Time Use Data STEG Virtual Course on "Data in Macro Development"

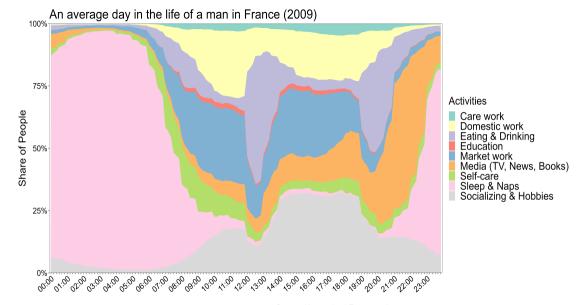
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June 21, 2024

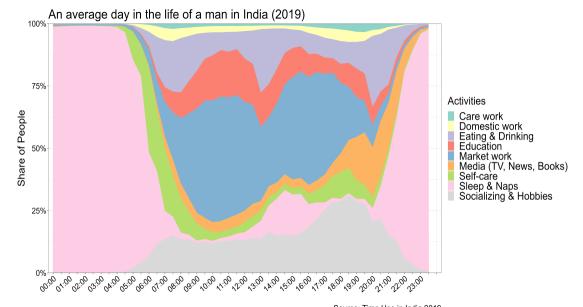
Introduction

- ▶ Human life is finite. Average life expectancy today is 71 years.
- ▶ Life time budget amounts to 621'960 hours.
- ▶ Time-use surveys (TUS) provide a complete account of all human activities and
- ... can help us understand how we spend our time budget!
- ▶ Used for the study of behavioral trends in sociology, public health, economics, ...

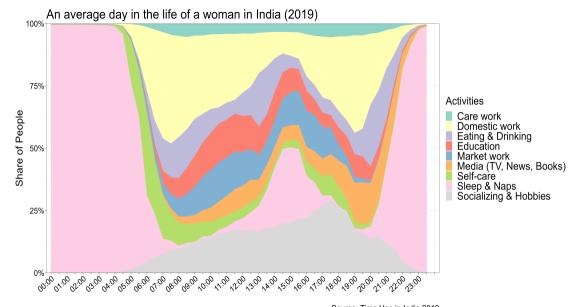
Today: Time Use data for Macro Development.



Source: Harmonised European time use surveys



Source: Time Use in India 2019



Source: Time Use in India 2019

Introduction: Policies

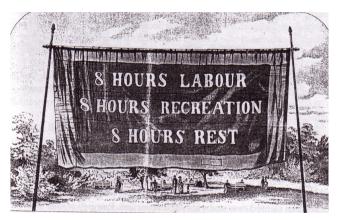
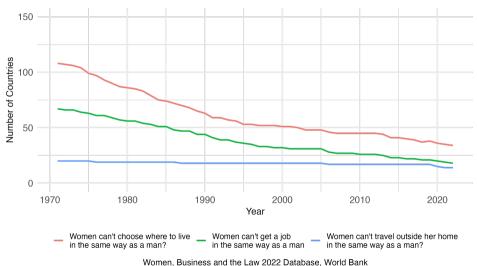


Figure: Political manifesto in the 18th century

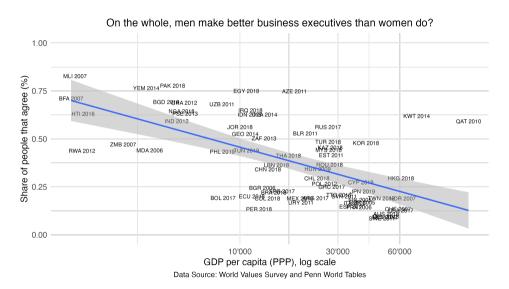


Figure: Poster for a popular vote in Switzerland. 1920.

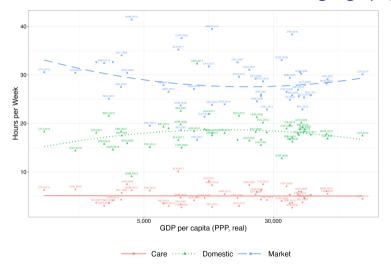
Introduction: Legal barriers



Introduction: Social norms



Introduction: Hours worked across countries: Working Age population



Outline

- 1. Measurement
- 2. Evidence
- 3. A Model of Time Use
- 4. Conclusion

Measurement

Measurement: Time use survey data is the future

- ► International Committee for Labour Statistics (ICLS)
- ICLS 13 (1982) "attempts should be made to collect periodically statistics on time-use".
- ICLS 19 (2013) Recommendation to measure non-market work and provide estimates of total working time.
 - → Time Use Surveys (TUS) will become a standard survey type.
 - Policy goals set by United Nations
 - ▶ **SDG 5.4.1:** Proportion of time spent on unpaid domestic and care work, by sex, age and location
 - ► **Gender Indicators I.1:** Proportion of time spent on unpaid domestic and care work, by sex, age and location
 - ► **Gender Indicators I.2:** Average number of hours spent on total work (paid and unpaid), by sex
 - → TUS are used to inform policy.

Measurement: Structure of time use surveys

- ► Three questionnaires:
 - Demographic
 - Work
 - ► Time diary of one (up to three) days
- ► Information on *all activities* carried out during a short (24h) reference period.
- Duration and timing of their different activities in sequence throughout the day(s) of the reference period.
- Context of the activities, i.e., "where" the activities are performed, "with whom" and "for what purpose".



Measurement: Diary Types

Attribute	Full Diary	Light Diary	Household Survey	
Reference period	Day	Day	Week	
Diary duration	24 hours with 10/30	24 hours with 10/30	-	
	min intervals	min intervals		
Reporting	Open ended, coded	Specific activities ($pprox$	Few specific activities	
	ex-post	25)		
Activity	Primary & secondary	Primary & secondary	Not specified	
Examples	France EET 2009,	Serbia TUS 2010,	LATAM and LSMS	
	Ghana TUS 2009	Cambodia LSMS		
		2019		

Measurement: Data Sources

- National Statistical Offices (NSO)
 - Albania Time Use Survey, 2010 Link to dataset
 - Ghana Time Use Survey, 2009 Link to dataset
 - Marocco Enquête Emploi du Temps, 2012 Link to dataset
- ► Multinational Time Use Survey (MTUS); Centre for Time Use Research (CTUR)
 - Own activity classification based Szalai and Gershuny see Gershuny et al. [2020]
 - Historical coverage for EU and anglo-saxon countries
 - Middle / high-income countries.
- ► Harmonized European Time Use Survey (HETUS)
- Harmonized World Time Use Survey (HWTUS)
 - Covers countries at all income levels [Gottlieb et al., 2024]
- ► UN Gender Indicators Aggregates

Measurement: Activity Classifications

- Diaries provide a full account of human activities.
- Existing activity classifications
 - Classification of Time-Use Activities for Latin America and the Caribbean (CAUTAL) developed by CEPAL
 - ► Activity Coding List (ACL) developed by Eurostat
 - Activity Coding Lexicon (ACL) developed by U.S. Bureau of Labor Statistics
 - International Classification of Activities for Time-Use Statistics (ICATUS) developed by United Nations Statistics Division.
 - ▶ Different level of granularity 1/2/3 digits.
- ▶ Made to account for local customs Example: sauna, own-use production, ...
- ► ICATUS best suited for cross-country studies ← Macro Development
- ▶ Reference: Jacques Charmes . 2015. *Time Use Across the World: Findings of a World Compilation of Time Use Surveys.* New York. [Link]

International Classification of Activities for Time-Use Statistics (ICATUS)

Activity	Type of work	Definition	ICATUS (1d)	National Accounts
Work		Activities that can be delegated to a third party		
	Market	Production of goods and services destined to the market Production of goods for own final use	1 2	Y Y
		Production of services for own final use (non-market work)		
	Services	- Domestic services	3	N
	Care	- Household and family members	4	N
		- Others (incl. volunteering and community work)	5	Ν
Non-work	activities			
Education		Education and related activities	6	
Leisure		Socializing, community participation and religious practice	7	
		Culture, leisure, mass-media and sports practices	8	
Self-care		Activities for self-care and maintenance (sleep, food, cleaning)	9	

Work vs Non-work : Third party criterion − Marshall and Marshall [1879] Reid [1934]

Measurement: Mapping time use to national accounts

The System of National Accounts (2008) is a statistical framework that provides accounting rules for the measurement of macroeconomic accounts [Nations et al., 2009]

Production boundary encompasses all production actually destined for the market whether for sale or barter \leftarrow **ICATUS 1 and 2.**

- Includes all production of goods for own use but not services for own use.
- Key distinction: decision whether goods are to be sold or retained for own use can be made after its production.
- Example: Collecting firewood and water, subsistence farming.

General production boundary includes services produced for own use by households. \leftarrow **ICATUS 1 to 5.**

▶ Development of satellite accounts for home production – see Bridgman [2016]

Measurement: Leisure

- Leisure is an important component of welfare.
- ► Time series evidence by Aguiar and Hurst [2007] Ramey and Francis [2009]
- Patterns of leisure depend on treatment of care activities.
- Measures differ slightly due to disagreement on classification of:
 - Childcare
 - Help and care for other adults
 - Pet care
 - Meals and breaks during work.
- Promising alley for research: measurement of leisure and welfare across countries.

Measurement: Some strengths and weaknesses

Strengths

- Shorter reference period.
- ▶ Reporting is consistent with full day length.
- Distinction between primary and secondary activity.

Weaknesses

- ▶ Most TUS don't have a panel component.
- ► Sample sizes smaller than labor force surveys.
- ▶ Diaries are recorded for few household members.

Evidence

Evidence:

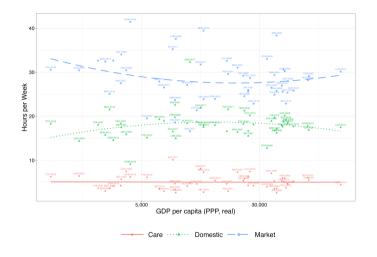
Cross-country

- ► Market hours Bick et al. [2018]
- ► Gender gaps Chiplunkar and Kleineberg [2023]
- ► Home hours Bridgman et al. [2018]
- ► Total work and gender gaps Gottlieb et al. [2024]

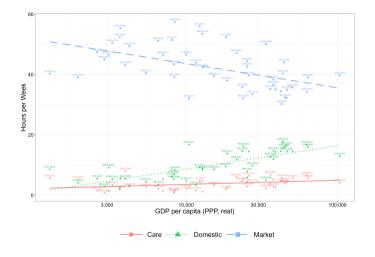
US time series

- ▶ Leisure Aguiar and Hurst [2007] Ramey and Francis [2009]
- ► Home hours Greenwood et al. [2005]
- ► Women's work Ngai et al. [2024]
- ▶ Inequality Boerma and Karabarbounis [2021]
- ► Productivity of home production Bridgman [2016]

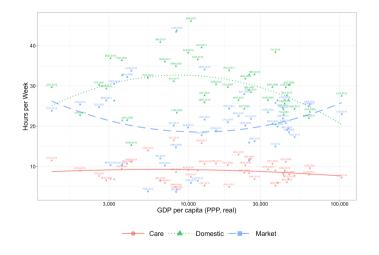
Evidence: Gender Division of work



Evidence: Gender Division of work



Evidence: Gender Division of work



- ▶ Income effect : Income growth reduces hours worked Boppart and Krusell [2020]
- ► Taxes : Affects incentives to work Rogerson [2024]. Joint taxation Bick and Fuchs-Schündeln [2017]
- ► Structural Transformation : Ngai et al. [2024], Chiplunkar and Kleineberg [2023]
- ► Marketization : Increased demand for services raises labor demand for women's work who have a comparative advantage in services Ngai and Petrongolo [2017]
- ► Appliances: Labor saving technology Greenwood et al. [2005]
- ► Institutional factors : Wedges Gottlieb et al. [2024]

Standard Labor supply model. A representative household has preferences over consumption and leisure – MaCurdy [1981]

$$U(C_m, L_m) = \frac{C_m^{1-\sigma}}{1-\sigma} - D \frac{L_m^{1+1/\phi}}{1+1/\phi}$$

where σ and ϕ are CRRA and Frisch elasticity of labor supply. D the valuation of market goods relative to leisure. Her budget constraint is

$$C_m = (1 - \tau) w L_m$$

where τ is a labor income tax and w the hourly wage.

$$L_m^{1/\phi+\sigma}=rac{1}{D_m}\left((1- au)w
ight)^{1-\sigma}$$

Hours worked depend on

- ► Hourly wage (w)
- ightharpoonup Taxes (τ)
- ightharpoonup Disutility of market work (D_m)

Parametrization: $\sigma=1.1$; $\phi=1.5$; D_m so that hours are 45 at intercept.

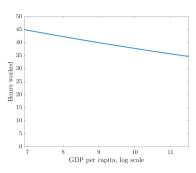


Figure: MaCurdy preferences

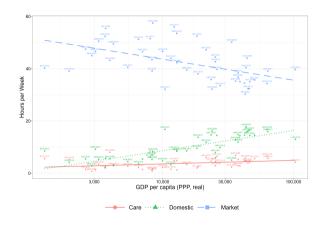


Figure: Hours worked of married women

This simple framework broadly fits aggregate patterns of hours worked

- ▶ Over time Boppart and Krusell [2020]
- ► Across countries Bick et al. [2018]
- ► Across high-income countries Prescott [2004] Rogerson [2024]

A lot of cross-country heterogeneity is unexplained

- ▶ Match the cross-country heterogeneity using D_m .
- Little to learn from attributing difference to a single preference parameter.
- → Alternative model with choice of time use.

A model of time use. Introduce a non-market service C_n .

$$U(C_m, C_n, L_m, L_n) = \frac{\left(C_m^{\frac{\varepsilon-1}{\varepsilon}} + BC_n^{\frac{\varepsilon-1}{\varepsilon}}\right)^{\frac{\varepsilon}{\varepsilon-1}(1-\sigma)}}{1-\sigma} - D_m \frac{L_m^{1+1/\phi}}{1+1/\phi} - D_n \frac{L_n^{1+1/\phi}}{1+1/\phi}$$

where C_m are market goods and services. ε is the elasticity of substitution. Each activity generates disutility which is additively separable. Her budget constraint reads:

$$C_m = (1-\tau) w L_m$$

Production function for non-market services

$$C_n = zL_n$$

where z is non-market productivity and L_n hours.

Choice of time use across activities:

$$\left(\frac{L_m}{L_n}\right)^{1/\phi+1/\varepsilon} = \frac{\left(\left(1-\tau\right)w\right)^{\frac{\varepsilon-1}{\varepsilon}}}{B(z)^{\frac{\varepsilon-1}{\varepsilon}}} \frac{D_n}{D_m}$$

Hours worked:

$$L_m^{1/\phi+\sigma} = \frac{\left(\left(1-\tau\right)w\right)^{1-\sigma}}{D_m} \left[1 + \frac{B(z)^{\frac{\varepsilon-1}{\varepsilon}}}{\left(\left(1-\tau\right)w\right)^{\frac{\varepsilon-1}{\varepsilon}}} \left(\frac{L_n}{L_m}\right)^{\frac{\varepsilon-1}{\varepsilon}}\right]^{\frac{1-\sigma\varepsilon}{\varepsilon-1}}$$

Hours worked depend on

- ► Hourly wage (w)
- ightharpoonup Taxes (au)
- ightharpoonup Disutility of market work (D_m)
- ightharpoonup Disutility of non-market work (D_m)
- ► Non-market productivity (z)
- ▶ Preference for non-market services (*B*)

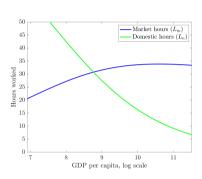


Figure: Time use model

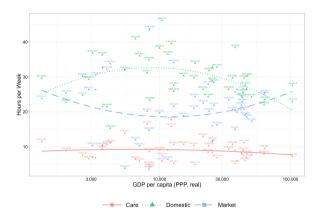


Figure: Hours worked of married women

Parametrization: $\sigma=1.1$; $\phi=1.5$; D_m ; $\varepsilon=2$; $D_n=D_m/2$; B=2, z=400.

Conclusion

Time Use data provides a detailed account onto human activities.

► Focusing on work, we document lots of heterogeneity both across countries and across groups (gender) within countries.

▶ A simple model of time-use generates patterns of time use across country income levels that are broadly consistent with the data.

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