# SNA/M3.21/11.2

17<sup>th</sup> Meeting of the Advisory Expert Group on National Accounts, 15, 16 and 19 November 2021, Remote Meeting

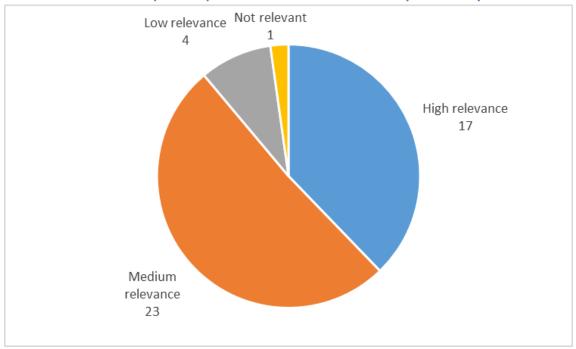
Agenda item: 11.2

WS.3 Unpaid Household Service Work

# Responses to the Global Consultation of: WS.3 Unpaid Household Service Work

A total of 46 respondents contributed to this global consultation (after removing completely anonymous contributions and duplications). In some cases, multiple institutions from one country responded to the questionnaire.

This document provides an overview of the written comments provided for each question.



#### 2. How relevant is the topic of unpaid household service work for your country?

# **Comments in support of high relevance:**

- Some unpaid household service work provides high financial or economic evidence for the household e.g. selling in the shop.
- The value of unpaid household work represents a large fraction of GDP if it were included. In our country, the increased participation of women in the labor force likely resulted in an overstatement of GDP growth as many households substituted market services for home production activities. Looking forward, it seems likely that people engaged in more household production activities during the COVID-19 pandemic. It will be interesting to see if this is persistent.
- In our country, the topic of Unpaid Household Service Work is approached particularly with a gender perspective, since women have traditionally carried out this type of work to a greater extent. Given the importance of measuring this type of work, we publish annually, since 2011, the Unpaid Household Work Satellite Account, which measures the equivalent economic value of the services generated through the daily activities by the household to its members. With the use of this information, our country developed laws

and programs in favor of equality between women and men in which the measurement of the unpaid household service work has gained relevance.

- This has been one of the highly requested data from our different data users but was never collected in our Labour Force Survey.
- The role of households is increasingly acknowledged within the analysis of wellbeing. The interest goes beyond the current production boundary, also including non-market activities. Not only changes our perspective of output, but also distributional measures might be influenced. Traditionally male / female patterns are of interest, but also single / couples and poor / rich households might behave differently.
- With the close family ties and the set-up of families in our country, it is important to measure the contribution of unpaid work in the economy. It is high time to determine the scope and coverage as well as the valuation of such activity. Unpaid household service work would have greater impacts in the welfare of families, which is the foundation of the society.
- In our country, we count with a time-use survey of 2013. According to this survey, approximately half of the total working hours of the economy are unpaid. At the same time, the burden of unpaid work on women is disproportionately large compared to men. The World Bank estimates that in 2020 unpaid work done by women amounted to 16% of our GDP. During the covid-19 pandemic, unpaid household service work grew, especially among women.
- It is very important to understand the dynamic of the labour market and the underlying phenomena which might affect it.
- The measurement of unpaid domestic work is of great interest for the formulation of public policies that lead to the closing of gender gaps. It makes it possible to make visible the effort and work that people do to provide themselves with their own services. Additionally, it shows the different activities that contribute to the well-being of families, but that are not valued economically. But that, nevertheless, contribute significantly to the sustainability, development and achievement of people.
- We have begun a project to include the value of home production for own production into a comprehensive measure of consumption at the micro-level.
- We conduct an annual time use survey which includes information on unpaid household service work. It also estimates periodic satellite accounts of the value of these services in a national accounting framework.
- Capturing unpaid household service work may help to understand the situation of the household comprehensively.
- In our country, much of value that impacts on the economy as well as on wellbeing and sustainability is unpaid.
- We have been prioritising unpaid household work for the last few years given its focus on wider measures of economic well-being and prosperity, and we have been developing an online time-use survey to better measure this data more accurately and more frequently going forward.
- Unpaid households' service work is very important, but there is no measurement of their contribution to the economy. The imputation of this production could generate high

figures and information necessary for the welfare analysis and the economic policy design.

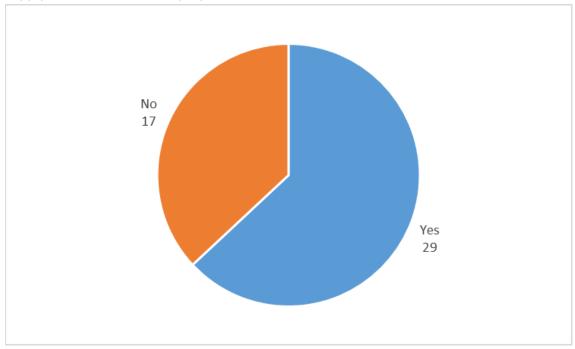
#### **Comments in support of medium relevance:**

- Because household services are significant in the our country.
- Quantifying and making unpaid work visible within the framework of national accounts, could be very helpful for the design of new economic policies in favor of the well-being of the population.
- Unpaid household service work is an input that, with market goods and services, is transformed into household goods and services (i.e. caring, cooking, cleaning).
- In our country, unpaid household service work may directly impact welfare. The compilation of results on household service will involve some specific steps and some specific challenges that we will have to overcome to be able to arrive at an estimate for unpaid household services. Time use data should be collected to produce estimates of unpaid household services.
- The formal sector represents the big share of the economy which means the unpaid household service is low.
- The valuation of unpaid household services is necessary to better measure total economic situations and living standards. The official record of non-market production could benefit to design and implement an appropriate social welfare program.
- The activities described in Table 2 of the guidance note are relevant for our country.
- We are calculating the value of household production at the moment based on the input method.
- There is interest in the estimated data on unpaid work by main categories; share in GDP.
- Producing statistics that address issues of well-being and the quality of life are an important priority for us. Estimating unpaid household work can also provide insight into issues of gender equality/inequality, the gender pay gap, which are other important priorities for us. Estimating unpaid household work is also a starting point for estimating the value added (GDP) of household production, which can help enhance economic estimates to include estimates of well-being.
- The question related this topic partly has been included in the LFS questionnaire since 2020 in line with the 19th ICLS recommendation. Light discussion on the contribution of unpaid household service work to economy was held with our relevant ministry.
- The topic of unpaid household work is currently a medium priority in our country, however, it is increasing in relevance due to the increasing focus on childcare and the gendered impacts on labour force participation. Additionally, COVID-19 associated impacts on households and labour force participation are also increasing our focus on topics including unpaid household work.
- According to our one-time Time Use survey (conducted for the year 2003) the average time use in day for Household and family care plus Informal help to other households were 3 hours 25 minutes, of which most time was spent on Food preparation, dish washing - 1 hour, Household upkeep - 48 minutes, Gardening and pet care - 31 minutes.

- There is no specificity in our country related to unpaid household service work respect to other developed countries.
- It is believed that we have a smaller part of unpaid household service work compared to a number of other countries. Over the years, government schemes have been put in place to further reduce this and bring more of this type of work, out to the market.
- We are currently measuring the effects of economic shocks in female labor force participation. To that end, measures of unpaid work services are needed.
- This topic is relevant with the need to provide more accurate standard of living measurement and go beyond GDP.
- In general in our country, similarly to most developed countries, as women's access to the labour market has increased in the last decades, a part of domestic services is delegated to paid workers. Moreover, quite a large share of social services are provided by GG. However, there are still important areas of activity in which informal care provided in the home supplements paid care provided through the market; that's why we can assess the relevance of the topic as "medium". Hence, we support the compilation of a satellite account of household production by extending the analysis to non-market household activities.
- Whilst this is no doubt an important issue, there are other issues more pressing for us, such as globalization and the development of the distribution of household income, consumption and wealth accounts in the economy.
- We believe that in our country unpaid household service work (depending on the "production boundary" to be defined) has a significant magnitude thus deserving to be measured.
- Because of the relatively high ratio of person outside of labour force / population in our country (more than 30%) of which around 1/3 (or about 10% of total population) are people who engaged in household service. Therefore, this topic is useful and important for researchers and policy makers and will help them to study impact of unpaid household service work on economic growth of country.

# **Comments in support of low relevance:**

- The time use survey data were not used as data source in our country. The last time use data survey was conducted in 2001. There is a plan to have new, but COVID-19 postponed it. Without time use survey data we cannot prepare appropriate data for the topic.
- We still have many jobs to do within production boundary in SNA.
- We don't conduct a survey on this topic.
- It is currently unknown whether potential data users would be interested in this topic and the costs of data acquisition / further calculation should be considered.
- No demand.



**3.** Do you agree that, at a minimum, summary time estimates should be added to existing Supply-and-Use Tables, every 5 years?

**No. less frequent:** 6 countries.

No. more frequent: 2 countries.

# No. concerns about including this in core framework: 9 countries.

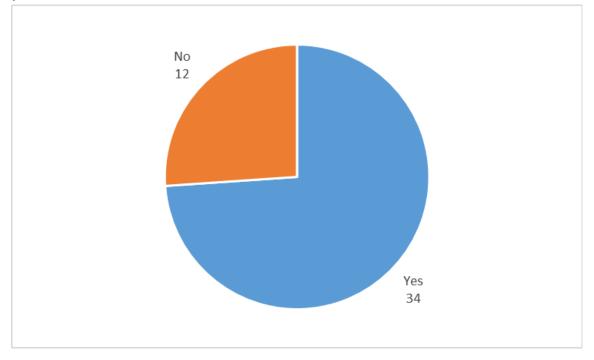
No. other concerns (proposing alternative measures): 1 country.

# **Comments provided:**

- Every 10 years is good enough to measure relevant shifts in the time use of private households. Furthermore, time use surveys are expensive tasks.
- Countries have different statistical priorities and might lack resources and readily available data to compile the estimates. As such, unpaid household service work might be more appropriate to be dealt with as supplementary information or as a satellite account topic.
- The unpaid household work should not be part of core GDP estimate. Time use survey conducted in such short period can cause huge costs and burdens reporting units.
- The inclusion of the results in the SNA indicators will lead to a significant expansion of the boundaries of production and thereby to the distortion of economic indicators and the interruption of time series.
- In many countries, SUT will need many resources and few country conducts time-use survey every 5 years.

- At the moment the Time Use Survey is conducted once in about every ten years, so we do not have any new data available every 5th year.
- High frequency is needed because of the rapid changing in technology and way of lives.
- The SUTs pertain to only those activities within the SNA production boundary and therefore we believe that estimates outside the boundary such as time use and unpaid household work should be produced but done separately from core SUTs.
- We do not agree that expanded Supply Use tables would be the best option for recording time estimates of unpaid household work. We believe that these estimates would be best recorded as an extension of the labour accounts, which are covered by a different guidance note. We also suggest removing the recommendation of a timeframe for the release of such estimates from the SNA guidance, as this is more an issue for NSO's based on their capacity and source data available.
- Lack of information for such estimates. The household surveys are expensive and usually suffer from high non-response rates.
- In our opinion this is a field that still requires further research.
- It depends if Time-USE -Survey (TUS) become mandatory, if it becomes, then we would consider estimation of unpaid HH service work, thus expanding the usability of the TUS survey. In such case, we agree that estimates should be added to existing SUT tables, every 5 or 10 years, in accordance with the TUS survey data availability.
- We would prefer that they be added every 3 years at a minimum.
- The source data for these estimates are not of sufficient quality to be intermingled with the main accounts. The current approach of publishing satellite accounts provides information about these activities without intermingling these data with the more precise main accounts.
- We are not in favour of including extended output measures in home production in GDP: this is an area for which more detailed guidance still needs to be developed. Instead, we support the development of satellite accounts, which should of course be updated on a regular basis.
- We suggest splitting the columns of Supply and Use Tables into proportions of harm and good that the supply and the use of each product generates. This can be a total accumulated for each of harm and good over all aspects.

4. Do you agree that, at a minimum, additional valuation of all productive activity in the economy (i.e. including unpaid work) should be estimated alongside GDP estimates, every 5 years?

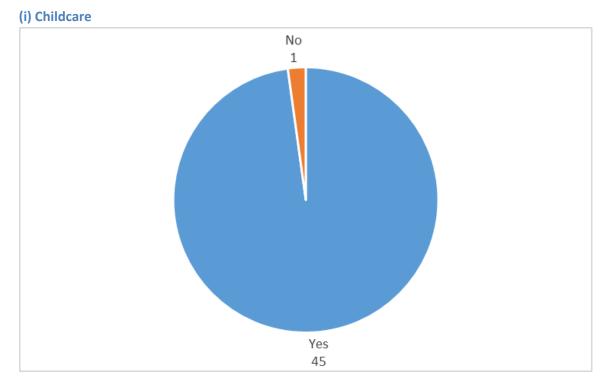


- See comments under 3B; Apart from that, we agree with the necessity of the measurement.
- Countries have different statistical priorities and might lack resources and readily available data to compile the estimates. As such, unpaid household service work might be more appropriate to be dealt with as supplementary information or a satellite account topic.
- Costs and burden of reporting units.
- We make calculations at the moment, so we think this is important, but the availability of data sources is not guaranteed (especially the Time Use Survey).
- This topic can only be addressed with data sources that are available with serious time lags. Moreover, monetarizing these estimates will also depend strongly on assumptions, thus I would not favor this topic to be obligatory.
- We believe that additional valuations of productive activities, such as unpaid household work should be produced at a frequency that is attainable given availability of data sources and other research priorities. In our office, we are only able to produce estimates of unpaid household work every 5 years due to the frequency of time use survey. Whatever the frequency these additional estimates are produced we feel they should not be included within core GDP estimates but rather released separately with clear explanation that they are supplementary to the official GDP estimates.
- Similarly, we suggest the removal of the 5 year minimum time frame from the guidance. We again recommend that the valuation of unpaid work be estimated working from the

labour accounts perspective. This allows would allow for both the hours of paid and unpaid work and the valuations of these activities to be more comprehensively viewed.

- Lack and low quality of information for such estimates.
- There are already existing accounting tools to measure, at least partially, the unpaid work (UN Satellite Account on Non-profit and Related Institutions and Volunteer Work is an example). However, there are not international recommendations about a calendar of availability of national data, even in these existing frameworks.
- We would prefer that they be added every 3 years at a minimum.
- The term "all" is too broad. Many productive activities are not measured well. Without reasonable source data, such estimates are not useful.

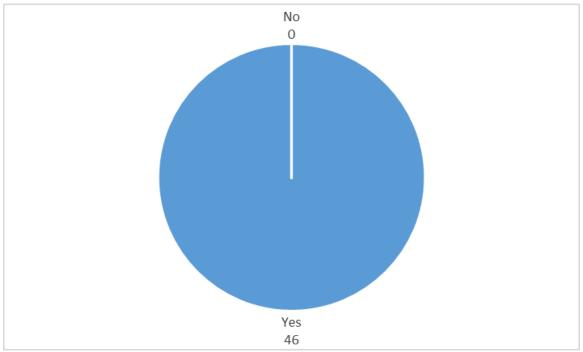
# 5. Do you agree that, relying on the third-party criterion, the following subcategories should be included under unpaid household work (see Table 2 in the Guidance Note)?



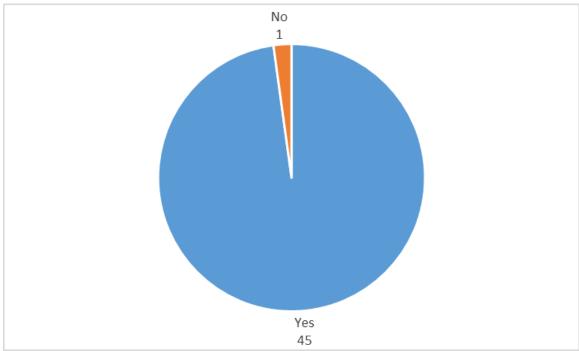
#### **Comments supporting yes:**

- Common activity which brings mainly women out of a main job.
- We suggest both rethinking some of those categories, and also adding new ones, giving three examples of Leisure, Scrutinizing policy and Worship.

# (ii) Adult care



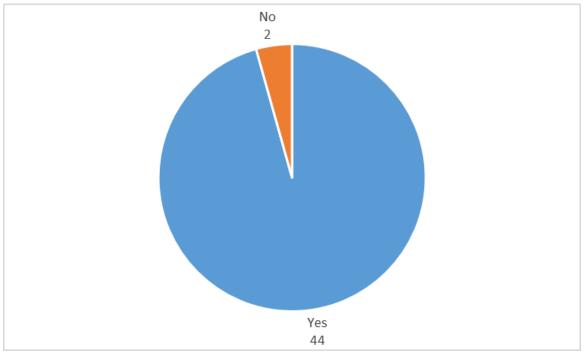




# <u>Comment supporting 'no':</u>

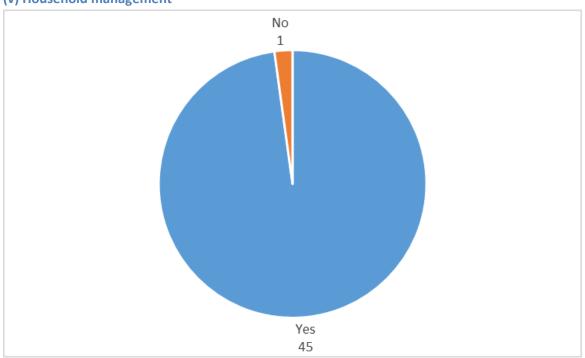
- In addition to the difficulty of measuring nutrition services, for some people it may be regarded as a leisure activity.

## (iv) Transport



### <u>Comments supporting 'no':</u>

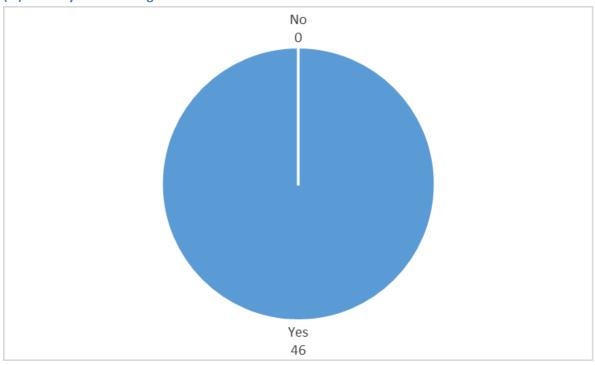
- Unclear and repetition with daily life activity.
- Transport could be taken into account when it is part of another unpaid household service. For example, driving children to school could be considered part of childcare.



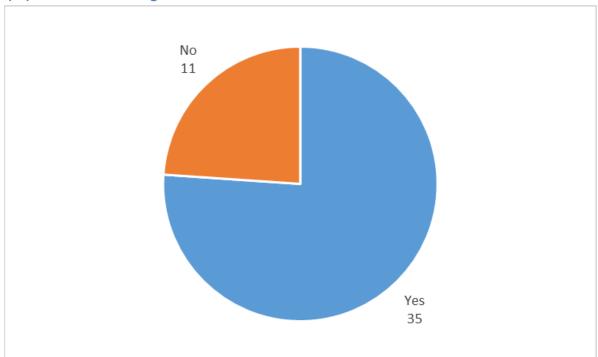
(v) Household management

## **Comment supporting yes:**

- Tip: It should be distinguished (as of which) within home management the activities of the administration and management of the home itself, from other activities such as home cleaning and DIY home repairs and gardening.



(vi) Laundry and clothing services



(vii) Formal volunteering

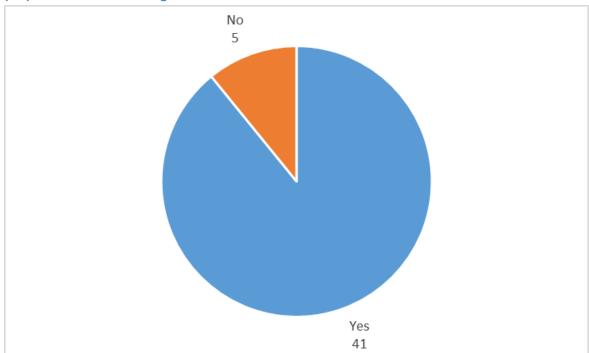
#### **Comment supporting yes:**

- Volunteering should be classified separately from non-market activities that directly contribute to the welfare of the household.

#### **Comments supporting no:**

- It is unlikely to capture this information or obtain relevant prices.
- Already included in national accounts.
- Difficulty to estimate in the SNA framework.
- We estimate the value of formal volunteering within our non-profit and volunteering satellite account. It could be added to household work if required.
- There would need to be particular clarity around what is included under formal volunteering to ensure there is no overlap with what should already be captured in the accounts.
- It is considered as the output of the organizations being volunteered for
- Input to non-profit sector.
- This may result in double counting of the output of the organisations being volunteered for.
- We suggest both rethinking some of those categories, and also adding new ones, giving three examples of Leisure, Scrutinizing policy and Worship.
- It is not clear how much duplication of activity there is with sum of costs NPISH activity, and whether adjustments would need to be made to the sequence of accounts more generally (e.g. to current transfers).
- Included in another productions.

#### (viii) Informal volunteering

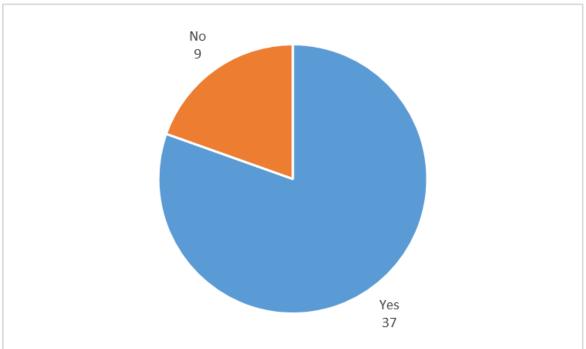


#### **Comment supporting yes:**

- Volunteering should be classified separately from non-market activities that directly contribute to the welfare of the household.

#### **Comments supporting no:**

- It is unlikely to capture this information or obtain relevant prices.
- This activity overlaps with other unpaid household services.
- Input to non-profit sector.
- This category seems to us to be too indefinite; it is very difficult to estimate the time devoted to it, and there is a risk of disproportionately increasing the uncertainty of the measurement.
- Included in another productions.



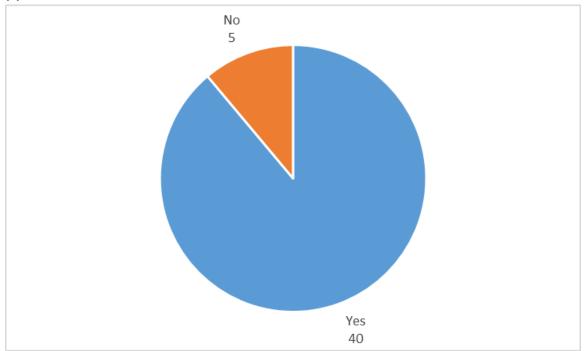
#### (ix) Shopping

#### **Comment supporting yes:**

- Grocery shopping. Other types of shopping likely qualify, but would be hard to identify in a time-use survey.

- It is unlikely to capture this information or obtain relevant prices.
- Unclear and repetition with daily life activity.
- It is difficult to distinguish shopping for leisure or else.
- Can be classified as leisure, hard to estimate.
- In some cases, shopping can be considered leisure.

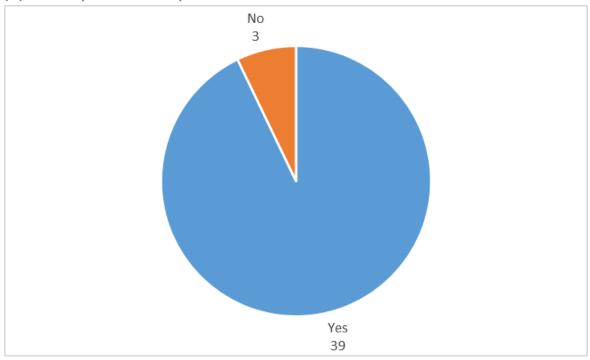
- This category seems to us to be too indefinite; it is very difficult to estimate the time devoted to it, and there is a risk of disproportionately increasing the uncertainty of the measurement.
- This case should be further clarified as there is some ambiguity regarding the partition work/leisure time with this type activities.
- We suggest both rethinking some of those categories, and also adding new ones, giving three examples of Leisure, Scrutinizing policy and Worship.
- The delivery of shopping services results at least partially in the purchase of goods and services, which are fully in the accounts. So it is not clear there is significant value added to warrant measuring a wider measure of economic output. Separately, there is significant non-essential shopping, and given the practical limitations of capturing the parts of shopping that could reasonably be contracted out from those that couldn't be (e.g. trying on clothes personally, testing out different digital devices or software before buying etc.) then we would err on the side of undercounting total unpaid activity than assuming all shopping is unpaid activity to be valued. Practical limitations in capturing the market price of such activities is another concern (e.g. a personal shopper service tends to focus on certain goods, delivery services from shops combine transport with the shopping service provided, so there is no clear market or wage price to apply).



#### (x) Information services

- It is unlikely to capture this information or obtain relevant prices.
- Unclear and repetition with daily life activity.
- Providing information services may be regarded as a leisure activity.

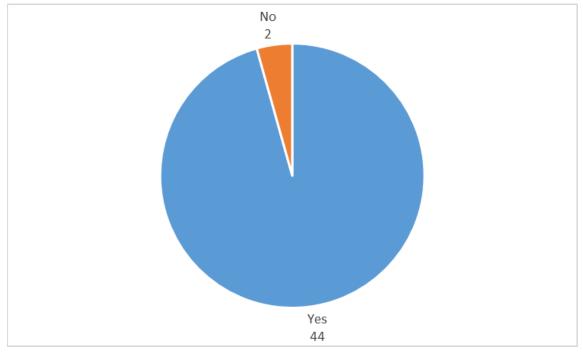
- This category seems to us to be too indefinite; it is very difficult to estimate the time devoted to it, and there is a risk of disproportionately increasing the uncertainty of the measurement.
- Generally, we are in favour of this category but it would require more explicit descriptions of what this contains and doesn't contain, as this crosses over into traditional productive activities with alternative business models which should be in the core SNA (e.g. some of this activity may be economically equivalent to unpaid internships, and SNA captures unpaid hours of work as long as it contributes to production) The digital aspect of the services identified here also seems arbitrary e.g. what about unpaid work resulting in physical goods (e.g. art or graffiti, communal gardens) or services (recreational nature access) It seems as if this is an extension of the informal volunteering category, even if it may not be termed as such by individuals participating in it.





- It is unlikely to capture this information or obtain relevant prices.
- We think the larger part of unpaid household services are already considered in the categories above.
- This category seems to us to be too indefinite; it is very difficult to estimate the time devoted to it, and there is a risk of disproportionately increasing the uncertainty of the measurement.

6A. Do you agree with the development of an international standard classification of unpaid work categories? 6B. If yes, do you have specific thoughts on what categories should be distinguished?



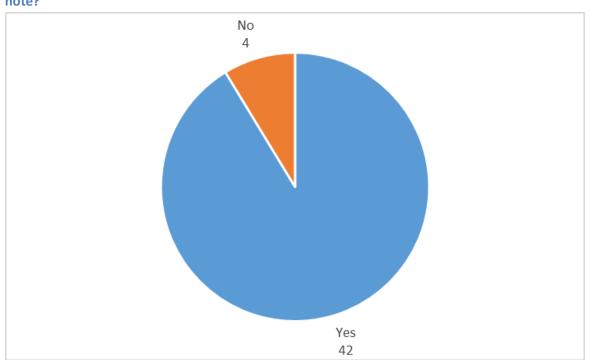
#### Specific comments provided:

- Care services, distinguishing between children, the elderly and the disabled.
- It is important to distinguish between active and passive childcare. There should also be agreement on the definition of passive childcare. Also, it would be interesting to know more about time spent on household repairs and maintenance.
- Nutrition; cleaning and house maintenance; laundry and clothing services; shopping and household management; care and support; help to other households and volunteer work.
- It is necessary to detail all the activities for unpaid work.
- Definitions for categories with overlapping activities, such as childcare, adult care, nutrition and informal volunteering, should be mapped out clearly to avoid any double-counting and misclassification. Suggest including 'Education' as a separate category to account for unpaid tuition and home-schooling services provided.
- More detailed more explanation of unpaid services produced by households.
- Care, Food, Transport, Education, Cleaning, Repair, Volunteering, Other.
- Shopping should be reconsidered and tutor by parents or other family member should be distinguished.
- What about pet care always a hobby or (partly) household work?
- The categories should somehow reflect or aligned with the economic activities classified under the industrial classification as well as the produced goods and services. In doing so, we can align this with the supply and use table framework of national accounting and we can value these activities accordingly.
- Adding more level of classification- household maintenance chores, family chores.

- Personal care; Household management; Transport; Information services; Other unpaid household production not elsewhere classified.
- The categories discussed in question 5.
- We are currently in the process of updating estimates of unpaid household work. After this work is completed we may have more guidance on which categories should be distinguished and published.
- It is important to distinguish in each categories the boundary between leisure and unpaid work since in shopping or in information services the limits it is a little bit blur.
- Should be distinguished by household agricultural activity, non-agricultural business activity, volunteer work and unpaid trainee
- We suggest linking the new international standard classification to the international classification of non-profit organisations. It is also thought that there should be some elaboration of the inclusion and measurement of passive vs main activities.
- The category "Nutrition" in the guidance note should include dish washing.
- Current classification seems fine to me, as some other unpaid house work can be identified separately.
- Yes, it should delimit the activities: provide accommodation; provide meals and snacks; provide clothing and garment care; provide home management and administration; provide care for children and adults; and provide volunteer work.
- Home production for own consumption separate for home production for the consumption of others not living in the household; this would include barter (trading services among households, for example, my mother who lives across town provides babysitting/childcare services for me and in trade I take her to all of her doctors' appointments) and volunteering (formal and informal) to provide services outside the household; inside and outside the household services to the following: child care and adult care.
- At least the ones listed above.
- It's hard to differentiate time spent on leisure from time spent on several categories of unpaid household activities.
- It must conform to current time use classifications.
- If possible, from any new data sources, it would be important to distinguish between health and non-health related unpaid activities.
- We think it would be better to add Animal Care and Home Teaching. It would also be good to include all unpaid household service work performed by members of households under the age of 18.
- We have doubts on isolating shopping given the above mentioned ambiguity.
- The classification should be flexible to allow for different hierarchies or levels that countries can achieve depending on their resources, rather than defining which categories need to be separately distinguished.
- As minimum childcare, adult care, and nutrition; however, it should be considered the categories selected by most countries.
- In the case of category "Childcare", it should be specified Maternity leave period, because in this period parents generally don't have working alternative. We suggest to define a

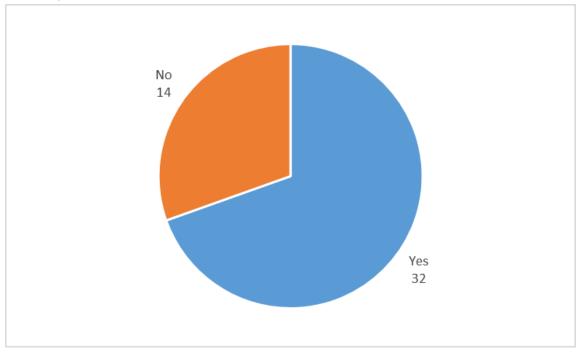
specific period (Maternity leave period, for each country separately based on the legislation, tradition, etc.) for which the output wouldn't be estimated.

- Childcare, adult care, nutrition, transportation, household management, laundry and clothing services, information services.



# 7. Do you agree that the input approach should be adopted for valuations of unpaid work, using main activities recorded by a harmonised time-use survey, as described in the guidance note?

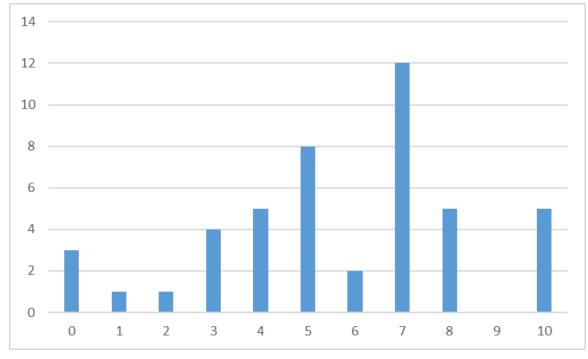
- In principle yes, however difficult implement in practice.
- We think that more conceptual reflection on the aims of the national accounts system should be carried out before proposing methods to measure unpaid work within the national accounts framework.
- We would prefer the output method what the good or service would cost on the market to purchase the goods and services produced by the household minus what the household spends for capital to produce the good or service. The difference in the output versus input approach to value home production is that there could be an additional margin for the output method.
- We believe that it is important to differentiate harm from good that results from all economically-relevant activity, including unpaid household activity.



# 8. Do you agree that specialist wage rates should be selected from market occupations to value unpaid household service work?

- (1) It does not matter very much whether a generalist or specialist wage is used. Most household production activities are low wage (childcare, housekeeping, laundry, yard work, etc.). Very little time is spent in high wage activities such as financial management.
  (2) For some tasks, the market wage is a good approximation (childcare, housekeeping, etc.), but for others (home construction/repair projects, financial management, etc.), there is likely a big difference in the quality of the time spent in the activity. If a specialist wage is used, one way to control for quality would be to use, say, the 25th percentile wage (or some other percentile) to value the time. I would expect the variance in the wage to be greater in activities/occupations where there are large quality differences.
- We prefer a generalist approach because the real conditions are similar to the work of a housekeeper.
- Market adjusted the households are not so efficient in production of domestic services as professionals.
- We would prefer a generalist wage rate the idea of a "specialist wage rate but not a highly qualified specialist" sounds like a difficult issue.
- Output will be overestimated using the specialist wage, quality of household work is often of far less quality than that of a specialist. Generalist wage better reflects the quality of the work.
- We suggests that there should be multiple valuations for unpaid work compiled, for example specialist wage rates, opportunity costs and minimum wages for example. The use of a variety of wage rates allows for a more comprehensive view of the extent of unpaid work, and allows for a wider range of analysis and comparison by users.

- For those activities that are normally carried out by paid domestic staff, their salary rates should be used, for the rest of unpaid activities, the specialized salary rates would be used.
- Even though one could start with a specialist wage rate, these would need to be adjusted to reflect differences in quality. For example, let's say I produce dinner for my family. As someone who does not enjoy cooking and is not a very good cook, the quality of this dinner is substantially less than the quality that I would expect a chef could provide using the same capital, ingredients, and time. On the other hand, the math tutoring services that I, with a PhD in economics, provide to my third grader is likely of a similar quality as a math tutor that I would hire to tutor her (although the tutor would probably have much more patience providing this service than I would since that is the tutor's "specialist" job). Thus, data need to be collected not just on the time used to produce goods and services within the household, but also on the quality of the final product or service produced.
- International standards, as described in the 2017 UNECE Handbook, call for a generalist wage. Implementing the proposed standard, the wage of a specialist who is not highly qualified, will be difficult as occupational wage data typically do not make this distinction.
- We rather prefer to value unpaid household service work with the gross wage of a general worker, since imputing the wage rates of specialists can substantially overestimate the value added imputed to unpaid work without any clear evidence about the degree of specialisation and skill to be attributed to the specific tasks performed.
- In fact we tend to agree to have those wage rates as references but they should be treated to account for quality and productivity differences between professional and households' types of work. In that direction, the recommendations should include the need of further work to achieve as far as possible common treatment procedures to adopt.
- Alternatives should be suggested where this simply is not feasible, or there aren't 'equivalent' to the unpaid household service work (such as some volunteering activities and the 'information services' category once it has been more helpfully defined).
- Use the wages of generalist or multipurpose workers can be more appropriate because unpaid household service work includes all type of activities.
- There can be significant differences in the productivity of services provided by specialist and non-specialist.



9. How do you regard the feasibility of compiling results according to the guidance in this note (0-10 from not feasible at all to highly feasible)?

Average: 5.67.

10. Please explain what you see as the main opportunities and main challenges regarding the compilation of results according to the guidance in this note.

#### Main opportunities:

- Main opportunity is that they can be accounted for when the economic benefit is high.
- Make visible a part of the services that explain well-being in homes.
- Express more detailed economic data.
- Unpaid household activities are monitored.
- The possibility of a more complete and detailed analysis of household living standards, analysis of the potential labor market.
- Our calculations are according to the input methodology, and those calculations are quite simple.
- Having a more accurate definition/measurement of GDP.
- The main opportunity is to make use of the data that will be collected in upcoming use of time survey that we will be conducting before the end of 2021.
- Opportunity to estimate the number of people, time use analysis and measurement value of unpaid household work services as well as their contribution to economy.
- This is an area where the NSIs can contribute with relevant information on the household sector.

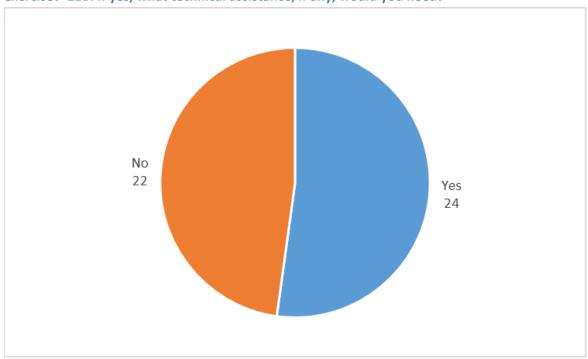
- We produce Time Use Survey results and there are experts on site who could learn from participating in the exercise. Also participating in the exercise could assist us as we attempt to account for home production in a comprehensive consumption measure.
- Since unpaid work affect standard of living, then capturing unpaid work will support a comprehensive view on well-being.
- We already estimate these statistics, so it is highly feasible in our context.
- Getting a measure of the level of unpaid work in the economy and obtaining information on time spend in the home on unpaid work.
- We welcome (a) the attempt to bring unpaid household activity into national accounts,
  (b) the recognition of multiple categories of this. Dooyeweerd's aspects offer great opportunities for doing this.
- There are great opportunities to start to value unpaid work in a way consistent with timeuse survey collection, as this is a high priority for our country.

# Main challenges:

- The main challenge is how are they classified.
- Challenges: generate the necessary basic statistics, obtain financing.
- The main challenge is that time-use surveys usually do not have information about capital and other inputs.
- Among the main challenges is conducting surveys on time use, due to the costs involved in this type of exercise, which is why it is important to work with other types of instruments to make estimates, beyond the use of surveys.
- The compilation of results on household service work involves some specific steps and some specific challenges.
- One of the challenges will be to collect time use data (using a diary instrument to limit recall bias). We currently do not have an up to date and reliable household expenditure survey to estimate intermediate consumption of goods and services purchased from the market and used in the production of unpaid household service work.
- Data availability.
- Some topics such as time use and method for estimating the value of households service work need to be concerned.
- Difficult to standardize household service work data from different countries.
- One of the main challenges would be the implementation of a time-use survey, which will be labour intensive and adds on to respondents' burden.
- To get data to start work of unpaid domestic services.
- Comparability of final results between countries.
- More strict definitions (multitasking, hourly wage professionals vs amateurs, ...).
- Correct data collection.
- Data source and finance resource.
- We did not see the suggested tables for SUT and extended accounts (they were mentioned at the text, but the appendixes were not added?), and those calculations seem much more challenging to make.

- A module on unpaid housework was included in the 2018 LFS but was not analysed due to lack of capacity at the NSI.
- Data availability is scarce and these results would rely on many assumptions, with the uncertainties that come with them.
- One of challenges is the appropriate conduct of time-use survey. Another issue is the proper valuation of unpaid work. It would also post a problem to determine simultaneous activities as this would also have implications in the valuation process of the activities.
- We don't conduct time use survey on a regularly basis, the last one was at the 60's.
- Difficulties originate from the resource burden (labour intensity) and periodicity of information on time used on unpaid labour. In our country, the periodicity of the time use survey of population has not been officially established. The latest available data are from the 2015 survey. The next survey is planned for 2025. Besides there are no suitable wage rates to estimate the different categories of unpaid labour.
- Difficulty in finding appropriate sources of information, defining precisely what will be included as household unpaid services.
- Having timely Time-Use Survey data is a requirement to estimating the value of unpaid household work and currently this survey is only conducted ever 5-6 years at our office. The survey is costly and burdensome for respondents. While generally this time frame has been sufficient in measuring changes over in households' time-use, this was not the case during the pandemic. As a result we have a gap in our Time use data and will not be able to estimate unpaid household work until we run the next TU survey.
- To align the time use survey results with the concepts in the guidance note.
- The development of methodology, data collection, compilation and analysis as well as requirement of development on clear concept and definition.
- The largest issue is the access to high quality data. Time use surveys are complex, impacted heavily by changes in organisation priorities and budgets and present significant burden to individuals being surveyed. The valuation of unpaid work will be difficult. It is acknowledged that the compilation of hourly and valuation estimated of unpaid household work will be highly informative for users and is filling a data gap that is increasing in relevance.
- Credibility of data sources and assumptions applied.
- Data availability and to get the valuation of the unpaid activities recognised by users broadly.
- To obtain information on all unpaid work conducted by the households.
- We don't have TUS and it is not planned to have it in the nearest future. TUS is a very complicate survey and the response rates are low (there is a Eurostat TF working on development of new methods for HBS and TUS data collection).
- To be able to have a national survey on the use of time every 5 years.
- Converting daily time records to realistic annual values; how to integrate these with other household survey data; how to account for multi-tasking in valuing home production for the different categories (e.g., providing child care and producing dinner at the same time); using the ATUS to produce comparable measures as other countries.
- To ensure resources for the recollection of the survey.

- Measuring unpaid households work using input approach since it needs time use survey which is not provided yet and also dealing with issues on estimating the three cost elements.
- Getting the time-use surveys up and running and hoping that they yield good representative meaningful results; agreeing on comparable wage rates for the various services.
- We think that it is difficult to secure reliable micro data regarding unpaid household service. In addition, capturing unpaid household service work as an output in the national account should be carried out with caution as it significantly affects final consumption, savings, investment and asset accumulation of household and overall economy. Therefore, we agree only with the pilot study of unpaid household service outside the system of national accounts.
- The institutionalization of periodic Time Use Surveys, valuation measures to evaluate labour, build time series to apply PIM, split goods and services bought by households by intermediate consumption, GFCF and Final consumption, etc..
- Assigning quantitative measures to the value in each aspect can increase the challenge though we believe it can be done using time-use surveys and artificial intelligence (machine learning).
- Getting sustained agreement to fund time-use surveys.
- To have timely and quality information.
- Data collection process (increasing the burden of respondents and the low trust of respondents for answering questions regarding income and employment) and definition of the appropriate wage rates of each area of specialization.
- Estimating the value and the volume of unpaid services.



**11A.** Would your institution be interested in participating in an experimental estimate exercise? **11B.** If yes, what technical assistance, if any, would you need?

### <u>Yes:</u>

- The methods.
- Technical assistance in all stages of the process.
- Alternative exercises to calculate the components of the production account of unpaid household service work.
- Because our next time use survey will be in 2022 we are in principle interested in participation but it depends on the conditions and the availability of resources. Data of our survey will be available in 2024.
- Practical guidance and sharing experience from the countries, which have already done something.
- Capacity building in terms of data analysis.
- This would include capacity building activities in constructing the time-use survey and an introduction in measuring the contribution of unpaid work in the economy. The trainings should include proper valuation methods.
- To learn about the method conducting and analyzing this survey.
- Assistance in survey design and compilation techniques.
- Practical advisory in the compilation process.
- Development in Time-used Survey instrument which covers methodology, questionnaire, data compilation, estimation process and analysis.
- Expert guidance will be needed to evaluate all unpaid work.
- Technical assistance for estimating the value of the production of unpaid work by the input method, of production; and the organization of information through the supply and use tables expanded in monetary terms.

- Step by step direction. We had experts on the ATUS but would appreciate assistance in how to convert daily records to annual estimates, and how to quality adjust estimates.
- Participation in experimental estimate is preferred to be limited at some extent since this topic is quite advance and need to explore new data sources massively. Maybe output approach is more realistic for the initial experiment rather than input approach (time use survey is not yet provided). So the technical assistance will be needed from early stage of unpaid households work measurement via output approach. In parallel, assistance in designing time use survey is also important to prepare input approach provision.
- No obvious technical assistance would be required, but having discussions with other institutions also applying the experimental exercise would be fruitful.
- We need technical assistance to carry out time use surveys and to apply the methodology for measure and value unpaid household services.
- We will need technical assistance after the final agreement on estimating unpaid household service in our country.

# **12.** Do you have any other comments in relation to the guidance as described in the guidance note?

#### **Comments**:

- The lack of statistical information on the household sector is a weakness.
- It is suggested to consider the possibility of using a combination of specialist and generalist wages according on the type of activity. The first one for those activities that require a certain degree of technical knowledge, such as some type of repair or health care activities, and the second one for activities that can be commonly performed by most people, such as household cleaning activities.
- The guidance in the guidance notes is clear and understandable and easy to follow.
- As it was written in the recommendations there is main problem to meet comparability. The definitions of satisfaction - there are a lot of people who do services on their own to spend free time or leisure.
- We were wondering about the child care provided by parents (also during the night time): Should there be an age limit for this service (at the moment only the amount of children is considered at the classification, not the ages). And as total we think that a lot of effort should be used for classifications and definitions for household work. PS. Maybe few spelling mistakes? Page 24, 3rd section - one bracket is missing: "... derive a (gross value added estimate...", should it be (gross)? And on page 32, 1st section is written "monatary" and "evalate".
- There is a need to convince the policy makers in our country to allocate resources to this data. The connection to national account is not clear and intuitive.
- We found this instance to be very enriching.

- We are currently in the process of updating our estimates of unpaid household work to be released early 2022. Given resources and other work priorities we do not have the capacity to participate in other experimental exercise at this time.
- Need to take into accounts the various culture and category of countries as well as to include some case study of selected countries.
- Using the monetarized unpaid work evaluation of standard of living will become more reasonable.
- We would like to note the importance of measuring consumption comprehensively, including home production, in order to shed better light on living standards and inequality.
- For the improvement of the estimating methods of unpaid work it might be recommended to periodically compare the results obtained in different countries. In principle, given the fact that the day has not more and not less than 24 hours, there should be a negative correlation between the durations of paid work and unpaid work, unless there would be reasonable explanations. This type of check could signalize problems to address.
- 1. Harmful activity should be differentiate from good (beneficial).
  2. Dooyeweerd's aspects can help both clarify categories, and also identify missing categories.

3. Leisure should be clearly included, because it is can bring good to the economy as well as wellbeing and sustainability; it is of Dooyeweerd's aesthetic aspect. Regarding Question 7B: The only caveat I would make is that where countries can, secondary activities should also be used to capture total unpaid work. For example, in the context of the pandemic, significant parts of the population worked from home, so if they recorded cleaning up, cooking etc. as secondary while they were working from home, the suggested approach above would not value such unpaid work. Intermediate consumption activities should also recognise intermediate digital services used in the production of unpaid work (though this may even extend in digital economy accounts to consider free intermediate digital services consumed in the production of paid work).

A key missing discussion and set of recommendations relates to getting to 'real' valuations of unpaid work by recommending appropriate constant price derivations (either through deflation or direct volume estimation), and the role of changes to quality in the price of such services. This is of key importance to be able to compare unpaid work valuations with SNA-relevant economic activity in a consistent way.

- We suggest to have additional breakdowns in regional level, especially by towns and rural areas, taking account the differences of the level of development and social features between regions. Sometimes some towns in developing and developed countries can be comparable with the level of development, but the rural areas of the same countries might have extreme differences. Secondly, it is better to measure the output of unpaid household service on the "net" basis, taking account the income earnings opportunities of the target person. For example, a person can work instead of an unpaid care of children

and earn 100\$, and pay for childcare paid service 60\$, so in this case the net output of unpaid household service would be equal to 40\$.