



Estimating the Value of Unpaid Household Work in Canada



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Statistics Canada / Statistique Canada



What is the Value of Unpaid Household Work in Canada in 2019?



The value of unpaid household work, gross opportunity cost basis, was \$860.2 billion; equivalent to 67% of Household disposable income. On a replacement cost basis, the value was \$581.6 billion.



What is needed to estimate a value of unpaid work?



Statistics Canada
General Social Survey:
Time Use, 2015

UNPAID WORK HOURS

By type of activity

By sex and age group

By presence of a partner/children

By province of residence

Statistics Canada
Labour Force Survey



HOURLY WAGE RATES

By occupation

By sex and age group

By province of residence



What activities are included?



Two key elements:

Services produced for **“own final use”**

Third party criterion

Household chores and maintenance

- Meal preparation
- House cleaning, maintenance
- Garbage, recycling, unpacking
- Organizing, paying bills

Caring for children

- Personal care
- Helping with homework
- Reading, playing
- Accompanying

Caring for adults

- Washing, dressing
- Accompanying

Shopping

- Shopping for goods
- Shopping for services
- Researching for goods or services



How can you value Unpaid household work?



Opportunity Cost:

forgoing paid work to do unpaid household work



Hours of unpaid work
multiplied by
Hourly wage rates (*person doing the unpaid activities*)

Gross (before tax)

Net (after tax)

Replacement Cost:

hire someone to complete those activities

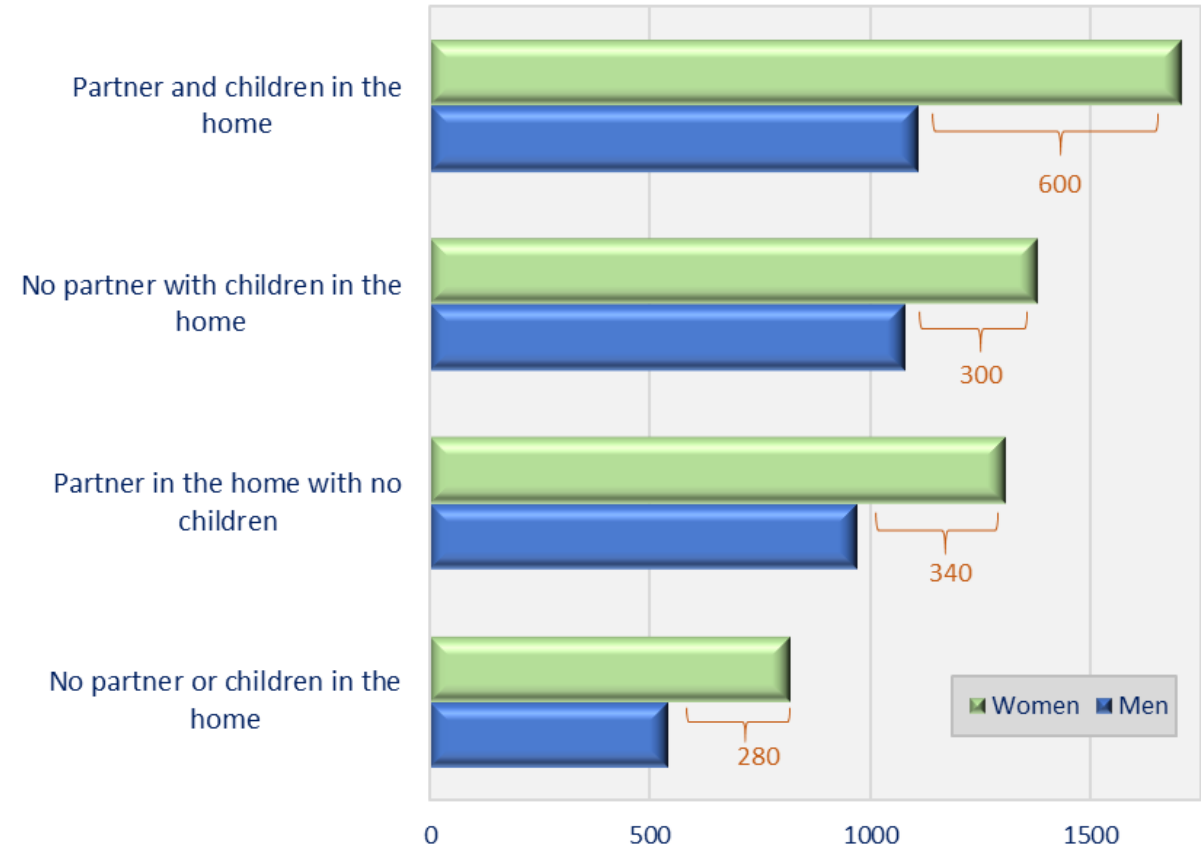
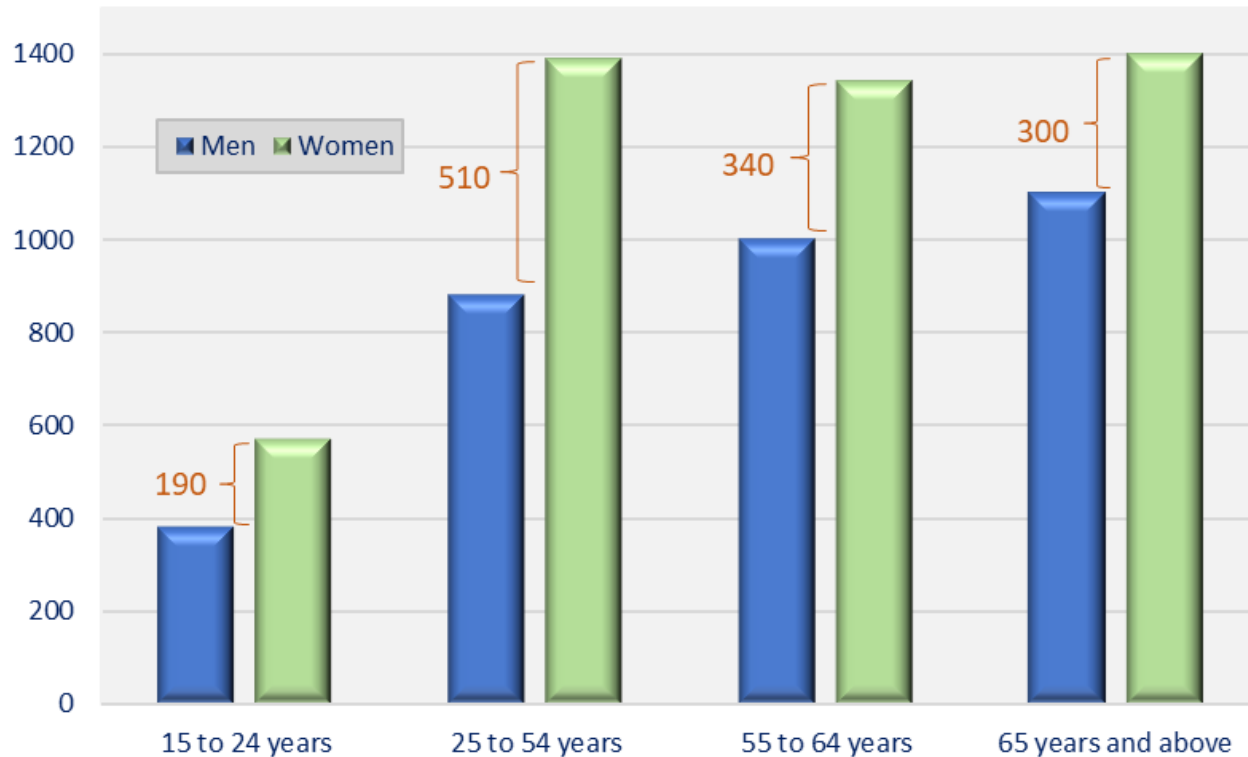


Hours of unpaid work
multiplied by
Hourly wage rates (*market-based 'replacements'*)





How do the hours worked compare?

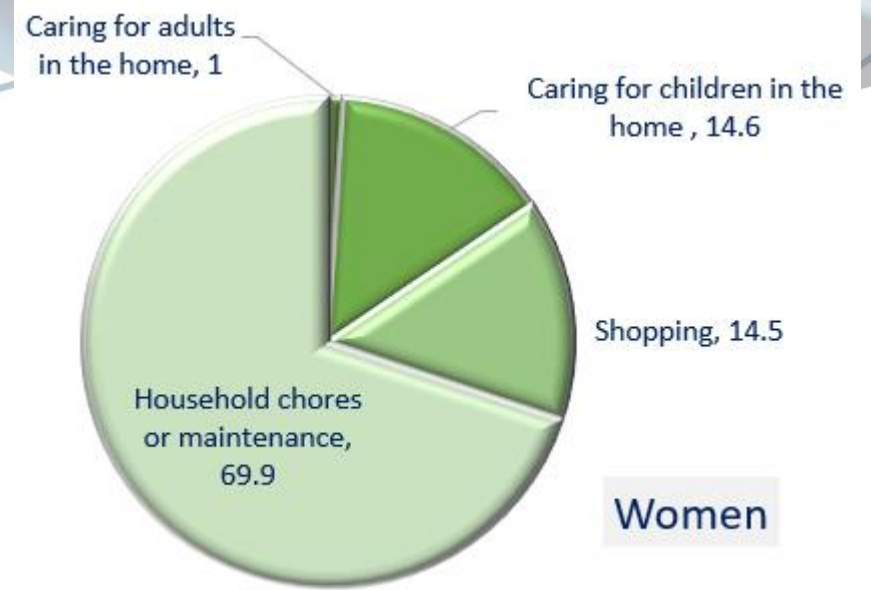
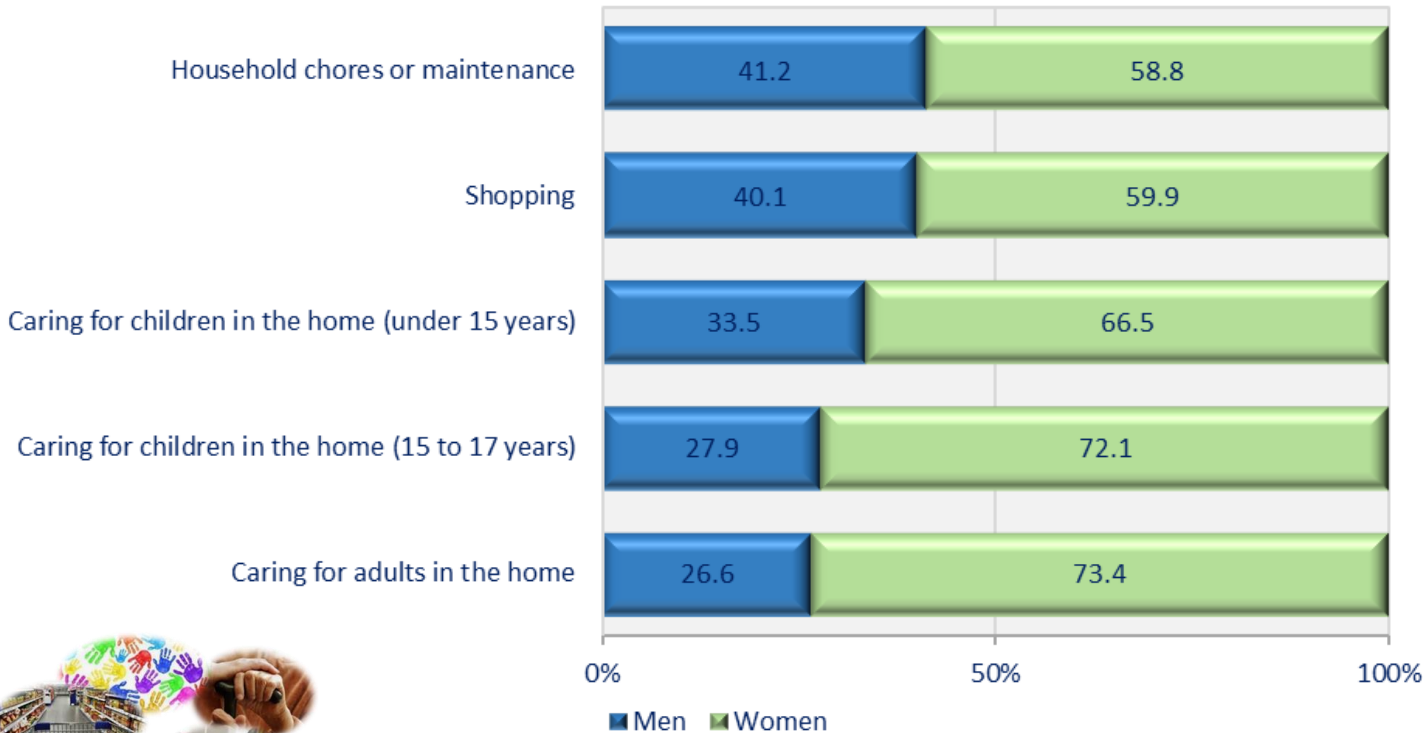


*Average annual hours, by sex and by age; by sex and by presence of partner/children. Difference in hours in orange.

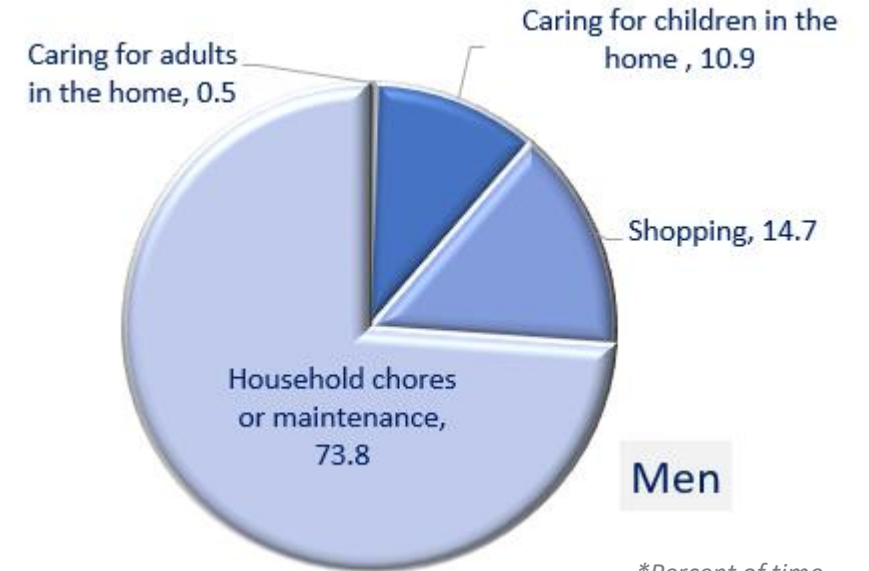


How are those hours spent?

Who completes the activities?



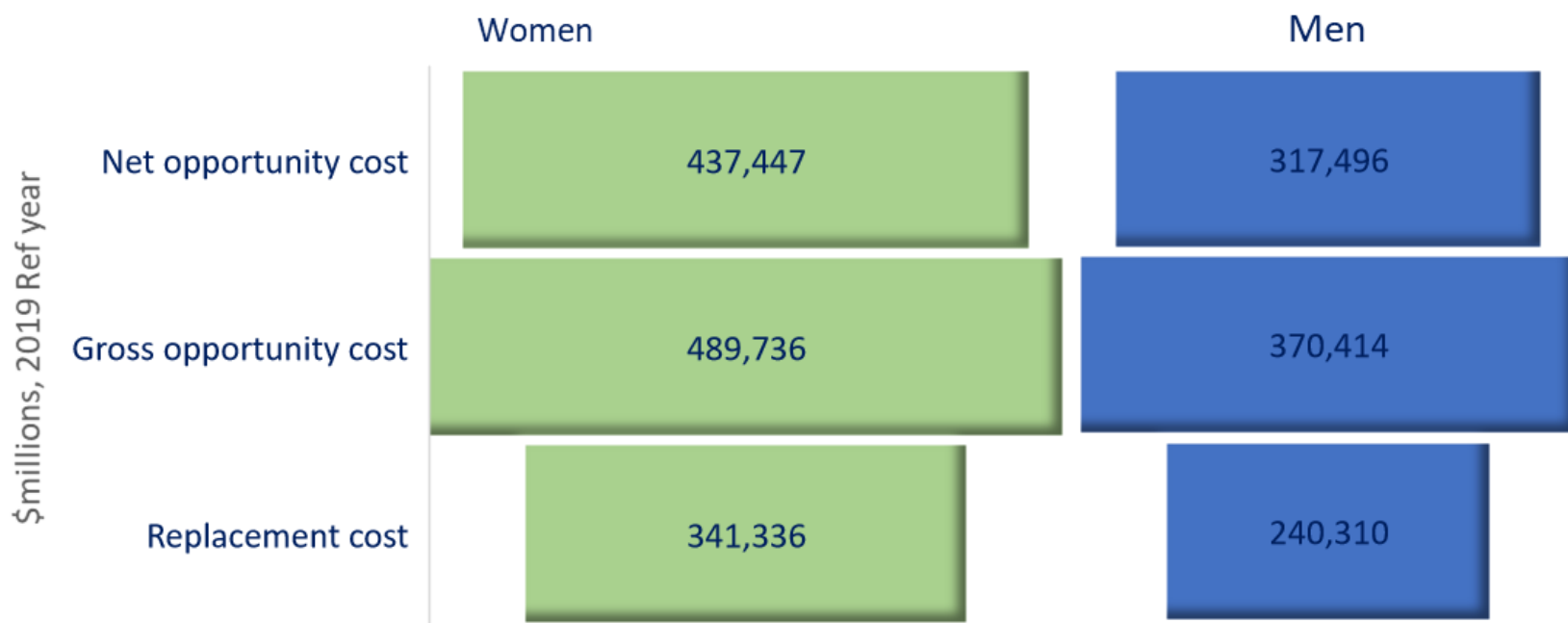
Split of hours for women and for men, by activity



*Percent of time.



What is the value based on different methods and by sex?

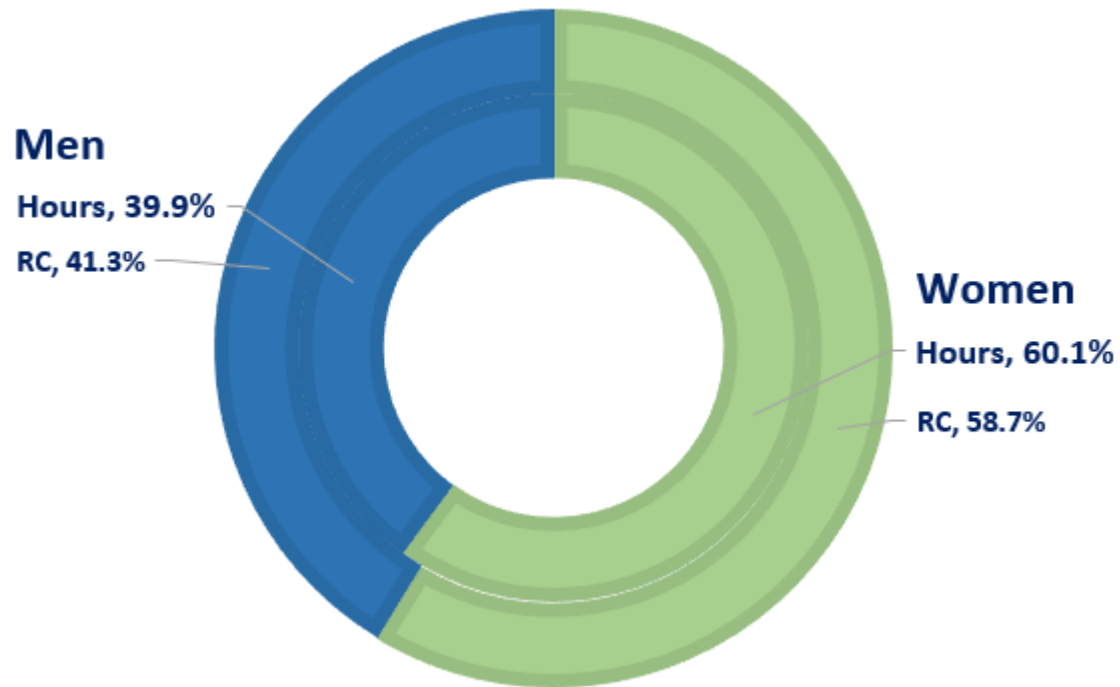


- Opportunity cost valuation is higher as it reflects substituting paid work for unpaid household work: wage rates of higher professions are included.
- Replacement cost is lower as it reflects the cost of hiring a person to do that task

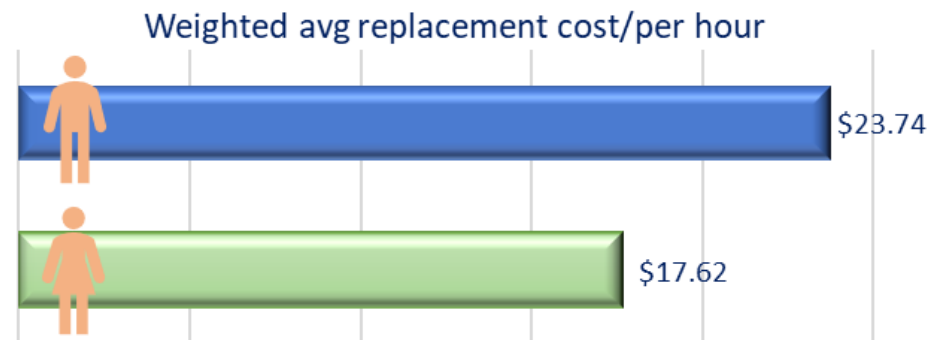
Women do the majority of household work, 60.1% of the hours; however their share of the total value of unpaid work is less.



Why is the share for women on an RC basis less than hours share?



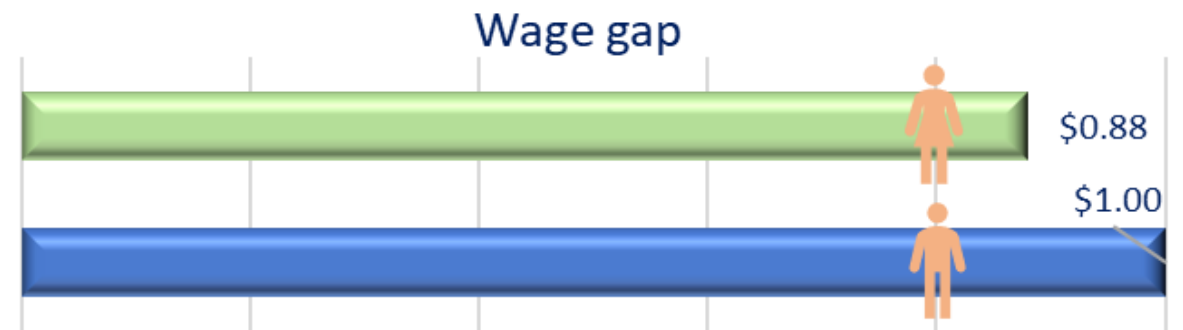
- Replacement cost assumes you can hire someone to do a household work activity, regardless of sex
- Men completed the majority of hours on these activities: Outdoor maintenance, repair or renovation; Taking out garbage, recycling; and Unpacking goods
- Which have higher value on the market economy compared to those tasks typically done by women



Why is the share on an opportunity cost lower than RC and hours?



- Opportunity cost reflects forgoing paid work to do unpaid household work
- Due to persistent differences in the average wages of men and women in Canada, the valuation of women's effort is lower proportion of the total valuation than hours worked





Moving forward:

- No Canadian Time Use survey for RY2020,2021; therefore will model time use from United States estimates on household time use
- Seek additional feedback on methods used (replacement cost vs opportunity cost); also occupations used within the RC method

Further information:

- Estimating the economic value of unpaid household activities in Canada, 2015 to 2019
<https://www150.statcan.gc.ca/n1/daily-quotidien/220317/dq220317b-eng.htm>
- Latest Developments in the Canadian Economic Accounts
<https://www150.statcan.gc.ca/n1/pub/13-605-x/13-605-x2022001-eng.htm>

