

# **Estimating New Indicators of Households' Well-being Including Incomes from Formal and Informal Markets and Domestic Production**

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In a discussion of the consequences of domestic production and time use over inequality between households, Nancy Folbre (2010) states that “another way of taking work time into account would be to develop a comprehensive estimate of labor productivity by calculating full income (market and non-market income) or full consumption (of market and non-market goods) per hours of work (both paid and unpaid). Such an estimate requires an estimate of the monetary value of non-market income and/or consumption”. Using a generalization of Becker’s time allocation model to estimate the shadow price of time (Gardes, 2014, we evaluate the total production of households, both on the labor market and at home. The income households derived from their participation to informal markets are estimated by means of the under-reporting part of household income on micro cross-sectional data in the estimation of a set of consumption functions (Aaktuna-Gunes, 2017). This results in the estimation of a global households’ labor average and marginal productivity at the micro level and its aggregation to obtain the National Product enlarged to domestic production and informal markets. This model gives rise to the definition of a new indicator of households’ well-being based on income from the market work, domestic production and informal activities. This model is based on the original match of three French surveys of Family Budgets and Time-use (1985, 2000, 2010).