P.L.RAJ IAS & IPS ACADEMY

Building Bureaucrats Since 2006

2. India's Care Economy - Economy

The Supreme Court's 2026 landmark judgment recognising homemakers as "nation builders" and assigning a minimum monetary value of Rs 30,000 per month to unpaid domestic care work has reopened a long-overdue policy debate in India. This judgment places India within a growing global conversation about how economies systematically undervalue and render invisible the enormous labour that sustains households, families, and communities — labour performed predominantly by women, with no wages, no social security, and no formal recognition.

1.Understanding the Care Economy

The care economy encompasses all paid and unpaid activities directed toward the care of persons — children, the elderly, the sick, and persons with disabilities. It is not a peripheral sector; care work forms a foundational pillar of human development, labour productivity, and social welfare. Without functioning care systems, no workforce can operate and no society can reproduce itself across generations.

The International Labour Organisation (ILO) has estimated that increasing investment in care services globally has the potential to generate 475 million jobs by 2030. For India specifically, public investment equivalent to 2% of GDP in care services could generate approximately 11 million jobs — with nearly 70% of these going to women. This makes care economy investment not only a social justice imperative but a powerful instrument of women's economic empowerment and employment generation.

2.Components of India's Care Economy

India's care economy operates across three broad domains.

1. **Unpaid care work** constitutes the largest and most invisible component. Activities such as childcare, elderly care, cooking, cleaning, household management, and caring for sick family members are essential for family well-being but receive no wage, no pension, and no social recognition. According to data from India's Time Use Survey (NSO, 2019), women spend on average 5.6 hours per day on unpaid domestic care work, compared to just 30 minutes for men. The gender gap in care burdens is among the steepest in the world, and is more pronounced in rural areas. Estimates suggest that the economic value of women's unpaid care work in India ranges between 15–17% of GDP.
2. **Paid care work** includes the services of ASHA workers, Anganwadi workers, nurses, doctors, domestic workers, childcare providers, social workers, and disability support professionals. Despite the essential nature of this work, paid care workers in India are among the most poorly remunerated and least protected workers in the labour market. Women in paid care employment earn approximately six times less than men employed in equivalent roles.
3. **Community care services** delivered through self-help groups, welfare programmes, and community health networks form the third layer — critical to reaching vulnerable populations, especially in rural and semi-urban settings.

3.Why Demand for Care Services is Rising

Three structural forces are converging to increase demand for organised care services in India.

1. **Demographic transition -** India's population is ageing. The proportion of those above 60 is projected to rise to nearly 20% by 2050, creating a surge in eldercare demand that India's existing infrastructure — primarily informal family-based care — is wholly unprepared for.
2. **Urbanisation and migration -** As joint family systems fragment under pressure from economic migration and urban living, informal care networks dissolve. Nuclear families lack the extended kin support traditionally available for childcare and eldercare.
3. **Rising female workforce participation -** As more women enter formal employment, demand for organised, reliable childcare services grows proportionately — a demand that currently goes largely unmet.

4.Government Initiatives

1. **Integrated Child Development Services (ICDS)**, launched in 1975, operates through Anganwadi centres targeting children aged 0–6, pregnant women, and lactating mothers with supplementary nutrition, immunisation, health check-ups, and pre-school education.
2. **POSHAN Abhiyaan (National Nutrition Mission)** focuses on reducing stunting, undernutrition, and anaemia, using technology-based convergence through the POSHAN Tracker.
3. **Mission Shakti** is the umbrella programme for women's empowerment and safety, incorporating support for childcare services and economic inclusion of women.
4. **Palna Scheme (National Crèche Scheme)** provides day-care facilities for children aged 6 months to 6 years, helping mothers remain in or re-enter the workforce. It operates under Mission Shakti with Centre–State cost-sharing.

5.Challenges

1. **Fiscal constraints** are the most immediate barrier. Scaling care infrastructure and training a professional care workforce demands long-term, substantial public financial resources that government budgets have historically not prioritised.
2. **Social attitudes** continue to treat caregiving as a private, feminine responsibility rather than a public good. Patriarchal norms delegitimise demands for public care infrastructure.
3. **Weak regulatory capacity** hampers quality assurance and monitoring of care institutions across India's vast and diverse geography.
4. **Shortage of trained caregivers** — particularly in eldercare, disability support, and early childhood development — remains a structural bottleneck.

6.Way Forward

1. Care must be recognised and funded as **essential social infrastructure**, equivalent in status to education, health, and physical infrastructure in national planning.
2. India should substantially **scale public investment** in childcare centres, eldercare facilities, and community support systems, with explicit **gender budgeting** to track care-related expenditure.
3. **Time-use surveys** must be institutionalised as regular statistical exercises to accurately measure and monitor the economic contribution of unpaid care work, enabling evidence-based policymaking.
4. Care policies must be **integrated with labour reforms, women's empowerment programmes, and social protection frameworks**, ensuring that care workers — paid and unpaid — receive adequate wages, social security, and legal recognition.

Source - https -//www.thehindu.com/news/national/supreme-court-recognises-loss-of-homemakers-domestic-care-as-distinct-compensation-in-mv-act/article71088075.ece