

# Developing Household Social Accounts in Ireland

Andrew McManus and Paul Morrin (Central Statistical Office, Ireland)

**Discussant: Susana Garcia Diez (Federal Statistical Office, Germany)**

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# The paper

- **describes how the Irish statistical infrastructure responds to the Stiglitz-Sen-Fitoussi report on Measurement of Economic Performance and Social Progress (2009)**
- **proposes how „Household Social Accounts“ can enable a much more detailed analysis of the household sector**
- **Focus: income, expenditure and consumption distributions**
- **Question; it is planned to include other aggregates, perhaps even non-monetary?**

# The motivation

- **is there any clear mandate for the CSO to accomplish with the SSF-Report?**
- **is there a coordinated strategy to cover the many different fields proposed in the SSF-Report (as multidimensional issues such as Quality of life, sustainability)? If yes - how are they interrelated?**

# Uses of Household Social Accounts

Will be explored in cooperation with experts and government sectors:

Some examples:

- Households savings by quintile of household incomes
- Estimation of the impact of social transfers on demand levels

# Objective: link data to better describe the socio-economic reality of households

- Linkage Issue: implementation of three key identifiers to link **persons (individual level)**, **businesses** and **households (locations)** across administrative data
- Persons and business identifiers well developed by data on incomes and social transfers. Also tax and welfare data well developed at personal level but no household data...
- For requirements of Household Social Accounts linking **person identifiers** at **household level** is necessary. Missing link: „**Eircodes**“ (location)
- In parallel development of macroeconomic statistics and household survey infrastructure development

# Macroeconomic statistics and household survey infrastructure development

- IT based system integrating admin. and survey data: corporate taxation, income tax, structural bussines statistics and NA
- 1. Phase: „Enterprise file“ with data for the main aggregates of non-financial corporations sector
- 2. Phase: developments for National Accounts
- Pilot: „Household file“ - Core of the paper

# Building a new microdata set: Personal Consumption Expenditure (PCE) Estimates

- **Expenditure data from Household Budget Survey**
- **Adjustments (imputed rents and social housing, free medical services, car consumption estimate)**
- **Underreporting (alcohol, tobacco, drugs)**
- **Methodological issues- Undercovering (State support for students fees, STiKs)**

# Data

- **Household Budget Surveys 2004/5 and 2009/10**
- **National Accounts**
- **Census of Population 2011**



# Comparison of HBS and PCE Estimates by commodity (COICOP) group (Tabel 1)

weekly average in Euro

<b>Product Groups</b>	<b>HBS 2010</b>	<b>PCE 2010</b>
<b>Food</b>	<b>131,28</b>	<b>133,41</b>
<b>Alcohol &amp; Tobacco</b>	<b>39,48</b>	<b>126,14</b>
<b>Health</b>	<b>37,34</b>	<b>71,21</b>

# Analysis

- **Comparison of Income expenditure and consumption distributions curves based on Kernel density estimates**
- **Comparison of median incomes vs expenditure/PCE estimates by income deciles for different household categories: savings or dis-savings**

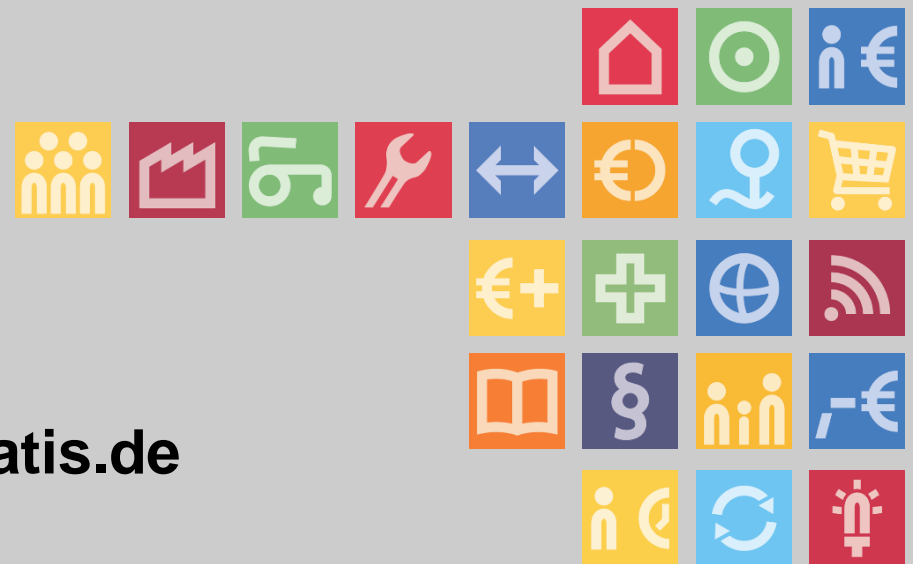
# Comments I:

- To which one of the many suggestions from the SSF-Report are you responding?  
**Distributional aspects (material well-being: Until now much focused on consumption in monetary terms)** Other issues here: level of indebtedness, dependency from state services and government transfers, wealth issues...?
- Quote: Final Report Adopted by the European Statistical System Committee: Sponsorship Group on Measuring Progress, Well-being and Sustainable Development. Which translate SSF Suggestions into actions  
[http://epp.eurostat.ec.europa.eu/portal/page/portal/gdp\\_and\\_beyond/introduction](http://epp.eurostat.ec.europa.eu/portal/page/portal/gdp_and_beyond/introduction)
- Question: Do you think that future distributional analysis within the framework of your Household Social Accounts may include non-monetary outcomes (health status, education and skills, quality of employment, well-being)?

# Comments II:

- **How to handle with the upper end of the households income distribution?**
- **Issues regarding material well-being (income, deprivation, consumption) are already well covered by other statistical sources as i.e. SILC. Underline the value added of the Household Social Account**
- **Very interesting analysis for consumption estimates. Both the distribution curves as well as the analysis for the different household types. Is it planed to do it also for other kind of estimates i.e. non-monetary and other social variables?**

# Thank you!



**susana.garcia-diez@destatis.de**  
**www.destatis.de**