

Abstract for “Emphasising the Household Perspective within the Australia National Accounts”

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The ABS has progressively improved and expanded the measures and analyses of the household sector within the Australian National Accounts. This paper summarises these developments, demonstrating how they collectively support and improve our understanding of household's economic circumstances.

Recent events, including the Global Financial Crisis, have refocused attention on ensuring that the National Accounts is providing the necessary household sector data in a timely and fit-for-purpose manner. Recommendation 2 of the Stiglitz-Sen-Fitoussi report called for an emphasis on the household perspective, stating '(w)hile it is informative to track the performance of economies as a whole, trends in citizens' material living standards are better followed through measures of household income and consumption'.

This paper details how the ABS has responded by: reviewing estimates of household wealth including durables, houses and land; increasing the frequency of household balance sheet to quarterly; developing analytical income measures (including holding gains as income for example); and by producing distribution measures of household income, consumption, savings and wealth in the National Accounts. The paper will describe the purpose and use of this data within the wider theme of placing emphasis on the household perspective, and will summarise the sources and methods underpinning the estimates. The paper will conclude with a discussion of future work that may be undertaken to continue to improve understanding of household's economic circumstances.