

## **HOUSEHOLD PRODUCTION FOR OWN USE**

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Household production for own  
final use comprises:

- Production of goods: crops,  
livestock etc for own consumption;
- Own account fixed capital  
formation;
- Owner-occupied dwelling services;  
and
- Paid domestic services.

## Examples:

- Growing of crops, such as rice and vegetables;
- Harvesting;
- Storage ; and
- Production of livestock.

## Valuation :

- Valuation of the crops is at market prices prevailing in rural markets

## Production of goods for own consumption, includes:

- Processing of agricultural products;
- Production and preservation of meat and fish products;
- Production of beer, wine, spirits, baskets and mats
- Weaving of cloths, dress making and pottery

## The 1993 SNA also includes:

- Forestry, wood cutting and collection of firewood
- Fetching water
- Both activities are difficult to value in rural areas.



Time use data from developing countries shows that the burden of "household production for own use" often falls disproportionately on women



### Non-Monetary GDP as % of GDP

	Samoa	Uganda	Tanzania
Food Crops		15.8%	16.5%
Livestock		2.3%	2.1%
Forestry		0.8%	1.8%
Fishing		0.2%	0.3%
Construction		0.6%	0.9%
Owner-occupied dwellings		3.0%	4.4%
Non-Monetary GDP as % GDP	18.5%	22.6%	25.9%

## Another inclusion:

- Own account fixed capital formation, e.g. construction of own house;



## Only two types of services included:

- Owner-occupied dwelling services (imputation of rent);
- Paid domestic services.

Household production of domestic and personal services excluded from the SNA production boundary:

- Cleaning and maintenance of a dwelling;
- Cleaning & servicing of household durables;
- Care of children or sick people;
- Transportation of members of household members of their goods

Why were these services excluded from the 1993 SNA production boundary? 1/2

- large non-monetary flows of this type would obscure what is happening in the markets and thus reducing the usefulness of the SNA;
- Inclusion of production of personal services by household members for their own final consumption would imply that such persons were self-employed, thus making unemployment impossible by definition;

Why were these services excluded from the 1993 SNA production boundary? 2/2

- limited impact on the rest of the economy;
- difficult to obtain market prices to value these services; and
- differences in the economic significance for analytical purposes.

Work in progress:

- Production may cover a number of periods; and the output has to be recorded as work in progress initially;



## subsistence output in the Pacific, some issues:

- Soils are generally fertile, thus rural population have enough food and yet many of them fall below the \$1 PPP per day poverty mark;
- Own consumption of Fish and value;
- Cyclones and treatment of “work in progress” .

## UNESCAP guidebook and CD-ROM

Participants can get a free copy of the Guidebook and CD-ROM entitled “Integrating **UNPAID Work** into National Policies” .

### Possible recommendation:

- All countries in the region should be urged to impute rental income from owner-occupied dwellings.
- It is important that all countries should impute values for all components of household production for own use, that is the only way that national accounts data can be comparable among countries in the region.