



Household Satellite Accounts in Finland

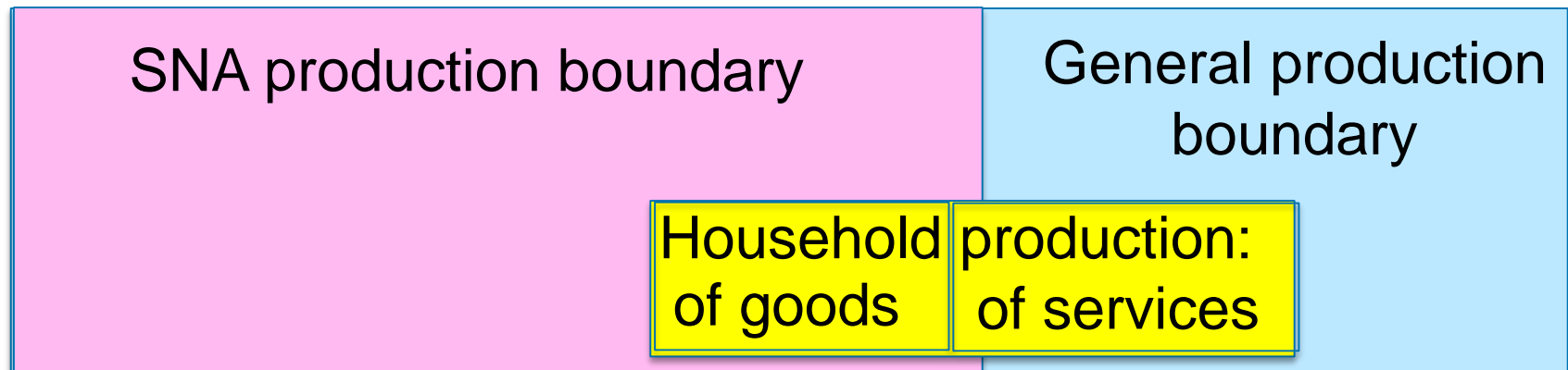
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Household Production (=unpaid household service work)

- Agreement (for various reasons): the SNA production boundary does not include the services produced by household for own consumption



- Household production: third party criteria
- Market producers (calculated from the top to the bottom, including operating surplus) vs. non-market producers (calculated from the bottom to the top, no operating surplus) in national accounts
- Input -method vs. output –method

Two different calculation methods

Output-method

- Comparable to market output (and market prices)
- Theoretically right option
- For example – cleaning (2h):
buying for 35 €/h
= **output 70 €** (HH-production)
- materials and supplies 10 €
= **gross value added 60 €** (GDP)
- consumption of fixed capital 5 €
- wages and salaries 30 € (15 €/h)
= operating surplus/mixed income (25€)
- Challenge: no real data available

Input-method

- Comparable to non-market output
- Starting point: value of work
- For example – cleaning (2h):
time used 2, wage 15 €/h => 30 €
+ consumption of fixed capital 5 €
= **gross value added 35 €** (GDP)
+ materials and supplies 10 €
= **output 45 €** (HH-production)
- (Some kind of) data available (but: the results depend on the chosen wage)
- Does not take into account quality or productivity or changes in those

History of calculations in Finland

- Some calculations already in 1980's and 1990's
- Active participation in work organized by Eurostat at the end of 1990's
 - Varjonen J, Niemi I, Hamunen E, Sandström T, Pääkkönen H (1999). Proposal for a Satellite Account of Household Production, Eurostat Working Papers 9/1999/A4/11: 92.
 - Household production and consumption. Proposal for a methodology of Household Satellite Accounts. (2003) Eurostat.
- Time series since 2001:
 - Co-operation between Statistics Finland and National Consumer Research Centre
 - Data from Statistics Finland, actual calculations done by NCRC, methodological considerations and decisions together
 - Years when either Time Use Survey (TUS) or Household Budget Survey (HBS) has been conducted

HHSA calculations in Finland

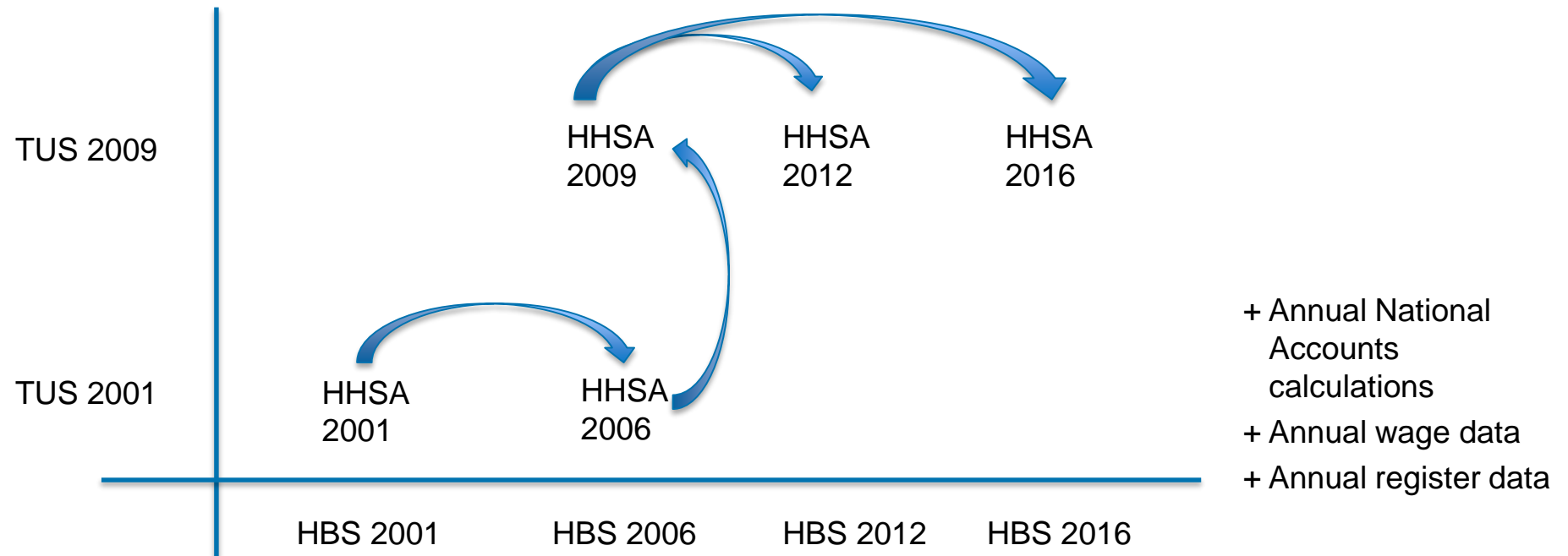
— Methodology

- Input approach = summing up the costs (does not include operating surplus)
- Data from Time Use Survey => valuing unpaid work time by a suitable wage
- Household production: mainly non-SNA, partly in SNA

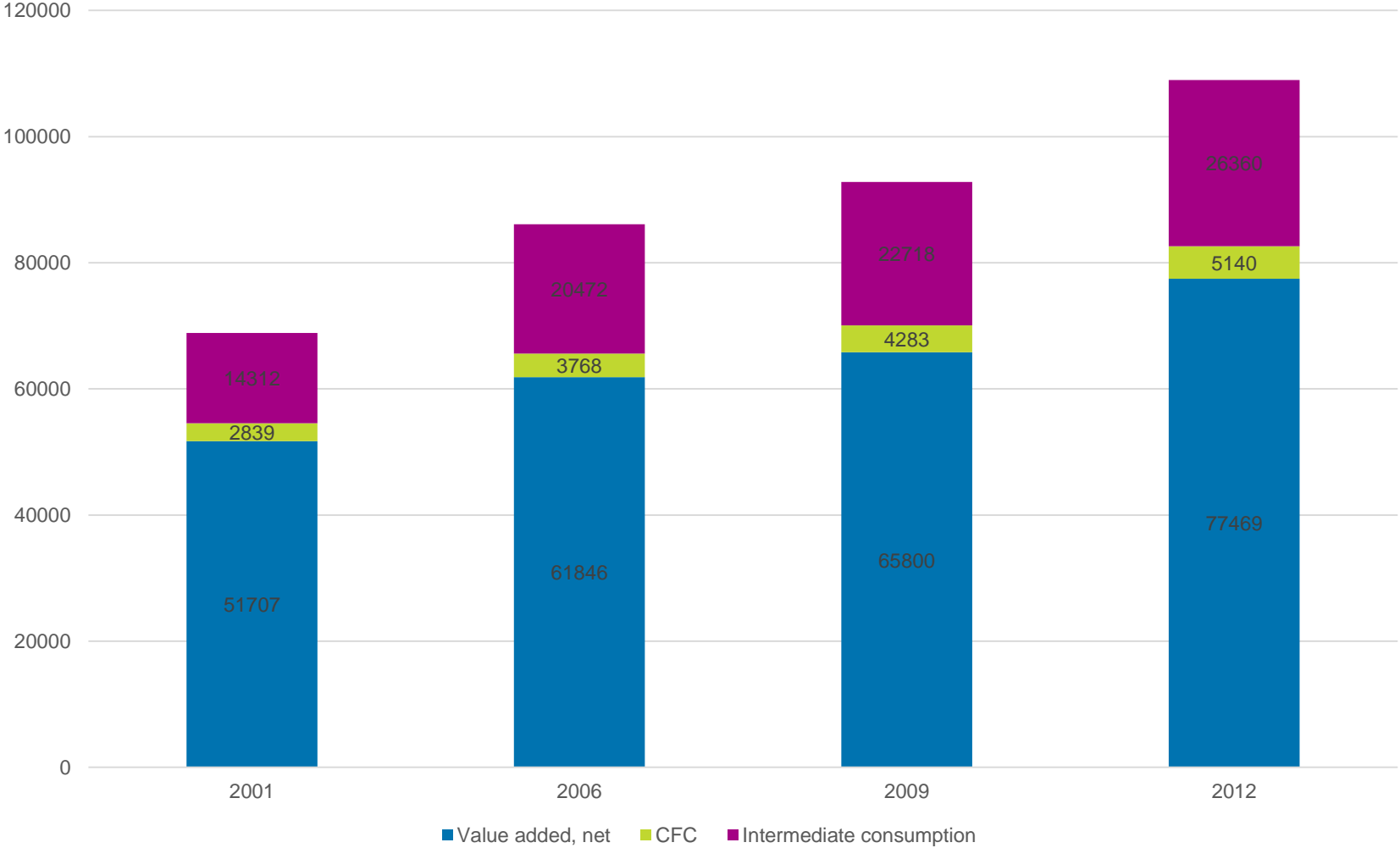
— Main data sources

- Time Use Survey
- Household Budget Survey
- Wage statistics
- National Accounts calculations
- Registers (for example on taxes and social transfers)

Data sources for Finnish calculations



Non-SNA Household Production in Finland 2001, 2006, 2009 and 2012 (million EUR, Finnish model)



The differences between Finnish method and the UNECE manual

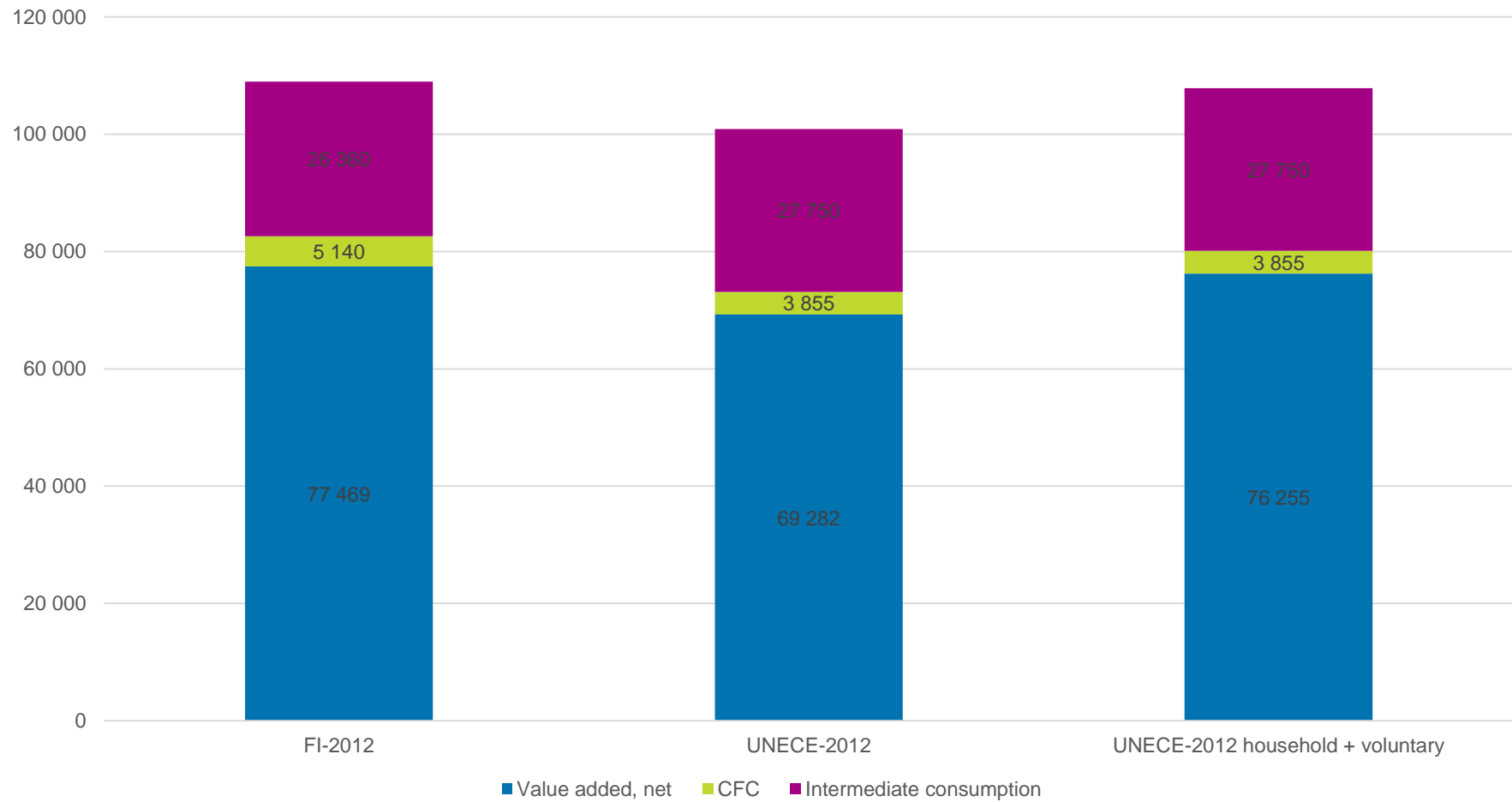
FINLAND

- Household work for 10 and older
- Travel time and management divided for principal functions
- Includes voluntary work and travelling related to that
- Investments include also some semi-durables (like cutlery and dishes)
- Calculations done by household types, not by gender

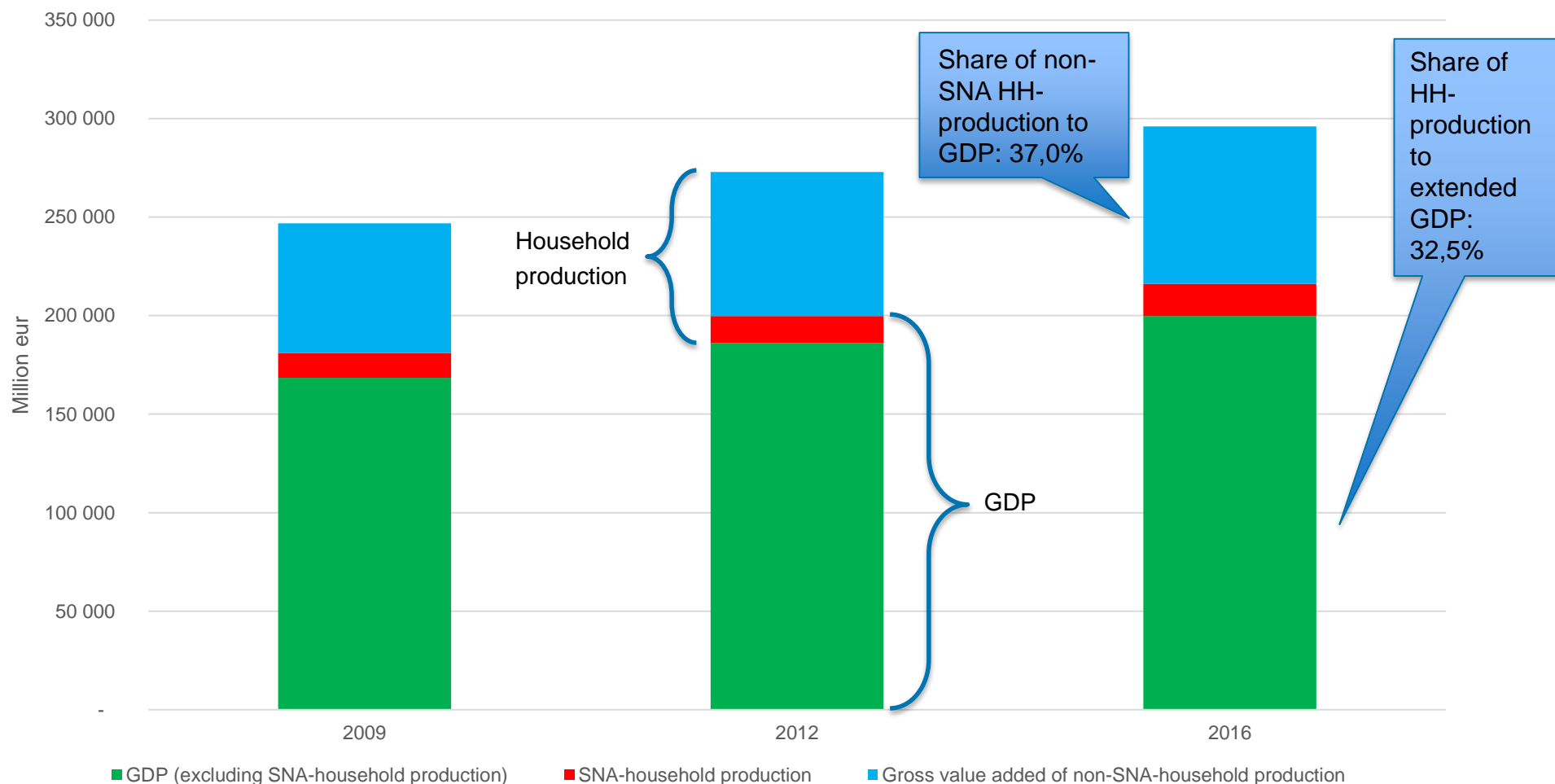
UNECE manual

- Household work for 15 and older
- Travel time and management separately beside principal functions
- Voluntary work and travelling related to that excluded (can be examined separately)
- All semi-durables are considered as intermediate consumption
- Separate calculations for household work for women and men recommended

Value of non-SNA HH-production in Finland in 2012 according to different methods



Extended GDP in Finland (UNECE model)



The future of HHSA in Finland

- The National Consumer Research Centre nowadays part of the University of Helsinki => Statistics Finland has taken the whole responsibility of the satellite (renamed as "Value of Household Production")
- Household Budget Survey 2016 => Household Satellite Accounts calculations 2016 (publication 7th November 2018)
- Time Use Survey planned for 2020 and Household Budget Survey for 2021 => Household Satellite Accounts calculations maybe 2022 and/or 2023?
- Calculations according to UNECE manual (although still according to household types, not according to gender)