

Balancing of a Social Accounting Matrix with Household Income Micro Data in the Estimation of Italian GDP

Alessandra Coli
University of Pisa

Domenico Colucci
University of Florence

National accounts (NA) statistics are the result of the integration of several data sources. Available information is often fragmentary and inconsistent, sometimes unreliable. Therefore it is customary to reconcile a first set of estimates (initial or raw estimates) into an accounting framework which incorporates the main accounting constraints. In principle the balancing procedure should reconcile three independent estimates of GDP based respectively on production, expenditure and income approach. In the Italian national accounts however, only the production and expenditure methods lead to comprehensive and independent estimates of GDP, the income approach providing adequate estimates for some income components only. In this paper we address the use of household sample surveys data to go as far as possible toward an independent estimate of GDP based on the income approach. Subsequently we are going to run a three-balancing procedure using a Social accounting matrix (instead of Supply and Use matrices), as balancing framework. The final aim is to assess how much the level and composition of GDP as well as of household income is affected. The introduction of income households micro data in the GDP estimation process would help enforcing the households perspective in the Italian NA. In particular it will make it easier to link the NA income macro estimates with income distribution aspects captured by surveys.