

Time use, Experienced Well-being and Labor Market Status

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Abstract

Labor market status determines the allocation of time and activities. Depending on being employed or not, the available time for leisure and non-market work activities is compounded in fundamentally different ways. We analyze a novel dataset which assess individual time use and various experienced well-being measures by the day reconstruction method (DRM). The representative and longitudinal data are surveyed in the German Socio-Economic Panel Innovation Sample (SOEP-IS, waves 2012-14) and allows to investigate the relationship between respondents' time allocation reported in diaries and experienced well-being during the reported episodes. The sample is split into three employment status: regular employed, employed with supplementary in-work income support ("ergänzendes Arbeitslosengeld 2") and unemployment. To aggregate the overall experienced well-being of a day, we weight different affective measures by the time an individual spent in the respective activity. Thereby, we generate measures of experienced affective well-being such as the share of total time in pleasurable activities (p-score) or the time-weighted net affect. We use the p-score as an outcome for a multinomial regression analysis and show that the average experienced well-being level for the different employment status differ only slightly. Employed individuals experience a little less time in pleasurable activities compared to unemployed persons. Individuals receiving in-work income support experience comparable affective well-being as

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unemployed respondents. Unemployed allocate more time to pleasurable activities – mainly into leisure activities, but also into home production. Thus, the different time allocation shapes the experienced well-being over the course of the day. Further, we control for individual fixed effects, day of the week as well as wave effects – but this does not alter the general picture. Our results are in strong contrast to the established literature about the effects of labor market status on the (evaluative) life satisfaction, which is considerably harmed by becoming unemployed.

JEL Classification Codes: D13, J22

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