

The Lao Expenditure and Consumption Survey 2002 – a Short Description

The first Lao Expenditure and Consumption Survey (LECS) was conducted in 1992/93. The second survey was conducted in 1997/98. This paper describes the third LECS survey (LECS-3), conducted in 2002/03. The surveys have been conducted as part of the Sida-financed cooperation project between the National Statistics Center (NSC) of Lao PDR and Statistics Sweden.

Data from the surveys are used for a number of purposes, the most important being to produce estimates of household consumption and production for the national accounts. This includes estimating production in household agricultural activities and business activities. Another important use of the data is for the conduction of poverty analyses.

Measurement of household consumption

Household consumption is an important variable in the survey. In order to get accurate measurements of the consumption it was decided to ask the households to keep a diary of their transactions. The measurement of daily consumption through a diary kept by the household puts a heavy burden not only on the households but also on the field interviewers. Many households, especially in the rural areas, need frequent support in the task of keeping the diary. In order to secure an acceptable quality in the data it was deemed necessary to keep the interviewers in the village for the whole month rather than having the interviewers travelling to the villages for repeated interviews and follow-up.

Measurement of household production

Large parts of the value added and labor input concerns household production in agriculture or informal household activities. In order to capture the production three modules were included in the LECS: 1) A “light” time diary is used to capture time use for members of the household that are 10 years and above. This enables measurement of labor input in hours in the Lao economy. 2) Two modules on agricultural and household business operations were included. This makes it possible to calculate value added in household production in agriculture and informal business activities.

The ‘light’ time use diary used in LECS-3 has been developed jointly by Statistics Sweden and ESRC Research Centre on Micro Social Change at the University of Essex. The diary contains 22 pre-defined activities with a pronounced emphasis on economic activities. For some of these activities, the interviewer probes for additional information at the time when the diaries are collected. Those who mark time for *worked as employed* are asked whether it is as farm worker, in the governmental sector, in the private sector, or something else. Those who mark time for *own business work* are asked what they do in that business work.

The household questionnaire

A large part of the household questionnaire remains the same as in previous surveys, except for some modifications in questions that didn't work well in LECS-2. Some topics, mainly housing, health, agriculture and time use, have been expanded. The household interview is consequently somewhat longer in LECS-3. The new modules/variables are underscored in the list below.

First week interview:

- Household composition (age, sex, relationship to head of household, marital status, ethnic group),
- Parents education (highest level completed),
- Education (literacy, highest level completed, reasons for not attending school),
- Labour force module (work during last week, reasons for not working, activities last 12 months) ,
- Victimization module (whether victim of burglary, robbery, theft, violence).

Second week interview:

- Health check, only children (weight, height),
- Possession of durables (type, value),
- Housing conditions (building material, water, toilet, source of energy for cooking),
- Construction activities (kind of construction, costs).

Third week interview:

- Household businesses module (sector, number of employees or family members working, sales),
- Agriculture module (crops, areas, production, fertilizers, livestock, fishery, forestry),
- Time use.

Fourth week interview:

- Health module (self-rated health, long-term illnesses or disabilities, health complaints, visits to health care facilities, use of medicines),
- Purchasing and selling of durables (type of item, value),
- Income and transfers (type of income, type of transfers, value),
- Household borrowing (reasons for borrowing, amount, security, interest rate),
- Household lending (amount, interest rate).

Other questionnaires.

Three other questionnaires were also administered during the month (new modules/variables are underscored).

- *Village questionnaire.* A village questionnaire was administered to the head of the village. The questionnaire covers roads and transport, water, electricity, health facilities, local markets, schools etc.

- *Primary school questionnaire.* Interviews were made with the school principal and the teachers. Data were collected on pupils, school facilities, management of the school, finances and sources of support. The principal and the teachers were also asked questions about the decision-making in the school.
- *Price questionnaire.* Collection of local prices on 121 commodities at the village market.

Sample Design for LECS-3

The sample consists of 8100 households selected through a two-stage sample design. A random sample of villages was selected in the first stage. The villages were stratified on eighteen provinces and within provinces on urban/rural sector. The rural villages were further stratified on villages with “access to road” and “no access to road”. The total first-stage sample consists of 540 villages. 15 households were selected with systematic sampling in each village, giving a sample of 8100 households.

Field staff, field work

The field staff consisted of 180 interviewers organized in 90 two-member teams. 36 supervisors from the provincial statistical offices and 10 central supervisors from head office supervised the teams. The interviewers are permanent staff at the provincial and district statistical offices.

The field work was spread evenly over a 12-month period starting in February 2002, on average 45 villages were visited each month. The teams first duty in the village was to present the survey to the village head and to obtain/prepare a list of households. The team then selected a systematic sample of 15 households according to a predefined procedure.

The completed questionnaires were brought to the provincial statistics office after the survey month and further checked. Data entry was done at NSC in Vientiane.

Each team worked in the field six months during the survey year. The team worked in the villages every second month, the other months they performed other duties in the district or provincial office. Each team thus covered six villages. Transportation to and from villages was done by office vehicles and by public transport (mostly buses). Some of the remote villages required travel by foot for several days.

Accuracy of the estimates from the survey

The survey was designed to provide accurate estimates on national level and estimates of reasonable accuracy on province level. It will not be possible to present estimates on district level. Whether it will be possible to present estimates for certain subgroups depends primarily on the size of the subgroup and the geographical distribution of the subgroup. For example: it will not be possible to present estimates for small ethnic groups confined to a rather small part of the country.