

Consumption Measurement from a Micro Perspective: A View from the U.S. Bureau of Labor Statistics

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with Brett Matsumoto and Jake Schild

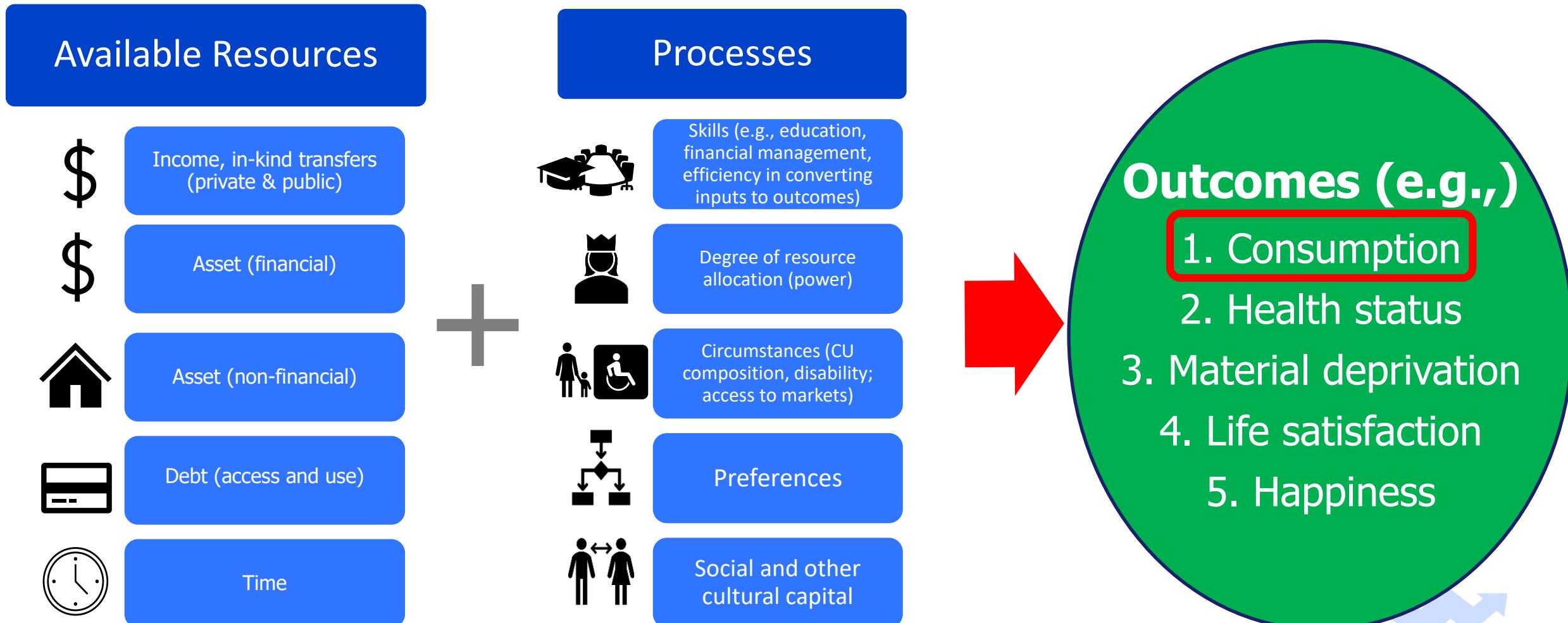
Luxembourg Consumption Study Workshop 14 January 20265

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Overview: BLS Research

- A “new” research measure of consumption for the U.S. (began Spring 2021)
 - ▶ Motivator – expenditures not a good measure of economic well-being during COVID-19 period
 - (1) pandemic led to major disruptions in the economy (beginning 2020 with restrictions of in-person activities & closures of non-essential businesses, schools moved online, changes in work)
 - (2) unprecedented fiscal response (after 2020)
 - ▶ Goal: produce a more inclusive economic statistical well-being measure than possible with expenditures and than has been produced previously; follow recommendations of expert groups
- Data
 - ▶ U.S. Consumer Expenditure Surveys
 - ▶ Augmented with external data
- Most recent research focus – impact of COVID-19 as a driver of change
 - ▶ Poverty and inequality
 - ▶ Decompositions by components of consumption and by demographic groups
- ❖ Address LCS Workshop posed questions

Consumption as a Well-being Outcome/ “Achievement”(function of Resources and Processes)



Conceptual Framework: Consumption

- “How we live” (*use of resources* to meet consumption/material needs)
- As opposed to “how we could live” (*access to resources*, e.g., income and wealth)
- Based on consumption derived from goods and services
 - ▶ Purchased by the consumer unit/household
 - ▶ Produced by members of the CU/household for own consumption (home production)
 - ▶ Provided by others
 - From outside people/consumer units/households (e.g., gifts, barter)
 - Employers
 - Government

In Contrast to Other Conceptual Frameworks: “Household Expenditures”

- System of National Accounts – international statistical office measure
 - ▶ Overview of economic processes recording how production within a year is distributed among consumers (households), businesses, government, and foreign nations
 - ▶ Shows how income originating in production, modified by taxes and transfers, flows to these groups and how they allocate these flows to consumption (for household) expenditures, savings, and investments
 - ▶ Households – expenditures by and on behalf of households; acquisition approach
- Household spending – usually used by national statistical offices
 - ▶ For current period (goods and services) and/or future periods (investments)
 - ▶ Acquisition approach to value (as opposed to out-of-pocket)

Challenge in Using Expenditure/Budget Household Survey Data

Expenditures or Outlays =

- What is spent or obligated for consumption vs other allocations

Consumption =

- The value of what is consumed

Implications for...

- Owned shelter
- Durables
- In-kind transfers
- Household Production
- Gifts and barter of goods and services received

- Problem categories (investment vs consumption)
 - ▶ Health
 - ▶ Education
- Allocations to pensions, savings, life insurance – deferred consumption

Challenge in Treatment of Health and Education

- Controversial, exclude health as a component of consumption
 - ▶ Why? Assumption - greater expenditures do not equal to greater well-being when someone is very ill
 - ▶ But alternative assumption: spending/provision of health care goods and services made to achieve level of health (maintain, improve, and/or extend one's life which increases well-being)
 - ▶ Challenge: how to value health achievement for inclusion in current consumption?
 - Treat like a vehicle and derive a flow of services from goods and services?
 - ***Our choices:***
 1. Exclude all health expenditures
 2. Include private and public health insurance as the benefit from risk protection , which provides a current consumption benefit

Challenge in Treatment of Health and Education

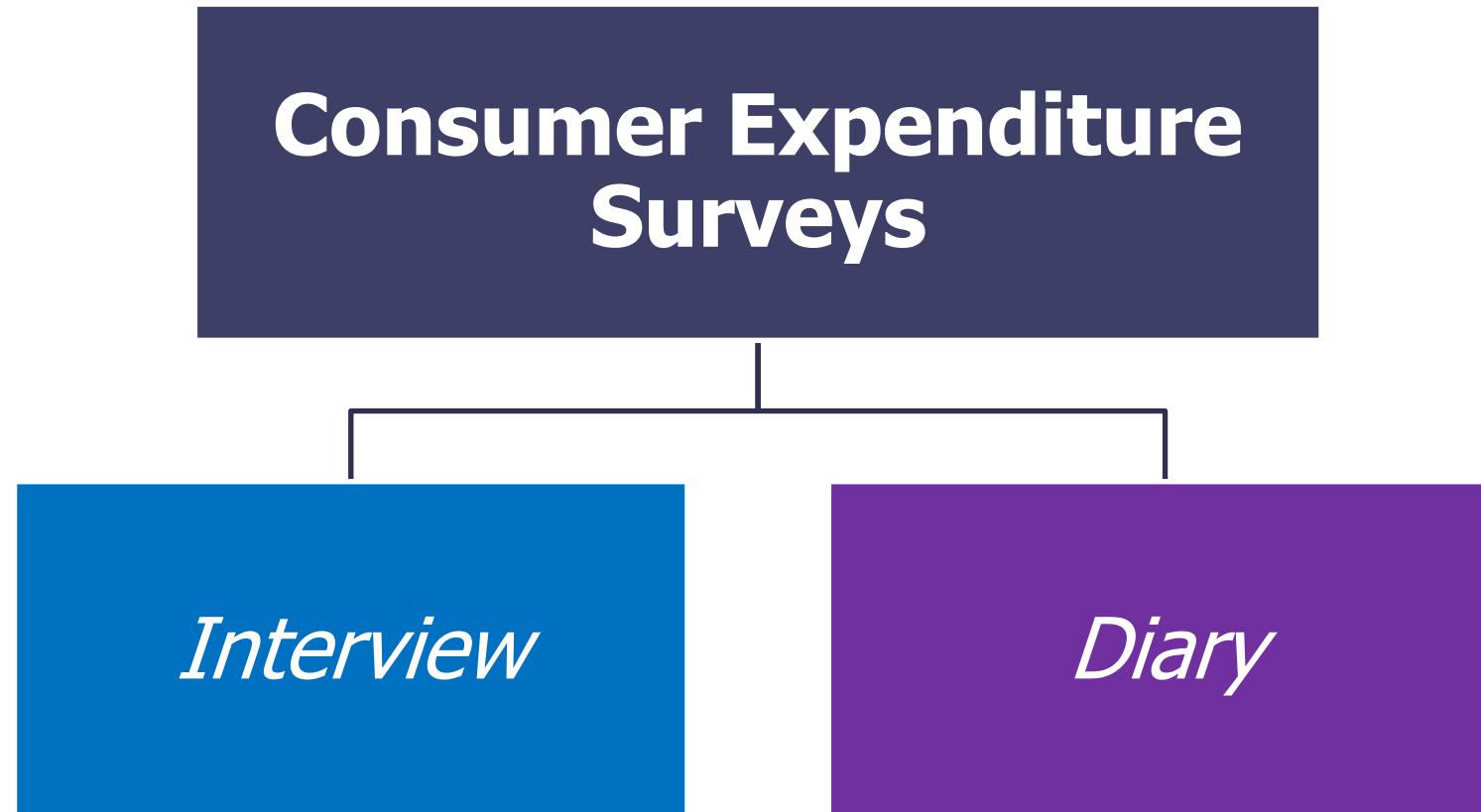
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- ▶ Challenge: how to value health achievement for inclusion in current consumption?
 - Treat like a vehicle and derive a flow of services from goods and services?
 - *Our choices:*
 1. Exclude all health
 2. Include private and public health insurance (with and without a cap) a proxy with and without a cap

■ More controversial, exclude education as a component of consumption

- ▶ Why? Assumption - spending on education represents investment in human capital, impacts future consumption
- ▶ But alternative assumption: spending/provision of education contributes to economic well-being
- ▶ Challenge: how to value education for current consumption?
 - Treat like a vehicle and derive a flow of services?
 - Treat as the present value of the return on education investment?
 - Should tuition for K-12 be included but for higher levels of education be excluded?
 - *Our choice:* – exclude private and public purchase/provision of all levels of education

Primary Data: U.S. Consumer Expenditure Surveys of Consumer Units (as opposed to Households)



Quick Facts

Interview Survey

- In-person interview design
- 4 waves over 4 quarters
- Consumer units roll (in “waves”) into the sample each month throughout the year, e.g.,
 - ▶ First interview July Y1
 - ▶ Second interview October Y1
 - ▶ Third interview January Y2
 - ▶ Fourth interview in April Y2
- 22 sections
- 3-month recall of expenditures
- 12-month recall of income (1st and 4th)
- Recall of assets and liabilities (4th)

Diary Survey

- Household roster survey: in-person interview for CU characteristics and income
- Record of daily expenditures
 - ▶ 2 one-week diaries (online or paper)
- Can overlap calendar years
- Prospective self-reporting

Empirical: Consumption Measure and COVID 19

■ Included

- ▶ Expenditures (or out-of-pocket spending) for most goods and services
- ▶ Flow of services for
 - Owner shelter
 - Durables
- ▶ *In-kind benefits, public and private*

from CE Interview Survey

impute

■ Not included

- ▶ Expenditures on goods and services given outside CU
- ▶ *Expenditures for childcare and adult care*
- ▶ *Home production for own consumption*
- ▶ *Barter of goods and services and gifts received*

use CE “gift” code

exclude for COVID analysis

not available

Empirical: Data and Period of Analysis

- U.S. Consumer Expenditure Survey Interview as base for 2019 through 2023
 - ▶ Approximately 20,000 consumer units (CUs) per quarter (18,871 to 21,280)
 - ▶ Recall from the previous three months prior to interview
- Collection versus reference periods example for “year 2023”
 - ▶ Collection period: 2023Q2-2024Q1 which represents April 2023 through March 2024
 - ▶ Reference period: January 2023-February 2024 defines “2023”
- All results
 - ▶ Based on quarterly data (assume quarterly data are independent – no restriction on number of interviews)
 - ▶ Population weighting (consumer unit weighting and CU size)

Empirical: Available from the U.S. CE Surveys

“Consumption” Expenditures

- Interview
 - ▶ Food
 - ▶ Housing
 - Shelter
 - Utilities
 - Household operations
 - Furnishings and equipment
 - ▶ Apparel and services
 - ▶ Transportation
 - ▶ Healthcare
 - ▶ Entertainment
 - ▶ Personal care products and services
 - ▶ Reading
- Diary only categories

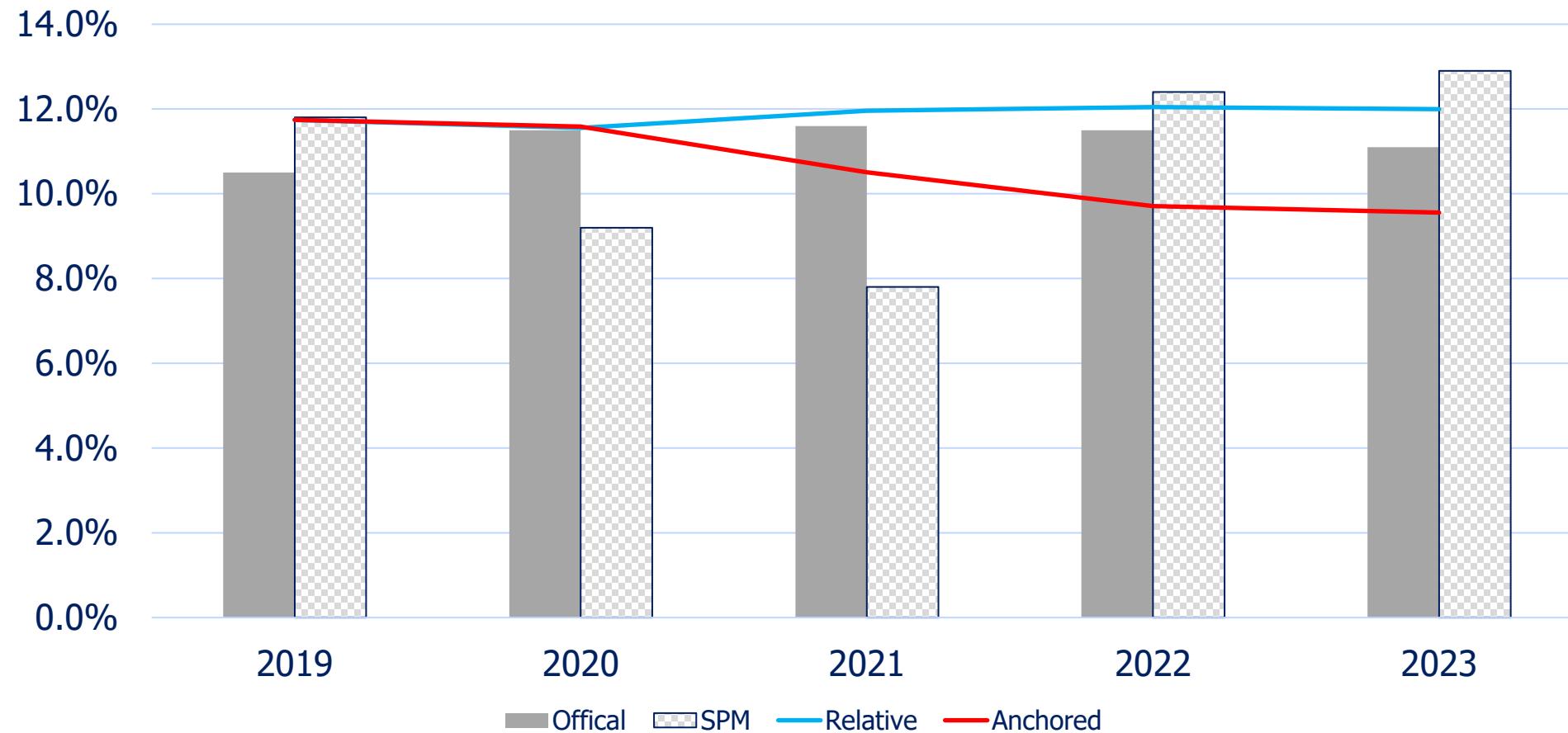
Needed for Flow of Services

- Reported owner's equivalent rent (OER)
 - ▶ Primary residence
 - ▶ Second and vacation homes
 - ▶ NOTE: assumption is that flow of services from major appliances included in OER
- Age and characteristics of cars and trucks owned
- Outlays as proxy for other vehicles
 - ▶ Other transport vehicles (e.g., motorcycles, bicycles, airplanes)
 - ▶ Recreational motorized and non-motorized vehicles (e.g., RVs, boats)

Empirical: CE and External Data for Imputations

- Based on **Interview** data alone
 - ▶ *Rental subsidies*
 - ▶ *Flow of services* from stock of owned cars and trucks to estimate depreciation and opportunity costs
 - ▶ *Food at home* for 2023Q2-2024Q1: 80% of global grocery expenditures (CE Program recommendation)
- Based on weekly **Diary** data (about 8% of total I+D integrated total expenditures based on 2018-2022 data)
 - ▶ *Diary only* (e.g., expenditure for postage stamps, non-prescription vitamins, newsletters)
- Based on **External** data
 - ▶ *Value of health insurance* – Interview data for reported premiums and
 - Medical Expenditure Panel Survey (MEPS) Insurance Component (for employer) & Centers for Medicare and Medicaid Services (public and private), National Health Expenditure Database & agency budgets (for public)
 - ▶ *In-kind benefits* – broadband (2022&2023), LIHEAP, NSLP, WIC (if EBT=\$0, + infant formula)
 - Current Population Survey – Annual Social Economic Supplement (CPS-ASEC) and USDA Administrative Data
 - ▶ *College dorm-based room and board* - National Center for Education Statistics
 - ▶ *Boarding school room and board* - “Average Cost of Private Schools” (Hanson, 2024)
 - ▶ *Tenants portion of owner shelter insurance* – National Association of Insurance Commissioners

Poverty Rates Based on Consumption with Health Insurance Using Relative Thresholds and Anchored Thresholds Set to 2019 Rate



NOTE: Thresholds based on quarterly adult equivalized values; population weighted (FINLWT21*Cusize); consumption with health insurance capped at 50% of total; measures do not include education

Inequality

Consumption

	2019	2020	2021	2022	2023
Gini	0.252	0.245	0.258	0.251	0.248
Theil	0.112	0.109	0.129	0.111	0.108
Mean log deviation	0.106	0.102	0.113	0.105	0.103
90/10	3.010	2.893	2.989	2.996	2.970
90/50	1.767	1.714	1.734	1.749	1.754
50/10	1.703	1.688	1.723	1.713	1.693

Post-tax Income (Current Pop. Survey-Annual Social and Economic Supplement)

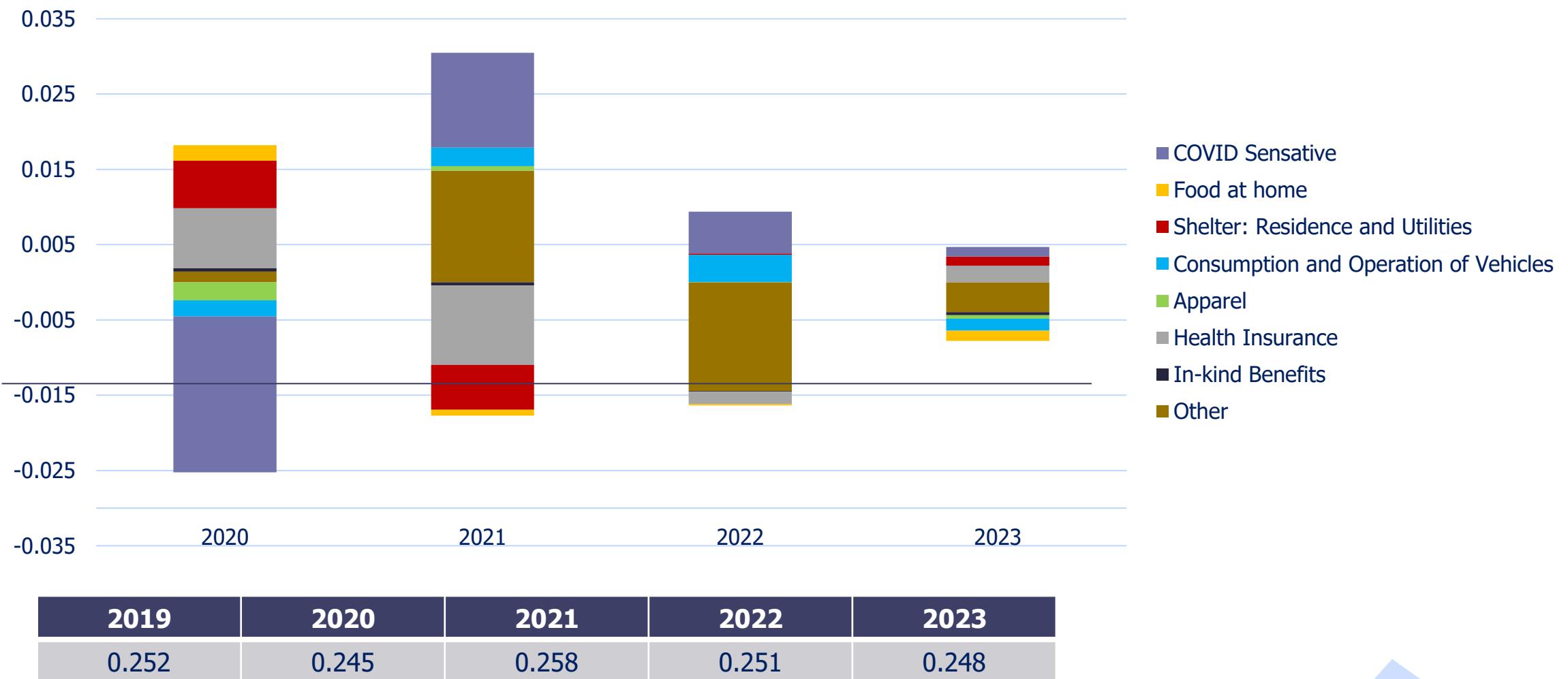
	2019	2020	2021	2022	2023
Gini	0.416	0.399	0.394	0.417	0.416

Consumption Categories for Gini Decomposition

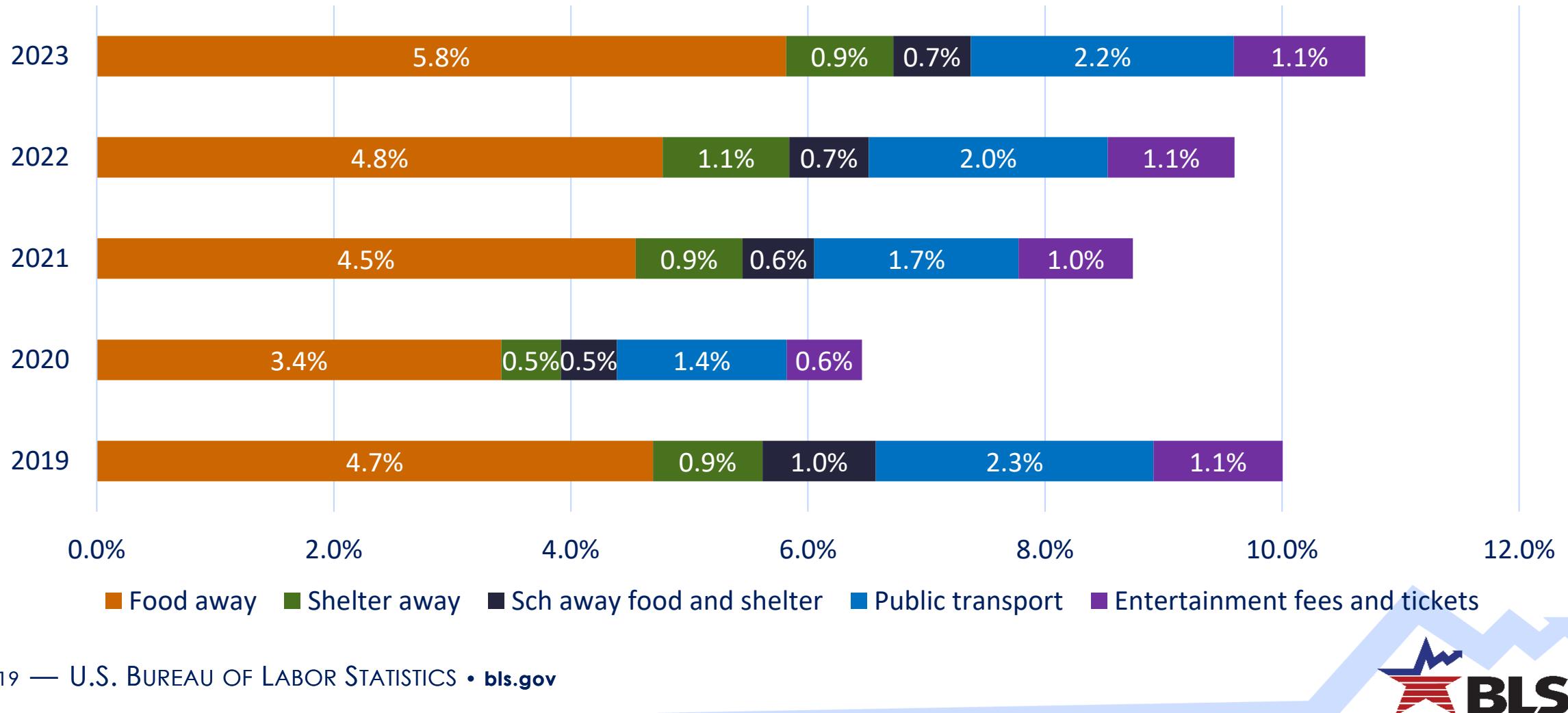
Using Lerman- Yitzhaki $G=(SGR)_c$

More COVID Sensitive – first order	Less COVID Sensitive
Food away from home	Food at home
Shelter on trips	All residences (rent, owned, vacation home) and utilities
Away from home school shelter and food	Consumption and operation of vehicles
Public transportation	Apparel
Entertainment fees and tickets	Health insurance
	In-kind benefits
	Other (e.g., other entertainment, personal care, reading, tobacco, household operations, household operations and furnishings)

Contributions to the 1-year Change in Gini



Shares of COVID-Sensitive Components of Consumption



Evaluation of the CE Relative to Our Measure

Strengths

- Consumption reflects most goods and services (durables, non-durables, services)
- Allows us to produce a “reasonable” approximation of total consumption
- Data continuously collected since 1980
- Detailed expenditures and information on goods and services
- Sufficient information to impute
 - ▶ Rental subsidies
 - ▶ Vehicle depreciation and opportunity costs
- Detailed demographics
- Detailed income data for CU and members

Weaknesses

- Interview data collection not designed to provide calendar annual measure for each CU
- All data needed for measure not available in the Interview
 - ▶ External data needed for imputations
 - ▶ Missing home production for own consumption
 - ▶ Missing barter, gifts of goods and services received
- Survey redesign can impact measure – issue for comparability over time
 - ▶ Global food question introduced in 2023Q2
 - ▶ Dropping inventory of major appliances
 - ▶ Dropping several vehicle characteristics
- Income does not match expenditure period except for last interview for select CUs

Other Two Sets of Questions

Cross-country comparability

- Collection/reference periods
 - ▶ Issue - do data reflect annual consumption?
 - ▶ Restricted of 2 weeks, 3 months, annual – seasonality (e.g., holidays)
- Definition of goods and services comparability
 - ▶ Issue – provided by the CU, employer, or government
 - ▶ Major concern for health and education
- Importance of major events, e.g., COVID 19
 - ▶ Impact on establishments (closure, restricted) and people (restricted access and travel)
 - ▶ Response by governments
- Home production for own consumption
 - ▶ More important in some countries than others

Remarks on LCS

- Added to LCS
 - ▶ Consumer price indexes within calendar year
 - ▶ Consumer price indexes across areas within a country
 - ▶ Data on use of debt and depletion of assets to fund consumption
- Recommendations
 - ▶ Reconsider treatment of health and education
 - ▶ Define “routine” maintenance and repair shelter expenditures for consumption and income measure
 - Are routine expenditures based on types or level of expenditures?
 - Needed to produce net impute rental income for income measure
 - Net profit from home produced goods (market value-cost of inputs)
 - ▶ Guidance on equivalence scales – consumption is different from income

Contact Information

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www.bls.gov/pir

[https://www.bls.gov/cex/consumption-
home.htm](https://www.bls.gov/cex/consumption-home.htm)

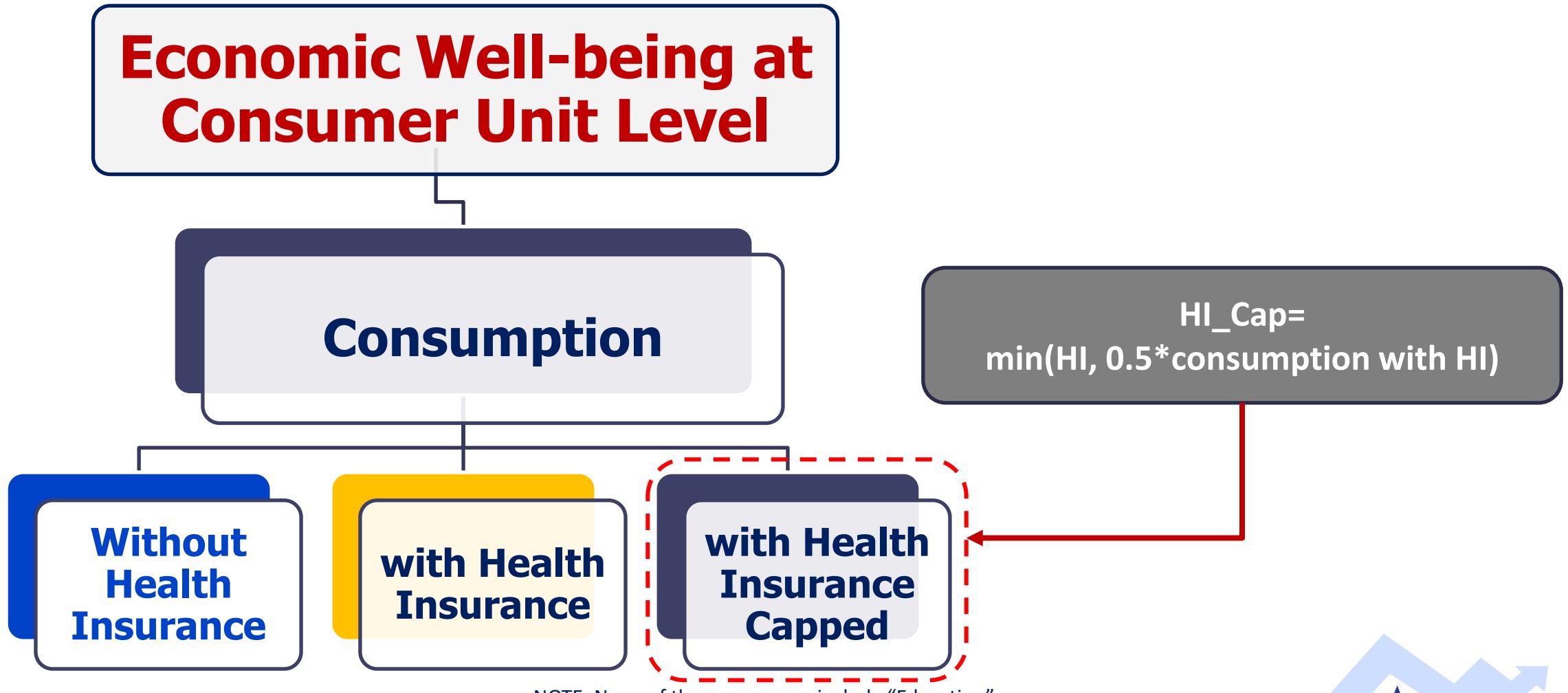
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EXTRA Slides

Follows and Supports Work of Others

- Interagency Technical Working Group (ITWG) on Evaluating Alternative Measures of Poverty (2020)
- Committee on National Statistics Panel (2023) focus on consumption needs as does the proposed Principal Poverty Measure
- Related to Meyer et al. (2024) and Fisher et al. (2015, 2022) but different assumptions
- OECD joint distributions of income, consumption, and wealth (micro and macro groups)
- In-development Luxembourg Consumption Study (LCS) – international

Concepts of Consumption



CE Survey: For Whom and Samples

■ Collection and reference unit

- Consumer unit (CU): people living at the same address who share living expenses
- In approximately 97% of cases, CUs are the same as households

■ Samples/Populations

- Interview and Diary have their own samples (the same CU does not participate in both)
- Each comprises nationwide household samples represent the entire U.S. civilian noninstitutional population

Objectives of Our Research

- Construct a “new” measure of consumption for the U.S.
 - ▶ Provide evidence on a dimension of welfare based on data from an expenditure survey as distinct from an income survey
 - ▶ Reflect on the conceptual definition of household level consumption and consistency with welfare theory – e.g., treatment of durables, owner-occupied housing, home production for own consumption
 - ▶ Add components of consumption previously not included
- Examine drivers of change in inequality and poverty over time

Empirical: Treatment of Health and Education

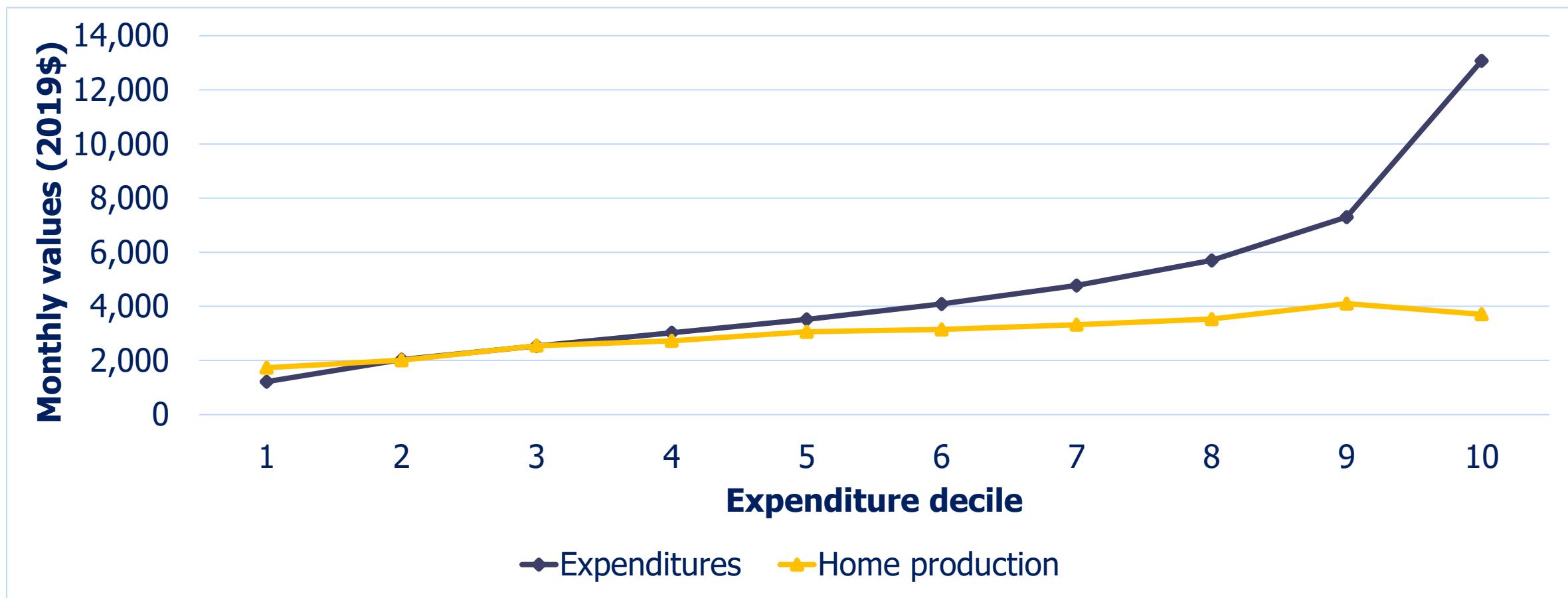
- Include health insurance (with a cap)

- ▶ Private
 - Out of pocket health insurance premiums +
 - Employer contribution for private health insurance
 - ▶ Public
 - Full value of publicly provided health insurance

- Exclude out-of-pocket expenditures for education (as defined by BLS)

- ▶ Tuition (elementary, high school, college/university, vocational and technical school)
 - ▶ Finance and interest charges on student loans
 - ▶ Test preparation and tutoring services
 - ▶ Educational books, supplies
 - ▶ Educational savings accounts and prepaid tuition

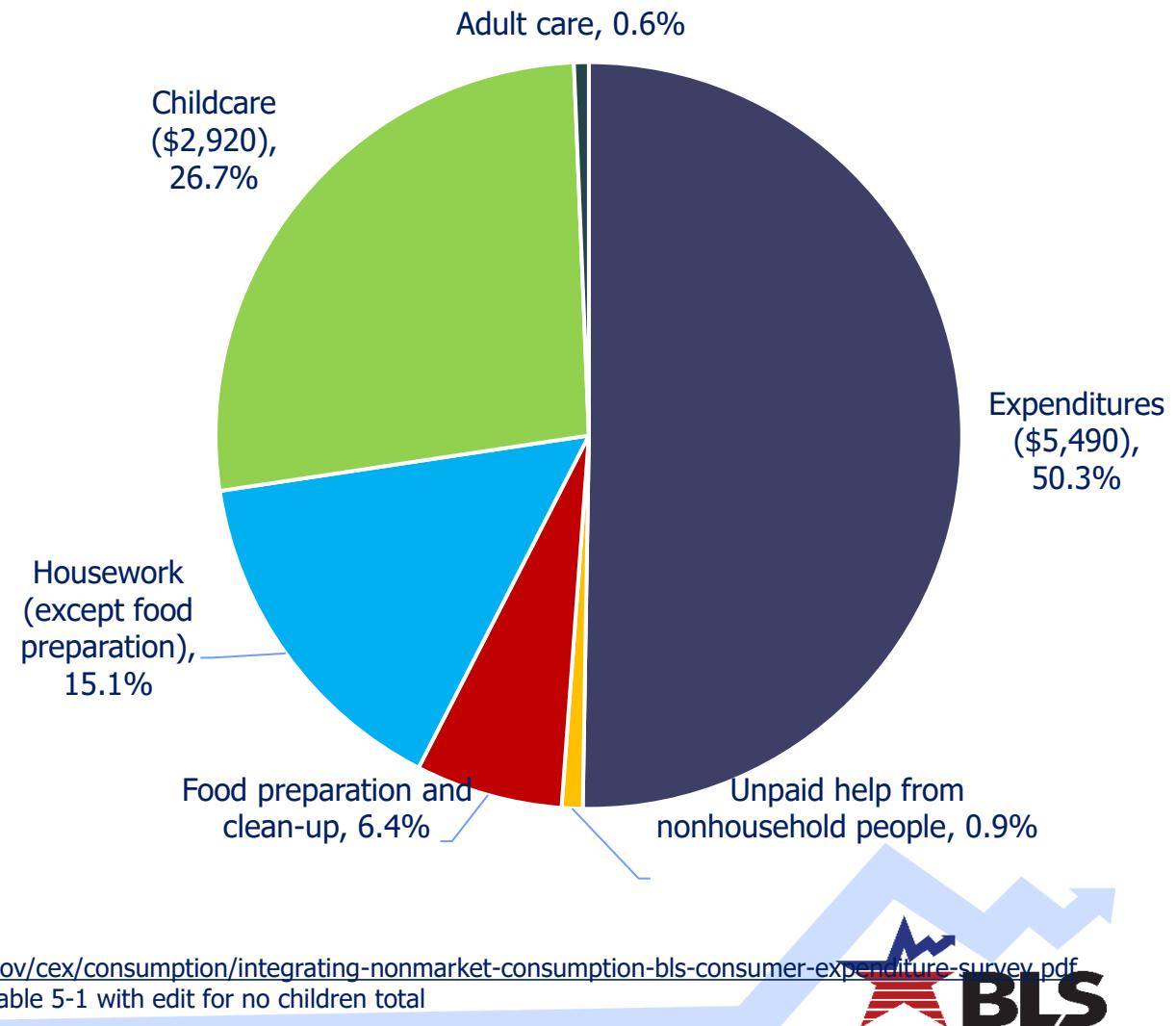
Average Monthly Values of Expenditures and Home Production by Expenditure Decile, 2019



Accounting for Home Production for Own Consumption: Example for CUs with Children

Levy Institute of Bard College Group (2021; 2025)

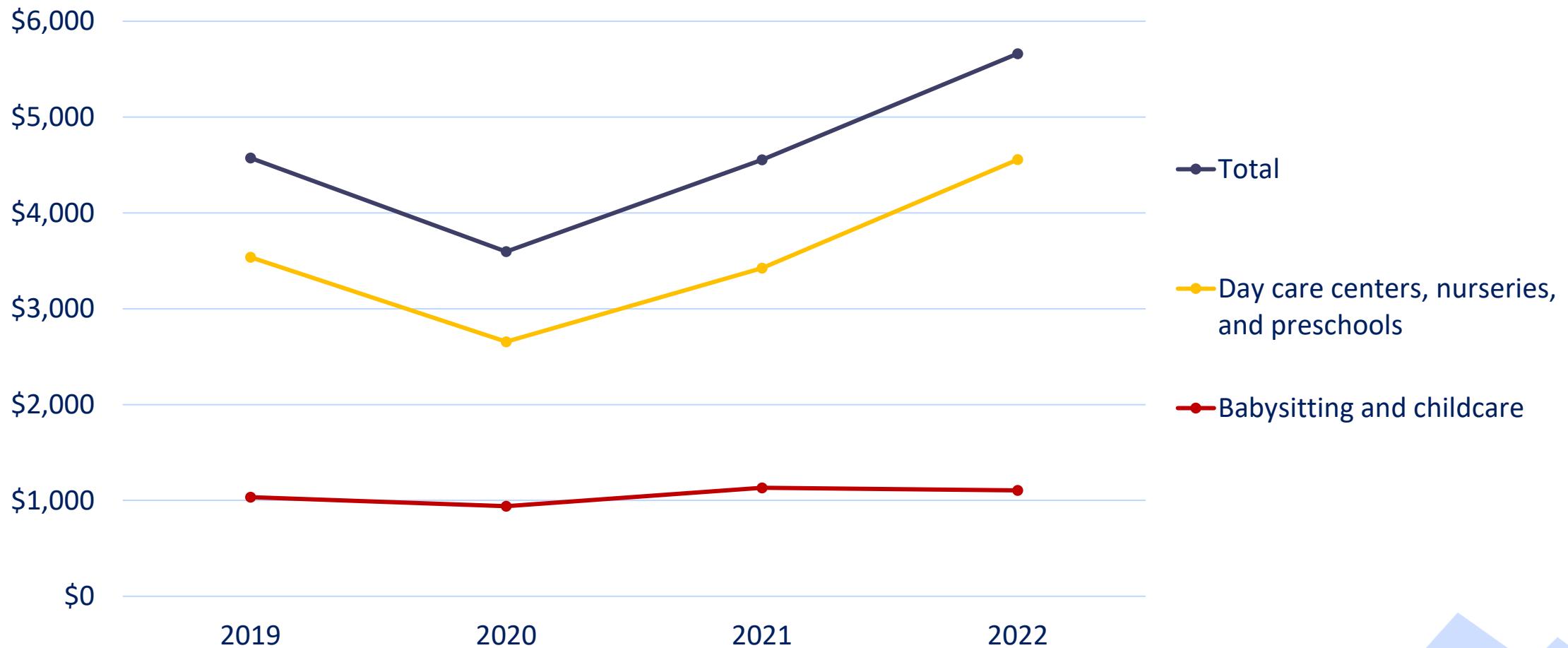
- Calculated from synthetic file of U.S. CE Interview 2019Q3 augmented with data from American Time Use Survey (ATUS)
- Augmented Consumption Expenditures
 - ▶ Exp + REQ + Home Production for Consumption
- Home production valued
 - ▶ Market (replacement) value
- Monthly average for CUs with children: \$10,023
 - ▶ Childcare share: 26.7%
 - ▶ Adult care share: 0.6%



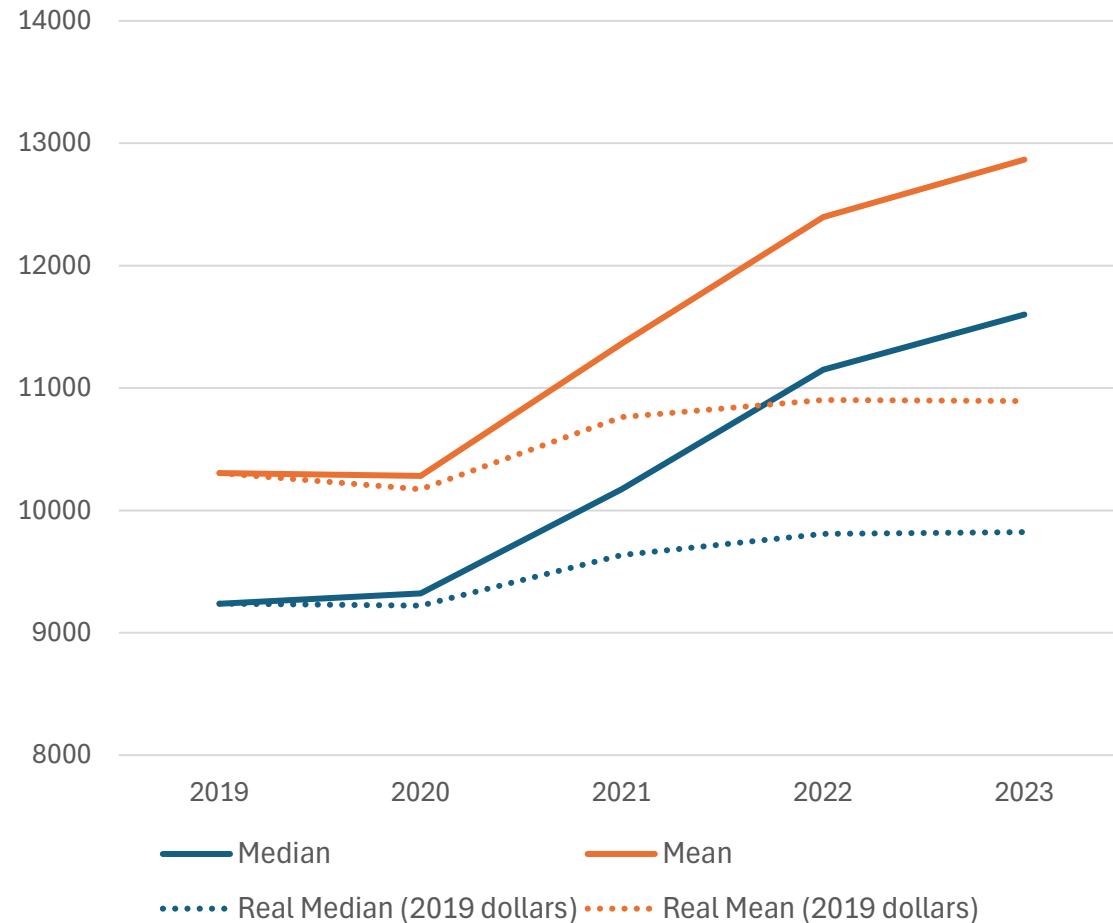
Gini Coefficients for Expenditures and Augmented Expenditures by Presence of Children: 2019

Line		No children	With children	All
1	Expenditures	0.360	0.339	0.357
2	Augmented Expenditures =(Expenditures + Home Production)	0.318	0.238	0.325
3	Change (Line 1 - Line 2)	0.042	0.101	0.032

Annual Average Expenditures for Services Using CE Integrated Data: Married Couple with Oldest Child Less Than 6 Years of Age



Over Time: Quarterly Equivalized Means and Medians



- Small declines in real mean and median consumption with health insurance capped in 2020.
- Large impact of inflation on 2021-2023 nominal values.

Poverty Measurement and Analysis

■ Thresholds

- ▶ Relative threshold based on 60% of median equivalized (3-parameter) consumption with health insurance capped
- ▶ Anchored relative threshold, anchored to 2019 relative threshold and updated using Chained CPI-U

■ Poverty Statistics (Foster-Greer-Thorbecke, 1984)

- ▶ Headcount rates: percent of individuals below the poverty line
- ▶ Average poverty intensity: average poverty gap relative to the threshold (only for poor)
- ▶ Poverty severity: how poor the poorest is relative to the average poor

■ Oaxaca-Blinder decomposition of poverty rate

Oaxaca-Blinder Decomposition

- Decomposition for anchored poverty for consumption with health insurance capped
- Live in a CU with characteristics $X_{i,t}^k$ defined in terms of
 - ▶ Reference person characteristics
 - Race/ethnicity, gender, work status, education, and marital status
 - ▶ CU characteristics
 - Housing tenure, consumer unit size, presence of child by age of children, over 65 indicator, urban/rural, and 9 geographic divisions (and for state level COVID response)

Oaxaca-Blinder Decomposition

- Regress poverty status (0,1) in each year on a set of demographic variables to estimate β_t^k :

$$Poverty_{i,t} = \sum_k \beta_t^k X_{i,t}^k + \epsilon_{i,t}$$

- Change in average poverty status (=rate) decomposed into changes due to demographics and changes in the coefficients:

$$\overline{Poverty}_{t+1} - \overline{Poverty}_t = \sum_k \beta_{t+1}^k (\bar{X}_{t+1}^k - \bar{X}_t^k) + \sum_k \bar{X}_t^k (\beta_{t+1}^k - \beta_t^k)$$

Inequality Analysis

- *Goal:* examine drivers of change in inequality through breaking down distributional analysis by type (subcomponents) of consumption
- Data preparation
 - ▶ Group consumption components into 2 groups
 - COVID-sensitive
 - Less COVID-sensitive
 - ▶ Equivalized consumption using 3-parameter equivalence scale
 - ▶ Person weighted distributions: FINLWT21*fam_size
- Inequality indexes
 - ▶ Overall
 - ▶ Gini decomposition of consumption inequality by category of consumption

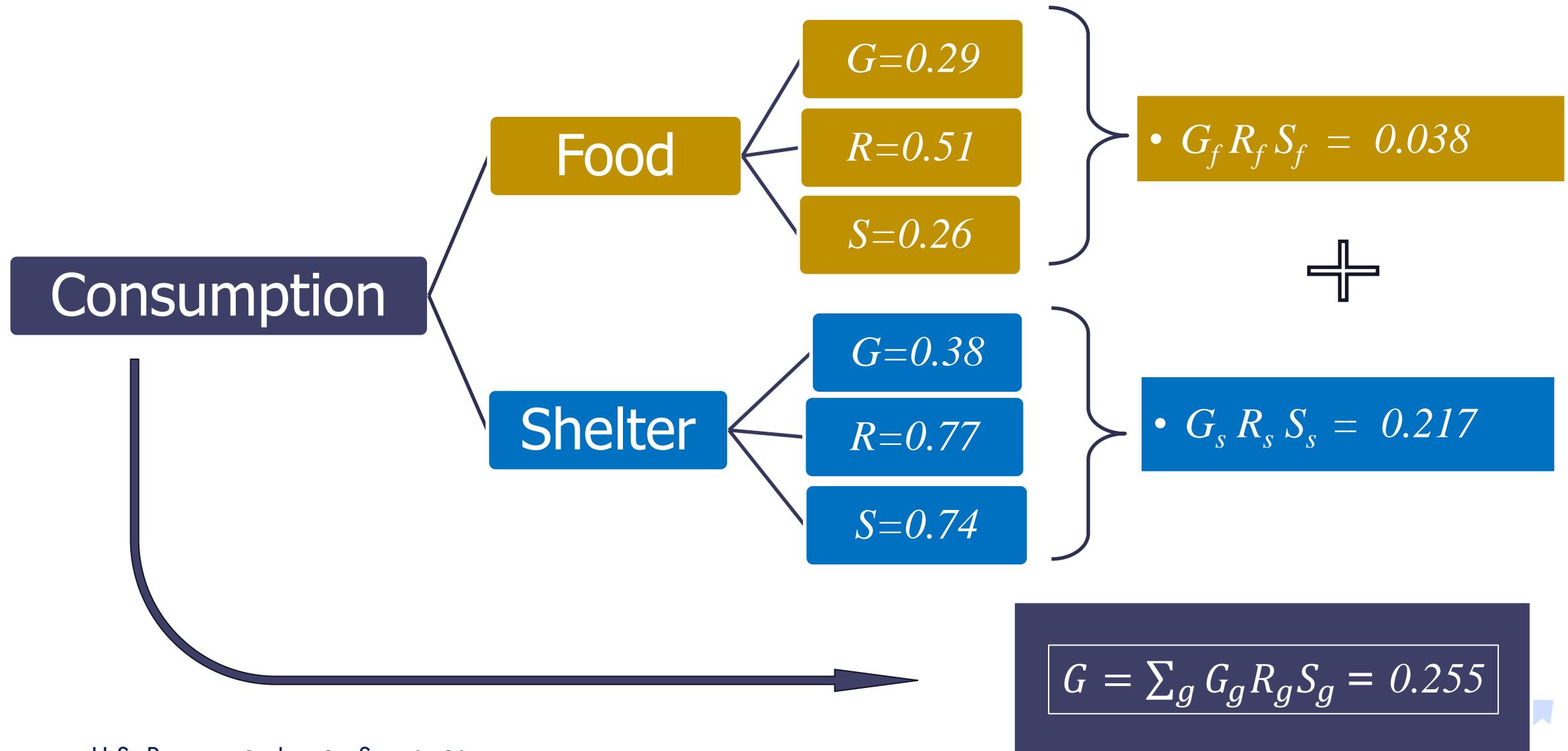
Decomposition of Gini Inequality by Consumption Category

- Gini decomposition by type of consumption (Lerman and Yitzhaki 1985)

$$G = \sum_g G_g R_g S_g$$

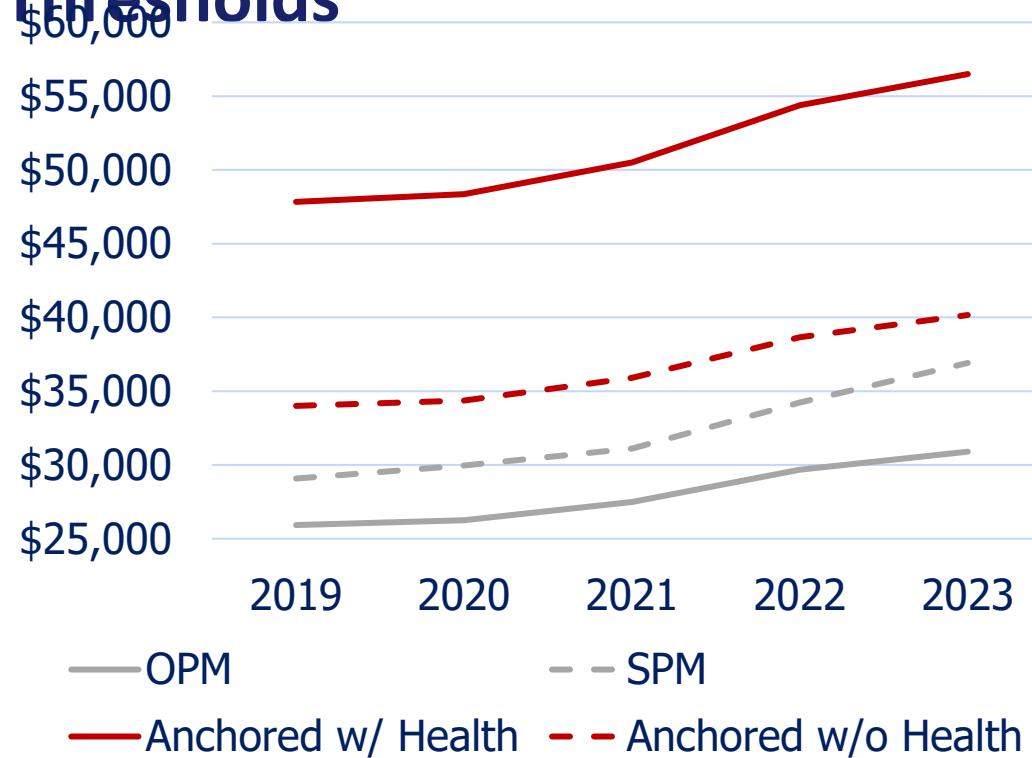
- ▶ G_g : Within category Gini
- ▶ R_g : Correlation with rank of overall consumption
- ▶ S_g : Share of overall consumption
- ▶ $G_g R_g S_g$: the contribution of g to overall inequality

Gini Decomposition

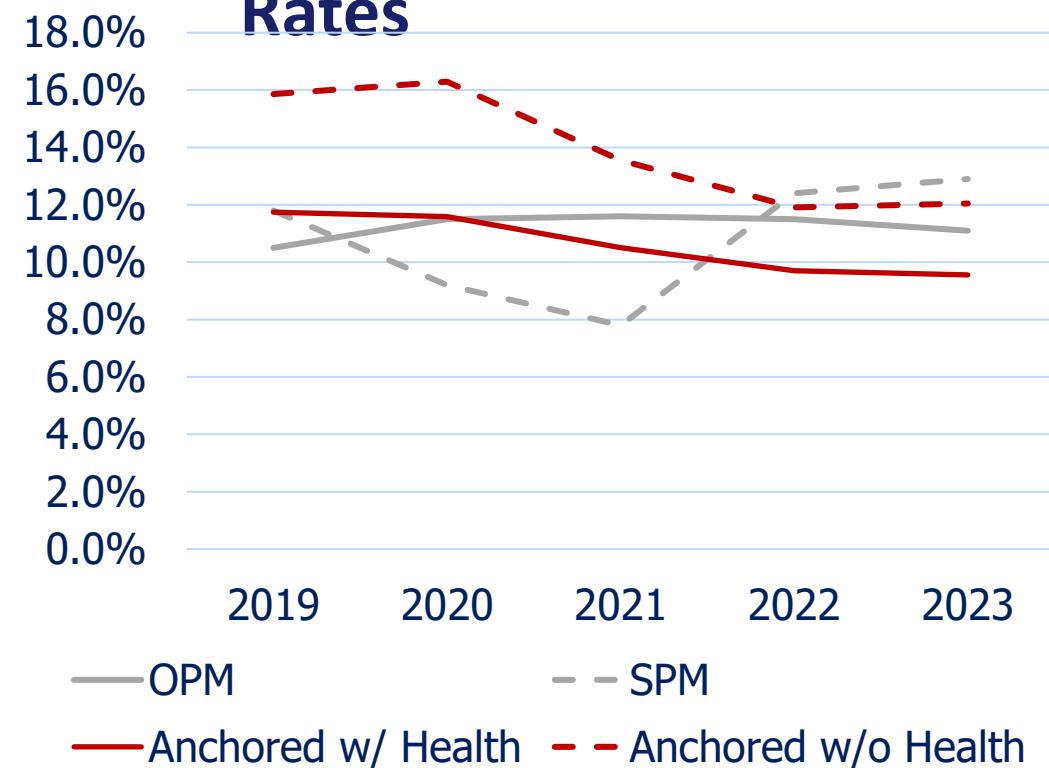


Comparative Thresholds and Poverty Rates

2 Adults with 2 Children Thresholds



Population Poverty Rates



NOTE: SPM thresholds not geographically adjusted

Consumption with Health Insurance Capped Poverty Statistics for Total Population (using Anchored Thresholds)

Year	Head Count	Intensity	Severity
2019	11.7%	2.5%	0.9%
2020	11.6%	2.5%	0.9%
2021	10.5%	2.2%	0.7%
2022	9.7%	2.0%	0.6%
2023	9.6%	2.0%	0.7%

NOTE: Thresholds based on quarterly adult equivalized values; population weighted (FINLWT21*Cusize); consumption with health insurance capped at 50% of total; measures do not include education

Impact of Education on Poverty Incidence Over Time: Regression Coefficients

Category	2019	2020	2021	2022	2023
Less than HS	-	-	-	-	-
HS grad	-0.129***	-0.100***	-0.099***	-0.114***	-0.091***
Some college or Associates	-0.165***	-0.144***	-0.143***	-0.150***	-0.141***
Bachelor's degree	-0.194***	-0.161***	-0.155***	-0.167***	-0.157***
Advanced degree	-0.194***	-0.163***	-0.152***	-0.157***	-0.146***

B=marginal impact on the likelihood of being poor for demographic groups. e.g. Holding other characteristics constant, Living in a CU with high school graduate ref person reduces the probability of a person being poor by 12.9 % relative to living in a CU with less than hs graduate reference person.

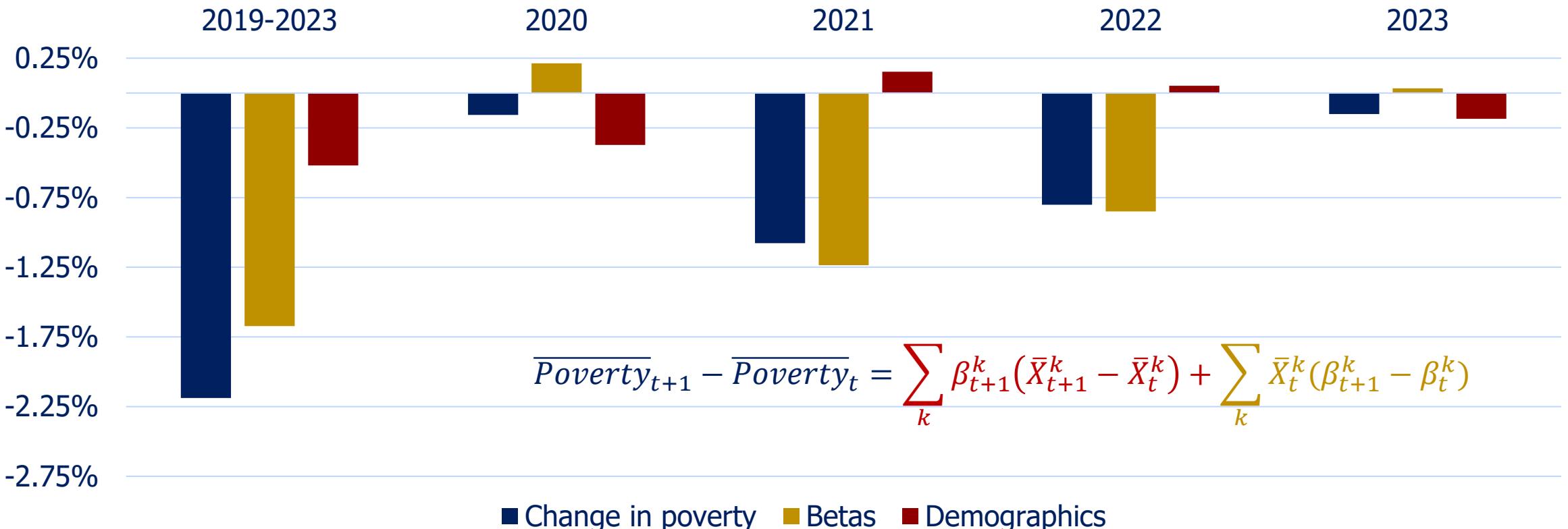
Impact of Children on Poverty Incidence: Regression Coefficients

Category	2019	2020	2021	2022	2023
No Children	-	-	-	-	-
At least 1 child under 6	-0.054***	-0.030*	-0.074***	-0.045***	-0.040**
At least 1 child 6-13, none under 6	-0.064***	-0.035**	-0.087***	-0.030*	-0.051***
At least 1 child 14-17, none under 14	-0.030*	-0.036*	-0.070***	-0.043**	-0.045***

NOTE: Coefficients estimated using population weight (FINLWT21*Cusize); consumption with health insurance capped at 50% of total; measures do not include education; ***p-value < 0.001, **p-value < 0.01, *p-value < 0.05

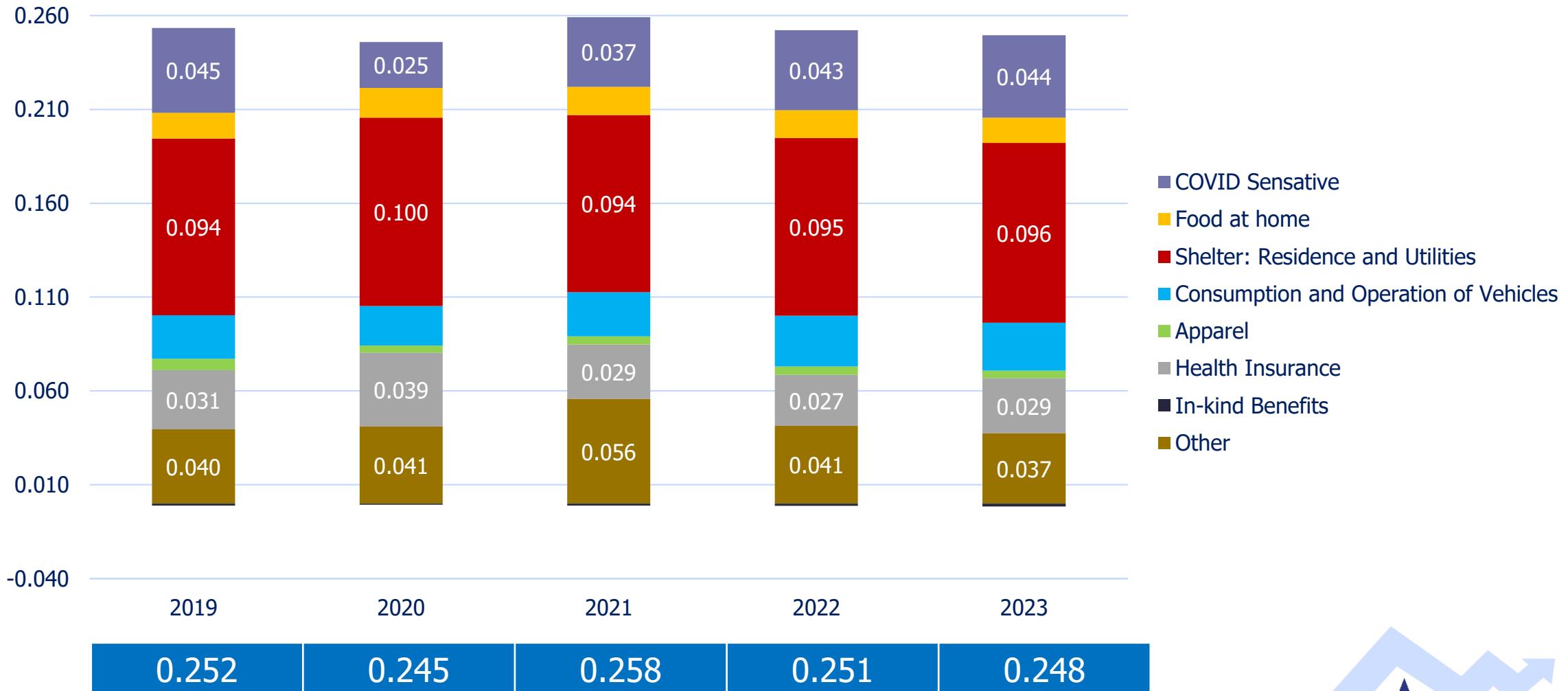
Decomposition of the Change in Poverty

Percentage Point Contribution to Change in Poverty Relative to Previous Year



Gold bars: Greater impact of change in the likelihood of being poor (associated with characteristics) on change in poverty

Contribution Consumption Components to Overall Inequality



Drivers of the Change in Gini Contribution by Category

- Covid sensitive categories tend to have
 - ▶ High within category Gini
 - ▶ High rank correlation
- From 2019 to 2020
 - ▶ Shares declined in covid sensitive categories offset by increases in other categories
 - ▶ Within Ginis relatively stable
 - ▶ Rank correlations relatively stable (exceptions: food away from home & public transportation relatively lower rank correlations in 2020)
 - ▶ Result: shift in consumption patterns led to lower overall inequality

Future Plans

- Continue consumption inequality and poverty research
 - ▶ Role of debt to “achieve” consumption
- Add joint distribution of consumption-income (wealth)
- Address
 - ▶ Challenges arising from changes in CE Surveys data collection instruments and samples
 - ▶ Trade-off in timeliness versus precision (e.g., health insurance)
 - ▶ Valuing home production for own consumption
 - ▶ Continuing research on health insurance
 - ▶ Treatment of education
- Continue cooperation with the Luxembourg Consumption Study

DRAFT Welcome and Introduction

9 January 2026

Overview

- Background – how “we” got here
- Purpose of the LCS Workshop
 - ▶ Exploring innovative research avenues
 - ▶ Supporting methodological reflections
 - ▶ Providing input toward shaping the conceptual foundations of the LCS Database
 - ▶ Hear from you
 - Identify points of consensus
 - Highlight areas where further work is needed
 - Ensure that the next steps in building the LCS Database are grounded in a broad and informed expert perspective
- Plan of Workshop

Motivation to Explore Consumption

- Economic argument that current consumption is a better proxy of well-being or welfare than income (e.g., Sen, Stiglitz, Fitoussi, 2009)
 - ▶ *It captures the “achievement” of a particular level of welfare, as opposed to the “opportunity” offered by a measure of income*
 - ▶ *It smoothens short-run fluctuations in income*
 - ▶ *It reflects expected future changes in income*
 - ▶ *Formally equals income minus savings and unreported private transfers*
- Development of alternative measure of well-being based on outcomes - **allows us to go beyond expenditures** to consumption to include the flow of services from owned housing and durables, and ultimately to include the value of home production (time allocation) for own consumption
- Comprehensive measures of consumption do not exist in administrative registers - can only be measured from household survey data along with additional data and assumptions

Contribution

- Updates and expands the literature on cross-national comparisons of household economic well-being focused on consumption/consumption expenditures
 - ▶ Builds on work of ILO, Eurostat, OECD, World Bank, UNICEF, and researchers therein (many of whom are here today)
 - ▶ Most relevant previous LIS-based and related research –Deaton and Zaidi (2002), Garner & Sierminska (2002) and Mancini & Vecchi (2022, 2023)
- Provides for an input in the production of joint distributions of income, consumption, and wealth studies
 - ▶ A better measure of economic well-being as opposed to single measures
 - ▶ Recommended in the report of Stiglitz, Sen, and Fitoussi (2009) & OECD ICW Framework
- Input to well-being frameworks: CES Recommendations on Measuring Sustainable Development, Eurostat's Quality of Life Framework, and UN Universal Declaration of Human Right (not part of OECD Well-being Framework)

Objectives of the Luxembourg Consumption Study

- Expand our understanding of consumption versus consumption expenditures
- Take stock of differences across countries and cross-national household survey data
 - ▶ Conceptual elements of consumption as defined and applied in emerging and advanced countries
 - ▶ Data collection efforts based on household surveys
- Refine current conceptual frameworks for defining a comparable consumption-based well-being concept
- Provide an empirical - descriptive & distributional - analysis by components and demographic groups across countries with case studies
 - ▶ Low income: Mali
 - ▶ Lower Middle Income: Laos and Palestine
 - ▶ Upper Middle Income: Peru and Georgia
 - ▶ High Income: Italy, France, United Kingdom, and United States (US)
- ❖ First cross-national analysis of consumption patterns across these groups of countries

Challenge in Comparing Well-being Across Measures

Inconsistency Across Measures

- Consumption > expenditures
 - ▶ Own home without debt
- Consumption > income
 - ▶ Fund with debt (credit cards, loans)
 - ▶ Liquidate savings
 - ▶ Borrow from own savings or home equity
- Consumption high but
 - ▶ Low economic security
 - ▶ Difficulty meeting expenses
- ❖ Joint distributions: Distributional national accounts, Material Conditions Index, etc.

OECD Multidimensional Well-being



<https://www.oecd.org/en/topics/well-being-and-beyond-gdp.html>

Will drop if use the previous slide. Consumption and Relationships with Other Well-being Measures

■ Consumption > expenditures

- ▶ Flow of services from own home versus own home without a mortgage

■ Consumption < expenditures

- ▶ Consume flow of services from car versus acquisition costs

■ Consumption > income

- ▶ Fund with debt (credit cards, loans)
- ▶ Liquidate savings
- ▶ Borrow from pension or home equity

■ Consumption high but

- ▶ Low economic security
- ▶ Difficulty meeting expenses

Workshop Plan

■ Format for Day 1 – Virtual Session

- ▶ Four thematic panels of 2–3 speakers each
- ▶ Each presenter will have **15 minutes**
 - Outline your work related to consumption
 - Reflect on the three sets of preparatory questions
- ▶ Short panel discussion will follow each set of presentations

■ Format for Day 2 – In-person Session

- ▶ Four thematic panels
- ▶ Each presenter will have **30 minutes**
 - **15–20 minutes** presenting one of your related papers
 - **10–15 minutes** reflecting on the three preparatory questions
- ▶ A panel discussion will follow each set of presentations

Questions for Presenters

■ Your measure

- ▶ Which consumption concept did you use?
- ▶ What are its strengths and weaknesses?
- ▶ What limitations would you have liked to address?
- ▶ If you did not rely on a total consumption aggregate, which sub-components did you analyse, and how were they defined/measured?

■ Cross-country comparability

- ▶ What is your view? In particular, what are the implications of not including social transfers in kind (STIK)?
- Based on the LCS note you received (variable list, aggregation plan, definitions – attached again for your convenience),
 - ▶ What would you like to see included or adjusted?
 - ▶ Any concrete recommendations (e.g. prices, quantities, health, education)?