Current Status

- Distribution of Personal Income for 2007-2018 released in December 2020
    - 3 Tables and 3 Charts
    - Levels of personal income, real growth, and distributional statistics for households
  - Subsequent release (December 2020): 2007-2018
    - 3 Tables and 6 Charts
    - Updated methodology and documentation based on feedback received from experts and data users, including at a CNSTAT expert panel (December 2020) which reviewed the methodology
    - All items from previous release and disposable personal income
Planned Improvements for Next Release

• Estimates for 2019

• Efforts to extend the series backwards (i.e., pre-2007)

• Implementing improvements; captures suggestions from CNSTAT Expert Group Meeting (Dec. 2020)
  
  o Additional inequality statistics for the bottom of the distribution
  
  o Methodological
    ▪ More nuanced distribution of Medicare by state, age group, and disability status
    ▪ More nuanced distribution of owner-occupied housing using the ACS, consistent with new BEA methodology

• New collaboration with BLS!
Collaboration with BLS

• BLS & BEA have begun a new initiative to create a distribution of consumption expenditures
  o Combine expertise and internal microdata from the BLS Consumer Expenditure Survey (CE) and macro totals from the BEA Personal Consumption Expenditure (PCE) series

• Resulting estimates will represent a large and significant effort by BLS economists to reconcile micro and macro definitions and utilize the CE survey in a novel way
  o Many nuanced measurement challenges, including reconciling the income distributions of the CPS & CE
  o Timeline depends on clearing hurdle of CE-PCE correspondence
Collaboration with BLS

• Benefits for BEA
  o Complement the distribution of personal income
  o Create novel inequality series, highlighting link between macroeconomic growth and consumption expenditures

• Benefits for BLS
  o Increase understanding of the economic well-being of individuals in the U.S. by joining CE & PCE
  o While the CE is a household survey designed to collect expenditures and related information, the PCE is designed to reflect spending by consumers and on their behalf

• Benefits for data users
  o Gain new, multifaceted perspective into national inequality
  o Haig-Simons: Income = Consumption + ΔWealth
  o A consumption-based resource measure more directly captures available resources (2020 OMB Measures of Poverty Report)
Thank you!

• BEA would like to express tremendous gratitude to BLS for undertaking this project

• We welcome your comments!