

# **METHODOLOGY AND ORGANIZATION OF THE HOUSEHOLD BUDGET SURVEY**

## **Historical background**

In Bulgaria the beginning of the survey of the household budgets with the implementation of scientific methods for selection of households dates back to 1951. Regular surveys are conducted since 1953. Prior to this period surveys were conducted covering only separate groups of the population - households of workers and employees and households of farmers. For these surveys the selection of the households was not done according to the theory of sample surveys.

According to the applied methods for household selection the survey of household budgets in more recent times can be divided into two periods. The first period covers the years from 1953 to 1961 and the second one from 1962 until the present time. During the two periods the random (stochastic) selection of the households was used. During the first period the selection was done on the basis of the economic branch principle and it did not include all categories of households. During the second period this was done on a territorial principle and all categories of households are represented in the sample. Because of differences in the selection and coverage of households the data from the household budget surveys from the two periods are not comparable.

## **Purpose of the survey**

The main objective of the household budget survey is to get reliable and scientifically founded data on the income, expenditure, consumption and other elements of the living standard of the population as well as changes which have occurred during the years.

## **Unit of the survey**

The unit of observation is every randomly chosen ordinary household irrespective of the number of members and their material and personal status.

A regular household for the purpose of this survey is:

- One person living alone, having meals separately and having his/her separate budget.
- Two or more persons who live in one dwelling or part of a dwelling, having their meals together and having a common budget irrespective of the fact whether they are relatives. Persons who are temporarily absent are considered members of the household - children, students, as well as persons treated in hospitals, sanatoria and other health establishments.

Persons who have left the household and have formed a new household and those who have left for an institutional household are not considered members of the initial household. Institutional households are not studied by the household budgets survey.

## **Sample design and sample size**

The general population from which the sample for the survey is formed comprises all the households in the country.

When forming the sample a two stage cluster's sampling on a territorial principle is implemented as follows:

- at the first stage the census enumeration areas (clusters) are selected;
- at the second stage the households to be surveyed are identified.

In 1999 the number of the observed households was 3000, in 2000 and 2001 - 6000 households, since 1.02.2002 - 4200 and since 1.08.2002 it has been reduced to 3000. The sample size during the 2003 - 2009 period is 3000 households. The selected households are surveyed for a period of one year. Since 2010 the sample size is 3060 households divided in three subsamples each containing 1020 households. Each subsample is surveyed one month per quarter by application of the method of rotation sample. Or each household participates in the survey four months during the 12-months period.

Up to 2009, the selection of territorial units is done with a probability proportional to their size. Non-proportional selection is applied in 2010 in order to produce more accurate sample data in the small regions where the minimum quarter size of the sample include no less 72 households at the expense of decrease of the number of households in the large regions – Sofia-capital and Plovdiv. In the selected enumeration areas (clusters) lists of the household are prepared and they are arranged into ascending order, depending on the number of persons. This indicator has a close correlation with the surveyed indicators – income, expenditure, and consumption per capita. 6 households from these lists are chosen from each cluster with a selection step.

The household budget survey applies the principle of the voluntary participation of households that had randomly come into the sample. Every randomly selected household that is not willing or is not able to cooperate, is replaced with another from the same cluster and with the same number of members.

## **Organization of the survey**

The participants in the preparation and carrying out of the household budgets survey are the National Statistical Institute, the Statistical Survey Departments, the interviewers and selected for the survey households.

The survey uses the method of writing down the data by one of the members of the observed household and the method of the interview between the interviewer and the members of the household.

Data on social demographic characteristics of the household and its members is gathered. Information on availability of facilities and durables at the dwellings is added in 2008.

The surveyed households keep a record in the Household Diary on:

- total monetary expenditure for food products, non-food products, services and others;

- all monetary incomes from working salary, social insurance, home production and others;
- supply in kind and use of food products and non-food goods;
- manufactured raw materials and products obtained from the processing;
- information about the members of the household - days of absence, number of people who had meals, changes concerning the household or its members.

Since 2010 the households keep retrospective records on:

- expenditure on non-food goods during the previous two months
- some irregular income during the previous two months.

The interviewers visit the household twice a month of survey. During these visits they have a detailed conversation with the members of the household, check the completeness and reliability of the data entered into the diary and forms.

The household data is processed at the Statistical Survey Departments. The aggregation is done at NSI headquarter.

### **Main variables**

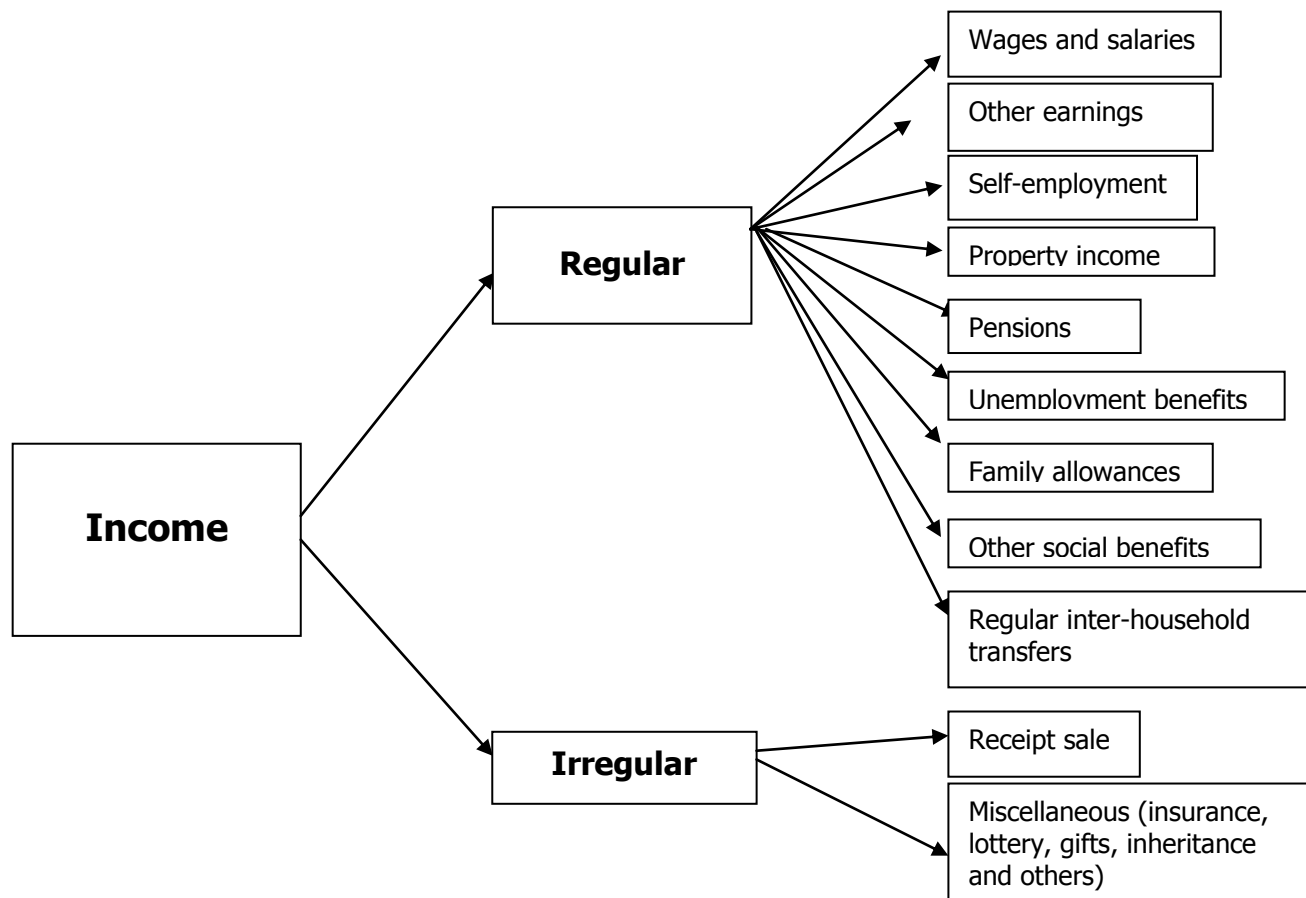
The main variables of income, expenditure and consumption are estimated quarterly and yearly and presented in the form of average values and relative shares.

The estimations of variables are done for all households and by different groups according to:

- Place of residence
- Number of household members
- Number of employed persons
- Number of the children under 18
- Total annual income per person
- Decile groups (by total income per person)
- Presence of pensioners in the household
- Professional status of the head of the household
- Economic status of the head of the household

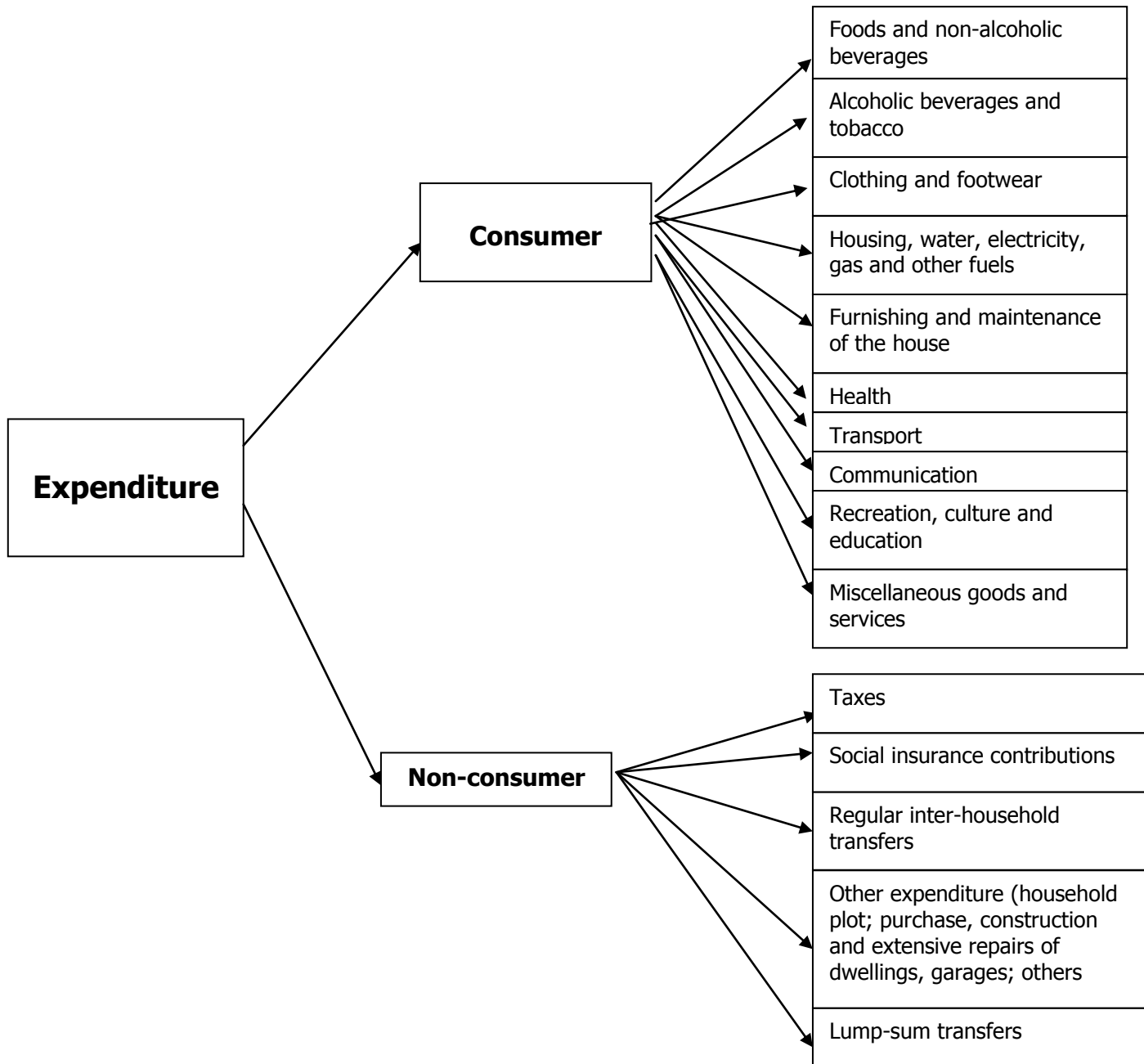
### ***Household income***

The household income includes all receipts of the household and its members during the surveyed period. The income is estimated in total and monetary form. Total income includes monetary and valued income in kind. Classification on household income is used.



### ***Household expenditure***

The household expenditure includes all resources spend by the household and its members during the surveyed period. The expenditures are estimated in total and monetary form. Total expenditure includes monetary and valued expenditure in kind. Expenditure classification harmonized to classification of individual consumption by purpose (COICOP) is used.



## ***Household consumption***

The household consumption includes the quantities of main foods and beverages consumed at home. The catering data are not included. The variables are calculated by balance method and are estimated average per person.

## **Sampling errors**

The data presented in the publication are burdened with a certain stochastic error due to the sample character of the survey. The calculation of stochastic errors is done by the method of the interpenetrating sub samples.

## **Release policy**

- Timeliness :
  - Quarterly data – two months after the reference period
  - Annual data – in April of the year following the reference year
  
- Dissemination format :
  - Publication "Household Budgets in the Republic of Bulgaria
  - Publication "Average Prices and Purchased Quantities of Main Foods and Non-foods by Households"
  - Statistical Yearbook
  - Statistical Reference Book of the Republic of Bulgaria
  - Bulgaria – Statistical Panorama
  
- Users: Ministries and public administrations on national and regional level, National Assembly and President of the Republic of Bulgaria, Bulgarian National Bank; international organization – Eurostat, ILO, UN/ECE, IMF, UNICEF and others; universities and research organizations; citizens.

Source: National Statistical Institute

Contact person:

Irina Tosheva

Chief expert, Statistics on Living Conditions Department

Demographic and Social Statistics Directorate

Contact email address: [ITosheva@nsi.bg](mailto:ITosheva@nsi.bg)

Contact phone number: +359 2 9857 612