



This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement no 613247.

DETAILS AND POTENTIAL DIFFICULTIES WITH NTA AND NTTA: *PRICING UNPAID WORK AND COMBINING NTA WITH NTTA*

AGENTA Workshop,
Vienna, November 22, 2017

agenta

Ageing Europe – An Application of
National Transfer Accounts for Explaining
and Projecting Trends in Public Finances

Lili Vargha

Hungarian Demographic
Research Institute

PRICING UNPAID HOUSEHOLD LABOUR

■ Output or input pricing?

Output pricing	Input pricing
The value of the product created by the activity (for example value of a dish prepared for dinner).	The value of the activity (for example cooking for dinner).
Differences in productivity ✓	Differences in productivity ✗
Economies of scale ✓	Economies of scale ✗
Data ✗	Data ✓

PRICING UNPAID HOUSEHOLD LABOUR

■ Output or input pricing?

Output pricing	Input pricing
The value of the product created by the activity (for example value of a dish prepared for dinner).	The value of the activity (for example cooking for dinner).
Differences in productivity ✓	Differences in productivity ✗
Economies of scale ✓	Economies of scale ✗
Data ✗	Data ✓

COMBINING NTA AND NTTA ESTIMATIONS

- The problem: NTA and NTTA estimations are not necessarily from the same year

COMBINING NTA AND NTTA ESTIMATIONS

- The problem: NTA and NTTA estimations are not necessarily from the same year
- There could be different solutions:
- **1. Keeping NTTA time measures unchanged and value the activities using data on wages from the NTA year**
 - 1.1. Using detailed wage data (for example SES from 2010)
 - 1.2. Using one wage for elementary occupations from the NTA year (Eurostat)
 - 1.3. Using average hourly net wage calculated from the relevant NTA data and LFS data on working hours
 - 1.4. Using inflation rates for the originally calculated detailed wages

COMBINING NTA AND NTTA ESTIMATIONS

- The problem: NTA and NTTA estimations are not necessarily from the same year
- There could be different solutions:
 - 1. Keeping NTTA time measures unchanged and value the activities using data on wages from the NTA year
 - **2. Keeping NTA age profiles constant and use macro-aggregates from the NTTA year**

COMBINING NTA AND NTTA ESTIMATIONS

- The problem: NTA and NTTA estimations are not necessarily from the same year
 - There could be different solutions:
 - 1. Keeping NTTA time measures unchanged and value the activities using data on wages from the NTA year
 - 2. Keeping NTA age profiles constant and use macro-aggregates from the NTTA year
 - **3. Measuring NTA age profiles in time units**
 - Calculating how many hours an average person has to work for generating one Euro of labour income
- = Total number of hours used for paid work / Total labour income

TRANSFERS BY AGE IN HOURS PER DAY

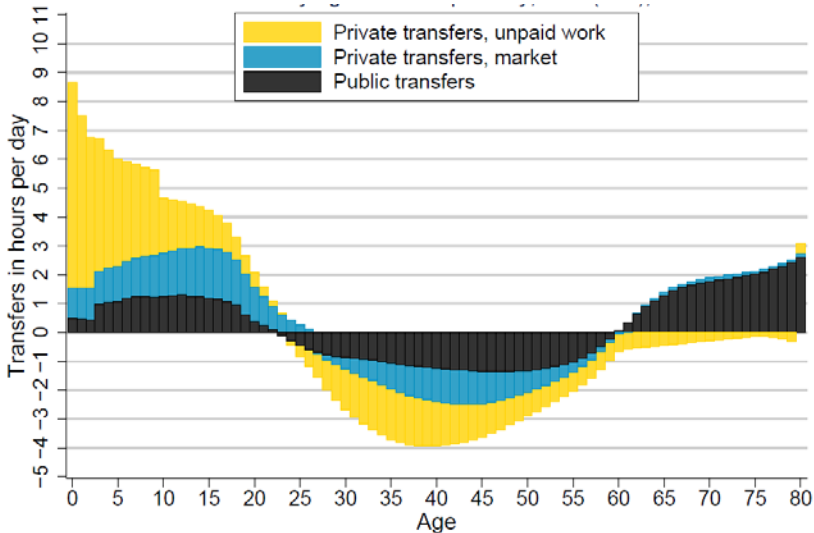


Figure 1: Net transfers in hours per day by age in 16 European countries

Average of 16 EU countries in 2000s: AT, BE, BG, DE, DK, EE, ES, FI, FR, IT, LT, LV, PL, SE, SI, UK.

Source: Hammer, Spitzer, Istenic & Vargha (2017)

TRANSFERS BY AGE IN HOURS PER DAY

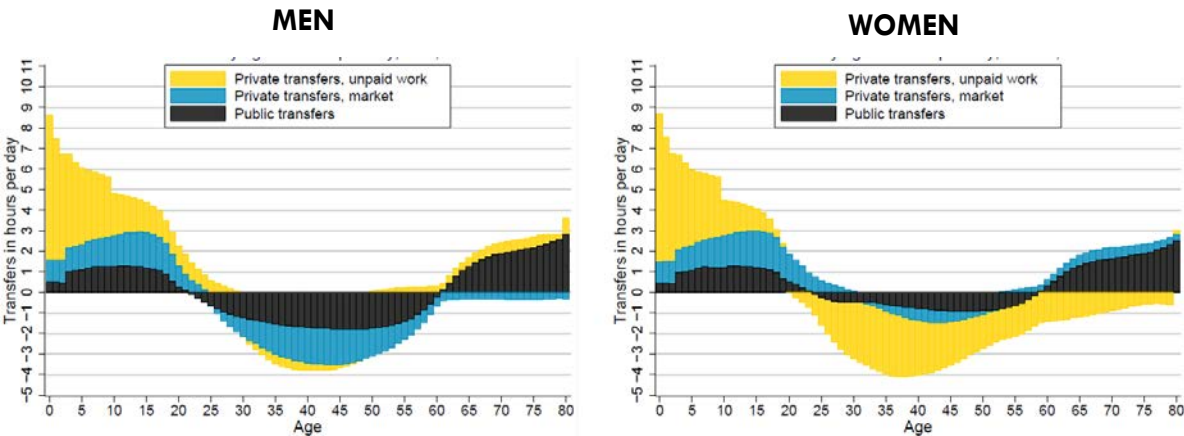


Figure 2: Net transfers in hours per day by gender and age in 16 European countries

Average of 16 EU countries in 2000s: AT, BE, BG, DE, DK, EE, ES, FI, FR, IT, LT, LV, PL, SE, SI, UK.

Source: Hammer, Spitzer, Istenic & Vargha (2017)

ACKNOWLEDGEMENT



This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement no 613247.



Wittgenstein Centre

FOR DEMOGRAPHY AND
GLOBAL HUMAN CAPITAL

A COLLABORATION OF IASA, VID-OAK, WU

agenta