

HOUSING AFFORDABILITY 2002

APPENDIX D. DATA QUALITY

For any survey, an important determinant of data quality is the accuracy of reported and imputed amounts. Response errors are the result of a variety of factors including random response error, misreporting or failure to report asset ownership, misreporting of asset and liability values, and misreporting of the sources of income and the full amount received. In general, household surveys have a tendency to underestimate the number of persons receiving income and the average amount received.

The extent of survey response error can be measured by comparing survey estimates with independently derived estimates, which is what is done below for SIPP wealth data from 1998 from the 1996 SIPP. These data are compared with similar data from the 1998 Survey of Consumer Finances (SCF). The SCF is a triennial survey of U.S. families sponsored by the Board of Governors of the Federal Reserve System. It is designed to provide detailed information for families on their balance sheets and their use of financial services, as well as on other topics. For a detailed description of the survey, see www.federalreserve.gov/pubs/oss/oss2/98/scf98home.html.

The 1998 SCF data in this appendix were derived from the published paper “Recent Changes in U.S. Family Finances: Results from the 1998 Survey of Consumer Finance” which can be found at www.federalreserve.gov/pubs/oss/oss2/98/bull0100.pdf. The data were collected by the National Opinion Research Center at the University of Chicago between July and December of 1998. They represent the wealth holdings in the latter half of 1998. The SIPP data in the appendix were collected in wave 6 of the 1996 SIPP panel and represent the wealth holdings of the U.S. civilian noninstitutional population in the period December 1997 through March 1998. This was the last time a comparison between the two data sources was done.

A caveat related to the SIPP-SCF comparisons in this appendix is that the accuracy of such measurements is often affected by differences between surveys in areas such as population coverage, reference periods, collection and processing methods, and data collection and tabulation categories. The SCF is predominately intended to measure family wealth and is more comprehensive than SIPP in its coverage of asset holdings; unlike the SCF, SIPP does not measure equity in pension plans, cash surrender value of life insurance policies, and value of household furnishings. Also, the SCF included a special oversample of relatively wealthy individuals; the SIPP sample, in contrast, oversampled the low-income population in the 1996 panel rather than the wealthy.

The comparisons below were made with previously published data that were not specifically tabulated for the purpose of making comparisons. In particular, the existing tabulation categories restrict the number and kinds of comparisons that could be made for particular types of assets. The asset types for which data were tabulated in either survey often had no exact counterpart in the other; even groupings of asset categories in the one were often only approximate matches for groupings in the other. The reader is cautioned

that the individual mappings between the SIPP and SCF categories vary in the degree of comparability.

Table D-1. Asset Ownership Rates by Asset Type: 1998
(Percentage of total households who hold the asset type)

SIPP Category	SCF Category	1998 SIPP Estimate	1998 SCF Estimate
Financial assets:	Financial assets:		
Interest-earning assets at financial institutions.....	Transaction accounts.....	63.9	90.5
Regular checking accounts.....		38.9	(NA)
Stocks and mutual funds.....	Stocks.....	27.1	19.2
	Mutual funds.....	(NA)	16.5
U.S. Savings Bonds.....	Savings Bonds.....	16.3	19.3
IRA or Keogh accounts.....	Retirement accounts.....	21.3	48.8
401K and thrift savings accts.....		26.8	(NA)
Other interest earning assets.....	Bonds.....	3.9	3.0
Other financial investments.....	Other managed accounts...	4.7	5.9
	Other.....	(NA)	9.4
Nonfinancial assets:	Nonfinancial assets:		
Own home.....	Primary residence.....	66.4	66.2
Rental property.....	Other residential property...	5.4	12.8
Other real estate.....	Equity in nonres. property..	6.5	8.6
Vehicles.....	Vehicles.....	85.3	82.8
Business or profession.....	Business equity.....	11.5	11.5

(NA) – Not applicable as a separate category.

Source: U.S. Census Bureau, 1996 Survey of Income and Program Participation and 1998 Survey of Consumer Finance.

Table D-2. Median Value of Holdings by Selected Asset Type: 1998

SIPP Category	SCF Category	1998 SIPP Estimate	1998 SCF Estimate
Financial assets:	Financial assets:		
Interest-earning assets at financial institutions.....	Transaction accounts.....	\$3,700	\$3,100
Other interest earning assets.....	Bonds.....	\$30,000	\$44,800
U.S. Savings Bonds.....	Savings Bonds.....	\$800	\$1,000
Stocks and mutual funds.....	Stocks.....	\$16,800	\$17,500
	Mutual funds.....	(NA)	\$25,000
Other financial investments.....	Other managed accounts...	\$23,400	\$31,500
	Other.....	(NA)	\$3,000
Nonfinancial assets:	Nonfinancial assets:		
Own home.....	Primary residence.....	\$53,000	\$57,000
Rental property.....	Other residential property...	\$57,000	\$65,000
Other real estate.....	Equity in nonres. property..	\$30,000	\$38,000
Vehicles.....	Vehicles.....	\$5,800	\$10,800
Business or profession.....	Business equity.....	\$7,000	\$60,000

(NA) – Not applicable as a separate category.

Source: U.S. Census Bureau, 1996 Survey of Income and Program Participation and 1998 Survey of Consumer Finance.