

## On The Nature Of Leisure Time: Evidence From The ECHP's Satisfaction With Leisure Time Measure"

Full address: Victoria Ateca-Amestoy  
Universidad del País Vasco & Consejo Superior de Investigaciones Científicas  
Dpto. Fundamentos del Análisis Económico II Avda.

### Abstract:

Time is sometimes considered as the ultimate personal economic resource. However, time by itself does not bring any utility to people. An integrative socio-economic research on the nature of leisure time can bring some light into how agents decide to allocate their time, and what level of satisfaction do they enjoy from their leisure time allocation. In this paper, we discuss several economic theoretical models that explain how individual allocate optimally their resource "time" between alternative activities, and we estimate an individual behaviour model that explains satisfaction with the amount of leisure time in terms of a host of individual characteristics. In order to do it, we use data recorded in two waves (namely 7 and 8) from the European Community Household Panel (ECHP). We perform the analysis for the whole sample and for Spain separately, since we are interested in comparing the results with those obtained from the analysis of a Spanish regional dataset. We estimate random-effects models for the satisfaction with leisure time empirical specification. By doing so, we are able to achieve some conclusions on (1) the nature residual or discretionary of leisure time in contemporary societies, and to investigate on (2) the complementarity relationships among leisure time and other personal factors such as income, material goods and personal relationships under the form of social capital. Regarding the first issue, we find that occupational status has an impact once we have controlled for all other variables (including working hours) possibly by means of a reduced divisibility of time that induce some corner solutions for certain activity status. We also find that both the level (as expected) and changes in the amount of working time have a negative impact in the satisfaction with leisure time. For the second aspect – the presence of complements or substitutes for leisure experience production – our estimates inform that while household income in absolute terms have a positive influence, changes in the level of income are not statistically significant. There is also a positive of social capital in all the dimensions it is measured in the ECHP: informal (contacts with relatives and friends) and formal sociability (participation in associations). For both types of resources (income and social capital), we find evidence that supports that they enter into the leisure time valuation as complements for the production of leisure experience.