the proportion of mothers in waged employment who take maternity leave has decreased from 60 percent in the early 1980s to 32 percent in the late 2000s. Among female workers who gave birth in 2005 or afterward, only 40.3 percent of the urban residents and less than 5 percent of the rural migrants took maternity leave, and 43 percent of the leave takers did not received any financial compensation.¹ To evade maternity regulations, employers may request women job applicants to agree not to give birth for a few years as a precondition for signing the labor contract (Liu et. al, 2008), while other employers simply lay off women workers who become pregnant.

Work time

In 1995, the State Council of China enacted the 40 working-hour-week regulation. The regulation also sets restrictions on overtime work and stipulates the compensation standards for overtime work. To protect low-pay workers, the minimum wage regulation was first introduced to protect urban workers during the public-sector restructuring in the late 1990s, and then extended to cover all workers in 2004 (Li et al. 2013). However, as in the case of maternity leave, there do not appear to be any effective means of enforcing these regulations to ensure that women and men have adequate time to take care of family members and themselves. According to the 2008 China Labor Force Survey, Chinese men and women, on average, spent 45.7 and 43.1 hours respectively on paid work each week, and 45 percent of the men and 38 percent of the women worked more than 47 hours each week (see Table 1). The incidence of overtime work is particularly prevalent in the manufacturing and commercial

¹ The statistics presented here were computed by Yueping Song of Renmin University of China.

service sectors – the sectors in which migrant workers are concentrated. Strikingly, in these sectors women worked almost as many hours as did men and the rate of overtime work for women was nearly as high as that for men. Many blue-collar workers had to work long hours because their wages were low. Studies show that the official minimum wage standards were on average well below 30% of the average of local wages (Li et al. 2013). Many workers, including white-collar workers, had to work overtime due either to the fear of being laid off, or to career pressure. The norms of long working hours exacerbates the double burden on working women (Qi and Dong, forthcoming).

Childcare provision

Economic reform brought about two major changes in China's childcare policy. First, the post-reform policy discourse stressed the role of formal childcare for promoting early childhood education while downplaying its role in supporting working women. This decoupling of the dual functions of childcare programmes was a key feature of the 1989 Regulations for Kindergartens (Zhu and Wang, 2005). In accordance with the new regulations, publicly subsidized childcare programmes should no longer cover children aged 0 to 2 years for whom provision of education was considered unimportant. As a result, publicly funded day care for children aged 0 to 2 years became almost non-existent (Liu et. al, 2008).

The second and the most far-reaching change has been the sharp decline in the support provided by the state and employers for childcare. With the pressure for profits mounting, the vast majority of urban enterprises ceased to provide childcare services to employees. Enterprise surveys show that only 5 percent of enterprises provided a breastfeeding room for

women workers² and less than 6 percent of the enterprises ran childcare programs.³ Many publicly-run care facilities were either shut down or transformed into service-for-fee commercial programmes. Statistics from the Ministry of Education indicate that from 1998 to 2001 nationwide the number of kindergartens (and pre-primary schools) and enrolments, decreased by 38.9 and 18.8 percent respectively (see Table 2). The sharp contraction of kindergarten programs was observed in both urban and rural areas.

In the 2001 Guidelines for Kindergarten Education, the Chinese government formally endorsed a pluralistic approach to childcare, with ‘state-run kindergartens as the backbone and exemplar’ and ‘social forces’ (an ideologically convenient term for market forces) ‘as the primary providers’. Since 2001, the share of pre-primary education in China’s total public expenditures on education has been kept at a very low level of 1.3 percent (Lu, 2012). In the face of a dramatic decrease in publicly funded childcare programs, private kindergartens have grown rapidly. From 1998 to 2013, the share of private kindergartens rose from 17.0 to 67.2 percent (see Table 2). In 2013, 46.1 percent of kindergarten and pre-school students in China were enrolled in private kindergarten programs. For those enrolled in publicly-run kindergarten programs, the parents had to pay more than half of the operating costs of the programs, with only 40.8 percent covered by public funding (Song, 2014).

² This result is from a survey conducted by the Chinese Enterprise Association (CEA) in 2005 (CEA, 2006).

³ The statistic is from the Chinese Enterprise Social Responsibility Survey conducted by The China Center for Economic Research of Peking University and the World Bank (Du and Dong, 2013).

These childcare reforms have raised concerns about the availability, affordability and quality of childcare programs in China (Corter, et al. 2006; He and Jiang, 2008; and Liu, et al. 2008). The pluralistic approach to childcare provisioning in conjunction with the legacy of employer-based welfare entitlements has created a two-tiered system. Publicly subsidized high-quality childcare services chiefly benefit parents who are employees of the state and public organizations and large SOEs that still have childcare programs. In contrast, other parents must rely on fee-for service private or commercial public kindergartens to meet their needs. The situation of migrant children is particularly precarious (Yuan, 2010). Because migrant workers are concentrated in low-paying jobs, the childcare programs they can afford typically charge a low fee for low quality services. Most of these childcare programs are non-registered because they do not meet the regulation standards on safety, sanitation, teacher qualification, student-teacher ratios, and so on. In rural areas, the lack of childcare services that can substitute for family provision is a major issue for parents particularly in low-income areas. Because the limited public spending on pre-primary education is concentrated in county centres, with little public investment at the township level or below, children aged between 3 and 5 years in poor villages basically have no access to pre-primary education (Lu, 2012). Statistics presented in Table 2 show a striking divergence of the trends in kindergarten and pre-school enrollments between cities, county centers and rural villages. Between 2001 and 2012, the kindergarten enrollments in cities and county centers went up by 123.7 percent; in contrast, the kindergarten enrollments in rural villages decreased by 21.5 percent. While 55 percent of Chinese children lived in rural areas, they only accounted for 34.4 percent of the total kindergarten enrollments in 2012.

Table 3 presents the patterns of care provision for children in the age groups 0-2 and 3-6 using data from the 2012 Chinese Family Panel Survey.⁴ Only 0.5 percent of the children aged 0-2 and 23.9 percent of the children aged 3-6 attended day care programs as their primary daytime care arrangement. Mothers and grandparents (mostly grandmothers) became the main sources of primary daytime care for preschool children in China, accounting respectively for 66.4 and 31.1 percent of the children aged 0-2, and 35.3 and 35.3 percent of the children aged 3-6. The fact that a vast majority of pre-school children are cared for by mothers or grandmothers during the day has important implications for women's labour force participation, occupational choice, income and access to social security.

Elder care provision

Like many countries in the world, the provision of care for the elderly is primarily the responsibility of families in China. The Marriage Law of 1950 and the Constitution of 1954 stipulate that care for the elderly is the responsibility of Chinese citizens and that it is a criminal offense for an adult child to refuse to perform her or his proper duty to support an aged family member (Palmer, 1995). Consistent with the approach to childcare, the post-reform eldercare policy discourse emphasizes family responsibility and the role of markets for care provision. The Law of Elderly Rights and Security which was enacted in 1996 reiterates that care for frail elderly parents is a non-avoidable responsibility of adult children. The Chinese government continued to limit its role in eldercare provision to financing and operating nursing homes only for the elderly and disabled who had no children or family members to take care of them.

The ageing of the Chinese population and the change in household structure has

⁴ The statistics are computed by Lidan Lu of Peking University.

undermined the familial system of elder care provision. According to official statistics, in 2009, people aged 60 years and above accounted for 11.4 percent of the Chinese population, with 11.4 percent of these elderly people aged 80 years or older. The disabled and semi-disabled elderly accounted for 19.6 percent of the elderly population of China, 14.6 percent in urban areas and more than 20 percent in the rural sector.⁵ Accompanying population ageing have been shifts in living arrangements. In 2011, 49.7 percent of the elderly in urban areas and 38.3 percent of the elderly in rural areas lived on their own (see note 5). Due to the one-child policy, growing numbers of married couples will have sole responsibility for four parents. In response to the challenge of population ageing, the Chinese government issued the 12th Five Year Development Plan for Social Services System for Old Persons (2011-2015). The plan proposes to socialize elder care services through the development of an elder care market, non-profit organizations and voluntary service providers. The centre piece of the new social service system is the provision of domestic services and care for the elderly living at home. According to the Plan, the expansion of domestic services and care for the elderly will create 7.1 million new jobs. As with the marketization of childcare services, the notion of transforming unpaid care giving work for the elderly from the home to the market creates two problems. First, market-based care services only meet the needs of those who can afford to pay for them. Second, without adequate regulation, it may perpetuate the social and economic disadvantages of a heavily feminized and poorly paid domestic workforce. Indeed, the market of domestic services

⁵ Ministry of Civil Affairs of China, 2011, The Plan for Social Service System for Old Persons (2011-2015), Beijing.

in China has grown rapidly since the mid-1990s. Analysts estimate that about 15 to 20 million Chinese workers now earn a living by cleaning, cooking, and/or caring for the children, the elderly, and the sick for middle- and high-income families (Hu, 2010), and the majority of these workers are female migrant workers. Domestic workers, especially those caring for the elderly, earned less than workers in other occupations with similar human capital characteristics (Dong et. al, 2014).

5. Care and Women's Labour Market Outcomes

The reconfiguration of the care economy associated with the institutional, developmental and demographic transformations discussed above, has intensified the strain on families in providing care, and particularly on women who are predominantly responsible for care and thus perform dual roles as workers and care givers. In this section, we examine the implications of the rise of work-family conflicts for women's labour market outcomes, and by extension for their own income, access to social security and welfare.

China's rapid economic growth in the post-reform period has undoubtedly created new economic opportunities for both women and men. However, women have not benefited equally and gender gaps in both employment and earnings have increased markedly. According to three surveys on the social status of Chinese women conducted by ACWF, while the employment rates for both women and men aged between 18 to 64 years old in the urban sector decreased from 1990 to 2010, the decrease was greater for women (Liu, 2013). The employment rate for urban women dropped by 15.5 percentage points from 76.3 percent in 1990 to 60.8 percent in 2010, whereas the employment rate for men decreased by 9.5

percentage points from 90 percent to 80.5 percent. From the same surveys, the earning gap between women and men has also widened despite an upward trend in wages in absolute terms for both sexes. In 1990, the ratio of women's earnings to men's was 77.5 percent in the urban sector and 79 percent in the rural sector. In 2010, the earnings ratio dropped to 67.3 percent in the urban sector and 56 percent in the rural sector.

Studies show that increased gender gaps in the labour market are partly attributable to the rising difficulty women have experienced in reconciling work-family conflicts. Maurer-Fazio et al. (2011) find that the labor force participation rate of prime-age women with preschool children in the cities fell sharply between 1990 and 2000, and co-residence with grandparents became increasingly important for enabling women to stay in the labor market. The authors also find that the negative effect on labour participation of having young children in the household was much larger for migrant women than non-migrant women, and co-residence with grandparents was more important for enabling migrant women's labor force participation than non-migrant women's. Kilburn and Datar (2002) find that the presence of childcare centers in a community has a positive effect on the labor force participation of urban women with preschool children. Du and Dong (2013) show that living in the community that has daycare programs significantly increases a mother's labor force participation and labor hour supply, whereas an increase of the costs of hired care-givers decreases the mother's labor hour supply. The analysis also finds that both the costs of hired care-givers and family income are important determinants of the use of out-of-home care services. They estimate that the decline in daycare provision accounted for 46 percent of the decrease in mothers' labor force participation during the period of state-sector restructuring between 1997 and 2000. Liu, Dong

and Zheng (2010) study the impact of caring for elderly parents on the labor supply of married women in the cities. They find that while caring for own parents does not affect a woman's employment status and work hours, caring for a parent-in-law has a significant, sizable negative effect on a woman's participation in paid work and hours of work.

Evidence also shows that care responsibilities limit rural women's occupational choices and contribute to widening the gender gap in access to more lucrative off-farm employment. Wang and Dong (2010) find that in low-income villages, childcare services that can substitute for family provision are generally unavailable, and the lack of access to affordable, decent childcare is a major obstacle to women's participation in higher-paying off-farm employment. Their analysis shows that controlling for human capital and demographic characteristics, having an additional child under the age of six increases a woman's participation rate in farm production and reduces her participation rates in off-farm self-employment and wage employment. Chang, MacPhail and Dong (2011) find that having children under the age of six increases the time spent on farm for women but has no effect for men. It is evident that caring responsibilities are an important determinant of the feminization of agricultural production in rural China. However, caring for dependents does not only affect women. Giles and Mu (2007) obtained evidence that the health status of elderly parents has a negative effect on the labor migration probability of adult children for both women and men, and the negative effect is stronger for men than women.

Caring responsibilities not only adversely affect women's employment and occupational choice but also reduce their earnings. Jia and Dong (2013) investigate how economic reform has affected the wage gap between mothers and childless women in urban China. Their results

show that for the sample as a whole, mothers earned considerably less than childless women with the same observable human capital characteristics. The wage losses associated with motherhood increased substantially following state sector restructuring in 1997, with much of the increase observed in non-state sectors. Qi and Dong (forthcoming) estimate the effects of unpaid care work on the earnings of prime-age men and women, using data from the 2008 China Time Use Survey. They find that women not only spend many more hours on unpaid care work than men but their paid work time is also more likely to be interrupted by unpaid care work. Women are more likely than men to shift between paid and unpaid work activities and are also more likely to forego a work break to attend to domestic chores. Holding constant other factors, both women and men earn less income if they spend more time on unpaid care work and/or if their paid work is interrupted by unpaid work. Quantitatively, the gender differences in time spent on unpaid care work and its interference with paid work account for 28 percent of the gender earnings gap. A study by Zhang et al. (2008) suggests that women's family responsibilities play a more important role than their human capital disadvantage in increasing gender inequalities in employment and wages in the post-reform labor market.

Dong and An (2014) examine the tensions between paid work and unpaid care work for women using the 2008 China Time Use Survey. They find that compared to men, women have less flexibility to substitute paid work for unpaid care work, and hence women who allocate more time to paid work often do so at the expense of their leisure time instead of a commensurate reduction in time spent on unpaid care work. As a result, women's total work time is much longer than men's. Holding constant individual characteristics and regional effects, the total work time of women is higher than that of men by 7 hours per week for rural labour

force and 10.5 hours per week for the urban. The extent of gender disparity in time allocation varies with individual characteristics. Married women and women with pre-school children confront greater tensions between the dual tasks of paid and unpaid care work, whereas women who are more educated, come from families with higher incomes, and receive higher wages have greater time autonomy. Despite variations, women having less time for self-care and leisure than comparable men is a pervasive phenomenon in Chinese society.

The fact that the responsibility for housework and family care has made women more time poor than men raises wider concerns about gender justice in public policy, given that unpaid care work represents a huge contribution to the national economy. Indeed, the authors estimate that assigning an equivalent wage value to unpaid care work gives it a value of about a third of China's GDP. The current supply of unpaid care work is unsustainable unless the tensions between income earning and care giving work undertaken by women are properly addressed.

6 Conclusions

The dramatic shift in institutional arrangements for welfare, first under Mao through the socialisation of care, and second with their increasing commercialisation during the reform period, allow for analysis of the relationship between changing care arrangements and other social and economic outcomes. In addition to the direct impacts on women's paid work and earnings, longer term impacts can be seen in the changing structure of inequality: in addition to reinforcing gender and class-based inequalities, lack of state investment in care leads to the inter-generational transmission of disadvantage (particularly for rural and migrant children, or in families unable to afford adequate investments in children). Increasing evidence from more developed economies points to the importance of early investments in health and education for future productivity, health and life-long

well-being. Thus the reinforcement of social disadvantage through the neglect of social policies related to reproduction and care may have long-lasting effects. Additional impacts may be anticipated similar to those found in other East Asian developmental states. In these contexts, the state's neglect of care or more gender equitable economic policies have contributed to rapid declines in fertility, exacerbating the challenges of caring for a rapidly aging population.

From a policy perspective, in China the neglect of care arises largely because its gendered nature leads it to be defined as a 'woman's issue' and thus to be the responsibility of organs such as the Women's Federation rather than the concern of mainstream government agencies. Responses are thus framed not as social or economic policy problems, but rather as problems of 'women' themselves. This was seen in the context of state sector restructuring and the discourse of 'low quality' women (*suzhi di*); today the language of 'left over women' (*shengnü*) has gained currency as a critique of women who choose economic independence. A deeper consideration of the economic, social and institutional context in which women (and families) can either balance, or are forced to choose between, family life and associated reproductive and care responsibilities and paid employment, will be needed to ensure China's expanding social policy system can address the essential questions of social reproduction and redistribution, as well as providing protection to the most vulnerable and enhancing productivity.

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Table 1 Working hours and overtime work in China, 2008

	Men	Women
All workers		
Working hours/week	45.7	43.1
% working ≥ 48 hours	44.9	38.1
Manufacturing		
Working hours/week	48.0	47.7
% working ≥ 48 hours	54.9	53.6
Commercial services		
Working hours/week	51.0	49.5
% working ≥ 48 hours	61.1	58.5

Source: The 2008 China Labor Force Survey

Table 2 Number of kindergartens and kindergarten enrolments between 1998 and 2013

	1998	2001	2006	2010	2012	2013
China						
No. kindergartens (1,000)	181.4	111.7	130.5	150.4	181.3	198.6
% private kindergartens	17.0	39.9	57.8	68.0	68.8	67.2
No. enrolments (1,000)	17,199.6	13,982.2	13,912.5	17,003.9	19,119.1	19,700.3
% in private kindergartens	---	13.7	29.5	41.9	45.3	46.1
Urban sector						
No. kindergartens (1,000)	77.1	58.7	65.8	78.8	118.2	---
% private kindergartens	---	43.2	65.0	70.3	73.0	
No. enrolments (1,000)	---	5,610.2	6,276.8	8,746.3	12,548.4	---
% in private kindergartens	---	23.1	41.5	47.7	52.1	
Rural sector						
No. kindergartens (1,000)	104.3	53.0	64.7	71.6	63.1	---
% private kindergartens	---	28.4	50.4	58.5	60.9	
No. enrolments (1,000)	---	8,372.0	7,635.7	8,257.6	6,570.8	---
% in private kindergartens	---	7.4	19.6	26.7	32.2	
As % of total enrolments		59.9	54.9	48.6	34.4	

Notes: the figures presented in this table include both kindergartens and pre-school programs.

Source: China Education Statistical Yearbook (various issues)

Table 3 Primary daytime caregivers for children in China and by sector in 2012 (%)

	All children	Urban residents	Migrants	Rural residents
Aged 0-2				
Daycare	0.5	1.8	0.2	0.2
Nannies	0.2	0.8	0.8	0.0
Mother	66.4	54.9	71.2	69.8
Father	1.3	0.7	6.6	1.5
Grandparents	31.1	41.5	20.1	27.9
Others	0.5	0.3	0.0	0.6
Observations	1,561	330	62	1,219
Aged 3-6				
Daycare	23.9	37.9	38.0	19.5
Mother	35.3	27.2	31.1	38.1
Father	2.3	1.4	1.4	2.5
Grandparents	33.8	30.9	29.4	34.6
Others	4.6	2.6	0.0	5.3
Observations	2,393	539	98	1,841

Source: The Chinese Family Panel Survey