

**Documentation of statistics for
Household Budget Survey 2014**

1 Introduction

The Household Budget Survey gives a picture of the private households overall economic conditions, both income, savings and consumption. Since 1994 the survey has been conducted and published annually.

2 Statistical presentation

The Household budget survey is calculated at Households level. The survey is based on a combination of interviews, accounting and administrative data from the participating households. 99 per cent of the total population is covered by the survey, which covers all private households in Denmark.

2.1 Data description

The Household Budget Survey is based on a combination of interviews and accounting from the participating households. In areas where data already are known through registers, data are taken from those registers. All participating households have to register their consumption over a period of 14 days. When a household has finished the registration of its consumption – the household is visited by our computer-assisted personal interviewers (CAPI). The CAPI-interviewers ask questions about the households fixed costs for the last 12 months. The survey covers all private households in Denmark, these accounts for approx. 99 percent of the total population.

2.2 Classification system

Consumption is defined as cost of goods and services used for the direct satisfaction of individual needs. Consumption is grouped by an international standard, known as COICOP5 classification (Classification Of Individual Consumption by Purpose), where the purpose is essential. The international recommendations only give instructions on the division of consumption at an overall level, but Statistics Denmark has also made a further division in order to meet specific needs . The total consumption can in the statement immediately be grouped as follows: · Level 1 12 groups · Level 2 46 groups · Level 3 114 groups · Level 4 282 groups · Level 5 512 groups · Level 8 approx . 1,300 individual items - see the variable list at: <https://www.dst.dk/forbrug>

For fundamental reasons, Statistics Denmark does not conduct a breakdown of the consumption of certain brands.

In addition , a large number of other groups which are documented on the website of Statistics Denmark: [Nomenklaturer](#). This is and example, region and education.

2.3 Sector coverage

Not relevant for these statistics.

2.4 Statistical concepts and definitions

Consumption in the Household Budget Survey: The definition of consumption expenditure in the household budget survey: The household budget survey estimates consumption as the private households' total expenditure on goods and service, when the intention is direct utility satisfaction. There are, especially, with regard to housing expenditure of homeowners some problems. Attempts are made at solving these problems in the household budget survey by calculating rent (rental value of own home). The calculation is based on the available statistics as regards the possible size of the rent for a corresponding rental dwelling, i.e. a dwelling of the same size and age, same location and with the same facilities. The distribution of consumption expenditure generally complies with the principles used in compiling the national accounts and is based on the European system of national accounts, ESA2010. In accordance with this system, goods and services are distributed by purpose. In its most detailed form, about 1,300 single types of consumption are included in the household budget survey, each allocated with an 8-digit code. In the Statistical Yearbook the statistics are published at 2-digit level or 4-digit level, while detailed statistics can be supplied against payment of a service charge.

Households: A household is defined as comprising one or several persons who live at the same address. The persons at the address share their meals, have joint income and expenditure. In the household budget survey the delimitation is carried out directly of the participating households in collaboration with the interviewer.

Socio-economic status: The population's socio-economic status is indicative of the most important labor market attachment. The labor force is divided into self-employed, assisting spouses, employees and unemployed persons. The population outside the labor force is divided according to the potential labor market attachment. Here, the personal groups comprise persons who are temporarily outside the labor force (job activation and leave during unemployment), retiring from the labor force (early retirement pay and transitional payments), pensioners (recipients of civil servants earned pensions, old age pensioners and early retirement pensioners) and others outside the labor force (recipients of social assistance, students, children and other persons outside the labor force).

The breakdown of socio-economic groups in the income statistics is performed on basis of the primary income data source, unlike the labor market statistics where there is a close focus on the population's labor market attachment. Consequently, the socio-economic breakdown is not the same across the statistical domains.

Further information is available from <https://www.dst.dk/socio>

The equivalent income: For the purpose of comparisons of income and the living conditions of families of various size, income of the families is subsequently subjected to adjustments. In conducting adjustments the family size is taken into account. The expenses of families with two or three persons are not necessarily double or treble with regard to a number of areas in relation to a family comprising one person only. As expenses on children are lower than expenses on adults, children are given a smaller weight than adults. In calculating the equivalence income, incomes for all persons in the family are added up and divided by a weighted number of persons in the family (the family's equivalence scale).

The modified equivalence scale: Weighted number of people in the family, where first adult over 14 years counts one, other adults count as 0.5 and each child (under 15 years) counts 0.3. The scale is an OECD scale and is called the modified equivalence scale.

2.5 Statistical unit

The survey calculates the consumption at the level of a household.

2.6 Statistical population

The target population is all private households in Denmark. A private household is defined as an economic unit, ie. a group of people who live together and have a high degree of common economy, ie. share income and expenses. People in various forms of joint households (prisons, long-term patients in hospitals and other institutions.) is not covered, since it often will be impossible to separate the private economy from the economy of such a kind of institution. It is necessary to pay attention to this omission, if the surveys data for example are use to an analysis of hospital use.

The private economy illuminated. Goods consumed in production (equipment, etc..) And other business expenses are not included.

2.7 Reference area

The survey covered the entire country, incl. Bornholm (except non-mainland islands).

2.8 Time coverage

Since 1994 the survey has been published annually.

2.9 Base period

The base period for constant price calculations are at present year 2005.

2.10 Unit of measure

Consumption is calculated as DKK per household.

2.11 Reference period

Consumption is calculated as an annual average for the year.

2.12 Frequency of dissemination

Two yearly versions are published. First a preliminary version is published and later a final one. The preliminary only contains information about the consumption, while the final one contains detailed information about the income.

2.13 Legal acts and other agreements

The Household budget Survey is not based on an EU directive. The Survey is based on a so-called "Gentleman agreement", which means that the individual member states alone decide if they want to provide Household budget data.

2.14 Cost and burden

No response burden has been estimated since participation in the survey is voluntary.

2.15 Comment

Additional information can be obtained by contacting the Section for the Household Budget Survey.

3 Statistical processing

The survey is based on a sample where the number of households accounts for about 2,200 out of Denmark's total of approximately 2.6 million households.

The survey included data from three different data sources: Accounting booklets, CAPI interviews and data from registers. In this way the sample can give results which are good approximations for all private households. The data from the 3 different sources are validated. We are constantly looking at how we can improve and compile the statistic in a more efficient way.

The data is collected annually from approximately 1,100 households. Such a sample is too small to form the basis of very detailed statistics and therefore we averaged data from two consecutive years to a single sample. All expenses, income, etc. are converted to the price and volume level of the end year.

Consumption survey is published twice a year. Preliminary figures 20 months. After the reference year, while the final figures are published 27 months. After the reference year.

3.1 Source data

The Household Budget Survey is calculated at household level, and is based on a combination of interviews and accounting of the participating households. All households are simply randomly selected. In areas where data are already known through registers, data are taken from those registers. The survey used records from:

- Income Register
- CPR register
- BBR register
- Training Register
- Hospital Statistics Register

3.2 Frequency of data collection

Data are collected annually. Households participate continuously throughout the year in the survey. In this way we ensure that seasonal consumption are represented in the survey.

3.3 Data collection

The Household Budget Survey is calculated at household level , and is based on a combination of interviews and accounting of the participating households. All households are simply randomly selected . In areas where data are already known through registers , data are taken from these registers. In the survey we use records from:

- Income Register
- CPR register
- BBR register
- Training Register
- Hospital Statistics Register

The survey included information from three different sources :

- Interview
- Accounting
- registers

**** Interview ****: Households have participated in an extensive interview. The Households´ participants are asked about regular expenses during the past 12 months, possession on and expenditure of a number of durable consumer goods, the use of health care, education and child-care arrangements on certain income and taxes as well as retirement plans. Since the households are visited spread evenly over the year, the information will partly be about spending in the previous year.

**** Accounting ****: Households have for a period of 2 weeks kept a detailed account of all expenses. This accounting guidance is for individual households and is spread out over the year to ensure that seasonal changes in consumption are covered by the survey. The accounts have 2 main purposes: It ensures total coverage by, for example, new products on the market comes with, and by rarely consumed products , as it is too big to ask in the interview, in principle, be covered . The accounting also ensures that more everyday purchases that you normally do not remember for a long time will be covered.

**** Records ****: To save time for households and Statistics Denmark, the Households are asked about topics that Statistics Denmark already has useful information about. Statistics Denmark has in particular income and tax information, housing information and information on education and occupation.

3.4 Data validation

The data validation takes place on many research levels. In the interviewees program, for example, there are built a large number of controls. These can be both monetary terms, but may also be more involved, for example, if a household has indicated that they have to dispose of a car and then answering no to the payment of vehicle excise duty or car insurance.

Finished interviews and accounting records validated subsequently manually by Statistics Denmark with specially developed software that also examine the appropriateness of described amount.

3.5 Data compilation

When we have finished the validation of the interviews and accounts booklets the registry variable are linked in the data set. Sometimes it's difficult to find the household in the sample in the register data, this kind of difficulties can often be attributed to differences in the calculation date. When this happens we make manual imputation of for example, an individual's level of education.

After finishing the processing of micro data the enumeration process of making the data representative for the entire country begins. The figures in all tables are weighted this is done in order to partially resolve the gaps, as different dropout and pure random coincidences leads. Those types of Household where the risk for not participating in the survey is relatively large, which therefore results in too few households in the survey are assigned a relatively large weight, while household types, as there are too many of, is assigned a relatively small weight.

Information about both the enumerated number of households in Denmark after the weighting and on the actual number of households in the survey can be found in most tables. This last statement is relevant to assessing the sampling uncertainty, since a small number of households results in a relatively large uncertainties.

The weights are calculated using a regression estimate. The focus is on each characteristics of the relationship between sample and population. The advantage of this method is that many more features are considered than in the former method were post-stratification was used. Following characteristics are involved in the estimation:

- Household size and composition
- Income
- Main Income Recipient's socio-economic status
- The household owns or rents the dwelling
- What type of urban household lives in
- Education
- Gender
- Geography

3.6 Adjustment

We do not make other corrections of data besides those corrections described during data validation and data processing.

4 Relevance

In addition to the general public the Household Budget Survey has a wide application. Internally in Statistics Denmark during the compilation of national accounts and price indexation. Public authorities' planning and feasibility studies, etc. Internationally, where especially EUROSTAT is very active in order to establish comparable figures between countries. Research in a number of areas, as well as for marketing purposes.

4.1 User Needs

In addition to serving the general public interests the survey has a broad group of users:

- It is used internally at Statistics Denmark in compiling price indices and national accounts statistics.
- Government bodies use the survey for purposes of planning and for conducting analyses of the consequences of new legislation, etc.
- The survey is used for researches purposes within several fields.
- The survey can be used for marketing purposes, etc.
- Internationally, the survey is widely used. Especially, Eurostat is very active in enabling comparability of the survey results among the EU Member States.

The statistics are very rich in detail and have a relatively long production time.

4.2 User Satisfaction

A user satisfaction survey has not been conducted.

4.3 Data completeness rate

The Household Budget Survey is indirectly subject to the Council Regulation (EC) No. 2494/95 (1) of 23 October 1995 concerning harmonised indices of consumer prices. The Household Budget Survey provides data to Eurostat every 5 years and meets in this respect the guidelines sent out by Eurostat.

5 Accuracy and reliability

Consumption applies throughout the year as a reference time. It is a fact that Household Budget Survey is slightly under-reported in several areas, such as alcohol, tobacco, prostitution and undeclared work.

5.1 Overall accuracy

A survey like the Household Budget Survey is subject to a number of inaccuracies. Most errors and shortcomings are not of a kind that can be measured, and it is therefore not possible to measure the total inaccuracy in the survey. The sample-related coefficient of variance for total consumption per household is estimated at less than 1 pct. Detailed Household Budget Survey figures for sample-related coefficient of variance is published on <https://www.dst.dk/forbrug> in the folder Dokumentation. The total inaccuracy of which the sample related coefficient of variance is only a part can, as noted, not be measured, because it is not possible to measure the other types of errors. What other kinds of errors should be taken into account are described in the next section. In general, the inaccuracy is higher, the more detailed level data are broken down to and the fewer households on which the average is based.

5.2 Sampling error

The sampling error for the Household Budget survey for both the total average and the respective under groups for latest figures can be obtain [Usikkerhed](#)).

5.3 Non-sampling error

The following factors may further affect uncertainty:

- Households' lack of recollection might influence the interview, since it can be difficult for individual households to accurately remember whether a particular expense was made 11 or 13 months ago. Therefore, our CAPI interviewers try to get households participating in the study to have found the relevant documents, before the interviewer come to visit. This is done, inter alia, by sending "do lists" to the household before the visit and contact the household by phone before visiting.
- Participating households can forget to note some spending, when they fill out the - especially at the end of the 2- week period. Studies show that more expenses are in week 2 than in Week 1. To adjust for this is all accounting data listed by 4 per cent.
- Households' lack of knowledge might influence by the complicated issue of life insurance. The CAPI interviewers conducting visits interviews all have local knowledge.
- Households' unwillingness to give the correct answer can be a problem. For example, there is reason to believe that the information about undeclared work will be underestimated as some households have withheld information. Similarly may occur with consumption that are either illegal (drugs), or at least be perceived as a negative value (e.g. a large alcohol consumption).
- But in general, feel that the participating households are very open and honest. An imbalance occurs rather because households have much to hide do not participate in the study.
- Flaws in the used records can cause problems. One cannot, for example, assume that the tax authorities always correct incorrect information, if it does not have a tax consequence. In addition, the records are defective for households where one person has died, and for households (typically with complicated income), the tax authorities had not finished imitated at the time the Statistics Denmark downloaded information.

5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

5.6 Quality assessment

The Household Budget Survey is a sample survey, combined with a wide range of register variables. The survey is based on a simple randomly drawn sample. The survey has over a number of years been conducted by the same procedure.

The study's annual sample is not large enough to only give a reliable estimate of consumption. Therefore included sample data from the previous years also in the total charge for the year. The study has the character of a sort of "moving average".

Through several years the study has been conducted by the same procedure. This has been conducted partly to ensure a better comparison over time and partly to provide faster results and to minimise errors.

The Household Budget Survey was in the period 1994-2013 based on a three-year sample. From 2014 and onwards, the Household Budget Survey is based on a two-year sample. This is an improvement of the Household Budget Survey, since the figures brought forward by 12 months.

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the [Revision Policy for Statistics Denmark](#). The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

5.8 Data revision practice

There are published both preliminary and final figures from the household budget survey. The indicative version is a part of the sample background variables based on preliminary figures. This applies, for example, household socio-economic and educational status or income. These background variables play an important role in the enumeration of the sample for the whole of Denmark. Carry out a new enumeration in the final version, based on the final figures for these variables. Another major reason for revisions is that households that are included in the preliminary material omitted from the final version, if it turns out that the material does not have the necessary records of income.

Revisions of total consumption

Revisions of total consumption for all household types, measured in DKK per household in current prices, are presented in the table below:

Year	Preliminary	Final	Difference
2009	297.445	289.487	-2,75 %
2010	307.121	305.647	-0,48 %
2011	312.054	309.943	-0,68 %
2012	312.118	310.768	-0,43 %
2013	310.865	310.944*	0,03 %
2014	315.391	311.414*	-1,28 %
2015	307.293*	308.583	0,42 %

Note: *Revised figures in relation to previously published results.

6 Timeliness and punctuality

The statistics are usually published according to schedule. The statistics are published with the preliminary and final figures of 9 months and 16 months after the end of year.

6.1 Timeliness and time lag - final results

The statistics are updated twice yearly, where approximately one half of the households are new, while one half was also included in the previous survey. Preliminary figures are published approximately 9 month after the last data collection. Final figures are published approximately one and a half year after.

6.2 Punctuality

The statistics are usually published without delay in relation to the scheduled date.

7 Comparability

The Household Budget Survey is conducted in accordance with guidelines from the European statistical agency Eurostat. Comparable figures are published by Eurostat. Since 1994, the survey has been methodologically rearranged and is now conducted annually by the same method and on a comparable basis.

Data for 2014 and onwards are based on a two-year-old sample and COICOP5 nomenclature. To ensure comparability and continuity over time, data from 1994 to 2013 were recalculated in compliance with the new nomenclature in both current and constant prices

7.1 Comparability - geographical

The calculation of the Household Budget Survey is based on international recommendations and therefore there is a good correlation with figures from countries of the European Union. Eurostat publishes every five years each country's Household Budget Survey in their databases called statbank.

7.2 Comparability over time

Since 1994 it has been possible to compare data from Household Budget Survey without particular problems. This means that data from the participating households since 1994 has been collected every year and as the year progressed. The collection method has been to be collected data for three consecutive years, which were averaged to form a sample. Data from year $t-1$, and $t + 1$ year was price and quantity converted to year t (middle year) level. The disadvantage of the model has been to thereby only exchanged data for the year $t + 1$ and the price and quantity converted to the new middle year, t . Thus, the study had the character of a kind of moving average. By basing the sample on a 2-year sample don't solved the problem completely, but it speeds up the production of data and thus made the investigation more timely and relevant. The method will continue to be annual data collections. The sample consists now of year $t-1$ and t . The sample for 2015 consists of data from 2014 ($t-1$) and 2015 (t), these are price and volume converted to the price level in 2015.

Since 2012 the survey has been supplemented with data at constant 2005 prices. This makes it possible to determine the amount of development over time.

7.3 Coherence - cross domain

The classifications and definitions used are aimed to be as comparable as possible with the national accounts. But the methods, etc., in these two kinds of statistics are very different. The classification of consumption is based on the international COICOP₅ classification, which is also used in compiling price indices. It is difficult to conduct comparisons with the general population statistics and other register-based statistics, as the household definition in the survey is different: In the survey the household definition is the economic unit, which is decided by the household members themselves, while in the general population statistics the household definitions are derived from the administrative registers-based information.

7.4 Coherence - internal

Not relevant for these statistics.

8 Accessibility and clarity

General publication in

- *Nyt fra Danmarks Statistik* (News from Statistics Denmark)
- *Statistical Yearbook*
<https://www.dst.dk/HomeUK/Statistics/ofs/Publications/Yearbook.aspx>
- <http://www.statbank.dk/fu5>, fu6 and fu7.

To this is added e different publications focusing on specific topics, e.g. education and consumption, geographic difference in consumptions patterns and the difference between households with high and low income. Eurostat publishes data from the Danish surveys as well as from the other Member States about every 5th year. These Eurostat publications do not always use exactly the same definitions, etc., as in the national publications.

8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

8.2 Release calendar access

The Release Calendar can be accessed on our English website: [Release Calendar](#).

8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

8.4 News release

Both preliminary and final figures are published in a Danish press release.

8.5 Publications

Previously released publications are all available on <https://www.dst.dk/forbrug>.

8.6 On-line database

The statistics are published in the StatBank under the subject [Family budget survey](#) in the following tables:

- [FU6](#): Coherence between income and consumption by type, group of households and time
- [FU7](#): The economic of households by extended group of households, economic dimensions and time
- [FU10](#): Household Budget Survey priceextrapolated by type of consumption, group of households, investigation of consumption and time
- [FU51](#): Household yearly consumption by type of consumption, group of households, price unit and time

8.7 Micro-data access

The data from the survey is stored as SAS-datasets. On basis of the micro data it is possible to make special tabulations, etc. It is also possible for researchers to have access to the micro data under certain restrictive conditions.

8.8 Other

Not relevant for these statistics.

8.9 Confidentiality - policy

[Data Confidentiality Policy](#) at Statistics Denmark.

8.10 Confidentiality - data treatment

The survey was performed under full anonymity. The publication is published so that it is not possible to identify individuals.

8.11 Documentation on methodology

A detailed documentation is published in the book 'Forbrugsundersøgelsen. Metodebeskrivelse. Fra dataindsamling til offentliggørelse'. Statistics Denmark 1999. ("The Household Budget Survey. Methodological Description. From Data Collection to Publication").

Further detail documentation is also available at: <https://www.dst.dk/forbrug>

A special paper (in Danish) on the possibilities of obtaining statistics on smaller geographic areas can be obtained by contacting the Section for the Household Budget Survey.

8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

9 Contact

The administrative placement of these statistics are in the division of Prices and Consumption. The person responsible is America Solange Lohmann Rasmussen tel. +45 39 17 31 56, e-mail: slr@dst.dk

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