

Time Use and Gender Working Group

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Macroeconomic Aspects of Intergenerational Transfer
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Outline

Summarize major pending methodology issues from yesterday

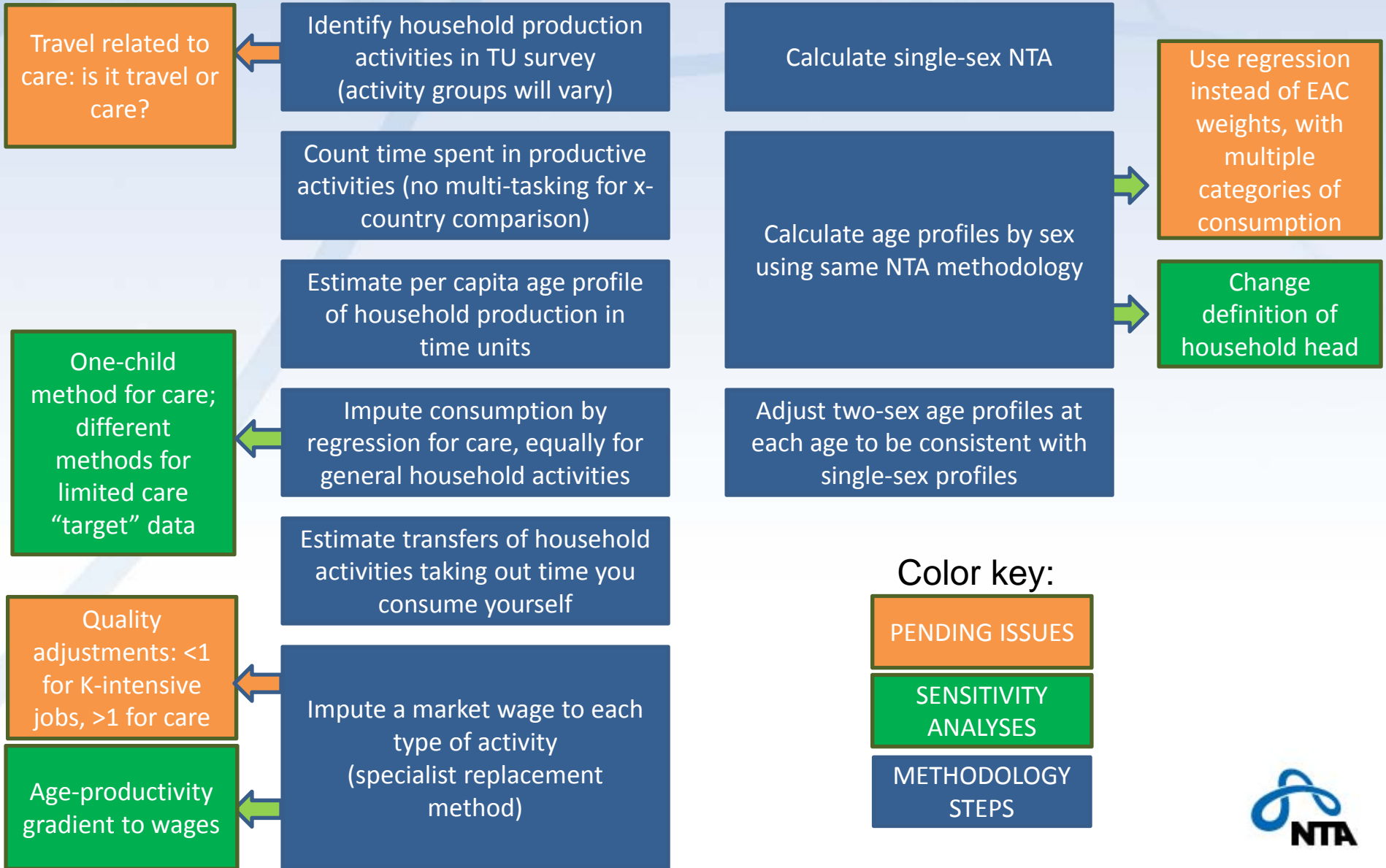
Report card on the gendered economy (preliminary and/or fake examples!)

Open discussion

Gender and the Total Economy

National Time Transfer Accounts

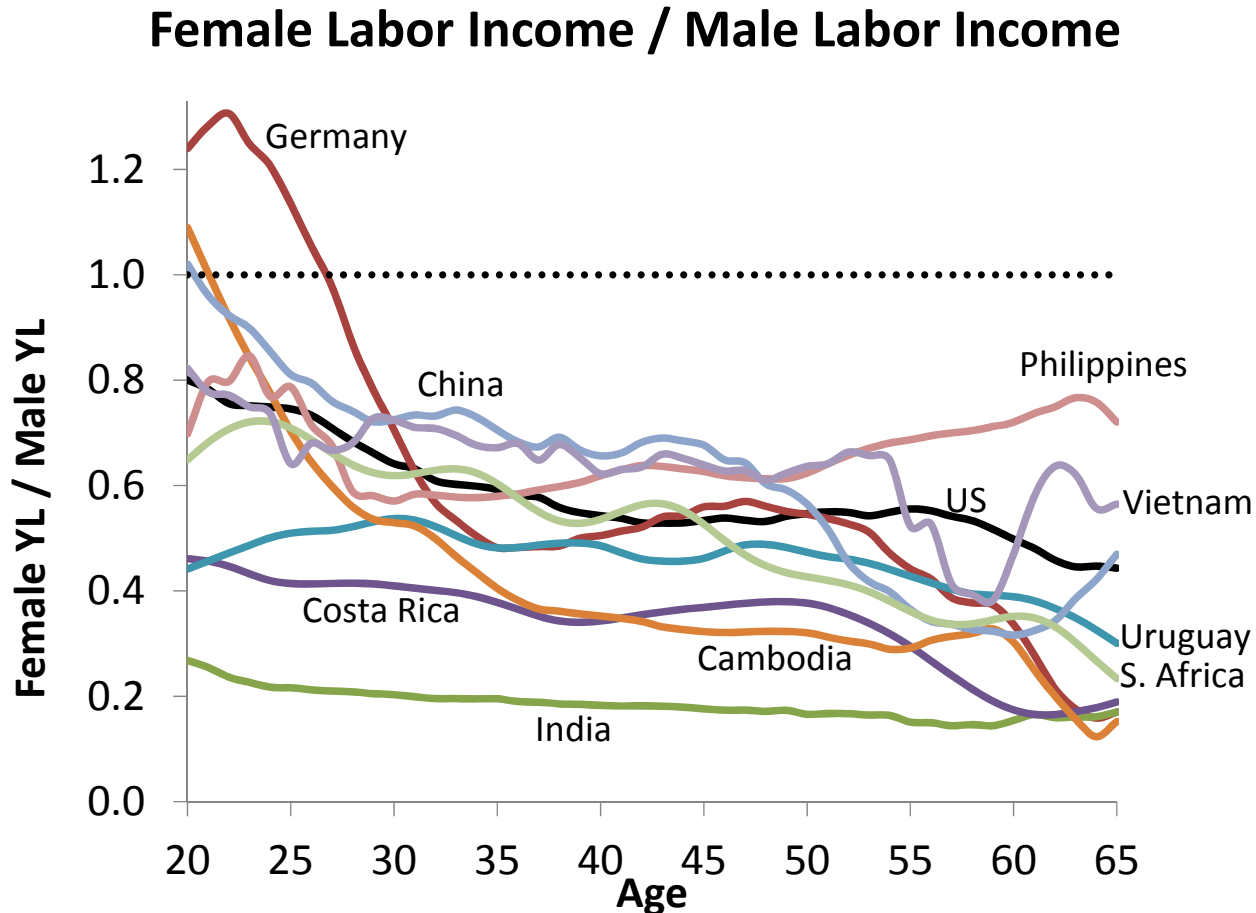
National Transfer Accounts



Gendered economy report card?

- Similar to other gender monitoring report cards, but showing NTA/NTTA strengths
- What are those strengths?
 - Age focus
 - Integration of market and household economies
 - Cross-country comparison
 - Projection with future age distributions
- Major areas
 - Measuring the gendered economy (MGE): Compare to region and world
 - Gender dividend (GD): Potential and costs
 - Human capital investment (HKI): Market and non-market inputs, crowding-out by market and non-market work
 - ??? Others

MGE: What are we earning?



Next step:

Explain with decomposition, but how much is feasible to do across all of our countries?

Basic:

- LFP / hours worked / wage

More complex:

- Educational distribution (for countries with SES estimates)
- Occupation (STEM vs not?)

MGE: What are we doing?

Difference in average hours per week (male-female), by age group

		<u>Working ages</u>		<u>Peak women's work age</u>		<u>Peak men's work age</u>	
		Country	Comparison	Country	Comparison	Country	Comparison
		<u>X</u>	<u>Group</u>	<u>X</u>	<u>Group</u>	<u>X</u>	<u>Group</u>
Age group:		25-55	25-55	26	34	38	40
Total work							
Market work							
Household production							
Housework							
Care							
Non-work							

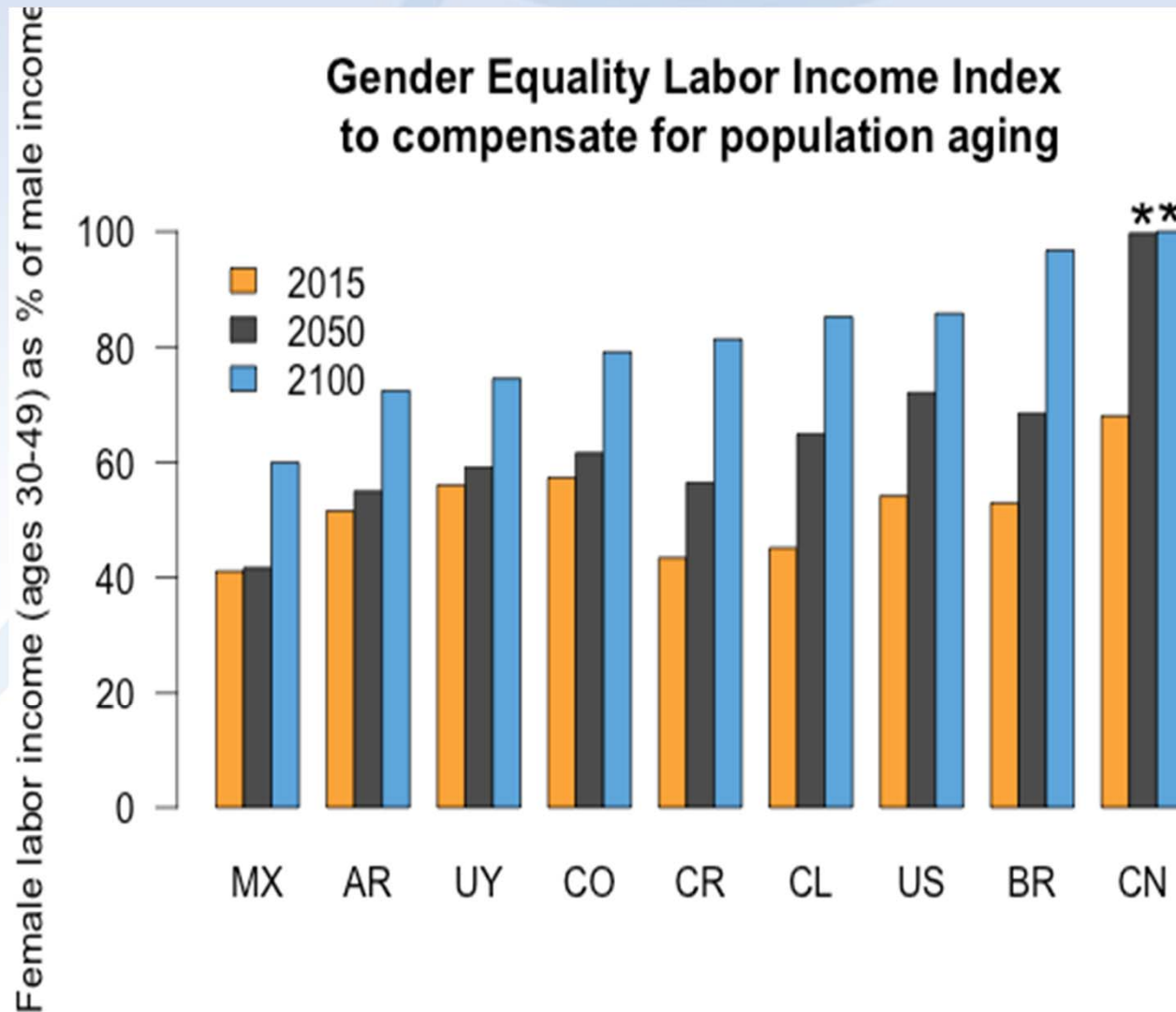
MGE: Earning and doing

Female/male ratio of aggregate production, in time and monetary units

	TIME		MONEY		Time-Money Diff.	
	<u>Germany</u>	<u>US</u>	<u>Germany</u>	<u>US</u>	<u>Germany</u>	<u>US</u>
Market work	0.61	0.72	0.53	0.56	-0.08	-0.16
Household production	1.83	1.66	1.78	1.54	-0.05	-0.12
Total	1.12	1.11	0.89	0.79	-0.23	-0.32

German women are more gender-specialized than US women, but have a lower pay gap relative to time spent

GD 1. How much would alleviate impacts of aging?

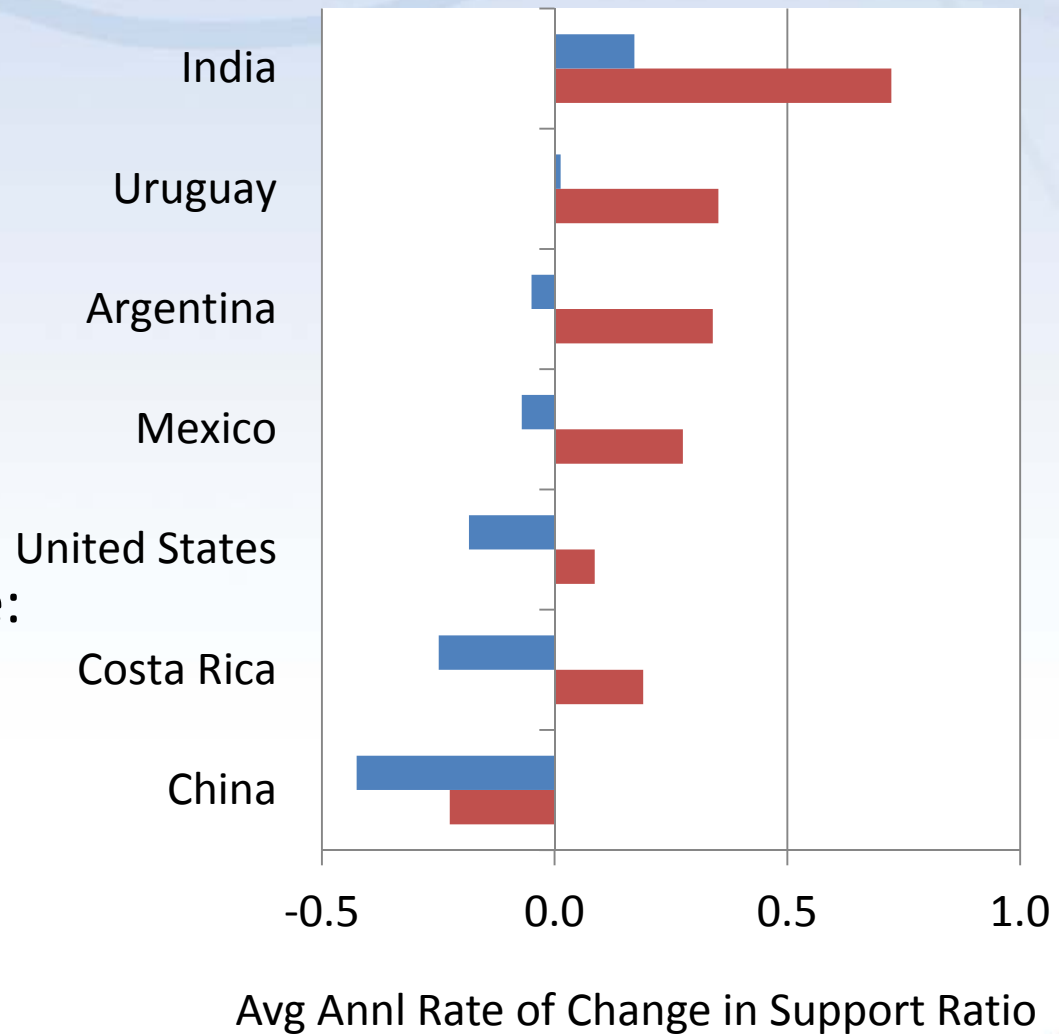


How much of the gap in labor income must be closed to maintain the support ratio at 2015 levels?

GD 2. Another way to think about it...

Change in the support ratio (effective producers per consumers) from 2012 to 2050 if female labor income age profile:

- Remains Constant
- Converges by Half



GD 2. Impacts on time use

- In “GD1” slide, said that if the US gap in aggregate YL went from 0.56 in 2015 to 0.71 in 2050, that would keep the SR constant
- Imagine two ways to reduce the gap:
 - Increase women’s wages: No impact on care economy
 - Increase women’s market time: Would need a 31% increase
- Time use age profiles and population projections show how time use and the care economy would be affected

GD 2. Impacts on time use

Aggregate time (billions of hours)

		2009	Projected 2050	Alternate 2050	Diff 2050
Market economy production:					
	Male	165	201	201	-
	Female	118	139	182	43
	F/M Ratio	0.72	0.69	0.90	
Household economy production (supply):					
	Male	118	163		
	Female	195	260		
	Total	313	423		
Consumption of household production time by total population (demand):					
	Care	70	86		
	Housework	242	335		
	Total	313	420		

31% higher than baseline projection, an additional 43 billion hours, 4.1 hours/week on average (but better to show time age profile...)

Where to find those 43 billion hours?

- Less non-work time for women
- More household production by men
- Less time consumption



Other ideas...

- Care economy report card
 - Additional work to separate market care from NTA age profiles, to combine with NTTA care estimates
 - Include both production and consumption side
 - Care support ratio?
 - Would be nice to get the market care age profiles in time units as well, then could compare/contrast differences in profiles when changing units

Other ideas...

- Care economy report card (cont.)
 - Who produces care?
 - By age, sex, other characteristics
 - In the market vs household
 - Who consumes care?
 - By age, sex, other characteristics
 - In the market vs household
 - What does the future of care look like?
 - Project unchanging profiles forward
 - Project forward on scenario basis of possible change