

10 December 2009

## **Household Budget Survey**

Year 2008

- Average household consumption expenditure decreases 0.1% in the year 2008, as compared with 2007, reaching 31,953 euros. After eliminating the effect of inflation, the variation rate is -4.1%.
- Spanish households spend 27.3% of their budget on expenses related to *Housing*, 14.5% to *Food and non-alcoholic beverages consumed in the home* and 13.7% to *Transport*.
- Total consumption expenditure in Spain increases 2.7% in 2008. After eliminating the effect of inflation, the variation rate of this expenditure stands at -1.4%. Worth noting is the increase of total expenditure on *Housing* and on *Food and non-alcoholic beverages consumed in the home*, and the decrease of total expenditure on *Transport* and on *Restaurants, cafés and hotels*.
- Average expenditure per person is 11,801 euros per year, with a 1.1% increase as compared with the previous year. The Autonomous Communities with the greatest expenditure per person are Comunidad de Madrid (13,702 euros), Comunidad Foral de Navarra (13,654 euros) and País Vasco (13,584 euros). Conversely, Extremadura (9,146 euros), Castilla-La Mancha (9,890 euros) and Canarias (10,047 euros) register the least expenditure per person.
- In 2008, the consumption of meat (4.2%) rose, while the consumption of fish (-3.6%) dropped, as compared with the previous year.

### Average expenditure per household

In 2008, average expenditure per household for the nation as a whole was 31,953 euros, 0.1% less than that registered in 2007. After eliminating the effect of inflation, the variation was -4.1%.

### Variation rates of total expenditure and average expenditures. Year 2008

Expenditures	Annual variation
Total expenditure	2.7
Average expenditure per household	-0.1
Average expenditure per person	1.1

Households spent 27.3% of their budget (8,707 euros) on expenses related to *Housing*, including rental, all housing and repair services, as well as, in the case of owned or granted property, the rental value that would be paid on the market for a dwelling similar to that occupied (imputed rent).

Each household dedicated another 14.5% of its budget to *Food and non-alcoholic beverages* (4,647 euros) and 13.7% to *Transport* (4,363 euros). It is worth noting that in 2006 and 2007 expenditure on *Transport* was slightly higher than on food, but that in 2008 the trend was reversed.

### Average expenditure per household and expenditure distribution by group. Year 2008

Expenditure groups	Average expenditure per household (euros)	Expenditure distribution (%)
TOTAL	31,953	100.0
1. Food and non-alcoholic beverages	4,647	14.5
2. Alcoholic beverages and tobacco	617	1.9
3. Clothing and footwear	1,958	6.1
4. Housing, water, electricity and fuels	8,707	27.3
5. Furniture, equipment and other household expenditure	1,662	5.2
6. Health	1,024	3.2
7. Transport	4,363	13.7
8. Communications	971	3.0
9. Leisure, performances and culture	2,201	6.9
10. Education	295	0.9
11. Restaurants, cafés and hotels	3,069	9.6
12. Other goods and services	2,440	7.6

## Total expenditure

Total expenditure recorded a 2.7% increase in 2008 as compared with the previous year. Interannual variation was -1.4% in constant terms.

The two groups representing a larger percentage of expenditure, *Housing, water, electricity, and other fuels* and *Food and non-alcoholic beverages*, showed positive growth, as compared with the previous year, of 9.2% and 5.2%, respectively.

In contrast, the two remaining groups with the greatest weight, *Transport* and *Restaurants, cafés and hotels* showed negative rates of -2.3% and -3.1%, respectively.

A more broken-down analysis of total expenditure shows that the decrease in *Transport* was fundamentally due to the 14.2% decrease in *Purchase of vehicles*. In contrast, the decrease in expenditure on *Furniture, household equipment and current maintenance costs for the dwelling* and on *Clothing and footwear* was generalised in all its components.

### Variation rates of total expenditure, by group, and noteworthy subgroups, of expenditure. Year 2008

	Annual variation
Expenditure groups	
<b>TOTAL</b>	<b>2.7</b>
1. Food and non-alcoholic beverages	5.2
2. Alcoholic beverages and tobacco	5.5
3. Clothing and footwear	-4.4
3.1. Clothing	-3.6
3.2. Footwear	-7.2
4. Housing, water, electricity and fuels	9.2
5. Furniture, equipment and other household expenditure	-5.7
5.1. Furniture, furnishings, rugs and other floor coverings and repair	-10.3
5.2. Household textile items and repair	-5.5
5.3. Heating and kitchen appliances, refrigerators, washing machines and other large household appliances, accessories and repair of the same	-8.6
5.4. Stemware, dishes, silverware, other household utensils and repair	-14.8
5.5. Tools for home and garden	-9.2
5.6. Goods and services for current household maintenance	0.9
6. Health	10.6
7. Transport	-2.3
7.1. Purchase of vehicles	-14.2
7.2. Use of personal vehicles	7.0
7.3. Transport service	0.4
8. Communications	7.0
9. Leisure, performances and culture	0.7
10. Education	4.5
11. Restaurants, cafés and hotels	-3.1
12. Other goods and services	1.8

## Results by Autonomous Community

Average expenditure per person was 11,801 euros in 2008, with a 1.1% increase as compared with the previous year.

The Autonomous Communities which recorded the greatest expenditure per person were Comunidad de Madrid (13,702 euros), Comunidad Foral de Navarra (13,654 euros) and País Vasco (13,584 euros).

Conversely, Extremadura (9,146 euros), Castilla-La Mancha (9,890 euros) and Canarias (10,047 euros) were the Communities with the lowest expenditure per person.

The average expenditure per person in Comunidad de Madrid exceeded the national average by 16.1%, whilst expenditure in Extremadura was 22.5% lower than the average.

### Average expenditure per person, by Autonomous Community of residence. Year 2008

Autonomous Community	Average expenditure per person (euros)	Index over the average of average expenditure per person
<b>TOTAL</b>	<b>11,801</b>	<b>100.0</b>
Andalucía	10,725	90.9
Aragón	11,821	100.2
Asturias (Principado de)	12,056	102.2
Balears (Illes)	12,750	108.0
Canarias	10,047	85.1
Cantabria	11,488	97.4
Castilla y León	11,436	96.9
Castilla - La Mancha	9,890	83.8
Cataluña	13,152	111.5
Comunitat Valenciana	11,214	95.0
Extremadura	9,146	77.5
Galicia	11,011	93.3
Madrid (Comunidad de)	13,702	116.1
Murcia (Región de)	10,301	87.3
Navarra (Comunidad Foral de)	13,654	115.7
País Vasco	13,584	115.1
Rioja (La)	11,140	94.4
Ceuta and Melilla (autonomous cities)	9,261	78.5

## Results by type of household

Household expenditure varied by type of household. In 2008, the greatest expenditure per person was recorded in households comprised of persons living alone. Persons under 65 years of age living alone spent 21,596 euros, whereas for those aged 65 years old or over, expenditure was 15,182 euros.

Households comprised of couples with three or more children, with an expenditure of 8,729 euros per person, stood at the other end of the spectrum. Nevertheless, these households were precisely those which accounted for the greatest average expenditure (45,763 euros, on average).

Regarding the distribution of expenditure, those households comprised of a person aged 65 years old or older living alone, were those that spent the highest percentage of their budget on *Food* and on expenses related to *Housing*, including imputed rent. Conversely, these dedicated the lowest percentage to *Transport*, *Restaurants, cafés and hotels* and *Leisure, performances and culture*.

Couples with children were the households that spent the greatest percentage on *Transport*, *Clothing and footwear* and *Education*. In turn, those persons aged under 65 years old and living alone were the persons who spent the least on *Food* in the household, and those who spent the most on *Restaurants, cafés and hotels* and on *Communications*.

### Expenditure structure by group, according to type of household. Year 2008

Expenditure groups	Type of household					
	Total	Person under 65 years of age living alone	Person 65 or over living alone	Couple without children	Couple with children	Other type of household
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
1. Food and non-alcoholic beverages	14.5	9.6	16.2	14.3	14.6	15.9
2. Alcoholic beverages and tobacco	1.9	1.7	0.6	1.7	2.0	2.3
3. Clothing and footwear	6.1	5.5	4.6	5.6	6.5	6.2
4. Housing, water, electricity and fuels	27.3	33.6	48.8	30.3	23.7	26.7
5. Furniture, equipment and other household expenditure	5.2	4.9	6.8	5.3	5.1	5.2
6. Health	3.2	3.5	4.2	3.6	3.0	3.1
7. Transport	13.7	12.2	2.5	12.5	15.3	13.6
8. Communications	3.0	3.5	2.5	2.7	3.0	3.3
9. Leisure, performances and culture	6.9	6.8	3.4	7.4	7.3	6.0
10. Education	0.9	0.4	0.0	0.2	1.4	0.9
11. Restaurants, cafés and hotels	9.6	10.7	2.9	9.0	10.4	9.2
12. Other goods and services	7.6	7.5	7.5	7.4	7.8	7.6

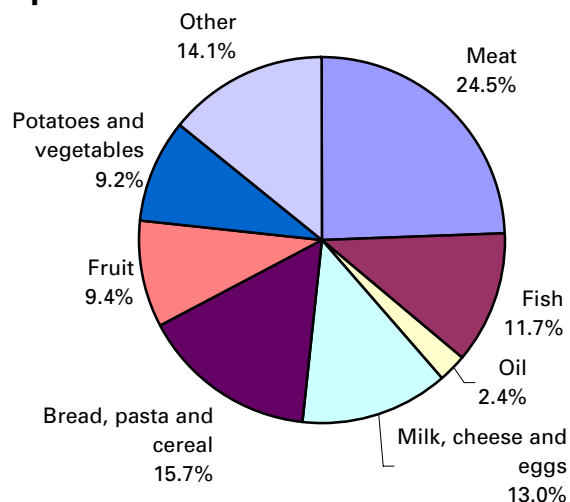
The profile of the **main breadwinner** (person making the largest contribution to the household communal budget) is also a decisive element in household expenditure.

Thus, those households whose main breadwinner had Spanish nationality presented an average expenditure of 12,196 euros per person (3.3% above the average). In turn, in the households whose main breadwinner had a foreign nationality, this figure was 9,113 euros (22.8% below the average).

### Distribution of food expenditure and average monthly consumption

Out of the 4,647 euros that each household spent in 2008 on *Food and non-alcoholic beverages consumed in the home*, 24.5% was used for *Meat*, 15.7% for *Bread, pasta and cereal* and 11.7% for *Fish*.

### Distribution of expenditure on food



In the year 2008, there was an increase in the consumption of meat (4.2%) and a decrease in the consumption of fish (-3.6%). Thus, each person consumed, each month, on average, 4.7 kilos of meat and 2.0 kilos of fish.

### Amounts consumed per person per month. Year 2008

	Amount consumed	Unit	Evolution (%)
Bread, pasta and cereal	6.0	Kilos	-1.1
Meat	4.7	Kilos	4.2
Fish	2.0	Kilos	-3.6
Eggs	10.6	Units	1.8
Olive oil	1.3	Litres	1.2
Milk	6.7	Litres	-2.8
Fruit	6.8	Kilos	-3.7
Potatoes and vegetables	7.5	Kilos	-1.5

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## Methodological Annex

The Household Budget Survey (HBS) is one of the oldest household surveys conducted by the INE. The current HBS, carried out annually since 2006, is a substitute for the quarterly Household Budget Continuous Survey. Today, the INE is presenting the data referring to the year 2008. Also available, as of today, on the INE website, are both the detailed results and the microdata files.

### Main conceptual aspects

#### *Objectives*

The HBS allows for obtaining estimates of **annual** household consumption expenditure, as well as the **corresponding interannual change** for the **nation as a whole and for the Autonomous Communities**.

In the scope of País Vasco and Comunidad Foral de Navarra, the survey has been conducted in partnership with the Basque Statistics Institute (Eustat) and the Statistics Institute of Navarra (IEN), respectively.

The expenditure estimates from the survey are a basic element for the calculation of household consumption expenditure in the National Accounts. Likewise, the information from the HBS is used to establish the CPI weightings structure.

#### *Household consumption expenditure*

The consumption expenses that are recorded in HBS 2006 refer both to the **monetary** flow that the household spends on certain final consumption goods and services, and to the value of certain **non-monetary household consumption**, including:

- Those originating from self-supply final consumption production (garden, farm, factory, workshop, or those taken from one's own shop).
- Salary in kind.
- Free or subsidised food or restaurant checks at the workplace or in the hotel establishment that is the property of some member of the household.
- Estimated rent of the dwelling in which the household resides (when the household is the owner of said dwelling, or it is granted free of charge or at a low price by other households or institutions).

#### *Classification of the consumption*

The different household expenses are encoded using the COICOP classification (Classification of Individual Consumption by Purpose). The use of this classification facilitates international comparability, in particular on a European Union scale, in accordance with the requirements of the corresponding Statistical Office (Eurostat).

Said classification is structured into the following 12 large groups:

1. Food and non-alcoholic beverages
2. Alcoholic beverages and tobacco
3. Clothing and footwear
4. Housing, water, electricity, gas and other fuels
5. Furniture, household equipment and current maintenance costs for the dwelling
6. Health
7. Transport
8. Communications
9. Leisure, performances and culture
10. Education
11. Restaurants, cafés and hotels
12. Other goods and services

***Expenditure evaluation criterion***

Household expenditure is registered at **acquisition prices**, that is, at the price that the buyer effectively should pay for the products at the time of purchase and in accordance with their cash price.