Presentation

This note relates to the annual follow-up compilation of the Final Household Consumption metadata. Thus, it describes the definition, range, sources, and methodology used in preparing the Final Household Consumption item.

Definition and Scope

Definition
Final Household Consumption involves expenditure made by resident households on goods and services, less sales of used goods. From a GDP expenditure approach, it is the most relevant component of domestic demand.

What is measured / what is excluded
It measures consumption of final goods and services made by resident households during a specified period, considering their valuation at purchaser price, estimated at current and constant prices. Measurement includes households’ own consumption, such as household-produced agricultural and livestock products, or owner-occupied housing. It does not include child care or other domestic services carried out by households for own use.

In Chile’s national accounts publications, Final Household Consumption includes expenditure incurred by Non-Profit Private Institutions serving households.

Source Data

Administrative Records
- Source Name: Income Statement.
  Reporting Institution: National Customs Service.
  Data used: Value of imports of goods at CIF prices.
  Frequency: Monthly.

Other Statistics
- Source Name: Consumer Price Index (CPI)
  Reporting Institution: National Statistics Institute (NSI)
  Data used: Price Index by product group.
  Frequency: Monthly.
- Source Name: Consumer Goods Sales Index
  Reporting Institution: National Statistics Institute (NSI)
  Data used: Sales Index by product group.
  Frequency: Monthly.

Compilation Method

The compilation method to transform source data for determining the Household Consumption consists of the following stages:

Aggregation, imputation and validation

Validation and Imputation
Import supply is computed based on the information sent by Customs, and classified as consumer goods by the Harmonized System. A hypothesis of the domestic supply of consumption products is estimated by the product flow method.

The main imputations are related to own consumption, including agricultural and livestock goods and owner-occupied housing.

Classification
Household Consumption is classified in terms of the Central Product Classification (CPC).

Estimation Procedure
Generally, the procedures used for estimating the Final Household Consumption depend on the information sources available:

- In the benchmark compilation, every five years, there is often more complete information available, such as the Household Budget Survey. It is then possible to determine the "best level" for Final Household Consumption.
- However, there is generally less complete information for annual follow-up compilation, since there is no Household Budget Survey. So, in order to obtain the "best change", prices, quantities, and values from the source data above detailed are used as indicators, whose changes are applied to the levels of the 2003 benchmark compilation for Household Consumption, by extrapolation and inflactation.

For Household Consumption, a hypothesis of supply (import plus domestic) by product group is built:

i) At constant prices, the extrapolation method is applied by using the most relevant indicator for each product group.

ii) At current prices, the record is obtained through price-index inflactation of values at constant prices.

The Final Household Consumption by product is determined by an arbitrage of the supply and demand hypotheses previously obtained.

Data Reconciliation
The pre-balanced Final Household Consumption record then undergoes these balancing processes:

- Temporal processes, performance analysis of time series, specifically, of the change as compared to the previous period.
- Transversal processes, within the framework of supply-use tables.

Data Access
Period: 2003 through 2007, Base 2003
Link: http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01e.htm

Link: http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg01b.htm

Period: 1986 through 1998, Base 1986
Link: http://www.bcentral.cl/publicaciones/estadisticas/actividad-economica-gasto/aeg16a.htm