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Recognizing Unpaid Care: Family-Friendly Policies for Armenia

Unpaid care work is a cornerstone of Armenia's care economy, sustaining families, supporting human development, and underpinning the functioning of society. However, unpaid care work remains largely invisible in economic policymaking and continues to fall disproportionately on women, limiting their participation in the labor market and reinforcing gender inequalities. As Armenia faces population aging, a shrinking labor force and growing care needs, recognizing and investing in the care economy has become both a demographic and an economic imperative. Drawing on recent evidence from Armenia, including National Transfer Accounts and National Time Transfer Accounts Surveys, as well as international experience, this policy brief examines how family-friendly policies can help recognize, reduce, and redistribute unpaid care work. It argues that expanding childcare services, promoting shared parental responsibilities, fostering family-friendly workplaces, and integrating care into national policy planning can strengthen women's economic participation, improve family well-being, and enhance demographic resilience. Investing in the care economy is therefore not only a matter of gender equality, but a strategic investment in Armenia's sustainable and inclusive development.

Why Unpaid Care Matters for Armenia

Armenia is experiencing profound demographic changes, including below-replacement fertility, population aging, sustained outmigration, and a shrinking working-age population (Statistical Committee of the Republic of Armenia, 2025). These trends are increasing pressure on labor markets, social protection systems, and public finances while raising the importance of maximizing the country's human capital. In this context, strengthening women's economic participation is not only a matter of gender equality but also a demographic and economic imperative.

Unpaid care work lies at the center of this challenge. Every day, households rely on unpaid childcare, eldercare, care for persons with disabilities, and domestic work to sustain families and communities. Although these activities are essential for social and economic well-being, they remain largely invisible in conventional economic statistics and continue to be performed predominantly by women (Armenia Management Advisory & United Nations Population Fund, 2024). As a result, women face a disproportionate burden of caregiving responsibilities that limits their participation in paid employment, reduces lifetime earnings, constrains career progression, and contributes to persistent gender inequalities in the labor market. Recent demographic evidence suggests that Armenia's future prosperity will depend less on increasing population size than on investing in people and creating conditions that enable individuals to reconcile work and family life.

Family-friendly policies, including accessible childcare services, equitable parental leave, flexible work arrangements, and measures that promote shared caregiving, can help reduce barriers to women's employment while supporting families in realizing their reproductive intentions (Fluchtmann, van Veen, & Adema, 2023).

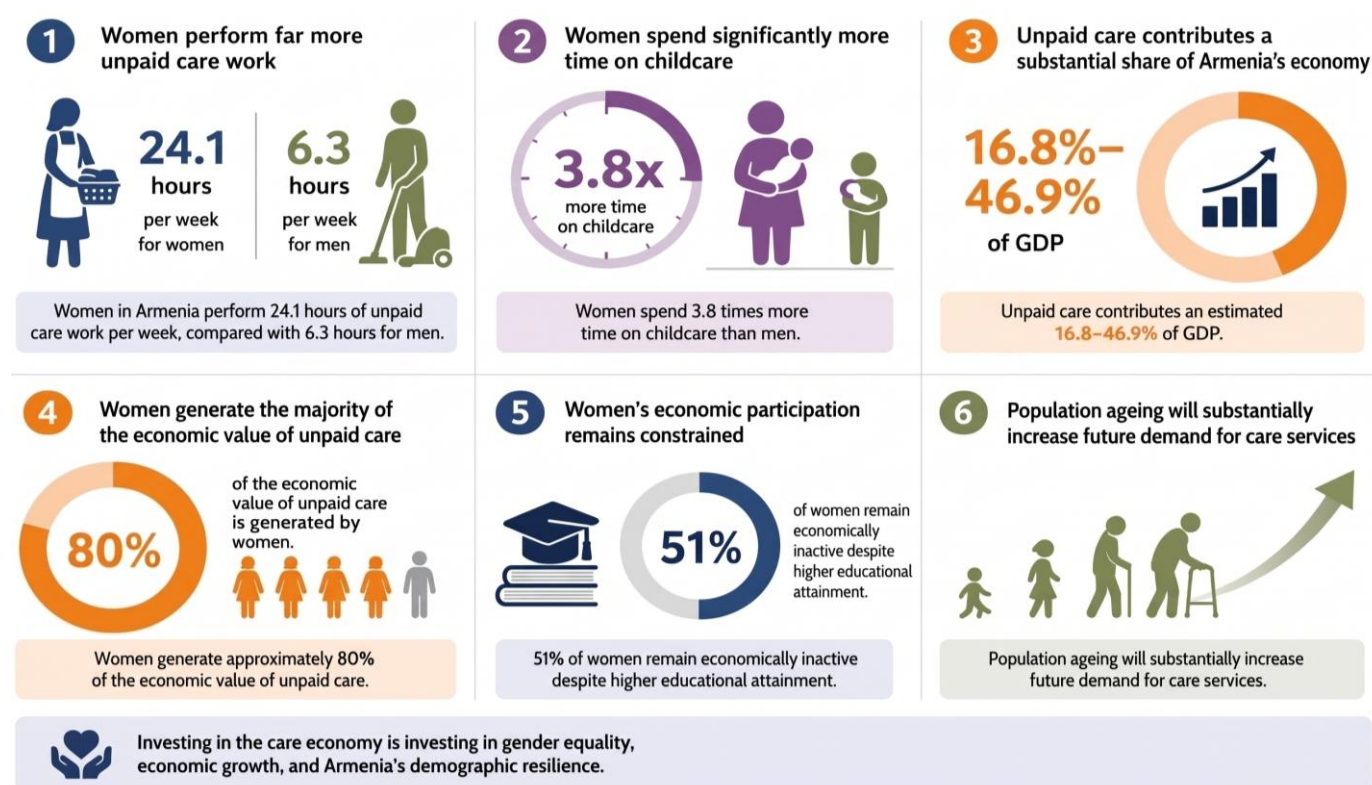
Recognizing, reducing, and redistributing unpaid care work should therefore become a central component of Armenia's demographic and socio-economic policy agenda. Investing in the care economy is not solely a social welfare measure; it is a strategic investment in human capital, labor productivity, gender equality, and long-term demographic resilience. By integrating care considerations into employment, demographic, and social protection policies, Armenia can better respond to the challenges of population aging while strengthening inclusive and sustainable economic development.

What Evidence Shows

Recent evidence from Armenia's first National Transfer Accounts (NTA) (2024) and National Time Transfer Accounts (NTTA) (2026) shows that unpaid care work is one of the country's largest yet least recognized economic resources. Together with national labor market statistics, these findings demonstrate that the unequal distribution of unpaid care is not only a gender equality issue but also a constraint on economic productivity, labor force participation, and demographic resilience (Statistical Committee of the Republic of Armenia, 2025).



Figure 1. Unpaid Care Work in Armenia: Key Facts



Sources: UNFPA (2024, 2026), National Transfer Accounts (NTA), National Time Transfer Accounts (NTTA); National Statistical Committee of Armenia (2025); OECD, UN Women, ILO, ESCAP.

Unpaid care is a major contributor to Armenia's economy

The NTTA survey has revealed that women in Armenia perform 24.1 hours of unpaid care and household work per week, compared with 6.3 hours for men, nearly four times more. Women's unpaid care commitments peak at approximately 44-49 hours per week during the ages of 28-36, coinciding with the years of greatest career advancement and family formation. This overlap highlights how unequal caregiving responsibilities reduce women's economic participation precisely when their contribution to the labor market is most critical for productivity and demographic resilience. Household tasks account for the largest share of this work, while women also spend 3.8 times more time on childcare than men. The

disparity is particularly pronounced during the peak parenting years (ages 23-27), when women devote more than ten times as many hours to childcare.

When this work is assigned an economic value, its contribution becomes impossible to ignore. Depending on the valuation method, unpaid care represents between 16.8% and 46.9% of Armenia's GDP, reflecting whether care time is valued at low-cost market replacement wages or individuals' higher potential earnings, exceeding the output of several major formal sectors, including manufacturing and trade. Women generate approximately 80% of this economic value, showing that the care economy continues to rely overwhelmingly on women's unpaid labor.



Unpaid care constrains women's economic participation

The unequal distribution of care responsibilities has direct consequences for women's participation in the labor market. The NTA survey reveals that, unlike men, women do not experience a positive lifecycle surplus at any age, meaning that at no point in the lifecycle does women's labor income exceed their consumption. Because heavy unpaid care duties limit their paid employment, women's immense economic contribution remains uncompensated in formal accounts.

This pattern is also reflected in national labor market statistics. Although women have higher rates of tertiary education enrolment than men, 51% of women remain economically inactive, compared with 29% of men (Statistical Committee of the Republic of Armenia, 2025). Women are also significantly underrepresented in leadership and decision-making positions. These disparities indicate that educational attainment alone is insufficient to ensure equal economic opportunities when unpaid care responsibilities remain unequally distributed.

Demographic change increases the urgency for reform

Population aging is expected to increase demand for caregiving while reducing the working-age population (Lee, 2025). NTA projections show that intergenerational transfers are shifting away from investment in children toward supporting older persons. By 2050, an estimated 60% of intergenerational transfers will go toward supporting older adults. This represents a complete reversal of current trends, which prioritize investments in children. Without reforms

that strengthen formal care services and enable greater labor market participation, particularly among women, the growing demand for unpaid care is likely to intensify existing labor shortages and place additional pressure on families and public finances.

Collectively, these findings demonstrate that unpaid care work should be recognized as a productive economic activity rather than a private household responsibility. Addressing the unequal distribution of care through family-friendly policies is therefore essential not only for advancing gender equality but also for strengthening Armenia's economic resilience and long-term demographic sustainability.

Current Policy Gaps

Armenia has established an important policy foundation for addressing demographic change, gender equality, employment, and family well-being. The Demographic Strategy of Armenia (2024-2040), the Employment Strategy (2025-2031), the Gender Policy Implementation Strategy (2025-2028) (Government of the Republic of Armenia, 2024), and Labor Legislation (National Assembly of the Republic of Armenia, 2004) all recognize the importance of supporting families, promoting women's employment, and improving work-life balance. Collectively, these policy frameworks provide a strong basis for advancing family-friendly policies and responding to demographic challenges.

However, important implementation gaps continue to limit their effectiveness. While maternity protection and childcare leave are well established, fathers' participation in caregiving remains limited because paternity leave is short (5



working days) and there is no dedicated, non-transferable parental leave. As a result, caregiving responsibilities continue to fall disproportionately on women, reinforcing traditional gender roles and contributing to career interruptions following childbirth.

Access to affordable and quality childcare services also remains uneven, particularly for children under three years of age, children with disabilities, and families living in rural communities. Limited childcare availability constrains parents' - especially mothers' ability to enter or remain in the labor market, despite high levels of educational attainment among women (United Nations Children's Fund & Global Partnership for Education, 2022).

Although Armenian labor legislation provides opportunities for flexible work arrangements, their implementation remains inconsistent across sectors, and family-friendly workplace practices are not yet widely institutionalized. Flexible working hours, hybrid work models, phased return-to-work arrangements and workplace support for employees with caregiving responsibilities remain largely dependent on individual employers rather than forming part of a broader national approach.

Finally, policy reforms continue to operate within a social context where caregiving is widely perceived as a woman's primary responsibility. Persistent gender stereotypes influence both household decision-making and workplace expectations, reducing the effectiveness of existing policy measures and limiting fathers' engagement in childcare and other caregiving responsibilities. International experience demonstrates that legislative reforms are most effective when

accompanied by measures that promote behavioral change, employer engagement, and shared caregiving norms. (de la Porte et al., 2022; UNFPA EECARO, 2021)

Addressing these gaps requires moving beyond individual policy measures toward an integrated family-friendly policy framework that recognizes unpaid care as a shared societal responsibility. Such an approach would better align demographic, labor market, social protection, education, and gender equality policies while creating enabling conditions for both women and men to participate fully in paid work and family life.

Five Priority Policy Actions

1. Expand Access to Affordable and Inclusive Childcare Services

Expanding access to quality, affordable, and inclusive childcare services should be a national priority for strengthening women's labor force participation and supporting demographic resilience. Although Armenia has made progress in increasing preschool enrollment, significant gaps remain for children under three years of age, children with disabilities, and families living in rural communities. These gaps often force women to reduce working hours, postpone career advancement, or leave employment altogether.

International experience demonstrates that investment in early childhood education and care is one of the most effective policy instruments for increasing female employment, reducing poverty, supporting child development and improving long-term economic productivity (Fluchtman et al., 2023; UNICEF & Global Partnership for Education, 2022). Armenia could adopt a phased



Figure 2. Investing in the care economy for gender equality and demographic resilience in Armenia



Source: Authors' analysis based on data from Armenia NTA 2024, NTTA 2026, and international evidence

approach that expands community-based childcare services, increases public investment in early childhood education, strengthens inclusive service provision, and introduces targeted childcare subsidies for vulnerable families

2. Promote Shared Caregiving through More Equitable Parental Leave

Achieving a more balanced distribution of unpaid care requires greater participation of fathers in childcare from the earliest stages of parenthood. Armenia's current parental leave framework continues to place primary caregiving responsibilities on mothers, while existing paternity leave provisions remain too limited to influence caregiving patterns.

International experience, particularly from the Nordic countries, demonstrates that dedicated, adequately compensated, non-transferable leave for fathers substantially increases paternal involvement in childcare and contributes to more equal sharing of unpaid care throughout children's lives (United Nations Population Fund [UNFPA EECARO], 2021). Although replicating Nordic-style universal wage replacement is limited by public budget constraints and entrenched traditional caregiving norms, Armenia can take high-impact incremental steps by introducing dedicated, non-transferable leave for fathers and strengthening targeted financial benefits.



3. Foster Family-Friendly Workplaces

Creating family-friendly workplaces is essential for enabling parents and other caregivers to reconcile paid employment with family responsibilities. Flexible work arrangements, including hybrid work, flexible scheduling, phased return-to-work after parental leave, and breastfeeding support, have become increasingly important tools for improving work-life balance and retaining skilled workers.

Beyond legislative provisions, Armenia could encourage employers to voluntarily adopt family-friendly workplace practices through incentive mechanisms, recognition programs, or certification schemes. Such approaches would benefit employers by improving staff retention and productivity while supporting greater labor market participation among women and other caregivers.

4. Integrate Unpaid Care into National Economic and Demographic Policy

The findings from Armenia's National Transfer Accounts and National Time Transfer Accounts demonstrate that unpaid care constitutes a substantial contribution to the national economy. Yet this contribution remains largely invisible in policy planning and economic decision-making.

Recognizing unpaid care as a productive economic activity would support more evidence-based policymaking across employment, demographic, social protection, and fiscal policies. Armenia should institutionalize regular Time Use Surveys, continue developing National Time Transfer Accounts, strengthen sex-disaggregated data collection and integrate unpaid care indicators into national development monitoring. Better measurement would enable policymakers to assess the economic returns of investments in

childcare, family-friendly policies, and gender equality.

5. Transform Social Norms through Public Awareness and Institutional Change

Policy reforms alone cannot achieve a more equitable distribution of unpaid care. Deeply rooted gender stereotypes continue to assign caregiving responsibilities primarily to women, limiting both women's economic opportunities and men's participation in family life.

Changing social norms requires sustained public investment in awareness campaigns, positive fatherhood initiatives, education programs and employer engagement. Promoting caregiving as a shared responsibility between women and men should become an integral component of demographic, education, labor market and gender equality policies. Strengthening partnerships with civil society, employers, academia and the media can further support behavioral change and increase public acceptance of family-friendly reforms.

Conclusion and Strategic Way Forward

Unpaid care work underpins Armenia's households and economy, yet its heavy reliance on women limits female labor force participation, deepens gender inequalities and constrains national productivity. Addressing this challenge requires moving beyond fragmented interventions toward a comprehensive, evidence-based strategy. The five priority policy actions highlighted in this brief—expanding affordable childcare, introducing equitable parental leave for fathers, fostering



family-friendly workplaces, embedding unpaid care into economic planning and state policies, and shifting societal norms- form an interconnected framework to redistribute the care burden.

Because these family-friendly measures are mutually reinforcing, isolated implementation will yield limited gains. Embedding this package directly into Armenia's Demographic, Employment and Gender Policy strategies, backed by cross-ministerial coordination, will maximize public investment, strengthen human capital and drive long-term demographic and economic resilience.

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