

Household Expenditure Estimates

Introduction

A sample of households in Australia are surveyed by the Australian Bureau of Statistics (ABS) through the Household Expenditure Survey (HES) once every 5 years. The most recent of these surveys is the HES of 2009-10 in which 9,774 households were surveyed over the period July 2009 to June 2010. The aim of this survey is to collect information on the expenditure, income, net worth and other characteristics of household residents in private dwellings throughout Australia.

A summary of results from the 2009-10 HES is available freely from the ABS at the capital city level, but there is no information available for smaller geographies like a census collection district or a postcode. This information has to be estimated for smaller geographies and requires access to HES' confidential unit record files (CURF's). Unit record files include responses of household residents as they were. Spectrum Analysis is one of the few companies in Australia who have special access to the HES' CURF's. Through the use of advanced statistical techniques Spectrum can produce household expenditure estimates at geographic levels as small as a census collection district.

Household expenditure estimates can be produced for about 600 HES items including:

- **Current Housing Costs**
 - Repair and maintenance
 - Body corporate payments
 - House and contents insurance
- **Domestic Fuel and Power**
 - Electricity
 - Mains gas
- **Food and Non-alcoholic Beverages**
 - Bakery products, flour and cereals
 - Meat
 - Fish and seafood
 - Eggs and egg products
 - Dairy
 - Edible oils and fats
 - Fruits and nuts
 - Vegetables
 - Condiments, confectionery, food additives and prepared meals
 - Non-alcoholic beverages

- Meals out and fast foods
- **Alcoholic Beverages**
 - Beer
 - Wine
 - Spirits
- **Tobacco Products**
 - Cigarettes
 - Other tobacco products
- **Clothing and Footwear**
 - Men's clothing
 - Women's clothing
 - Boy's clothing
 - Girl's clothing
 - Infant's clothing
 - Footwear
 - Clothing and footwear services
- **Household Furnishing and Equipment**
 - Furniture and floor coverings
 - Blankets, household linen and household furnishings
 - Household appliances
 - Glassware, tableware, cutlery and household utensils
 - Tools and other household durables
- **Household Operations and Services**
 - Household non-durables
 - Postal charges
 - Telephone and facsimile charges
 - Household services
 - Child care services
 - Repair and maintenance of household durables
 - Hire of household durables
 - Household appliance repairs insurance
- **Medical Care and Health Expenses**
 - Accident and health insurance
 - Health practitioner's fees
 - Medicines, pharmaceuticals products and therapeutic appliances
- **Transport**
 - Motor vehicle purchase
 - Motor vehicle fuel, lubricants and additives
 - Vehicle registration and insurance
 - Motor vehicle parts and accessories
 - Public transport fares
 - Fare and freight charges
- **Recreation**
 - Recreational and educational equipment
 - Recreational and educational services
 - Holidays
 - Animal expenses
- **Personal Care**
 - Toiletries and cosmetics
 - Personal care services

Methodology

Spectrum uses the combination of a micro-simulation modelling technique, benchmarking, and adjustment based on Australian National Accounts (Consumer Price Index) to estimate household expenditures on goods and services.

Micro-simulation involves linking the HES' CURF's to ABS' Census data using a set of linkage variables which are present in both the data sets. All households from a set of the surveyed households are given a weighting for every geography (for example, a census collection district or a postcode). These weights are then applied on the spend by each household on pre-determined goods and services to obtain a household expenditure estimate for every geography. The estimates are benchmarked against the available ABS's household expenditure estimates, and other data sources on a case to case basis, finally the estimates are adjusted using the Australian National Accounts making them up-to-date.

Applications

- Use HES estimates as a factor in your strategic network planning
- Compare different areas based on their average household spent on good and services of interest to you
- Determine the market potential for certain goods and services
- Determine your market share

Disclaimer and Licensing

Data from the ABS including the HES' CURF's and Census of Population and Housing forms the basis of producing the household expenditure estimates, apart from sourcing these data sets to Spectrum, ABS is not involved in the process of producing household expenditure estimates and will not be responsible for any inaccuracies or events resulting from any inaccuracies. While all care is taken by Spectrum to ensure the accuracy of household expenditure estimates, Spectrum bears no responsibility for any inaccuracies or events resulting from inaccuracies, also, Spectrum does not warrant the use of these estimates for any specific purpose.

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- Prohibition to re-sell household expenditure estimates to a third party without permission from Spectrum
- Attribute the source of household expenditure estimates in any external publication to Spectrum Analysis Australia Pty Ltd

Contact Us

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