

The Armenian Integrated Living Conditions Survey

The Integrated Living Conditions Survey (ILCS) was first conducted in Armenia in 1996 (in a one-month period), followed by the one in 1998/99; thereafter, it has been conducted every year since 2001. The survey is carried out during the year with monthly changes (rotation) of households and communities. Findings of the survey are primarily used to estimate consumption-based poverty rates in the country and to provide valuable information on households' living conditions by means of other indicators.

A consumption aggregate is used as a welfare measure for assessing poverty in Armenia, as it is assumed that consumption is better declared and is less sensitive to short-term fluctuations. The consumption aggregate is estimated based on the ILCS and its components are: (i) the value of food and non-food consumption including consumption from home production, and aid received from humanitarian organizations and other sources; and (ii) the rental value of durable goods. Non-food consumption comprises clothing and shoes, household goods, transportation, utilities, education, health, and the estimated value of durable goods.

At household level (micro level) NSS does not count up underreported income in total income of population in Armenia .

Actually, Gini coefficient figures are higher than those estimated and reported hereof, due to unwillingness of the majority of well-off people to answer interview questions and disclose illegal (shadow) income of households.

I. Sample Frame

The sampling frame for 2011 was designed according to the database of addresses of all households in the country developed on basis of the 2001 Population Census results, with the technical assistance of the World Bank.

The sample consisted of two parts – core sample and supplementary sample.

1. For the purpose of drawing the core sample, the sample frame was divided into 48 strata including 12 communities of Yerevan City (currently, the administrative districts).

Communities in all regions were grouped into three categories: large towns with 15,000 and more inhabitants, small towns with less than 15,000 inhabitants, and villages. Large towns formed 16 groups (strata), while small towns and villages formed 10 strata each.

According to this division, a two-tier sample was drawn, stratified by regions and by Yerevan. All regions and Yerevan, as well as all urban and rural communities were included in the sample in accordance to the shares of their resident households within the total number of households in the country. In the first round, enumeration districts – that is primary sample units to be surveyed during the year – were selected. The ILCS 2011 sample included 46 enumeration districts in urban and 18 enumeration districts in rural communities per month.

2. The supplementary sample was drawn from the list of the villages included in MCA-Armenia road rehabilitation projects. Then, enumeration districts of the villages already included in the master sample were excluded from this list. Eighteen enumeration districts were selected per month from among the remaining ones. Thus, the sample of rural communities doubled.
3. After merging the core and supplementary samples, the households to be surveyed were selected in the second round. A total of 656 households were surveyed per month, of which 368 and 288 households from urban and rural communities, respectively. Every month 82 interviewers were on field work with a workload of 8 households per month.

A total of 7,872 households were selected in 2011, of which 4,416 and 3,456 households from urban and rural communities, respectively. Survey data provided for the minimum representativeness by regions.

II. Sample Size and number of Settlements Covered by 2008-2011 Surveys

Table 1: Number of Households Surveyed, Urban and Rural Settlements Covered by 2008-2011 Samples

| | 2008թ. | 2009թ. | 2010թ. | 2011թ. |
|---|--------|--------|--------|--------|
| Number of households surveyed | 7872 | 7872 | 7872 | 7872 |
| Number of urban communities covered by the sample | 44 | 45 | 46 | 44 |
| Number of rural communities covered by the sample | 263 | 313 | 307 | 312 |

Source: *ILCS 2008-2011*

According to ILCS 2011, in terms of resident population, the average size of a household was 3.89 members, with 3.74 and 4.16 members in urban and rural communities, respectively. In terms of current population, the average size of a household was 3.81 members, with 3.70 and 4.03 members in urban and rural communities, respectively.

III. Description of Field Work

A team of 82 interviewers and 15 team-leaders was established for conducting the fieldwork for the 2011 survey. The process of survey was supervised by coordinators, quality controllers, and team-leaders. Prior to launching the survey, relevant instructions were given to the field work personnel.

Each interviewer worked in 12 clusters (enumeration districts) during the year, by visiting 8 households per month. On finishing the work in each cluster, the interviewers presented the completed questionnaires and diaries for data check and codification, along with the sampling reports. All collected data were codified, logically tested, cross-compared by different operators, processed through a software logical test and corrected on basis the list of recorded errors. Based on the entered data, a relevant database was developed by means of special data entry software. Each household surveyed in 2011 received 1500 AMD for filling out monthly diary. Based on the recorded information, data base was created with the help of special recording software package. A total of 15,449 addresses were visited by interviewers in the course of field works, while the average refusal rate totaled 8.7% (Table 2).

Table 2: Number of Households Covered by 2011 Sample, Refusal Rates by Regions and in Yerevan

| | Number of completed questionnaires | Refusal rate |
|--------------|------------------------------------|--------------|
| Yerevan | 1,344 | 25.2 |
| Aragatsotn | 576 | 0.1 |
| Ararat | 768 | 4.7 |
| Armavir | 768 | 8.8 |
| Gegharkunik | 672 | 0.3 |
| Lori | 768 | 4.3 |
| Kotayk | 768 | 1.8 |
| Shirak | 768 | 7.8 |
| Syunik | 480 | 0.6 |
| Vayotz Dzor | 384 | 1.1 |
| Tavush | 576 | 3.1 |
| Total | 7,872 | 8.7 |

Source: *ILCS 2011*

Note: *Refusal rate is defined as the ratio of refusals and the total number of visited addresses.*

Refusal rates, defined as the ratio of refusals and the total number of visited addresses, significantly varied by regions. Refusal rates were the highest in Yerevan (25.2%) and the lowest in Aragatsotn region (0.1%). Interestingly, the overall refusal rate had increased by 16% as compared to 2008. Such increase in refusal rates was significant in Shirak region (2 time), Yerevan (33.3%) and Tavush region (6.9%). Other

regions demonstrated decreasing or insignificantly increasing refusal rates. As previous surveys 2011 ILCS also demonstrated the high refusal rate of well-off households.

IV. Description of Survey Tools

The following tools were developed to conduct the survey: questionnaire, diary, and interviewer's manual.

The *questionnaire* was filled in by the interviewer in the course of at least five visits to households per month. During face-to-face interviews with the household head or another knowledgeable adult member, the interviewer collected information on the composition and housing conditions of the household, the employment status of the members, their educational level and health status, availability and use of land, livestock, and agricultural machinery, monetary and commodity flows between households and other information.

The list of the sections of the 2011 questionnaire was certainly changed. The section "Children needs" and the section "Monthly consumption of energy carriers in households" were added. The section "Overcoming the Financial Crisis" was removed from the questionnaire. The following sections were revised: "List of Household Members", "Housing and Living Conditions", "Employment", "Education", "Health (General) and Healthcare", "Agriculture", "Activities of private households as employers and undifferentiated production activities of private households" and Classifier of types of economic activity".

Thus, the 2011 survey questionnaire had the following sections: (1) "List of Household Members", (2) "Migration", (3) "Housing and Living Conditions", (4) "Employment", (5) "Education", (6) "Agriculture", (7) "Monetary and Commodity Flows between Households", (8) "Health (General) and Healthcare", (9) "Savings and Debts", (10) "Subjective Assessment of Living Conditions", (11) "Social Capital and Provision of Services", (12) "Social Assistance", (13) "Activities of private households as employers and undifferentiated production activities of private households", (14) "Children needs" and (15) "Monthly consumption of energy carriers in households".

The *diary* was completed directly by the household during the month. Every day the households would record all their expenditures on food, non-food products and services, while giving a detailed description of such purchases; for example, for food products, the following was recorded: name of the product, its quantity, cost, and the place of purchase. Besides, the households recorded the consumption of products received and used from their own land and livestock, as well as of products obtained from other sources (e.g. gifts, humanitarian aid). Non-food products and services purchased or received for free were also recorded in the diary. Then, households recorded their income received during the month. At the end of the month, information on rarely used food products, durable goods and ceremonies was recorded, as well. The records in the diary were verified by the interviewer. The survey diary had the following sections: (1) food products purchased during the day, (2) food consumed at home during the day, (3) expenditures on food consumed away from home, (4) non-food products purchased and services obtained, (5) non-food products and services received free of charge, (6) household income and monetary inflows, (7) products of usually small consumption during the day, (8) list of real estate, durable goods, and ceremonies.

The *interviewer's manual* provided detailed instructions for completing the questionnaire and the diary.

The questionnaire, the diary and the interviewer's manual were revised and corrected prior to the launch of the survey.