Technical note on the Household Budget Survey link system

Introduction

The new Household Budget Survey, begun by the INE in January 2006 is a substitute for the Household Budget Continuous Survey, base 1997, which was published quarterly and was in force from the third quarter of 1997 to the fourth quarter of 2005.

Both surveys were designed for the main purpose of estimating the household consumption expenditure, as well as investigating other related variables. Nonetheless, there are relevant differences between the two as regards the understanding of each of the statistics, and many of their methodological features.

The differences between the surveys make for a significant separation in the series of data on expenditure that was published up until the year 2005. In order to provide continuity for the series, it is necessary to apply statistical techniques that allow us to link the results obtained with both methodologies, that is, to obtain a single time series that allows us to observe the evolution of consumption expenditure in Spain throughout the period in which the data refers to the two surveys with different methodologies.

Description of the process

The method used to calculate the linked series is based on the prediction of values of the year 2006, using historical information from Household Budget Continuous Survey 97. The coefficient is calculated via the comparison of the data resulting from the prediction and the data obtained from Household Budget Survey 2006. In this manner, the series is linked, reviewing the values published from the Household Budget Continuous Survey until 2005.

The procedure followed to obtain predictions for 2006 has been structured in two groups:

National group: predictions have been obtained for the total expenditure and for each of the twelve expenditure groups. For certain groups, the predictions have been calculated from predictions from their corresponding subgroups, in some cases using information on auxiliary series.

Autonomous Communities: in each Autonomous Community, predictions have been obtained for the weightings -- as compared to the national group -- of

- Expenditure on food, alcoholic beverages and tobacco
- Expenditure on the remaining groups in the classification.

In this manner, the total expenditure in the national group has been distributed in accordance with the proportions obtained for each group indicated. The prediction of the total expenditure for each Autonomous Community has been obtained as the sum of the corresponding expenditures on the food, alcoholic beverages and tobacco groups and the remaining expenditures.

Once the predictions for 2006 have been obtained, based on Household Budget Continuous Survey 97, the linked series for the 1998-2006 period has been prepared with the linking coefficients.