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Paid and unpaid work: perspectives for analysis

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The labour market: the main indicators

On a European level, Italy's situation relative to the labour market is still strongly gender differentiated.

The level of participation in the labour market is among the lowest ones in Europe (equal to 62.5 percent). In 2005, only Malta and Hungary presented a participation level that was even lower than Italy's.

However, compared to the European average the difference of the activity rate equals 3.2 percentage points less for men and 12.1 percentage points less for women (50.4 percent for Italy, and 62.5 percent of the average of the European Union countries). Hence, the gap between Italy and the other countries mainly involves the female component of its population.

Table 1 - Activity rates, employment rates and unemployment rates of population aged 15 to 64 by gender in the European Union, 2005

COUNTRY	Activity rates			Employment rates			Unemployment rates		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	74,6	50,4	62,5	69,9	45,3	57,6	6,3	10,1	7,8
Austria	79,3	65,6	72,4	75,4	62,0	68,6	4,9	5,5	5,2
Belgium	73,9	59,5	66,7	68,3	53,8	61,1	7,7	9,5	8,5
Cyprus	82,9	62,5	72,4	79,2	58,3	68,5	4,4	6,6	5,5
Czech Republic	78,4	62,4	70,4	73,3	56,3	64,8	6,5	9,9	8,0
Denmark	83,6	75,9	79,8	79,8	71,9	75,9	4,5	5,3	4,9
Estonia	73,6	66,9	70,1	67,0	62,0	64,5	8,9	7,1	8,1
Finland	76,6	72,8	74,7	70,3	66,5	68,4	8,3	8,7	8,5
France	75,1	64,1	69,5	68,8	57,6	63,1	8,3	10,1	9,1
Germany	80,6	66,9	73,8	71,2	59,6	65,4	11,6	11,0	11,3
Greece	79,2	54,5	66,8	74,2	46,1	60,1	6,2	15,4	10,0
Hungary	67,9	55,1	61,3	63,1	51,0	56,9	7,0	7,4	7,2
Ireland	80,7	60,8	70,8	76,9	58,3	67,6	4,7	4,0	4,4
Latvia	74,4	65,1	69,5	67,6	59,3	63,3	9,2	8,9	9,0
Lithuania	72,1	64,9	68,4	66,1	59,4	62,6	8,3	8,4	8,4
Luxembourg	75,8	57,0	66,4	73,2	53,6	63,5	3,4	5,8	4,5
Malta	79,0	36,9	58,2	73,7	33,6	53,9	6,7	9,5	7,5
Netherlands	83,7	70,0	76,9	79,9	66,4	73,2	4,5	5,1	4,8
Poland	70,8	58,1	64,4	58,9	46,8	52,8	16,8	19,4	18,0
Portugal	79,0	67,9	73,4	73,4	61,7	67,5	7,1	9,2	8,1
Slovak Republic	76,5	61,5	68,9	64,6	50,9	57,7	15,5	17,2	16,3
Slovenia	75,1	66,1	70,7	70,4	61,3	66,0	6,2	7,2	6,7
Spain	80,9	58,3	69,7	75,2	51,2	63,3	7,1	12,2	9,2
Sweden	80,5	75,9	78,2	74,3	70,2	72,3	7,7	7,4	7,6
United Kingdom	81,9	68,8	75,3	77,6	65,9	71,7	5,2	4,3	4,8
EU-25	77,8	62,5	70,2	71,3	56,3	63,8	8,4	10,0	9,1
EU-15	78,9	63,2	71,0	72,9	57,4	65,1	7,6	9,1	8,3

Source: Eurostat, Labour Force Survey

As regards employment too, differences between Italy and the rest of Europe interest almost exclusively women. While, in the case of men, the difference between Europe's and Italy's employment rate is slightly over one percentage point, for women it reaches 11 percentage points. Italy's female employment rate indeed equals 45.3 percent, that is, higher only to that registered for Malta.

Consequently, the female employment rate is still very distant from the European average, despite the growth registered in the last years that has represented one of the greatest transformations of the Italian labour market in the past decades.

Who are the women who have trouble entering the labour market or in remaining in it? The analysis per family condition leaves no space to imagination. The household context¹ strongly

¹ The family context identifies the role carried out in the family: single (one-member family), single-parent (a parent without a spouse or a partner who lives together with one or more children), partner living in couple without children (a person who lives with a spouse or partner without children in the family), partner living in couple with children (a parent who lives with a spouse or partner together with one or more children), child (an unmarried female or male child who lives with one or both parents).

influences the presence of women in the labour market (Table 2): if we look at women aged between 35 and 44, that is, the age class with the highest share of employed women (61.3 percent), the employment rate of women living in a one-person household equals 86.7 percent but drops to 76.5 in the case of women in couple without children and even to 55.1 percent in the case of women living in couple with children and decreases at the growing number of children.

Table 2 - Employment rates of population aged 25 to 64 by gender, age and role in the household, 2005

ROLE IN THE HOUSEHOLD	Men					Women				
	25-34	35-44	45-54	55-64	Total	25-34	35-44	45-54	55-64	Total
One-person household	83,7	89,2	84,0	40,7	76,3	81,3	86,7	75,9	25,5	60,4
Lone-parent	70,2	90,0	88,0	43,7	66,8	67,0	75,6	66,8	26,1	57,1
Partner in couple without children	93,8	95,1	88,8	32,4	69,8	75,3	76,5	51,3	15,1	45,9
Partner in couple with children	92,1	94,0	89,9	48,6	82,3	46,3	55,1	49,7	22,7	46,7
-With one child	93,2	94,9	90,1	43,3	78,7	54,3	66,2	52,2	20,3	48,9
-With two children	90,4	94,1	90,3	54,8	85,5	39,0	53,4	50,7	27,6	47,6
-With three or more children	88,6	90,7	88,6	54,4	83,1	25,8	37,4	39,1	23,5	35,4
Child	70,9	75,6	67,9	36,7	71,2	58,4	64,2	61,2	37,6	59,1
Total	80,1	91,2	88,1	42,7	77,4	58,2	61,3	53,5	20,8	49,7

Source: Istat, Labour Force Survey 2005

The activity rate follows a similar trend: more family work they have, less will women actively participate in the labour market.

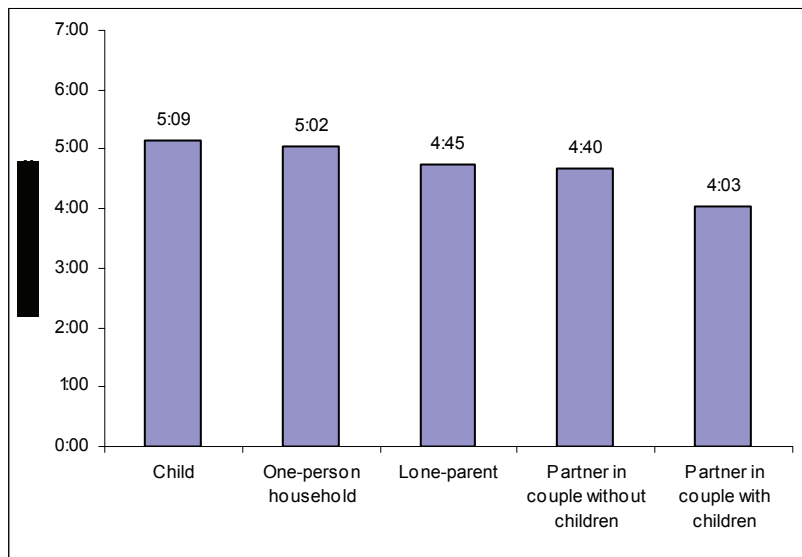
Time Use data: an interpretation key

Although the difficulties encountered in balancing paid work and family responsibilities are a problem that is not exclusive to Italy, Italy does present a rather peculiar situation. Why?

The Time Use Survey helps us interpret the low participation of women in the labour market, as it analyses the daily time budgets.

First, even considering the omogeneous group of employed people, the data on the daily time dedicated to paid work confirm a strong gender difference: on an average weekly day, employed men dedicate 6h03' to paid work while employed women dedicate 4h28' to it. In addition, women spend more time working when they have no family workload, and thus when they are single or live at home with their parents. The fact of living with a partner and, especially, having children, indeed involves a decrease in the time dedicated to paid work (Graph 1).

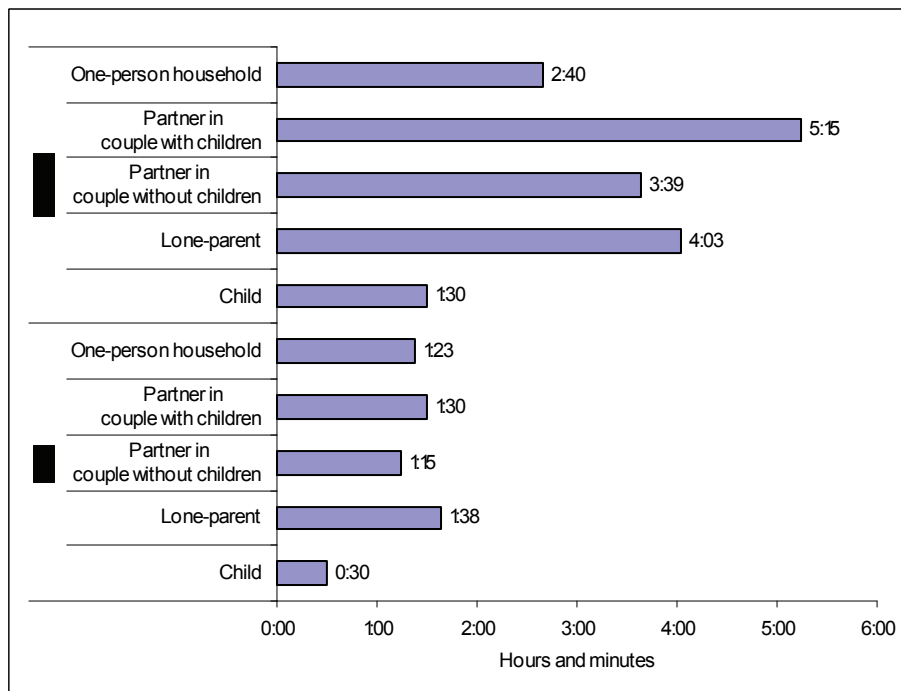
Graph 1 - Time devoted by employed women to paid work by family role on an average day



Source: Istat, Time Use Survey 2002-2003

However, if they work less, do they have more time for themselves, or simply free time? No, the time dedicated to housework simply increases (Graph 2).

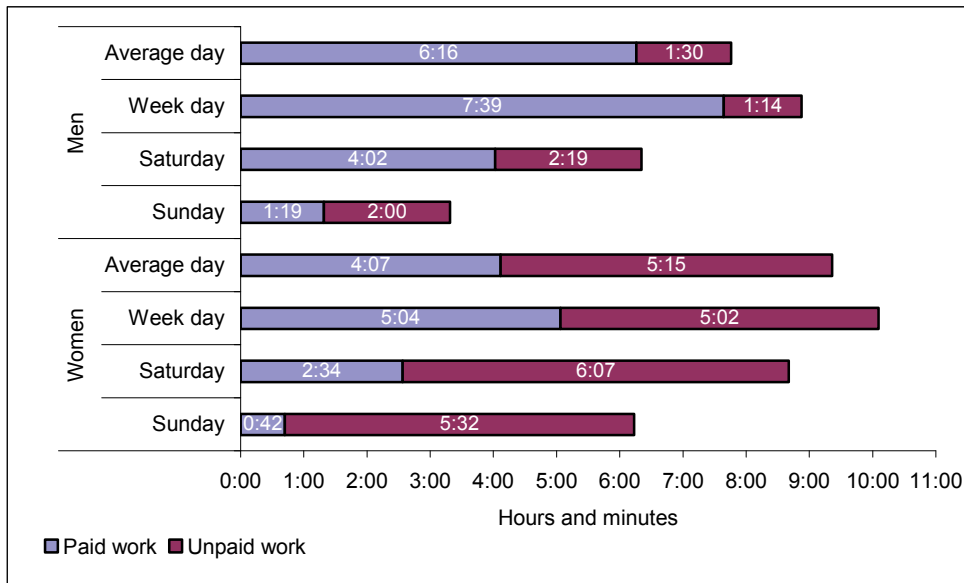
Graph 2 - Time devoted by employed people to unpaid work by gender and family role on an average day



Source: Istat, Time Use Survey 2002-2003

Consequently, the total workload (paid and unpaid) of female workers is much higher than that of men, and that in all the days of the week (Graph 3) and in all the family situations, though higher when living in couple with children.

Graph 3 - Time for total work (paid and unpaid) of employed people living as partners in couple with children by gender and type of day



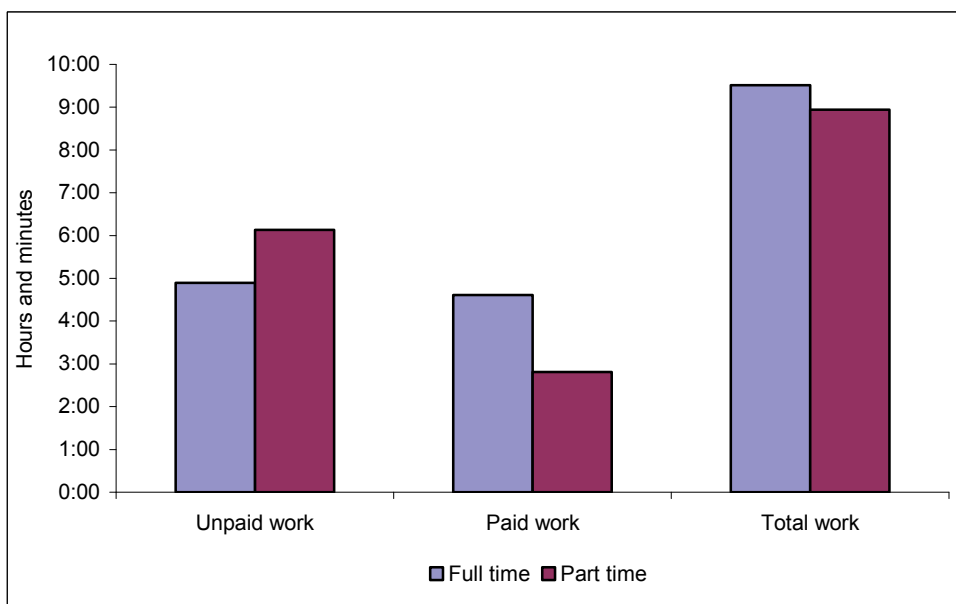
Source: Istat, Time Use Survey 2002-2003

Women living in couple and without children dedicate overall to work (paid and unpaid) 1h14' more than men, but such a gap reaches 1h36' when they have children, as mothers dedicate overall 9h22' to work and fathers 7h46'.

Is a part time job a solution? Despite the fact that part-time jobs do help reconcile the times, paradoxically they do not really help reduce the total work time. A reduced paid work time indeed entails an increase of almost equal entity in the housework and care activities time.

Consequently, the differences in the total workload based on the different working hours system are not particularly significant: women who work part-time have only 34 minutes more of total free time from work than those who work full-time.

Graph 4 - Time devoted by women in couple with children to (paid and unpaid) work by type of work and working hour system on an average day



Source: Istat, Time Use Survey 2002-2003

In other words, even for part-time female workers, work remains the main activity. Paid work is simply substituted by household work while the recovery of free time is still contained.

In brief, the picture that emerges when considering the data relative to paid work is only partial and does not enhance the effective workload that weighs upon Italian women. When considering the overall working time (paid and non-paid), the daily life of women results much more conditioned compared to that of men. In particular, the strong gender gap in terms of family workload leads men and women to organise differently their other life times. Such differences in family workload, which already develop in childhood and adolescence, increase in adult life and persist all through the more advanced ages, thereby affecting the whole organisation of daily life.

As one can see from such a picture, the traditional role division has persisted: men invest more in paid work and women take care of most of the household work, even when they have entered the labour market and must deal with a work overload that is difficult to manage.

Anyway, with such a work overload, unsurprisingly more than two millions of inactive women (18,3% of inactive women), justify their condition exclusively with family reasons.

Very often family reasons are indicated also by non-employed women who have stopped working (32.7% of the total). Anyway, the necessity to take care of the children is the most frequent reason for inactivity or for leaving the labour market given by Italian women from all generations, young and less young.

The amount of unpaid work in Italy renders more urgent the estimate of a satellite account which assigns an economic value to the productive activities performed by households and, in particular, by Italian women.

In practical terms, regular official statistics of unpaid work and production don't exist and the knowledge of the economic value of the households' value added seems difficult to gain and to compare. Anyway in Italy a first attempt to develop a satellite account of household's production has been carried out by applying a price to unpaid households activities. In such a way the amount of per-capita annual wages for unpaid work has been estimated². There is also a project research in collaboration with academic researchers to extend this work and develop the full account .

LFS and TUS data: an integrated approach

The data presented up until now are the result of an integrated analysis of two different sources. However, the awareness of the strong inter-relations between the two surveys has given rise to an experiment of statistical matching which is being carried out in collaboration with the University of Trieste. The aim of such matching is to create a synthetic archive of both surveys at a micro level in order to study the relations between the specific variables of each survey.

The integration of the two sources could enrich the labour market analyses, as it would provide information on the perceived life quality and on the organisation of the life times. Likewise, the more general analysis of the time budgets offered by the Time Use Survey could be integrated with the in-depth studies on the working condition characteristics as surveyed by the labour force survey.

In particular, the aggregates object of attention could include the "grey area" (mostly made up of women), that is a group of persons that do not officially result in search of a job from a strictly definition point of view but that "gravitate" very closely to the unemployment area. The grey area notoriously represents a context of strategic analysis for the work policies, as it represents an area of possible intervention that would help raise the level of participation.

In Italy the amount of the three dimensions of the grey area is two million and half: the 67,1% is represented by women.

² Some theoretical remarks and a first attempt to estimate the value of the economic value of the households' productive activities are reported in Antonella Baldassarini, Maria Clelia Romano, *Non-market household work in national accounts*, paper presented at the 18th Annual Meeting on Socio-Economics, Trier, Germany June 30 – July 2 2006.

Table 3 - The grey area by dimensions and gender (thousands)

Inactive people	Men	Women	All
Not actively seeking employment but available to work	464	768	1.232
Actively seeking employment but not available to work	93	215	308
Not seeking employment but available to work	265	695	960
Total	822	1678	2.500

Source: Istat, Labour Force Survey 2005

The “strong” areas of inactivity, thus, identify the size of “*potential labour supply*”³, a size that can be easily observed from the viewpoints that the Time Use Survey proposes and that can be explored even through the innovative methodological approaches.

In conclusion, the integrated analysis of TUS and LFS data helps us to better interpret some key indicators referred to the labour market, especially as concerns Italian women, and helps to give better indications for policies.

³ OECD (2002), *The Potential Labour Supply*, in Records of the 20th Meeting of the Working Party on Employment and Unemployment Statistics, Paris.