REGIONAL WORKSHOP ON MODERN METHODOLOGIES FOR HOUSEHOLD INCOME AND EXPENDITURE SURVEYS

THE WORLD BANK

Treasury | IBRD • IDA

Poverty and Equity Global Practice
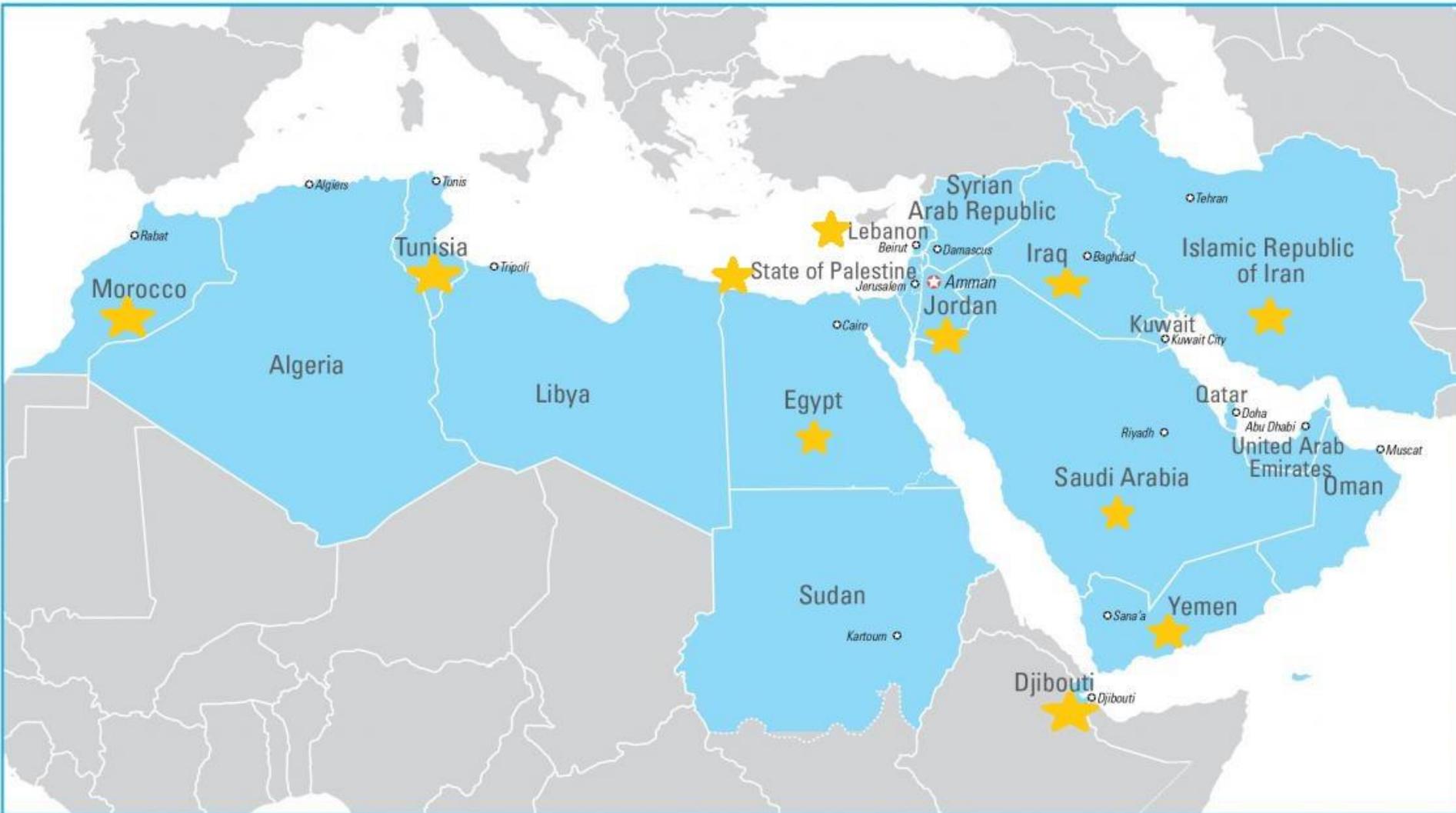
March 24, 2021

Table of Contents

- World Bank and Households Income and Expenditure Surveys (HIES) in MENA.

- HEIS in Saudi Arabia.

- Potential updates to HIES type of surveys.

THE WORLD BANK
Treasury | IBRD • IDA

World Bank in MENA

Poverty and Equity GP

World Bank in MENA

THE WORLD BANK
Treasury | IBRD · IDA

HEIS in Saudi Arabia

A short description

- The WB team began its engagement with the Kingdom of Saudi Arabia in the context of the implementation of the Vision 2030.

❖ The Kingdom of Saudi Arabia has been undergoing significant reforms to diversify its economy (Vision 2030).

❖ Policies were expected to have distributional impacts on the population.

❖ Ex-post analysis of HEIS surveys of 2012/13 and 2017/18.

❖ Support adoption of a definition of:
  - Consumption based welfare aggregate.
  - Income based welfare aggregate.

❖ Inform the policy debate.

THE WORLD BANK
Treasury | IBRD • IDA

About the HEIS survey in Saudi Arabia

HEIS characteristics

- Nationally and provincially representative (13 administrative regions).

- Fielded every 5 years.

- Collected over 12 months.

- Both Saudi and non-Saudi nationals are included in the sample.

- Most recent HEIS 2017-18 used Computer-Assisted Personal Interviews (CAPI) technology.

Sampling design

- Two-stage, stratified random sampling based on Census framework.

- 55 strata (main cities, "other urban areas" and rural areas).

- Primary sampling unit (PSU) represent enumeration area according to definition of the population census.

- The secondary sampling unit (SSU) is the household.

THE WORLD BANK
Treasury | IBRD · IDA

Objectives of the HEIS survey in Saudi Arabia

- Get family spending estimates to contribute to compiling the national accounts.

- Know the relative distribution of spending on commodities and services to be used in composing the cost-of-living index (consumer prices).

- Measure consumer spending elasticity and to take advantage of it for planning purposes.

- Study the relationship between population and housing characteristics of the families and their income, as well as studying the relationship between family spending and income.

- Identify the amount of current transfers of the family sector.

THE WORLD BANK
Treasury | IBRD · IDA

Potential updates to HEIS type of surveys

Ideas for discussion

THE WORLD BANK
Treasury | IBRD · IDA

Why update?

- Increased interest in new methods for data collection and quality enhancement.

- Support development of new methods to gather household data and enhancing data quality.

Alternatives

- Improve use of sampling frame and sampling procedure.

- New methods, techniques and tools to collect data.

- Alternatives to reduce non-sampling error (including incentives).

In practice

- Support survey implementation.

- Experimentation.

- Bridge surveys.

THE WORLD BANK
Treasury | IBRD · IDA

New techniques

- Possible use of CAWI techniques to flank CAPI questionnaire for both expenditure and income variables.

- Use of Apps on smartphones to allow households to record (especially) daily consumption expenditures

New data sources – expenditure side

- Explore use of data from large-scale retail trade distribution (scanner data) to provide the survey with information from the retail trade market.

- Useful to **benchmarking** information coming from households that could be asked about the outlets where they purchased the products.

New data sources – income side

- Exploring the availability of alternative data sources, such as administrative data, not to replace but to complement/integrate and check income information coming from households.

- Useful to **complement and adjust** the tails of the income distribution for which non-response and other forms of measurement error may be more acute.

THE WORLD BANK
Treasury | IBRD • IDA

Potential updates to HEIS type of surveys

Sampling errors: other (than traditional) actions to reduce non-sampling error

Traditional actions to control and reduce sampling error are crucial (well designed questionnaire, training of enumerators, others).

However, they could strengthen by:

- The use of the alternative data sources.

- Incentives for the respondents by considering possible new tools of data collection such as Apps/smartphone.

- The use of gamification techniques to stimulate participation of respondents.

THE WORLD BANK
Treasury | IBRD · IDA

Thank you!