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Women and men, consumption and production over the life course. An unequal relationship

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A significant difference still exists in Spain between the productive activity of men and women. While men devote the larger part of their active life to paid work, women spend more time caring for children and elderly dependents, as well as running the household. This study presents the profiles by age, of consumption and paid and unpaid production differentiated by sex. The results clearly manifest the importance of care tasks and unpaid activities for people's wellbeing, along with the need to rethink the system of public and social policies with the aim of reducing the costs of reconciling family life with work. This need is evident in the case of women, who, when they are mothers, see a considerable increase in their total working hours and, in many cases, are excluded from the protection represented by being in paid employment.

1. Introduction

Men and women work inside and outside of the labour market with different intensity. While men devote the large part of their active life to paid jobs in the market, women spend more time caring for children and elderly dependents and running the household: all unpaid activities. Although it is true that the situation has changed considerably in recent decades and increasing numbers of women have been entering paid employment outside of the household,

the gap in Spain with respect to time spent on household domestic tasks by men and women continues to be one of the largest in Europe. This pattern has an impact on everyone's wellbeing.

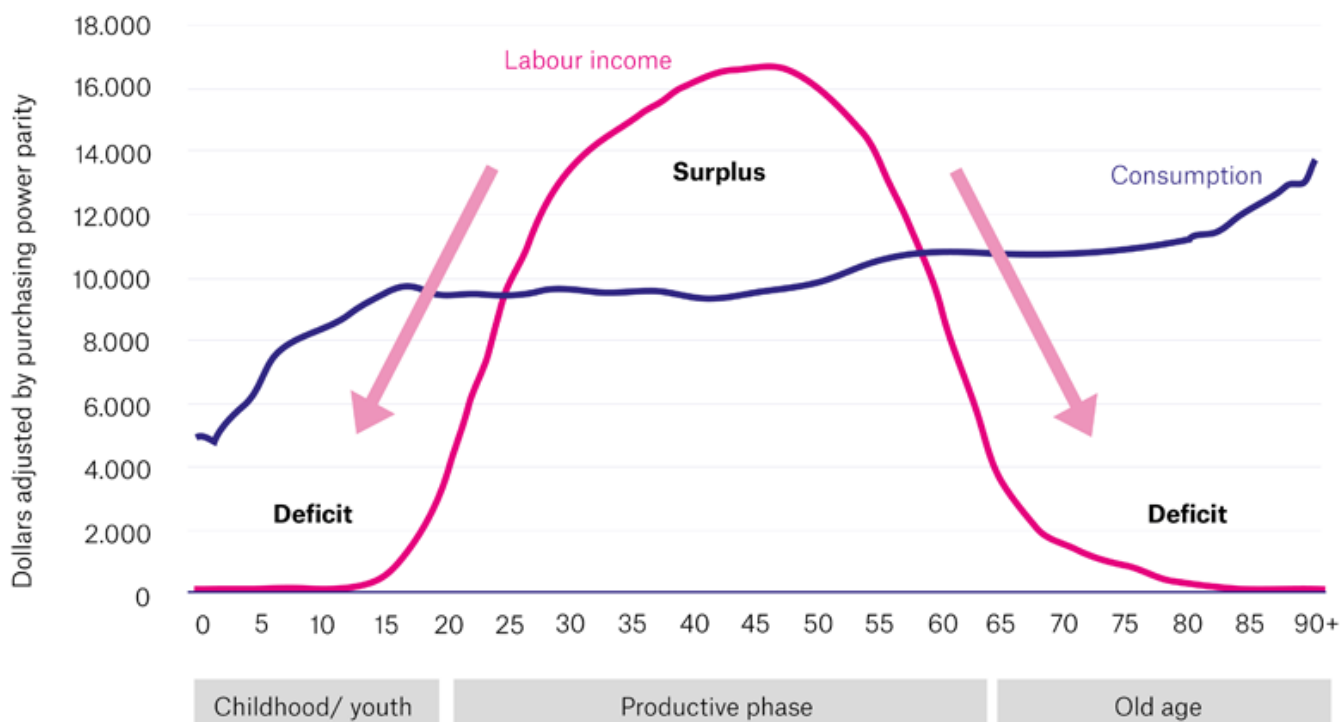
Moreover, depending on age we have different needs, which make transfers of resources necessary between individuals of different ages. Thus, for example, during childhood and old age, individuals do not have the capacity to produce the resources to cover their needs and so require transfers (of money as well as of attention and care) from other age groups. These transfers can be articulated in various ways: through the family, the public sector, or the market itself, especially in the case of elderly people, who may save as they work in order to consume at a later stage.

In this study we analyse the flows of resources (monetary and non-monetary) taking place in society and we take into account two perspectives: age and gender. For this, we construct profiles by age of consumption and production in Spain, both for paid and unpaid activities, and for men and women separately. The results reveal important gender-based differences since unpaid work, such as looking after the house and taking care of relatives, is mainly carried out by adult women; in contrast, the presence of men is higher in paid productive activities. Also, the productive profile by age is also different for men and women: men enter the labour market earlier (and with higher pay) and leave it later, while women participate earlier and for a longer time in domestic production. Consequently, we conclude that a concept of economic dependency that only contemplates the monetary factor is clearly incomplete, as it does not consider the rest of the productive activities undertaken mainly by women.

2. National transfer accounts

As we have pointed out, over the course of the life cycle, people go through different life phases with diverse needs. Thus, although they need to consume and satisfy their needs over their entire life course, it is only while they are of working age that they have the capacity to generate monetary resources. For this reason transfers of resources take place between individuals of different ages (inter-generational transfers). The size and composition of these transfers determine, to a large extent, the wellbeing of people and of society in general.

Graph 1. **Diagram of the Life Cycle Deficit**



Source: Average of 23 countries (Austria, Brazil, Chile, China, Costa Rica, Finland, Germany, Hungary, India, Indonesia, Japan, Kenya, Mexico, Nigeria, Philippines, Slovenia, South Korea, Spain, Sweden, Taiwan, Thailand, United States, Uruguay) elaborated by the authors based on data published on the website of the NTA project (www.ntaccounts.org).

The National Transfer Accounts (NTA) methodology allows profiles of different economic variables (consumption, market production, public and private transfers given and received, among others) to be constructed by age in a way that is consistent with the National Accounts. Graph 1 presents the profile by age of consumption and the average labour income per capita of a set of countries from the NTA project representing different regions of the world. By labour income we mean any remuneration received as a salaried or self-employed worker, while consumption reflects the monetary value of all the goods and services consumed, both public and private.

Over the course of the life cycle, two perfectly differentiated phases can be observed where what is known as the Life Cycle Deficit (LCD) occurs, i.e., phases where consumption exceeds labour income. This occurs from birth up to the age of 24 years and from the age of 59 years onwards. In contrast, between 25 and 58 years of age, the situation is one of surplus (labour income exceeds consumption). Thus, mechanisms have to exist that allow transfers of resources from ages with a surplus to individuals with a deficit. These are basically three: 1) private transfers that arise basically within the family sphere, such as from parents to children

to cover their different needs (housing, food, etc.); 2) public transfers made by the State, for example, by providing services such as health, education or pensions for citizens and that it finances through the collection of taxes and social security contributions; 3) individuals can also resort to the assets markets to redistribute their labour income over the course of their life cycle. Thus, for example, individuals can save and accumulate assets during the surplus phase to use them at a later stage during old age, or alternatively take out loans to attend to their current consumption needs and pay them back subsequently.

The data used to estimate the NTAs in the case of Spain come mainly from two household surveys: the Survey on Living Conditions and the Survey on Family Budgets. The information contained in these – complemented with information on public provisions – makes it possible to construct profiles by age of consumption and labour income (similar to those shown in Graph 1), as well as other measurements such as public monetary transfers and private monetary transfers that take place between the members of a single household and between different households. These profiles are adapted to the aggregates of the National Accounts in such a way as to be consistent with them (Lee and Mason, 2011).

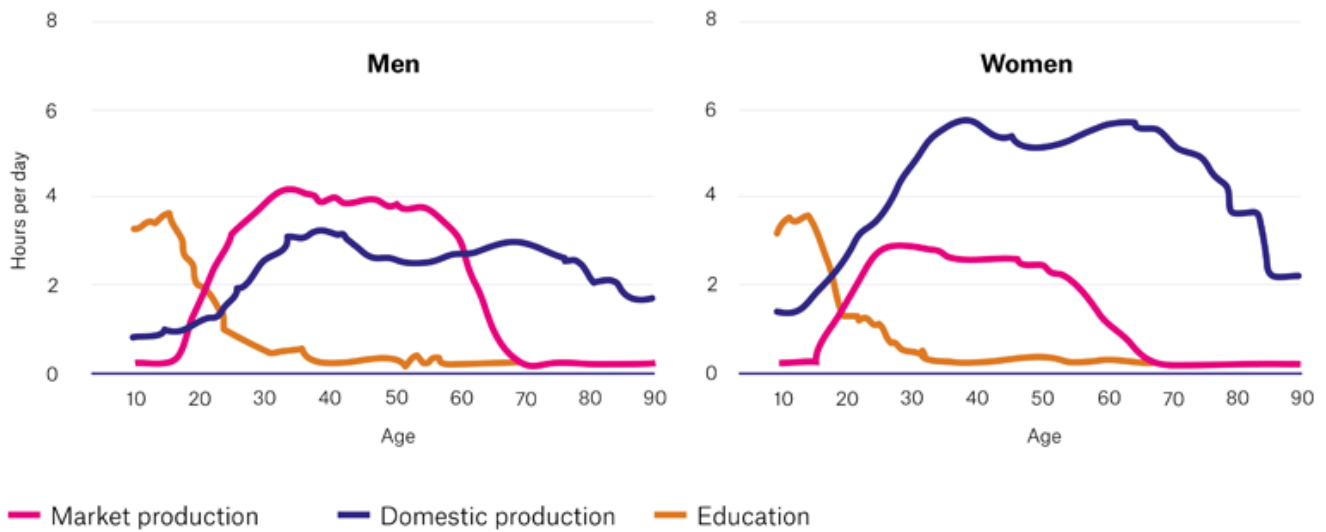
3. Gender differences in paid and unpaid production

In addition to monetary transfers, individuals also depend on other resources that may not be provided through the market, and therefore, are unpaid. This is the case of housework, childcare and looking after ill or elderly people, as well as different volunteering tasks. These kinds of activities are largely carried out by women, but since they are not provided via the market, they are unpaid and for this reason they do not appear as accounted for in the National Accounts. With the aim of including them in the analysis and raising the visibility of women's real contribution to the economy, this study expands the NTA method to incorporate activities not registered in the market, in other words, household domestic production. This methodological extension, called National Time Transfer Accounts, NTTA), has been developed within the context of the project Counting Women's Work (CWW). For this, we use the Survey on the Use of Time (*Encuesta sobre el Empleo del Tiempo*, EET), produced by the INE (Spanish Statistics Institute) in 2009-2010. In this survey, through the use of diaries, each interviewee records the tasks carried out during the day. Thanks to these types of surveys, there has been a significant increase in studies on unpaid productive activities (Folbre, 2004).

Unpaid household domestic work, despite its social and economic importance, is not included in the National Accounting. The National Accounts System (*Sistema de Cuentas Nacionales*), which establishes common standards for the calculation of the national income, considers as productive activities only those carried out through transactions in markets, thus excluding other sources of resources that are very relevant with regard to their contribution to individual and social wellbeing, such as household domestic activities and the attention and care of children and dependent persons. In consequence, the value of the total production of the economy is underestimated, particularly the value of the production contributed by women, who are mainly responsible for the unpaid part (Waring, 1999).

However, accounting for unpaid production is not simple. Firstly, it is important to determine which unpaid activities are productive, In our study we use the “third person” criterion, which identifies as a productive activity one that can be carried out by a third person and, therefore, could be managed via the market. Thus, for example, eating is not a productive activity, as nobody else can do it for us; however, cooking is a productive activity, because it would be possible to hire a cook or alternatively pay to eat at a restaurant. Subsequently, once the number of unpaid hours of production has been estimated, they are assigned a monetary value with the aim of making them comparable to paid activities. Our results take the market salary of domestic services professions (replacement cost criterion) which may be very much lower than the salary paid to the person carrying out the work (opportunity cost criterion).

Graph 2. **Time devoted by men and women to education, to market production and to domestic production in Spain**



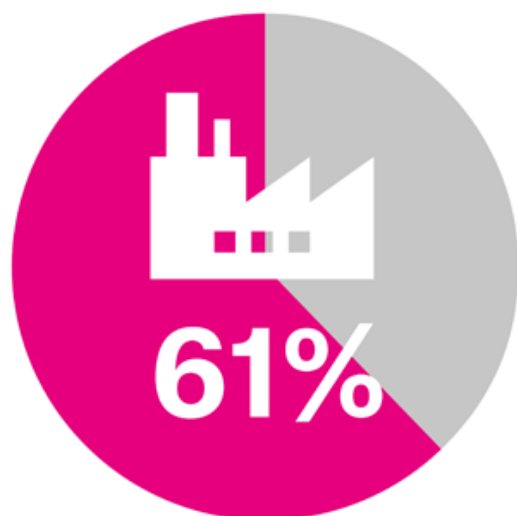
Sources: Calculations by the authors based on the NTA and EET corresponding to 2009-2010.

The EET allows us to construct a profile by age of hours devoted to paid (labour market) and unpaid (household work) production according to age and sex, as shown in Graph 2. In it we observe that up to the age of 18-20 years approximately, young people devote the largest part of the time to education, and that gender differences are not highly relevant. In adult age, men and women devote their time to productive activities. Clearly, men concentrate on paid activities while women devote less time to working in the market and more than double the time that men devote to domestic production. It is worth highlighting that, once the age of retirement is reached, paid production disappears in both men and women alike, while domestic production, although it declines in both cases, continues to be much higher in the case of women.

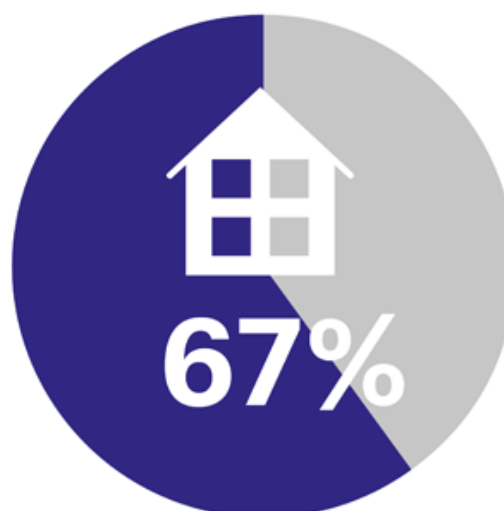
On average, women in Spain work 1.1 hours more per day than men, although in the main part they do so in activities for which they receive no economic compensation and they therefore lie outside the protection represented by being in paid employment.

If all types of activities (paid and unpaid) are taken into account, Spanish women aged between 21 and 65 years work on average 1.1 hours more per day than men. This result is not repeated in other countries in Europe, where men and women work a similar number of hours in total, although women are also more specialised in unpaid activities (Hammer *et al.*, 2015). This inequality could be one of the consequences of the lack of development in Spain of public provisions for childcare services and long-term care for people in a situation of dependency. The country has experienced a rapid and important change towards a dual income economic model, where both members of the couple work full days – the employment rate for women increased from 34.5% in 1992 to 53.8% in 2013. However, female labour income is significantly reduced by having children, and this is due above all to their withdrawal from the labour market, with temporary interruption being less frequent (Anxo *et al.*, 2007). This fact leads to the precarious status of women as workers outside of the market, lacking protection and regulation (Durán, 2010).

Graph 3. **Distribution of market and domestic production between men and women**



61% of market production in Spain is carried out by men



67% of domestic production in Spain is carried out by women

Source: Calculations by the authors based on estimates from the NTA and the EET 2009-2010.

Graph 3 shows the results of our estimates of the total value of men's and women's production. As can be observed, major inequalities exist: while men are responsible for 61% of market production, women carry out 67% of domestic production. We confirm that the increase in

access to the labour market for women does not necessarily imply gender equality in the household, unless there is culmination of the process of cultural change accompanied by an effort to balance care for the family through public policies.

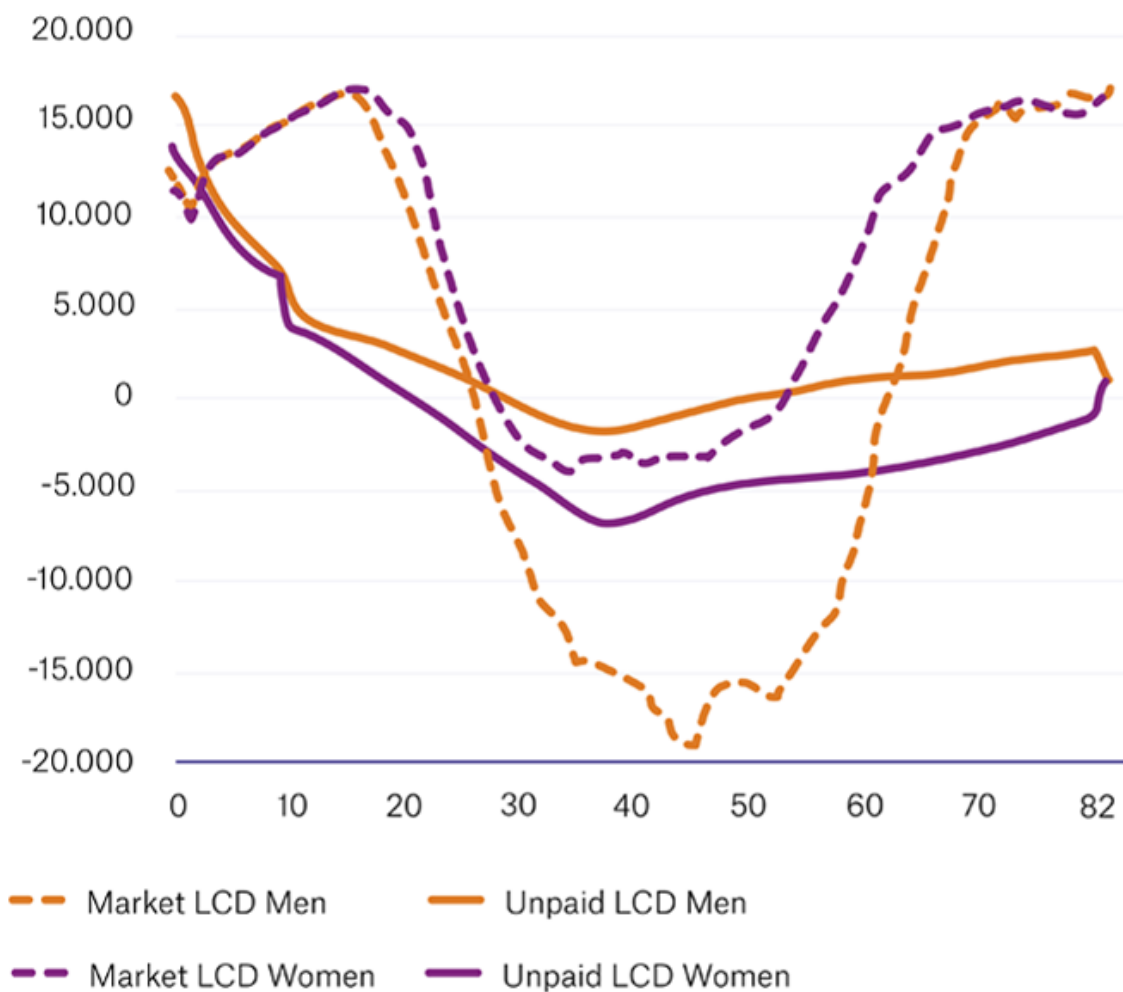
Women are responsible for only 39% of all market production in Spain, but in contrast they are responsible for 67% of unpaid production, fundamentally household work and the care of children and dependent relatives.

Thus, in Spain, the Southern Europe welfare state model predominates, which Saraceno (1994) called “familyism without support”, characterised by a low level of public services to attend to small children and elderly dependents. This is closely related with greater differentials of time observed between men and women in the sphere of household domestic work. In other European countries with better policies for supporting the reconciliation of work and family time, women have a higher participation in the labour market and the possibility of adjusting their family time and their productive time, domestic and market alike.

4. Consumption and production of men and women over the course of their lives

The Life Cycle Deficit (LCD) or difference between consumption and labour income for each age considered by the NTA project does not include activities outside of the market (the services and care received, mainly, from other family members). When introducing these types of unpaid activities, the domestic LCD can be defined as the difference between the consumption of domestic services and their production at each age. Both profiles are shown compared in Graph 4 for men and women in Spain. Note that in the case of the unpaid LCD, the surplus (deficit) is automatically converted into transfers given (received).

Graph 4. **Life cycle deficit of market production and unpaid production, in men and women**



Source: Calculations by the authors based on estimates of the NTA and EET corresponding to 2009-2010.

The profile of the market LCD shows that men start to build up their surplus at slightly earlier ages, which indicates that they enter the labour market earlier and with higher salaries. Meanwhile, in the unpaid LCD, it is women who present a surplus at earlier ages, which is indicative that they provide more care and domestic services than they receive from earlier ages than men (22 years against 28 years). However, due, in part, to the wage of domestic workers used to give a monetary value to these unpaid activities being very low, the market activities of men amply exceed the level of surplus with respect to the activities of women. At advanced ages, it is observed that men start to consume more than they produce in the market at the age of 62 years, whereas the deficit for women starts at the age of 54 years. But again, the

contrary occurs with the unpaid LCD: men start to present a deficit at the age of 49 years, whereas women continue providing more services and care than they receive up to and beyond the age of 80 years.

Spanish women carry out unpaid activities over practically the entire course of their adult life, whereas men do so between the ages of 30 and 50 years (when they are parents of young children).

The graph also shows two especially important results. Firstly, as one would expect, those who consume most domestic activities, and therefore receive most transfers of time, are children, and this need is greater the younger their age. In fact, the value of the care received during the early stages of life is higher than the monetary resources necessary to cover material needs. Meanwhile, adult women are net donators of domestic work and care during practically their entire adult life and up to very advanced ages, whereas men become net receivers before the age of 50 years. Men only present a surplus in their unpaid LCD coinciding with the ages (30-50 years) in which commonly they are parents of young children, which is confirmed when we separate unpaid activities between household activities and care of other family members, since then it can be observed that the majority of the domestic production time of men is concentrated on the care of their children.

5. Conclusions

Although it is difficult to measure individual and social economic wellbeing, it is indisputable that what needs to be taken into account, in addition to level of monetary income, is production outside of the market (household work, care of children and of elderly or dependent persons). If we conclude that this unpaid production is carried out fundamentally by women, a correct analysis would lead us to a new definition of economic dependency beyond purely monetary considerations.

This study shows profiles by age of consumption and of paid and unpaid production, differentiated by gender. The estimates refer to the year 2009-2010 in Spain, as this is the last year for which data from the Survey on the Use of Time (EET) undertaken by the INE are available. This type of analysis is crucial for heightening visibility of the role of women not only as workers in the market, but also in the unpaid work that makes a vital contribution to social wellbeing.

Our results show that women are net donators of unpaid resources (household work and care) to other age groups over the entire course of their adult life. Men, in contrast, are only net donators of these types of resources between the ages of 30 and 50 years, when they are mainly devoted to caring for their children.

However, if the results are considered as a snapshot of the situation observed in 2009-2010, the differentiated patterns between young and older men and women also reflect a change in behaviour between the younger generations in relation with those born over 50 years ago. Moreover, the data refer to a year just at the start of the economic crisis, and we know little about how the crisis has influenced gender roles through changes in productive patterns and the new configuration of public and private transfers.

Our study highlights the importance of care and unpaid activities for people's wellbeing, as well as the need to rethink the system of public and social policies with the aim of reducing the costs of reconciling work and family time. This need is evident in the case of women when they are mothers, as they increase the total number of work hours in a very unequal way with respect to men, and in many cases they are excluded from the protection represented by being in paid employment.

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Clasificación

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