

Indicator 17.13.1

Indicator Name, Target and Goal

Indicator 17.13.1 Macroeconomic Dashboard

Target 17.13 Enhance global macroeconomic stability, including through policy coordination and policy coherence

Goal 17 Strengthen the means of implementation and revitalize the global partnership for sustainable development

Private Final Consumption Expenditure (annual % change)

Definition and Rationale

○ Definition

The “private final consumption expenditure (annual % change)” is calculated from the rate of change in the sum total between two consecutive fiscal terms.

○ Concepts

The private final consumption expenditure is calculated by adding the final consumption expenditure of private nonprofit organisations serving households to household final consumption expenditure. The final consumption expenditure of private nonprofit organisations serving households is estimated by taking the service output value of private nonprofit organisations serving households (intermediate inputs + employee compensation + consumption of fixed capital + taxes on produced and imported goods) and subtracting the goods made by the same producers, the sales price of services, and the gross capital formation for the research and development on proprietary accounts. Household final consumption expenditure is the expenditure on new goods and services by households (with households as consumer subjects, excluding individual proprietorships) minus the net sale price (sale price - purchase price) of second hand goods of the same type and scrap. Land and buildings are not included.

In addition, the self-consumption of agricultural produce by farming households, the imputed rent of owner-occupied dwellings, and in-kind wages and salaries are also counted. Household final consumption expenditure has two concepts, namely domestic and citizens. The former (the final consumption expenditure of the domestic market) refers to the final consumption expenditure of the households of residents and nonresidents within the

domestic territory of a country. The latter (the final consumption expenditure of residents' households) takes the former and adds the direct purchases made overseas by residents' households while subtracting the purchases made in the domestic market by nonresidents' households. Integrated accounts and income expenditure accounts are calculated based on the latter concept. Domestic household final consumption expenditure is classified according to the purpose of expenditure (for what kind of benefit the consumer purchased the goods and/or services) and the type of purchased item (durable goods, semi-durable goods, non-durable goods and services).

○ Rationale and Interpretation:

To provide a standardized instrument to monitor the macroeconomic stability of countries, the World Bank has designed a Macroeconomic dashboard including important macroeconomic indicators covering the external, financial, fiscal, and real sectors. The indicator selection builds on existing macroeconomic monitoring frameworks developed and used by international and regional agencies, such as IMF, WB, ECB, and OECD.

Data Sources and Collection Method

Based on the Cabinet Office's National Accounts of Japan

Method of Computation and Other Methodological Considerations

○ Computation Method

(The amount of private final consumption expenditure in a given year / the amount of private final consumption expenditure in the preceding year) × 100

○ Comments and limitations

None

Data Disaggregation

None

References

Cabinet Office's National Accounts of Japan Annual Estimate

https://www.esri.cao.go.jp/en/sna/kakuhou/kakuhou_top.html

Custodian Ministries of Data

The Cabinet Office Economic and Social Research Institute

Custodian Ministries of Related Policies

Cabinet Office

Ministry of Finance

International Organizations

World Bank