

## KEY MESSAGES FROM

# WHO CARES FOR THE FUTURE:

## FINANCE GENDER RESPONSIVE PUBLIC SERVICES!

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On average women spend four hours and 25 minutes daily doing **unpaid care and domestic work**, in comparison to men's average of just one hour and 23 minutes. This is changing by less than a minute per year. If properly valued this work would constitute at least 9% of global GDP or US\$11 trillion.

The provision of **gender responsive public services** is key to deliver on human rights and to transforming women's lives. Quality provision of early childcare, public education, health and water, are crucial – alongside investments in energy, agriculture and social protection.

Unfortunately, around the world and particularly in developing countries, different public services have been chronically underfunded for decades, leaving countries unable to deliver on people's rights, **way off target for achieving the SDGs and unable to respond effectively to COVID-19**.

Those fighting for more funding for public services often fight against each other for a greater share of a small pie, rather than working together to address the **strategic financing issues**. Our report shows that action on debt, austerity and tax could deliver system change for all public services.

There is a **new debt crisis** that is squeezing public spending in low income countries and it is getting worse. Our new research shows that those countries who spend more than 12% of their budgets in debt servicing are invariably forced to cut their spending on public services. Several countries spend more in debt servicing than on education and health combined.

Developing country governments must **suspend all debt payments** in the context of Covid-19 and renegotiate future debt servicing to not exceed 12% of national budgets. Governments have to spend the money they raise in taxes on a comprehensive response to Covid-19, not paying old debts.

Our new research in all low-income and many middle-income countries shows that the **IMF holds down public spending** by imposing unnecessarily low inflation targets (in 80% of countries) and deficit targets (in 96% of countries) and by freezing or cutting of public sector wage bills (in 78% of countries) – so most governments cannot employ more teachers, doctors, nurses or care workers.

Governments must **resist the ideology of austerity** and neoliberal economics, and invest urgently in public sector workers, especially doctors, nurses, teachers and care workers.

Low income countries have **low tax-to-GDP ratios** (just 17% on average, compared to 34% in OECD countries and over 40% in Scandinavia) and most taxes target the poor more than the rich. Yet our research shows countries can expand their tax bases both rapidly and fairly.

Countries should expand their tax to GDP ratios **by at least 1% a year** which would mean 10% by the SDG deadline of 2030. Post Covid-19 this can be done progressively, targeting the richest individuals and corporates, so countries can double their spending on health & education & water & more.

This combination of actions would enable a **sea change of investment** in gender responsive public services, saving women **9 billion hours every day** in unpaid care and domestic work and increasing the opportunities for women to find decent work, including in the public sector.

We need a new economics – one that does not just measure progress by GDP growth, ignoring planetary boundaries and making women's unpaid work invisible. We need to build societies and **economies that care for both people and the planet**.