

Twinning Project

Contract: GE 16 ENI ST 06 18

Strengthening the Capacity of the Georgian Statistical System

Component 4: “Strengthening Social Statistics”

Sub-component 4.2: “Household Income and Expenditure Survey Methodologies and data collection tools”

MISSION REPORT

Activity: 4.2.A “Discussion of current situation on questionnaire, methodology and indicators”

Mission carried out by
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1. General comments

This mission report was prepared within the EU Twinning Project "Strengthening the Capacity of Georgian Statistical System". This was the first mission within the sub-component 4.2: "Household Income and Expenditure Survey Methodologies and data collection tools" and was mainly devoted to Discussion of current situation on questionnaire, methodology and indicators.

The purposes of the mission were:

- Discussion of current situation and outline of a work plan and thereby;
 - Assessment of current HIES questionnaires
 - Recommendations for improvements and optimization of the HIES questionnaires

The consultant would like to express his gratitude to all officials and individuals met for the kind support and valuable information which he received during the stay in Georgia and which highly facilitated the work of the consultant.

The views and observations stated in this report are those of the consultant and do not necessarily correspond to the views of the European Union, Geostat, Statistics Denmark, or other statistical institutions involved in the implementation of the project.

2. Assessment and results

First and second day we focused on Household Income and Expenditure survey (HIES) in Georgia. This survey is organized by Social Statistic Department. Social Statistics Department consists of 3 divisions. In the living conditions statistics division works 8 permanent staff, logical control group (4 persons) and operators group (8 persons).

The HIES is conducted quarterly throughout Georgia (in 11 regions). Their sample size is about 4 300 addresses based on a two-stage stratified cluster random sampling. The HIES is a panel survey where the panel length is 6 quarters. The household is surveyed 4 quarters (e.g. if household is starting in first quarter it will be 1, 2, 5, 6; if household is starting in second it will be 2, 3, 6, 7; etc.).

The interviewers use paper questionnaires (PAPI) and a weekly diary. The operators are entering the data from the paper questionnaires to electronic form.

All questionnaires related to this survey were carefully discussed. There are seven questionnaires called Shinda (Shinda 01, Shinda 02, Shinda 03, Shinda 04, Shinda 05, Shinda 05-1, Shinda 07).

Shinda 01 contains annual information about household. It is designed for the first interview only. It contains information on living conditions, land use and subjective evaluation of poverty.

Shinda 02 contains annual information about persons in the household. The questionnaire is filled only in first wave. There is the roster with list of all household members, who are going to stay in this address for at least one year or who are temporarily absent. It doesn't include those who are going to stay in this household for less than one year. Their demographic characteristics are recorded in the Shinda 02. The information is then recorded about: relationship to the head of the household, special status of persons, information about insurance, education and use of computer and internet.

Shinda 03 is a diary of expenses. The aim of the Diary of expenses is to keep the records on the household members' expenses on food and small non-food goods and services during a week. First table is for recording food purchased by household or harvested from their own land or received from somebody else for free.

Second table is for recording any of their expenses for catering outside. Third table is for recording the list of the non-food items bought by household or obtained for free and also the services rendered to the household.

Shinda 04 contains information about incomes and expenditures with reference period last three months (each question must be answered 4 times – past month, two months ago, three months ago, received free of charge during past 3 months). The questionnaire is divided according to the COICOP classification. Part 1 (Expenditures) collects information about housing, expenditures on furniture and furnishings, expenditures on clothes, footwear and textiles, consumption expenditures on transport (e.g. purchasing of vehicles), expenditures on health care, expenditures on education and child care, expenditures on recreation and culture, expenditures related to ceremonies, other expenditures (e.g. payment on insurance), expenditures on products purchased for processing. Part 2 (Agriculture) collects information about farming, cattle breeding, poultry farming, fish-breeding, utilization of different types of fuel.

Shinda 05 records quarterly information on transfers and incomes from property and savings. Part I. Assistance, other incomes of household contains questions about pensions, scholarships, insurance, assistance during the past three months (3 separate questions – past month, two months ago, three months ago) for all household members. This section also captures information about incomes received as presents, assistance or free service and other income of household (e.g. inherited money, aliment). Part II. Other household incomes, changes in financial state contains changes in financial state of the household during the past three months, selling or purchasing of property and other changes in property state, parcels received/sent from/to persons who left the household, expenses and incomes in foreign currency. Part III – contains changes in the composition of the household during the last three months.

Shinda 05-1 is quarterly personal questionnaire for employment and income during the last three months. The questionnaire contains information about main and secondary job (e.g. NACE, employment status, net amount or actually received of wage or reward and profit from this business).

Shinda 07 – Refusal Sheet.

It's evident that the HIES questionnaires are very long and interviewers should stay in household for a long time. It's necessary to reduce the HIES questionnaires for increasing of respondent burden. The recommendation are described in next chapter.

3. Conclusions and follow up

- **Shinda 01:**
 - Question 1: – When was your dwelling built?
 - Current 10-years intervals are very detailed. Discuss the relevance.
 - Add a new top interval (e.g. 2010, 2015); now intervals end 2000.
 - Change of consequence of questions:
 - Questions: 6. how many sq. meters, 7. how many rooms, 8. extent of provided with (belongs to the HH, shared, does not have). In our experience, it is easier to first quantify the number of rooms and then how many square meters they have.
 - Questions: 16. how many area of the land and total in hectares, 17: how many hectares for which culture, 18. Hectares for each area, form of ownership and distance from dwelling. It's recommended consequence of questions: 16 – 18 – 17. Anyway, question 16 is double check (the variable is possible to calculate as a sum from question 18).
 - Question 17: – What part of the area of the land you are cultivating is under the list crops? (indicate the area in hectares)
 - An explanation of relevance of this issue is needed. The question is very difficult and burdensome question for respondents.

- Revision of 98 Do not know option – it's used for each questions now, it is not necessary.
- A subjective evaluation of poverty:
 - Question 2a: – Did your family apply for assistance to the Social Service Agency? (The question should be asked for unambiguously given reference period for example last 3 months, which follow up with income questions).
 - Question 4 and 5: – evaluation the financial state (strata's for subjective questions it should be from positive to negative).
 - Question 7: – How many hours per day did you have electricity (approximately) during the last week? (The question is no longer relevant, the electricity is used at any time now. Delete this question from the questionnaire).
 - Question 9: – Are you supplied with natural gas? (The option 2 is no longer relevant. Delete this option from the questionnaire).
- In order to introduce the Material deprivation indicator it will be necessary to include some questions concerning material deprivation of household in Shinda 01.
- **Shinda 02:**
 - Don't determine the date of birth in the questionnaire, it's not used in social statistics. Also when used in micro-data you can loss of anonymization.
 - Don't collect age. The age can be calculated from month and year of birth.
 - Adapt the level of education to the ISCED classification.
- **Shinda 03:**
 - In Table 1, split expenditure for purchased from own production. The own production that means what they have grown could be asked in the simple questionnaire with reference period last 3 months. This would also simplify the purpose of the product – leaving only some of them (e.g. for own consumption, for forage).
 - It's recommended to cancel detection of quantity of purchased goods or services (In Table 1 - question: If retailed, point out approximately, how much grams or milliliters are in a unit; in Table 3 - amount). This question is too burdensome for the respondent. Discuss relevance for questions about the quantity of purchased goods or services. In addition to this information, it can be obtained by linking to the Price statistics.
 - In Table 3, delete the options where the goods or services were bought (Product origin). It is not clear for what is this question used.
- **Shinda 04:**
 - Overall simplification of the questionnaire is necessary. For example, ask only some of the questions. Some questions move to retrospective questionnaire which the interviewer leaves with the household diary. This Shinda 04 represents a heavy burden on the respondent.
 - Collect data according to the COICOP classification for 5 digits.
 - Start preparation for implementation of expenditures in line with COICOP 2018.
- **Shinda 05:**
 - Part I:
 - Ask only for benefits that exist in a given country and in a given period. There is Social assistance for single pensioners and disabled persons which is not relevant now.
 - Simplify recording of income. For example, ask for total amount for last 3 months instead of 3 separate questions by months.
 - Part II:
 - Reconsider inclusion of this part. Changes in financial state or changes of savings or loans are not so important to know. It is important to know the total value to quantify net wealth.
 - Delete questions that are duplicated in another part of the questionnaires. For example question 1.4 Received income is duplicate Part I and Shinda 05-1.
 - Reconsider the inclusion of questions to which most respondents do not know the answer (e.g. 1.5a Interest rate).

- Exclude the question for late payment, earning revenue in last 3 months is not relevant.
- **Shinda 05-1:**
 - There are three filter questions in the start of the questionnaire which are very complicated. We recommend to simplify.
 - For total disposable income, observe only actually received income which is relevant for income reference period (cancel questions about “what should be received” and later payments).
 - Questions about labour (e.g. working hours) are missed, but they are needed for calculation of the Low work intensity and the At-risk of poverty and social exclusion indicators. Also there will be needed any questions on material deprivation of persons. It will therefore be necessary to extend this questionnaire to include these questions if there is a requirement to calculate these indicators.
- **Shinda 07:**
 - No comments on the questionnaire.
- **Overall comment:** It would be useful to improve and unify the graphical side of the questionnaires for the sake of clarity.
- Information about the Czech Living Conditions and Household Budget Survey can be found on the website (https://www.czso.cz/csu/czso/living_conditions_household_income_and_expenditure_stat).
- The household income should be in line with the Canberra Group Handbook on Household Income Statistics (https://www.unece.org/fileadmin/DAM/stats/groups/cgh/Canberra_Handbook_2011_WEB.pdf).
- The new classification COICOP 2018 (https://unstats.un.org/unsd/class/revisions/coicop_revision.asp) for household expenditure should be implemented in soon future.

Actions needed for moving forward:

Action	Deadline	Responsible person
Retrospective questionnaire about purchasing of durables (in English) as an example of how Shinda 04 could be done.	February, 2020	Mr. Jiří Vopravil and Ms. Táňa Dvornáková
CZ-SILC questionnaire in English.	February, 2020	Mr. Jiří Vopravil and Ms. Táňa Dvornáková
Preparation of background documents with the description of needed variables included in the main indicators (At-risk of poverty, Material deprivation, Low work intensity, At-risk of poverty and social exclusion).	March, 2020	Mr. Jiří Vopravil and Ms. Táňa Dvornáková
Discussion and identification of questions which should be removed from current questionnaire.	March, 2020	Geostat HIES experts
Studying of two important documents for further meetings: Canberra Group Handbook on Household Income Statistics and COICOP 2018.	March, 2020	Geostat HIES experts

Plans for future works (in accordance to the main objectives of the sub-component 4.2):

Activity 4.2.B: Further discussions on methodology and new indicators

- Evaluation of work done in respect to the questionnaire changes suggested by the experts
- Determination of differences between methodologies of regularly produced indicators and internationally adopted standards
- Evaluation of the possibility of producing new internationally comparable indicators
- Proposed date: 2 STEs x 3½ working days between March 16th and April 3rd 2020

Activity 4.2.SV: Inspiration from MS experiences

- Study visit to Czech republic to gain insight into the methodology and experience of the system of production of HIES in MS
- Questionnaire design PAPI and CAPI, methodology, organization of field work, dissemination etc.
- Proposed date: 5 persons x 3 working days in May 2020 (preliminary proposal)

Activity 4.2.C: Decision making on methodological improvement and new indicators to be developed

- Make decisions on improvement of methodology and development of new indicators
- Improvement HIES' methodology (improvement of questionnaires, new/additional indicators list and their computation methods etc.)
- Proposed date: 2 STEs x 3½ working days in July 2020 (preliminary proposal)

Activity 4.2.D: Evaluation and recommendations to optimized questionnaire and new indicators

- Improved methodology and/or new indicators developed
- Recommendations on implementation of improved and/or new indicators
- Proposed date: 2 STEs x 3½ working days in October 2020 (preliminary proposal)

Annex 1. Terms of Reference

Mandatory results and benchmarks for sub-component 4.2

- Household Income and Expenditure Survey methodology and data collection tools improved

Indicators of Achievement (baseline and targets):

- Availability of Income and Expenditure data according to updated methodology
 - **Baseline:** 2019 – Methodology is outdated
 - **Target:** November 2020 – Methodology is updated and Income and Expenditure data is produced according to the updated methodology
- Availability of feasibility study on reworked or new poverty indicators
 - **Baseline:** 2019 – n/a
 - **Target:** November 2020 – feasibility of new indicator(s) established and findings presented to Geostat management

Activity 4.2.A: Discussion of current situation on questionnaire, methodology and indicators

1. Purpose of the activity

- Presentation of Household Income and Expenditure survey (HIES) and indicators in Georgia
- Review existing questionnaires with the view of improvement /optimization and assessment of their compliance to internationally approved indicators
- Determination of differences between methodologies of regularly produced indicators and assessment of internationally adopted standards
- Discussion on the way forward in the project

2. Expected output of the activity

- Current status of HIES assessed
- HIES' methodology, questionnaires and indicators are presented
- Questionnaires for improvement or optimization are revealed
- Part of differences between methodologies of regularly produced indicators and internationally adopted standards assessed are revealed
- A work plan for the coming work on sub-component 4.2 prepared
- Mission report written
- ToR for next mission is prepared

Annex 2. Persons met

Geostat

Mr. Gogita Todradze, Executive Director,

Mr. Paata Shavishvili, Deputy Executive Director

Ms. Mariam Kavelashvili, Deputy Head of Strategic Planning, Coordination and Communication Department

Mr. Vasil Tsakadze, Head of Social Statistics Department

Mr. Giorgi Mikeladze, Head of Living Conditions Statistics Division

Mr. Giorgi Kiknadze, Senior Specialist of Living Conditions Statistics Division

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Ms. Nino Maghradze, Senior Specialist of Living Conditions Statistics Division

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