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Abstract:

On the basis of the Time Use Survey in March and September 1992 the monetary value of the productive activities in private households (like housework, child care, care for adults, gardening, handicraft activities,) was estimated. Although these performances are determinant for the welfare of a country, they are not yet included in the "official" Gross Domestic Product (GDP).

Due to the absence of national (and all the less international) guidelines, different valuation variants may be carried out, not at least to illustrate the possible range of the results. According to the Austrian approach women's share in the "Enlarged GDP" (more exactly, in the "Enlarged Personal Factor Income") ranges - according to calculation variant - between 45 and 55%.

Family Work and "Women's GDP" - Women's share in enlarged GDP of Austria

A Review of Concepts and Methods

1. Unpaid productive work in private households (work in house and garden, children's care, technical activities, care of the old and sick) represent an important segment of the economy, which must not be neglected under certain analytic circumstances. Nevertheless, these activities, which are shortly referred to as "household production", don't (yet) occur in ordinary national accounts (NA), where private households are referred to as consumers, and/or as recipients of incomes, but not as "producers". Referring to the theory of the allocation of time, households may no longer be regarded as consuming units only but also as producing units. Anyhow since the mid-seventies efforts have increasingly been made to register household work statistically and value it in monetary terms.

2. "Household production" is restricted to unpaid productive activities performed by members of the household for the consumption within their own household. A major problem of household production statistics are the difficulties concerned with the recording of internal flows - due to the special "interior" nature of this production. Other difficulties may arise too, because these activities are often carried out simultaneously (f.e. preparing meals and looking after the child). In order to identify the productive activities, the so called "third-person criterion" is the determining factor: Household performances are considered to be productive if they are capable of being replaced by another person or even other products provided within a market framework.

3. In an SNA framework the inclusion of household work would represent an important part in the development of indicators with regard to the calculation of "net welfare measures". However, incorporation into regular NA (calculation of GDP, etc.) is still associated with statistical difficulties and bias, among which a certain variety of valuation is only one objection. This is why the computation in terms of a "satellite system" is recommended, annexed to the "classical" SNA-core. In terminological respect, the differential between "SNA Area" (= "official" GDP) vs. "Non-SNA Activities" (represented by the informal sector, like housework, not included in the official system) has become customary.

Valuation approach

4. Dealing with household production, such productive activity is suitably evaluated in the framework of a regular "production account" of household work. Usually the input method (left-hand side of the account) is preferred for practical reasons - referring to the output method there are not yet sufficient (quantity and price) data available on goods and services produced within private households.

5. From the group of input methods, the opportunity costs method (valuation is based upon the individual income of a person in the employment sector regardless of the activities he/she performs within the household) has been excluded.

6. The specialists' approach evaluates individual activities on the base of corresponding market compensation rates of specialists performing similar work in the market area (e.g. kitchen workers, nurses, educators). This method has been refused, too, for assumptions not well corresponding to the situation within private households. For the present purposes, the generalists' method seems particularly well suited - it assumes the employment of a fully responsible household worker, productive hours being evaluated as a whole, according to the adequate compensation rate. A valuation on the base of average wages and salaries may be regarded as an interesting alternative - calculated from average compensation rates of all persons employed (or of sub-groups of all the employed).

An SNA-Related Framework

7. For a calculation of the women's share of "official" Output (SNA Area), the concept of GDP cannot immediately be applied because of certain components not susceptible of being personalized. Not purely personal - and therefore excluded - are f.e. the property income (including renting and leasing) and the public revenue from property and entrepreneurship. What remains is a notion such as "Personal Factor Compensation" (gross compensation of employees and their components, entrepreneurial income) due to the gender-related proportions. The enlargement of Gender GDP comprises those elements described previously (household production).

8. The data concerning Non-SNA activities provided by the Time Use Survey 1992 (hours and minutes per day) were converted into the duration of a year referring to the total Austrian population in order to enable a comparison with the SNA-Area.

Results

9. Six different evaluation variants¹ were calculated - variants 1.1 to 1.3 may be characterized as a "conservative", variants 2.1 to 2.3 as a "progressive" family of versions. Starting point of variants 1.1 to 1.3 were the minimum wage rates of the Federal Agreement Office within the Federal Ministry of Labour and Social Affairs. These rates are standard (gross) wage rates and apply to all the employed, male as well as female. Referring to the second - and more progressive - group average wage versions were calculated, the reference values of which were deduced from NA or from the above mentioned calculations on "Women's GDP".

¹ Main results referring to each variant are presented in the enclosed diagrams, too.

- Women in Austria contribute to the "official" Gross Domestic Product (GDP) 21,7%, men 45,4%. Considering the Personal Factor Compensation - only this part of the official GDP can be 100%- "genderized" - proportions are 32,4% (women) compared to 67,6% (men).
- Regarding the Non-SNA Area (housework, care for persons etc.) women's rate is more than twice as much as men's - 70% of these unpaid productive activities are carried out by women, only 30% by men.
- Minimum wages valuation:
 - * Variant 1.1 (gross, without further conversions): The "Enlarged Personal Factor Income" (SNA + Non-SNA) amounts to ATS 2.058 billion - thereof women earn 45% women, men 55%.
 - * Variant 1.2 (gross-gross; including fictitious employers' contributions): The share of women rises to 47%, that of men resulting in 53%.
 - * Variant 1.3 (variant 2 plus holiday and Christmas remunerations; red letter day payment): Women's share in enlarged GDP gradually approaches a "magic" 50% margin but does not exceed it (49 : 51%).
- Average wages valuation:
 - * Variant 2.1 (average annual income of women converted to hourly wage rates): If housework is a priori assumed to have the same value as regular employment the average income of women results in 53% with the remaining 47% for men - the 50% margin seems to be transgressed.
 - * Variant 2.2 (average according to NA; 2.1 without gender differentiation): The proportion of women amounts to 54%, that of men, consequently, to 46%.
 - * Variant 2.3 (men's income rates also used for women): The "Enlarged Personal Factor Income" achieves a value of ATS 3.315 billion - the share of women rises up to 55%.

Time Use Survey and Enlarged Personal Factor Income

SNA-Area (Personal Factor Income)	Non-SNA-Area	Σ Productive Activities (SNA + Non-SNA)
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Time-Unit (billions of hours per year)

Women	2.80 35%	7.74 70%	10.53 55%
Men	5.28 65%	3.29 30%	8.57 45%
Σ	8.08 100%	11.03 100%	19.11 100%

Money-Unit (billions of Shillings per year)
"Minimum-Variant"

Women	445 32%	480 70%	925 45%
Men	929 68%	204 30%	1133 55%
Σ	1374 100%	684 100%	2058 100%

"Maximum-Variant"

Women	445 32%	1362 70%	1807 55%
Men	929 68%	579 30%	1508 45%
Σ	1374 100%	1941 100%	3315 100%

Official vs. Enlarged Personal Factor Income

