

## **Highlights: Women in the San Antonio Economy**

### **Study Conducted by:**

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- *Accounting for Non-Market Household Production in GDP* – Instead of hiring someone to provide all of the goods and services a household has to provide for its members, such as cleaning, preparing meals, yard work, and child care, most, if not all, households provide some of these services through their own uncompensated labor. In other words, these goods and services are provided outside of the market, and since a market transaction does not occur (i.e., no one is hired to provide these services), the value of these services is not counted in GDP.
  - A study by Bridgman et al. (2012), calculated that including home production in the U.S. GDP would have increased it by 39% in 1965 and by 25.7% in 2010. Home production includes “the production of nonmarket services, the return to consumer durable goods, and a return to government capital attributable to home production” (Bridgman et al., 2012, 24).
  - In an update to his 2012 study, Bridgman (2016) calculated the increase in GDP if household production was included in GDP at 23% in 2014.
  - In the United Kingdom, unpaid housework work was valued at 1 trillion pounds versus a measured GDP of 1.8 trillion pounds in 2014 [equates to 56% of GDP] (Office for National Statistics, 2016, 3).
  - “Finland is typical in showing unpaid housework as contributing some 40 percent to total economic activity” (Pilling, 2018, 57).
  - Using a methodology similar to that used by the BEA, we calculated the value of unpaid housework in San Antonio in 2016 at \$20.8 billion or 19.0% of the \$109.3

billion GDP of San Antonio in that year. It should be noted that this only includes the value of unpaid household work provided by members of the household. It does not include the return to consumer durable goods and a return to government capital attributable to home production as the BEA calculates for the U.S.

- Most of these goods and services are provided by women. According to the Pew Research Center, moms spent an average of 32 hours per week on housework and child care in 2016 compared to 18 hours provided by dads.<sup>1</sup>
- According to a report published by the U.S. Bureau of Economic Analysis (Bridgman, 2016), working women spent 23.2 hours on household production while working men spent 16.2 hours in 2014. Interestingly, the hours did not change quite as much when were unemployed compared to unemployed women with each spending 21.2 and 33.2 hours, respectively, on household production.
- *Wage Gap* – According to data from the U.S. Census, earnings for women were 82.6% of men in 2016 across the San Antonio metropolitan area. GDP and income are equal, so if women were paid the equivalent wages to men, GDP would be 17.4% higher, which would add another \$19.0 billion to the GDP of San Antonio.
- *GDP Including Household Production and Equal Wages* – As of 2016, GDP in the San Antonio metropolitan area was \$109,348,000,000, according to the U.S. Bureau of Economic Analysis.<sup>2</sup> The following table shows what GDP would be if household production was included and women were paid equal wages.

<b>Value of GDP in the San Antonio MSA Adjusted for Household Production and Equal Pay in 2016</b>	
Measured GDP	\$109,348,000,000
Value of Household Production	\$20,762,798,086
Value of Equal Pay	\$19,026,552,000
Total Adjusted GDP	\$149,137,350,086

<sup>1</sup> <http://www.pewresearch.org/fact-tank/2018/05/10/facts-about-u-s-mothers/>

<sup>2</sup> [https://bea.gov/newsreleases/regional/gdp\\_metro/gdp\\_metro\\_newsrelease.htm](https://bea.gov/newsreleases/regional/gdp_metro/gdp_metro_newsrelease.htm)

- *Feminine Multiplier Effect*, Glenn Hagar, Office of the Comptroller recently reported: “The education and health services industry, sometimes called a “super sector,” is comprised of two distinct sectors – educational services and health care and social assistance. In 2016, education and health services contributed \$104.8 billion to Texas’ GDP. In 2017, women held 77 percent of the state’s 1.6 million jobs in the industry – the highest share of female employment among all industries in Texas. In 2017, women held nearly 1.3 million jobs in education and health services, accounting for 77 percent of the industry’s total jobs in the state (Exhibit 2). Those 1.3 million jobs generate additional business activities that ultimately support nearly 1.2 million jobs in all other industries of the Texas economy. (Education and Health Services Overview - Women in the Workforce <https://comptroller.texas.gov/economy/economic-data/women/health-educ.>)
- *Human Capital Investments* - Women spend more of their income of their families in the form of education and other benefits for their children. This means that more women working could lead to more private spending on education, and overall improvements in education attainment.
- *Pink Taxes* – Along with earning less than men, women often pay more for certain necessities. These compounds the impact of the wage gap and lowers their ability to invest in their families.
- *Female Entrepreneurship* – Fewer women qualify for access to credit, their companies tend to be smaller and privately-held because of some of the factors we have highlighted. Nevertheless, there is research to suggest that women business owners tend to focus on sustainability and are possibly more productive as seen in the growth rates in revenue and employment.