



## Household Satellite Accounts in Finland

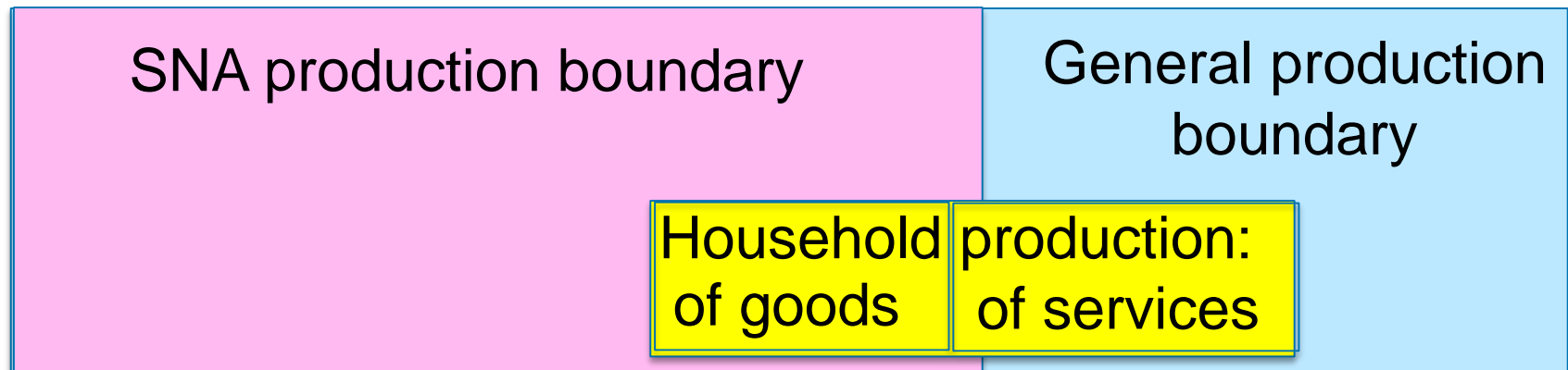
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# Household Production (=unpaid household service work)

- 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

# 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

# Methodology and data used in Finland

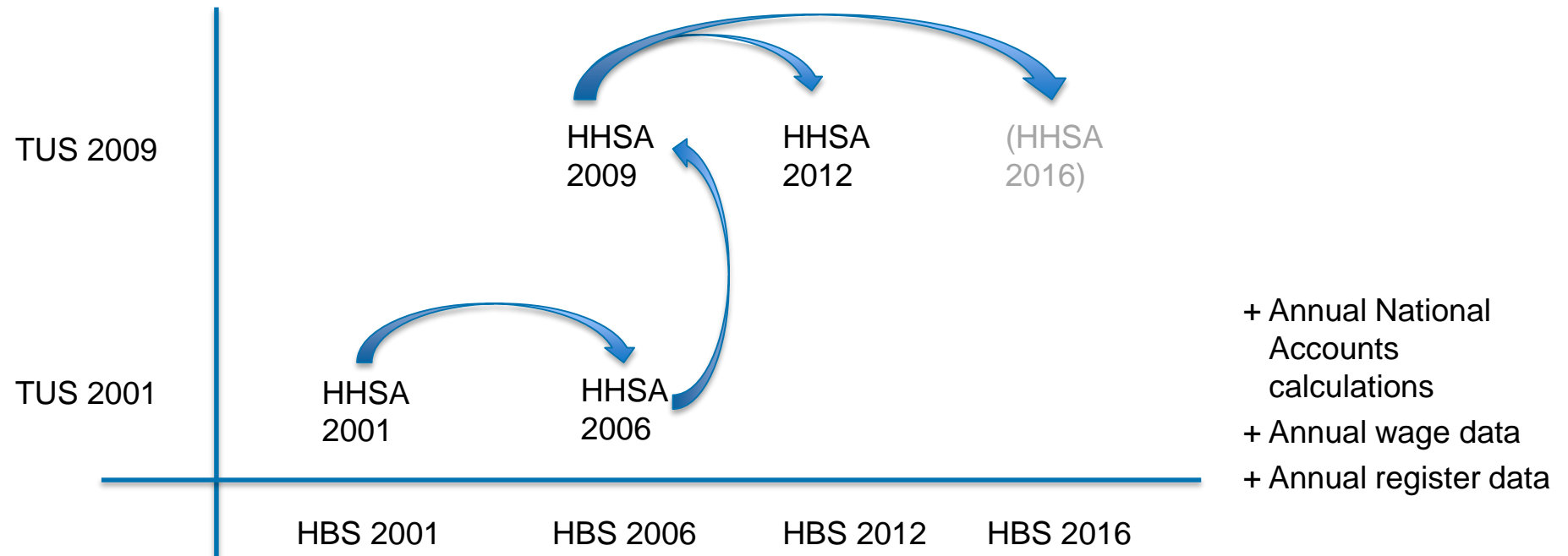
## — Methodology

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

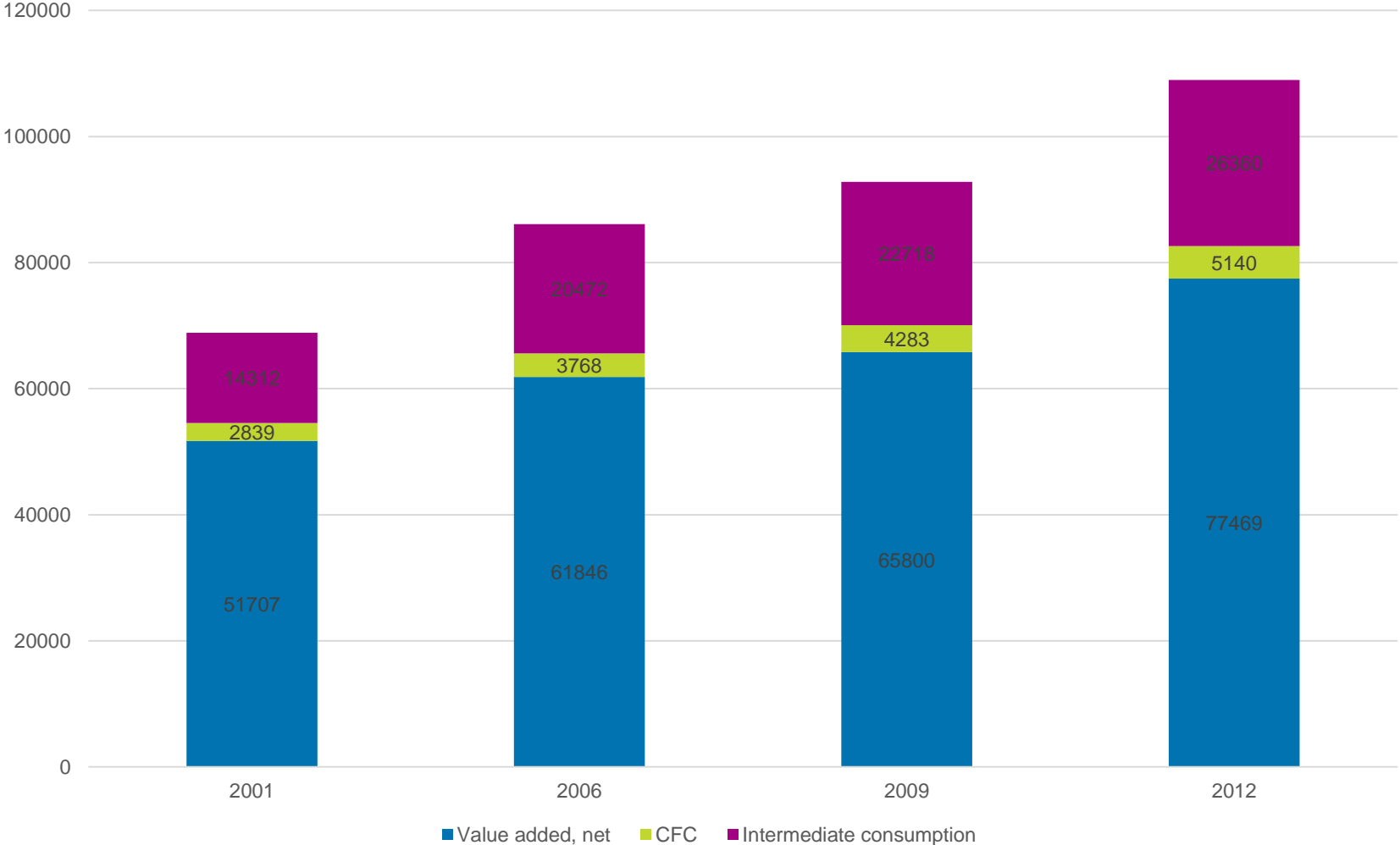
## — Main data sources

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

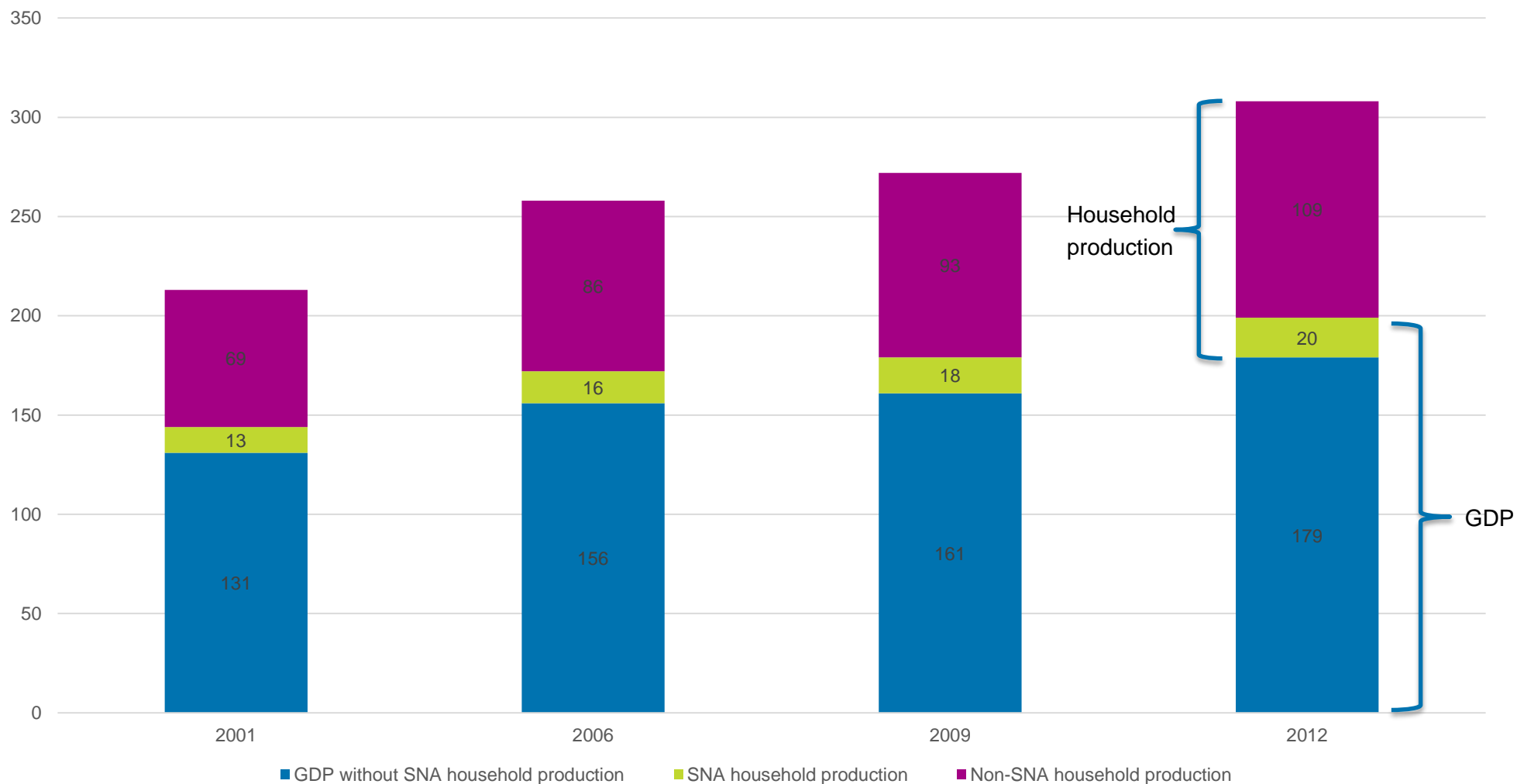
# Data sources for Finnish calculations



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



# Extended GDP (billion EUR) in Finland

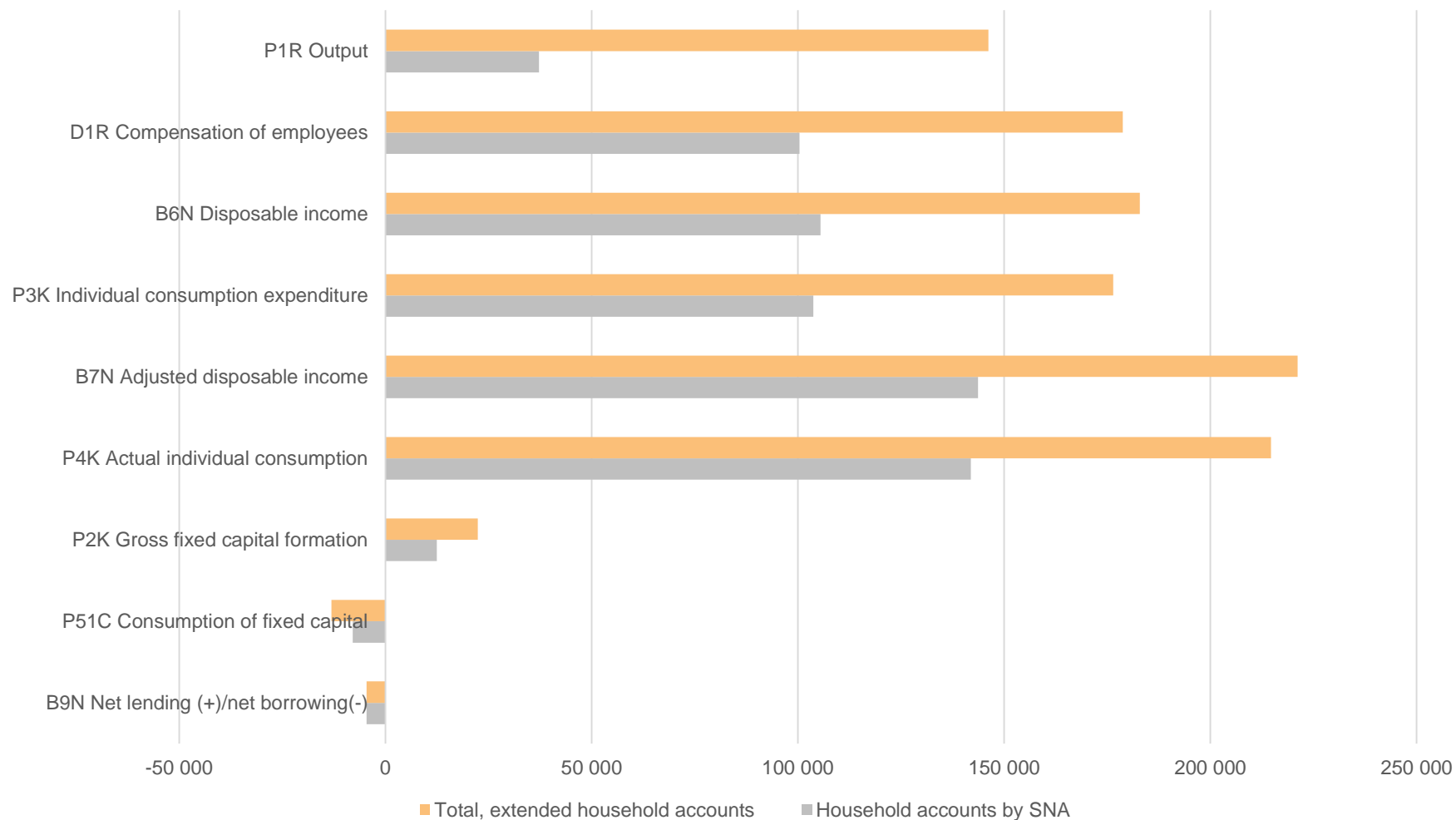


# Extended accounts

- Not only the output of household production (equaling production account), but also the rest of the accounts (all the way to net lending/borrowing)
- Summing up household production and the sector accounts for S14 Households (adjusting for SNA-household production!)
- Net lending/ net borrowing of the extended household accounts equals net lending/ net borrowing in the core accounts
  - the additional household production has neutral effect because of being produced for own use
  - the other changes in accounts are basically only reallocations of transactions
- Stiglitz-Zen-commission: (adjusted) disposable income and (actual) final consumption are important indicators of economic situation of households => calculations including household production



# Extended sector accounts for S14 in 2012 (million EUR)



# The differences between Finnish method and the UNECE manual

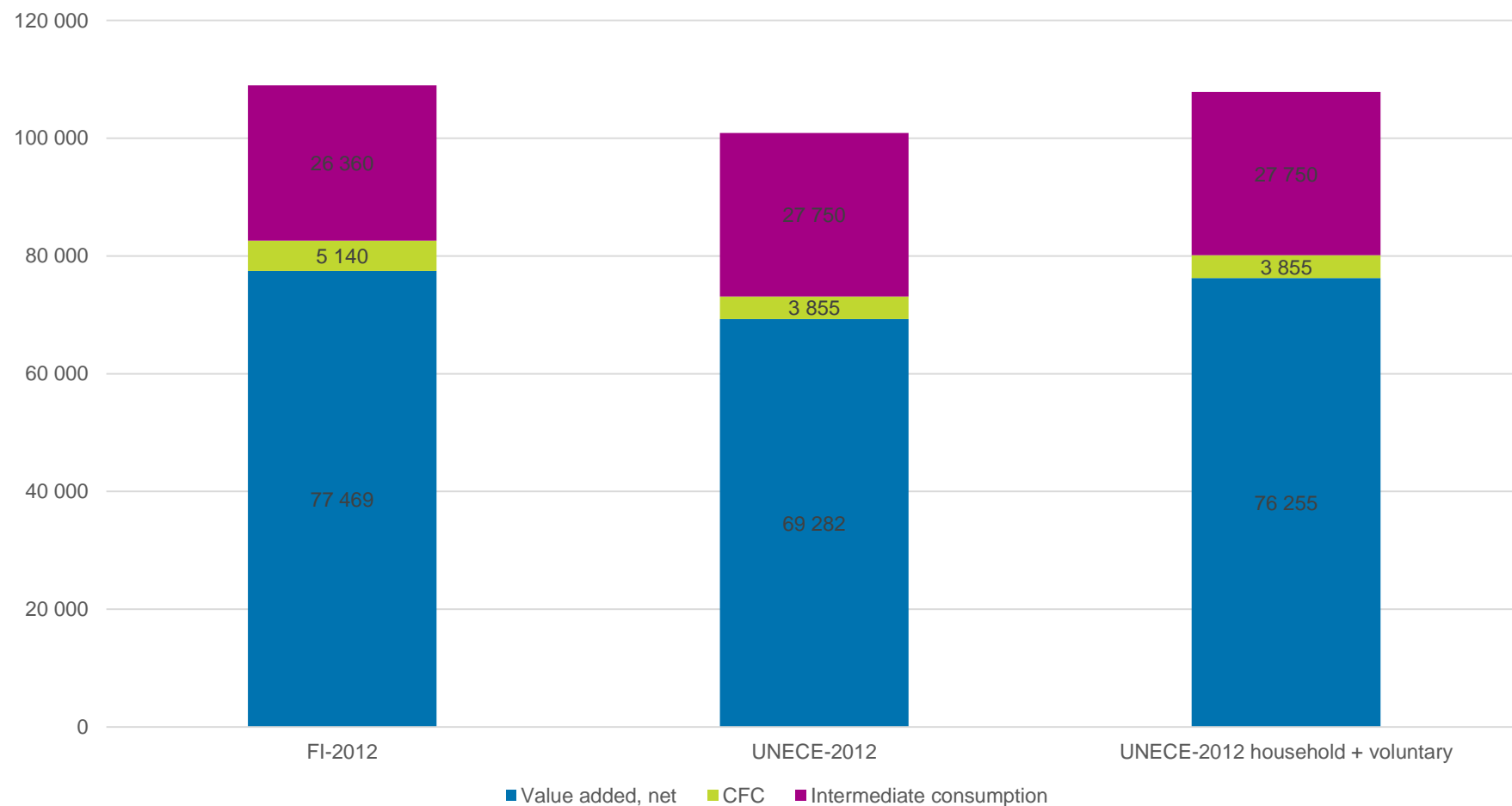
## FINLAND

- 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 household production in Finland in 2012 according to different methods



# 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 planned 7th November 2018)
- Time Use Survey planned for 2020-2021 (and possible Household Budget Survey in 2021, also) => Household Satellite Accounts calculations maybe 2022 or 2023?
- Calculations at least according to UNECE manual, but probably according to Finnish method, as well