

NTA, Aggregate Level Lao 2008

- **By: Lao NTA team**
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A Framework of NTA Flow Account

NTA Flow Account, stylized, value of aggregate annual flows

	Children	Working age	Elderly	Total economy	Rest of the world	Total
Panel A. Economic life cycle						
Life cycle deficit	20	-15	10	15		
Consumption	20	70	10	100	2	102
Labour income	0	85	0	85	1	86
Age reallocations	20	-15	10	15		
Panel B. Public age reallocations						
Public age reallocations	5	-8	5	2		
Public transfers	5	-11	5	-1	1	0
Public transfer inflows	5	0	5	10	2	12
LESS: Public transfer outflows	0	11	0	11	1	12
Public asset-based reallocations	0	3	0	3	0	3
Public asset income	0	-4	0	-4	0	-4
LESS: Public saving	0	-7	0	-7	0	-7
Panel C. Private age reallocations						
Private age reallocations	15	-7	5	13		
Private transfers	15	-22	2	-5	5	0
Private transfer inflows	15	10	3	28	6	34
LESS: Private transfer outflows	0	32	1	33	1	34
Private asset-based reallocations	0	15	3	18	-1	17
Private asset income	0	21	1	22	2	24
LESS: Private saving	0	6	-2	4	3	7

Aggregate

1. What is the source of aggregate data?

-System of National Account: Income and expenditure of Lao economy

2. Why do use aggregate data?

- To sum up the micro survey data (LECS 5) into national level and be consistent with National Income Account.

National Income Account

SEQUENCE OF ACCOUNTS			2007	2008
S1	Total economy			
II.1.1	GENERATION OF INCOME			
B1n	Gross/Net domestic product at market prices	res	40,467,082	46,255,558
D2	Taxes on production and imports	use	2,693,548	3,158,823
D3	Subsidies (-)	use	0	0
D1	Compensation of employees	use	4,360,888	5,388,106
B2	Operating surplus/mixed income	bal	33,412,646	37,708,629
II.1.2	ALLOCATION OF PRIMARY INCOME			
	<u>Resources</u>			
B2	Operating surplus, net	res	33,412,646	37,708,629
D1	Compensation of employees	res	4,360,888	5,388,106
D2	Taxes on production and imports	res	2,693,548	3,158,823
D21	Taxes on products	res	2,635,226	3,089,700
D29	Other taxes on production	res	58,322	69,123
D3	Subsidies	res	0	0
D31	Subsidies on products	res	0	0
D39	Other subsidies	res	0	0
D4	Property income receivable, net	res	0	0
	TOTAL		40,467,082	46,255,558
	<u>Uses</u>			
D4	Property income payable, net	use	0	0
B5	Gross/net national income	bal	40,467,082	46,255,558
	TOTAL		40,467,082	46,255,558

NTA Lifecycle Deficit

Lifecycle Deficit	1,376,491
Consumption	32,820,197
Private	28,435,355
Public	4,384,842
Less: Labor Income	31,443,706

Age Reallocations	1,376,491
Asset-Based Reallocations	1,376,491
<i>Public Asset-Based Reallocations</i>	<i>4,708,454</i>
Public Income on Assets	537,187
Less: Public Saving	-4,171,267
<i>Private Asset-Based Reallocations</i>	<i>-3,331,963</i>
Private Income on Assets	11,184,965
Less: Private Saving	14,516,928
Transfers	0
Private	0
Public	0

Issues

National Income Accounts

-Lack of information on capital income, property income, transfers

-Lack of data on public health and education

Preliminary result of NTA Construction for Laos

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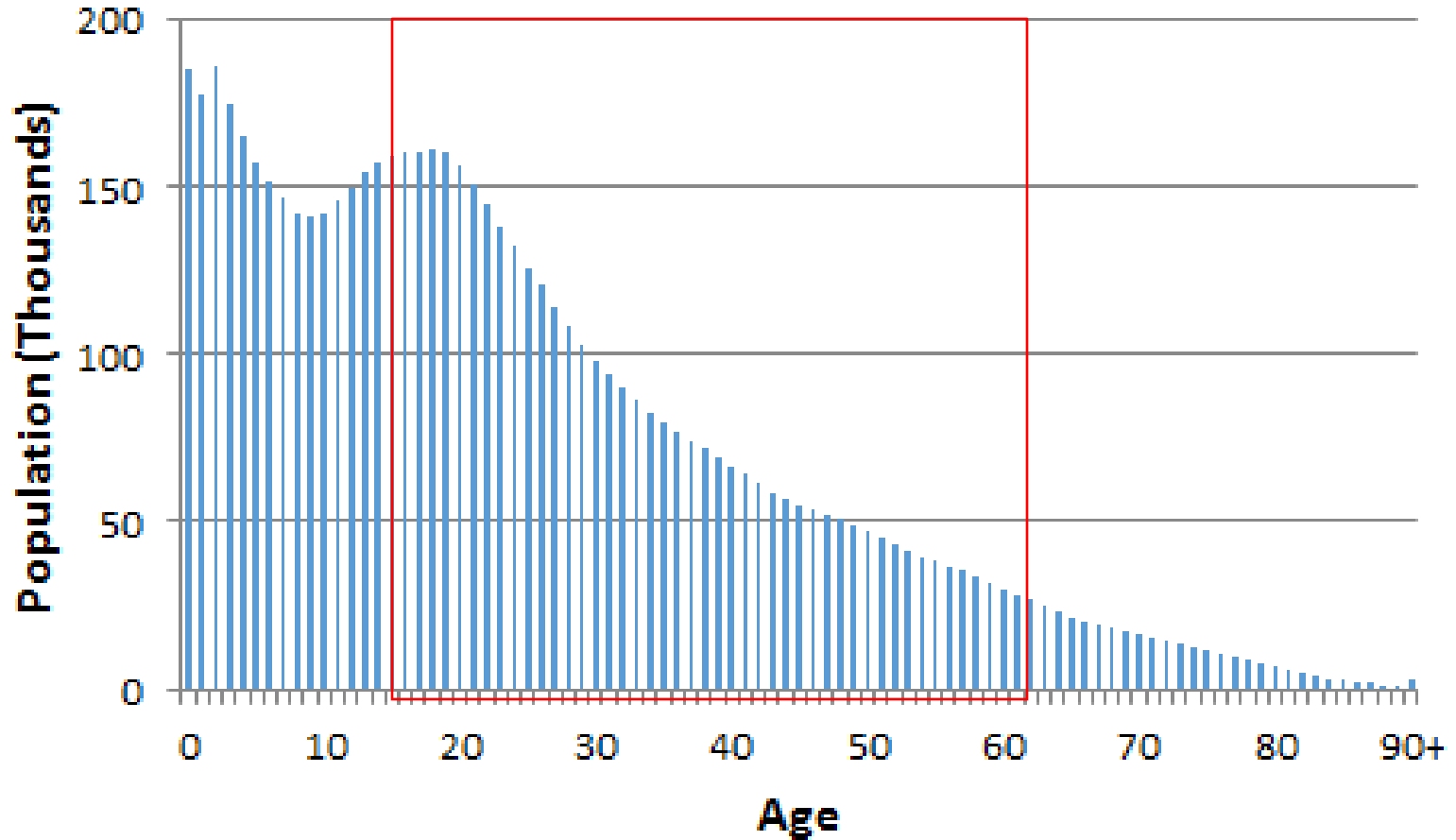


LAO PDR

DEMOGRAPHY

PERFORMANCE

Lao Population



Source: Department of Economic and Social Affairs, UN (2015)

□ Consumption

- Private Consumption
- Public Consumption

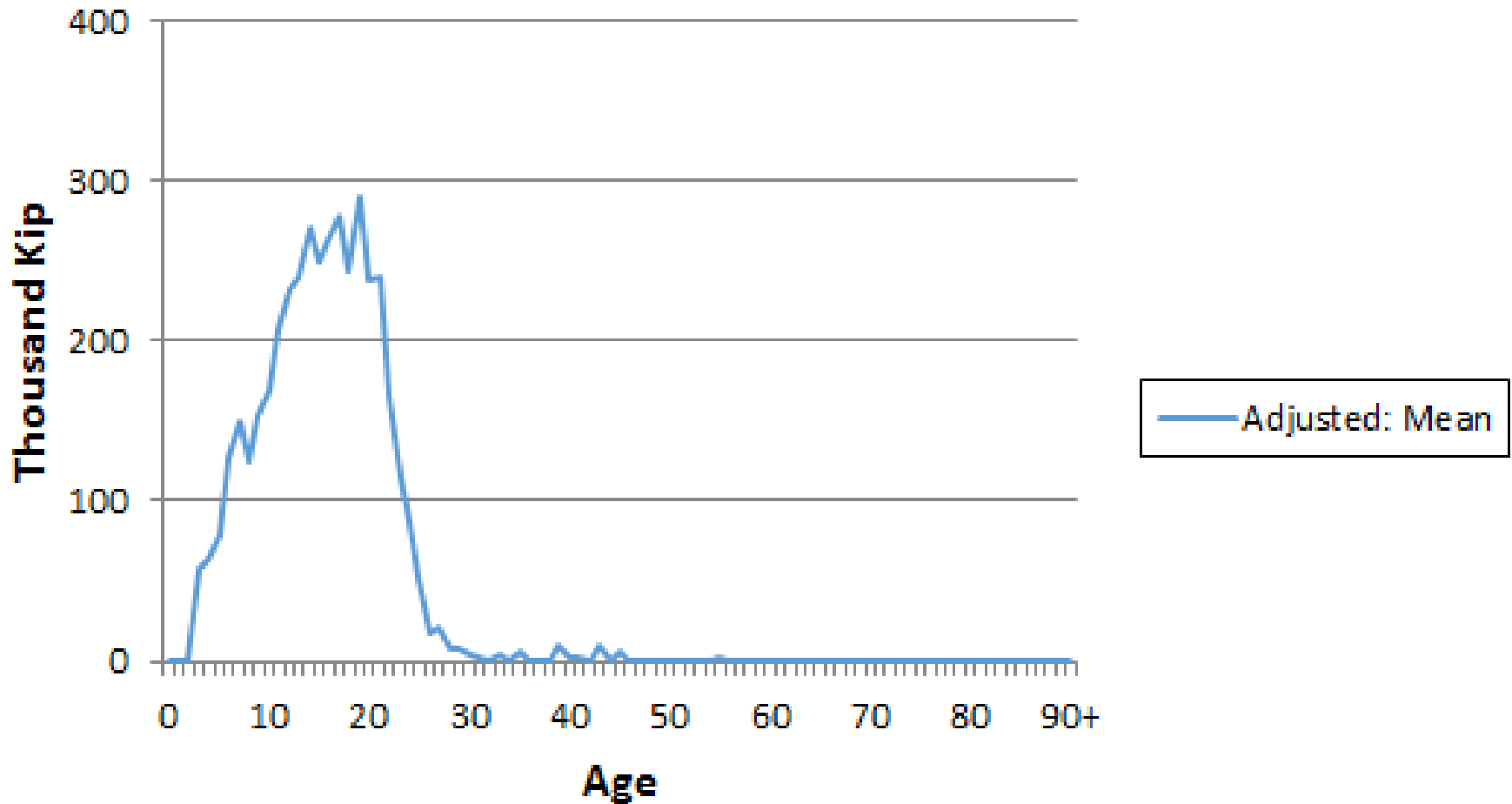
□ Labor Income

- Compensation of employees
- Self-employment labor income

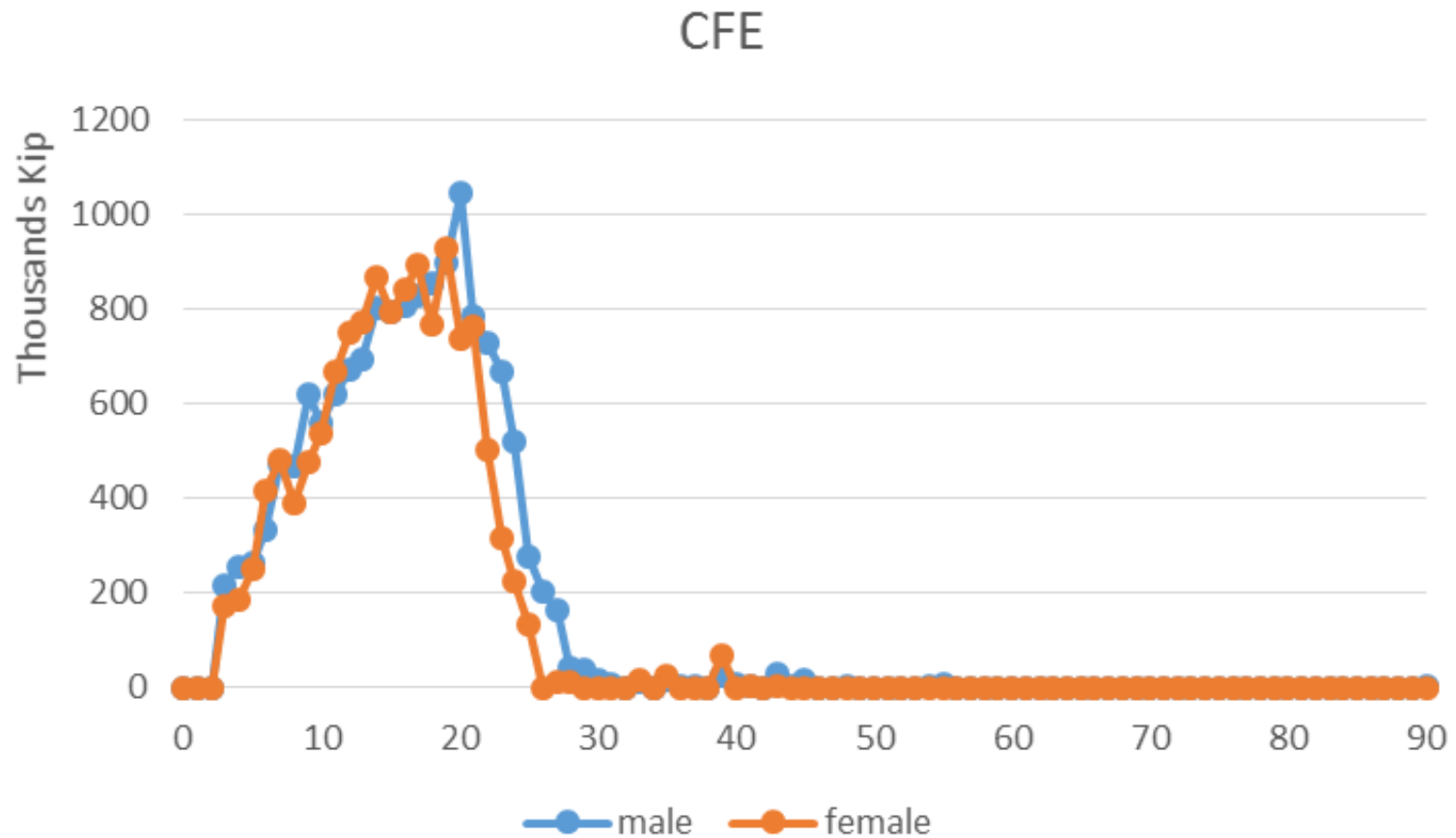
PRIVATE

CONSUMPTION

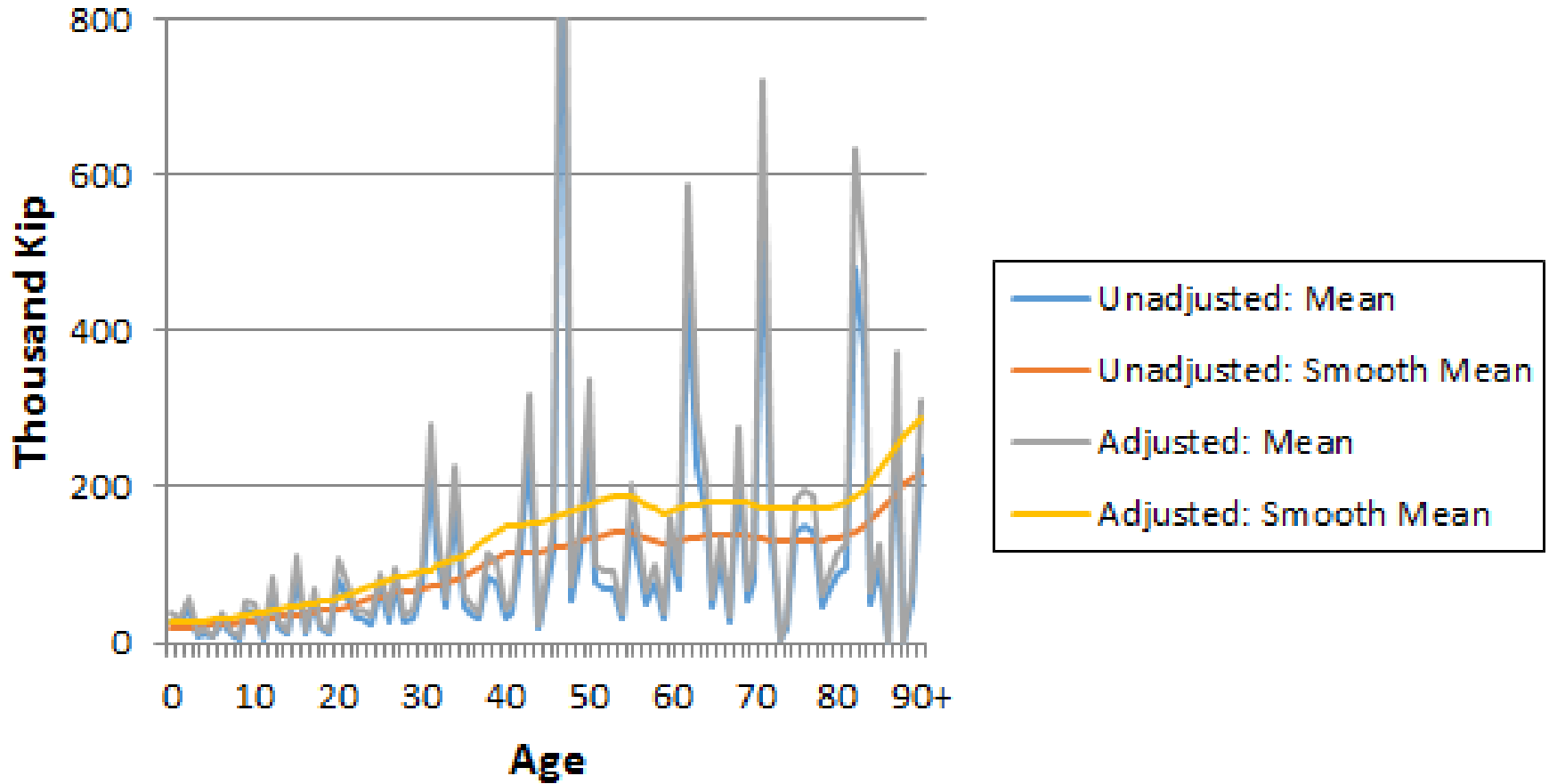
Private Consumption, Education



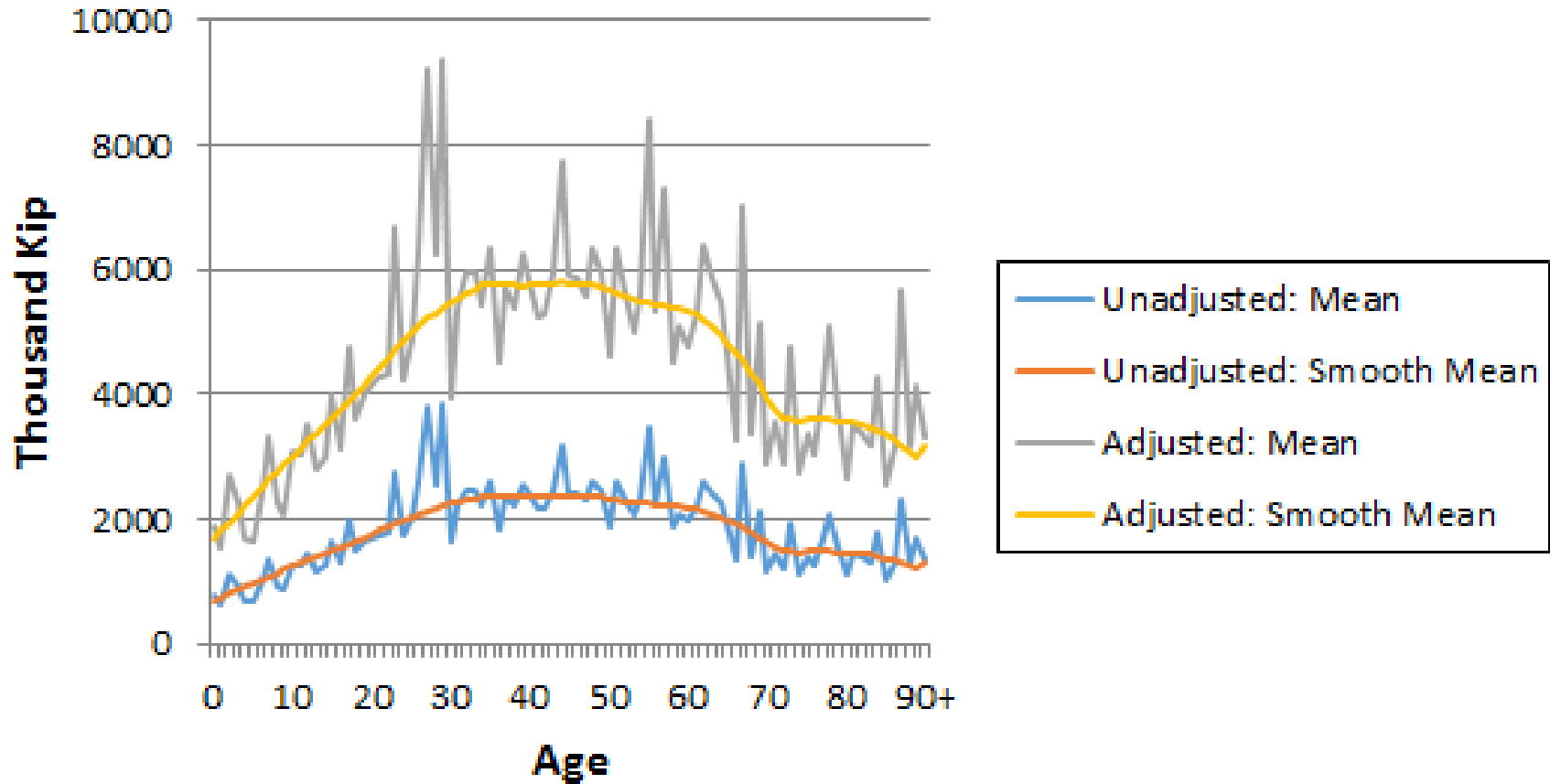
Private Consumption, Education by gender



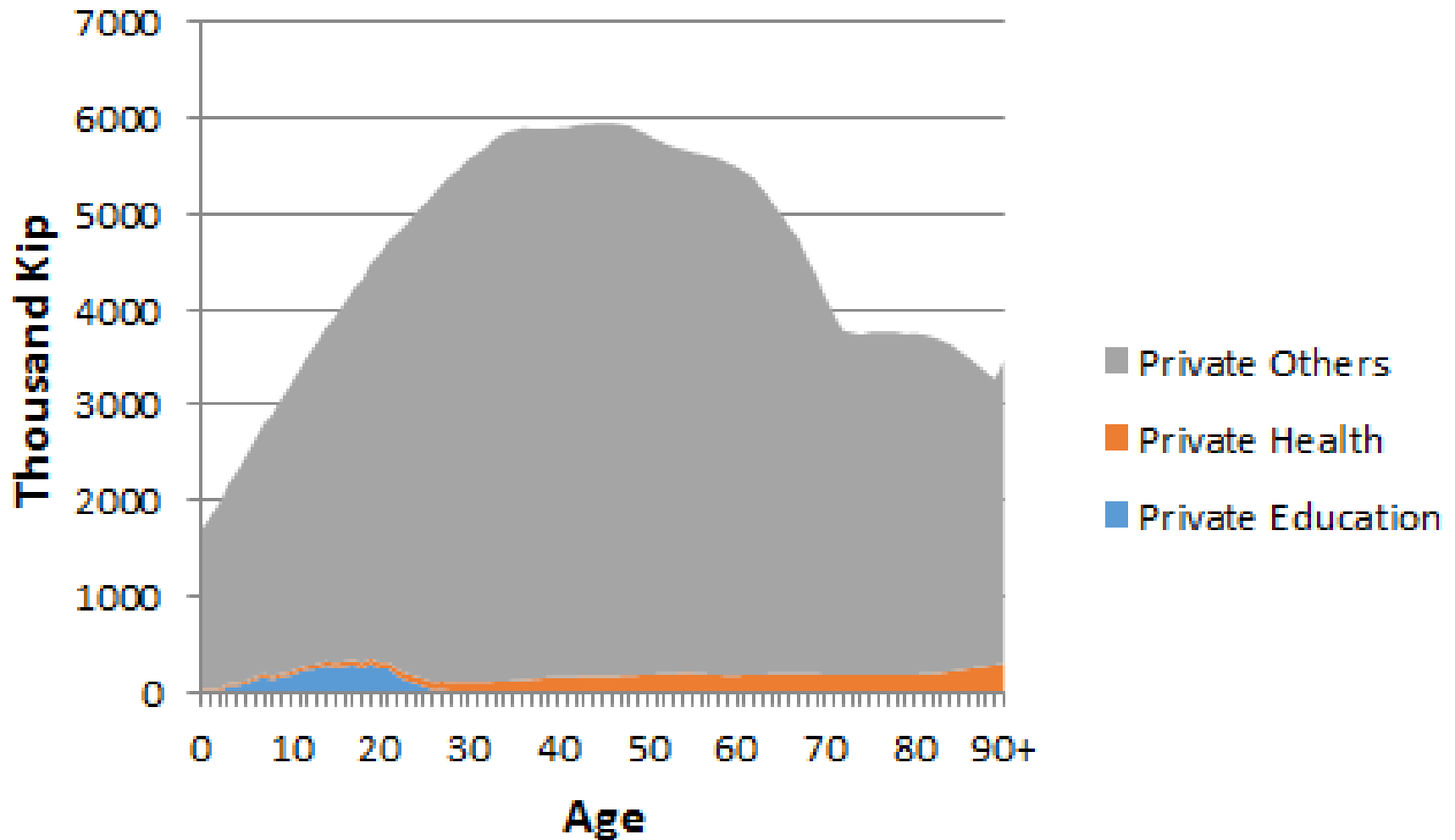
Private Consumption, Health



Private Consumption, Others



Private Consumption

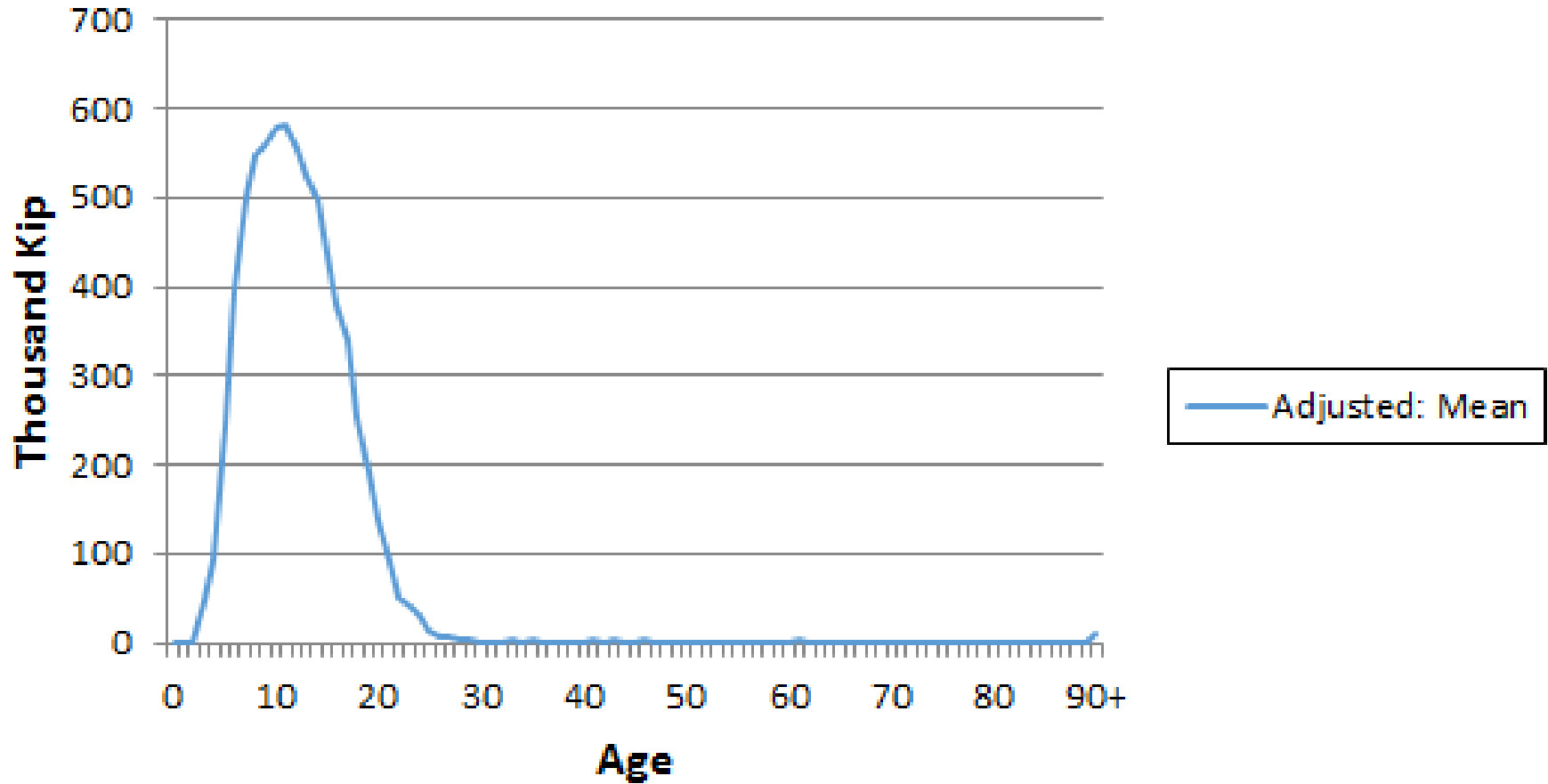


PUBLIC

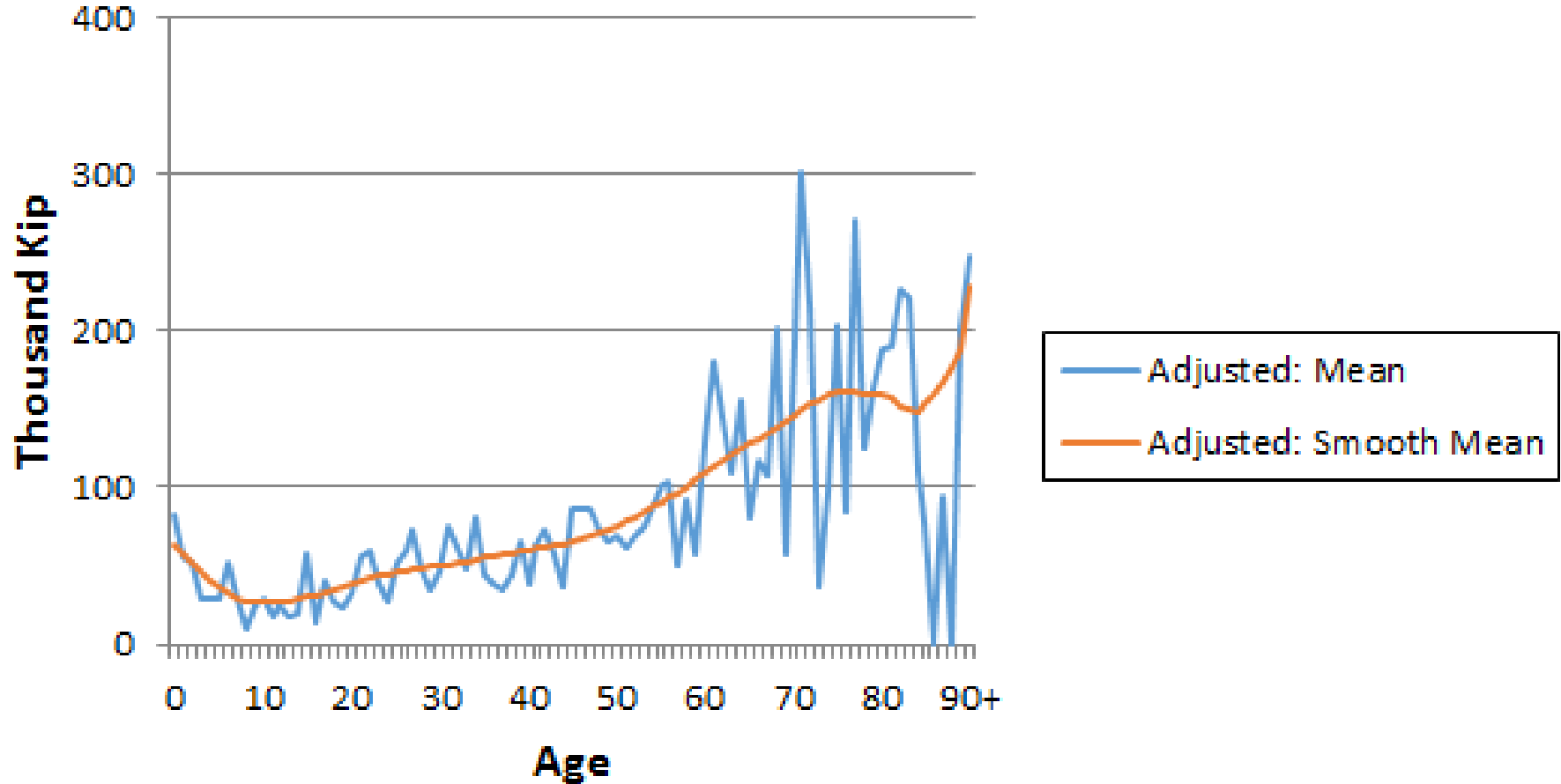
CONSUMPTION



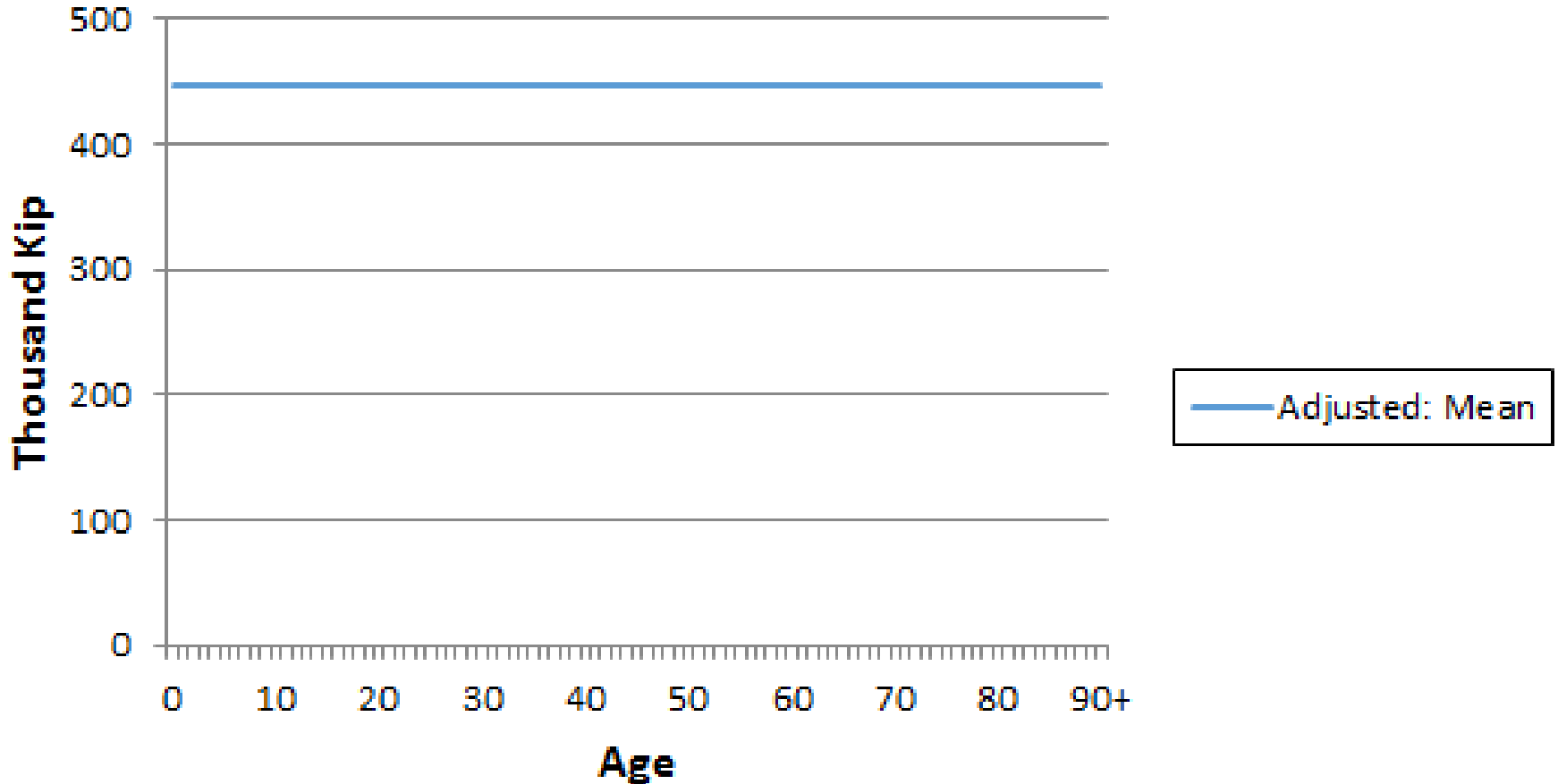
Public Consumption, Education



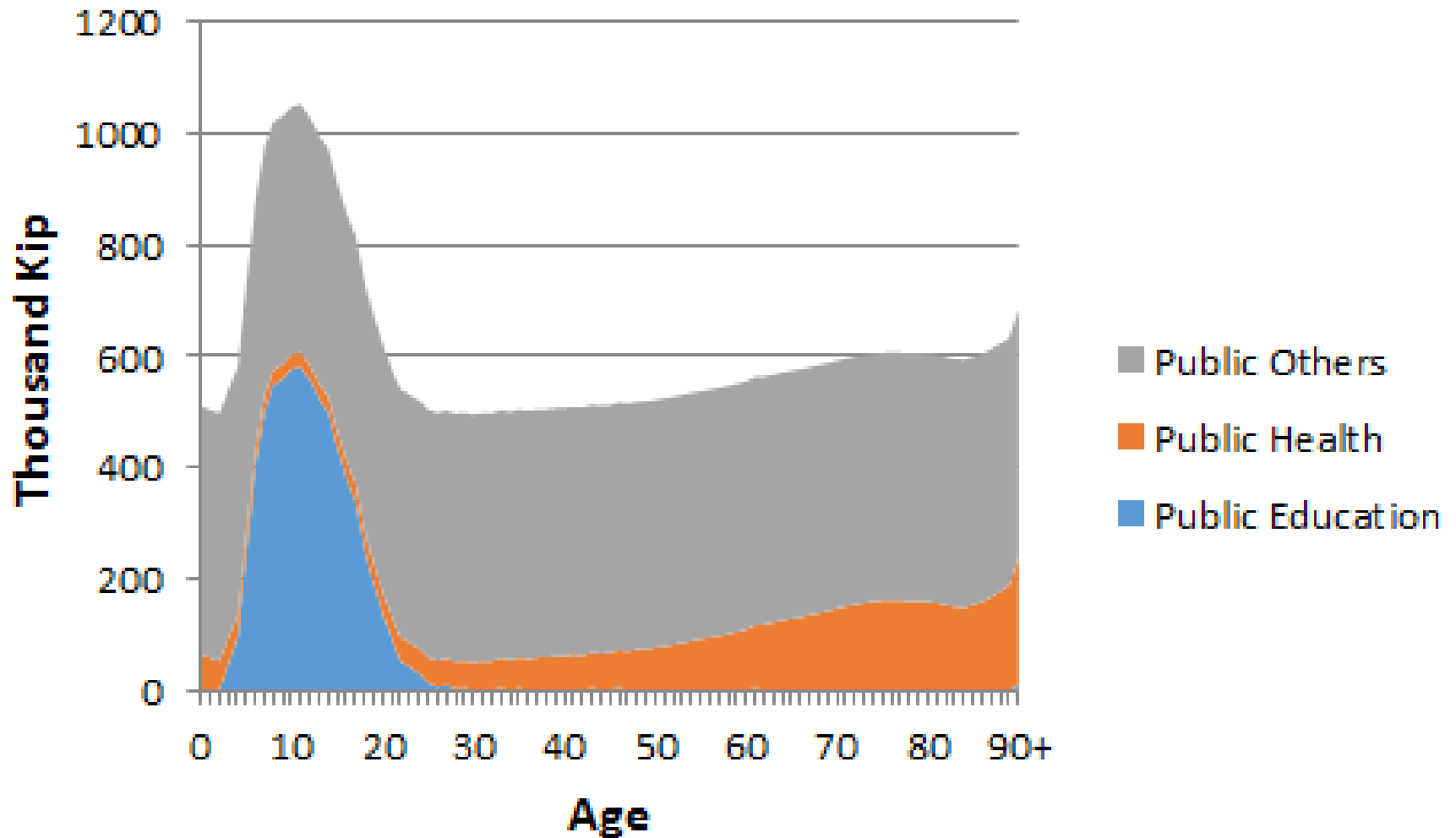
Public Consumption, Health



Public Consumption, Others



Public Consumption

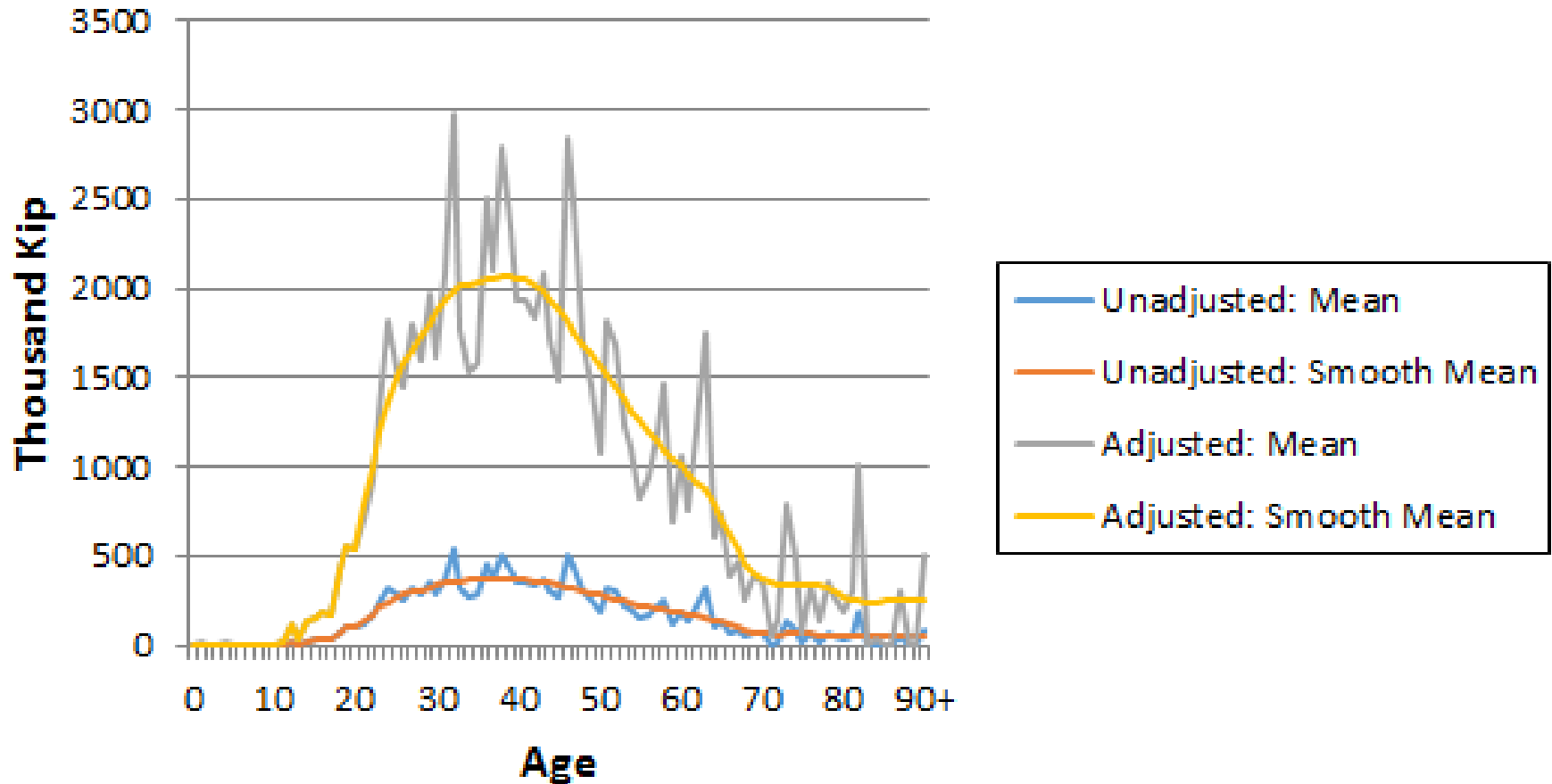


LABOR

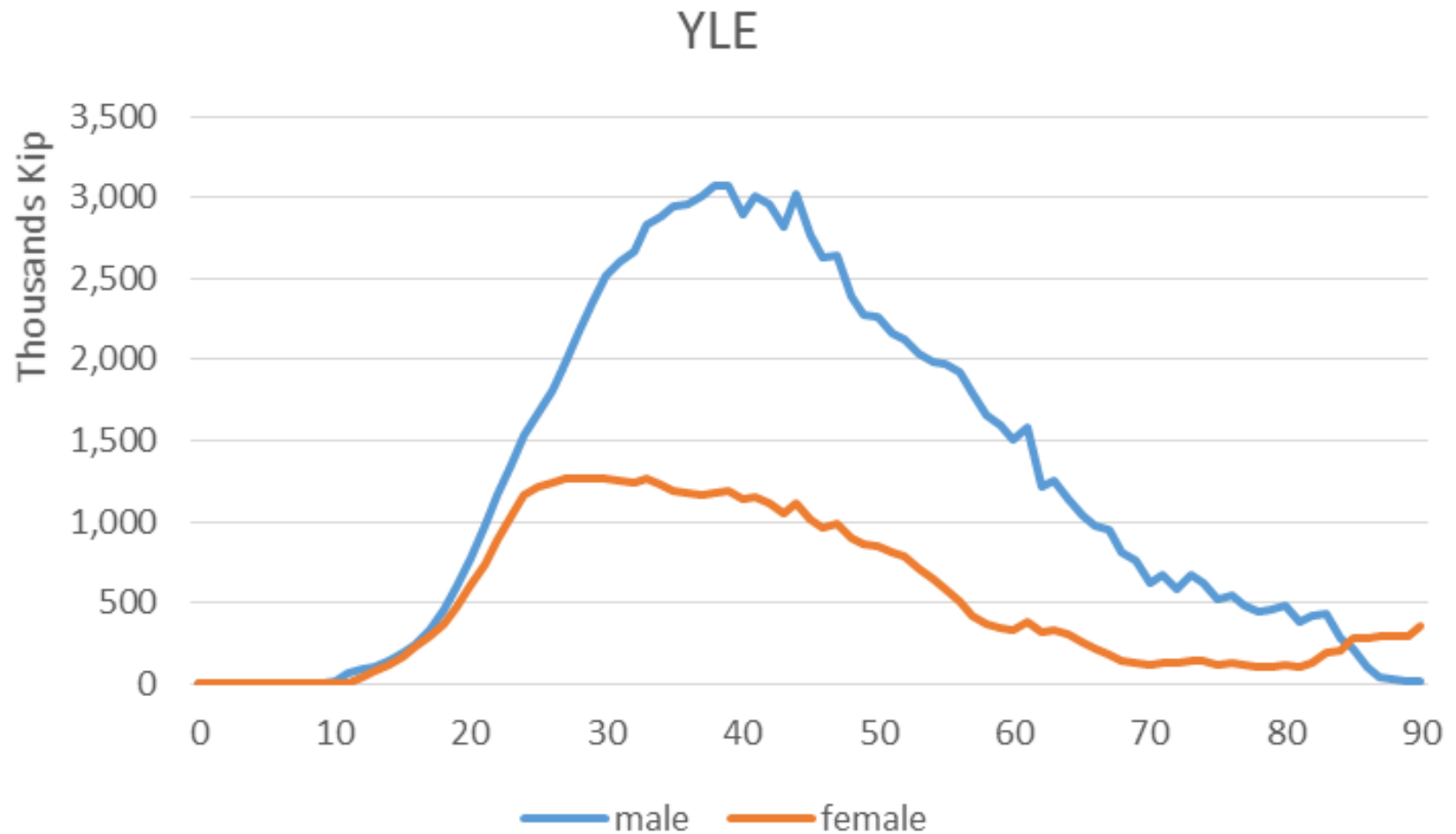
INCOME



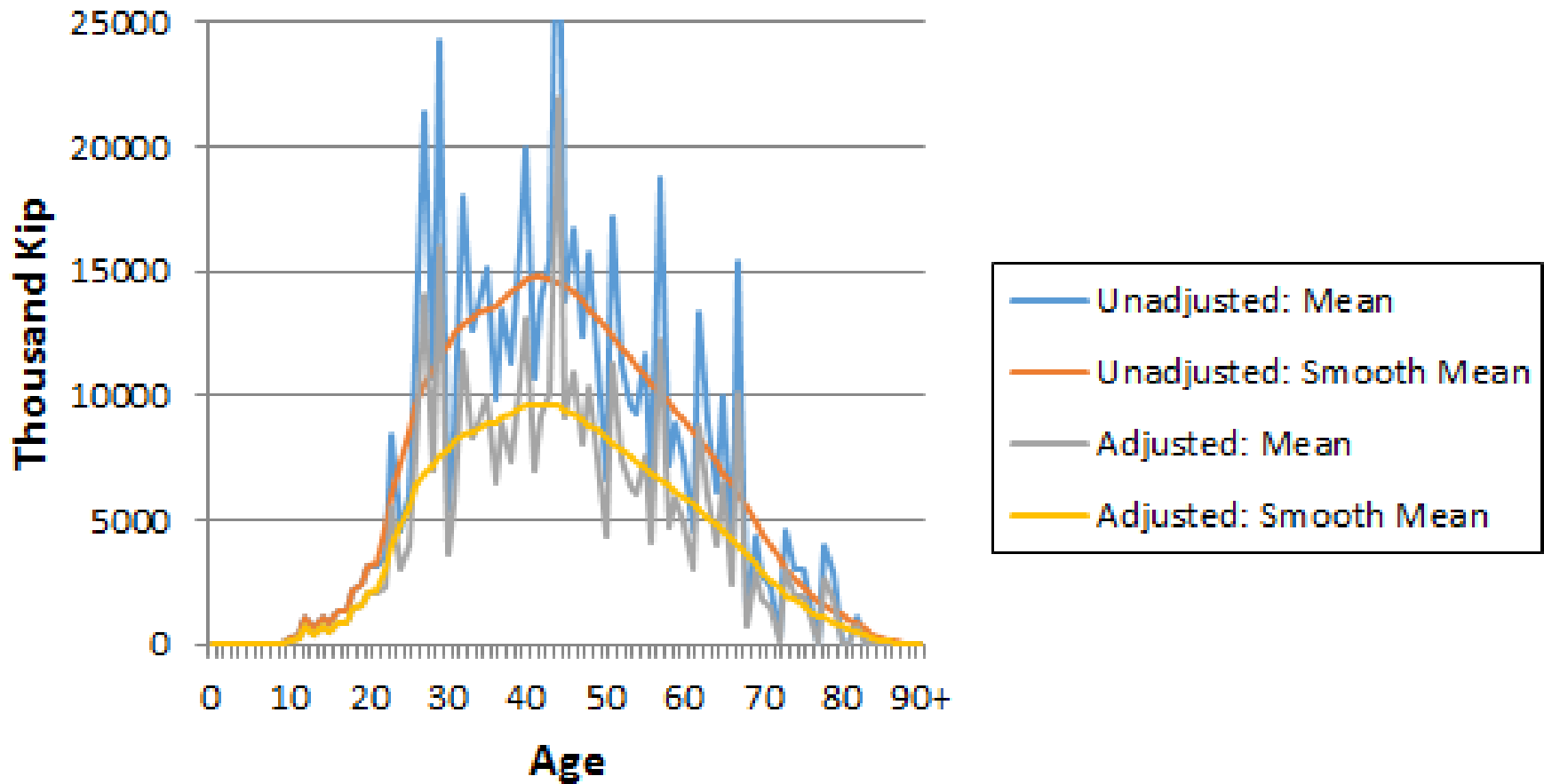
Compensation of Employees



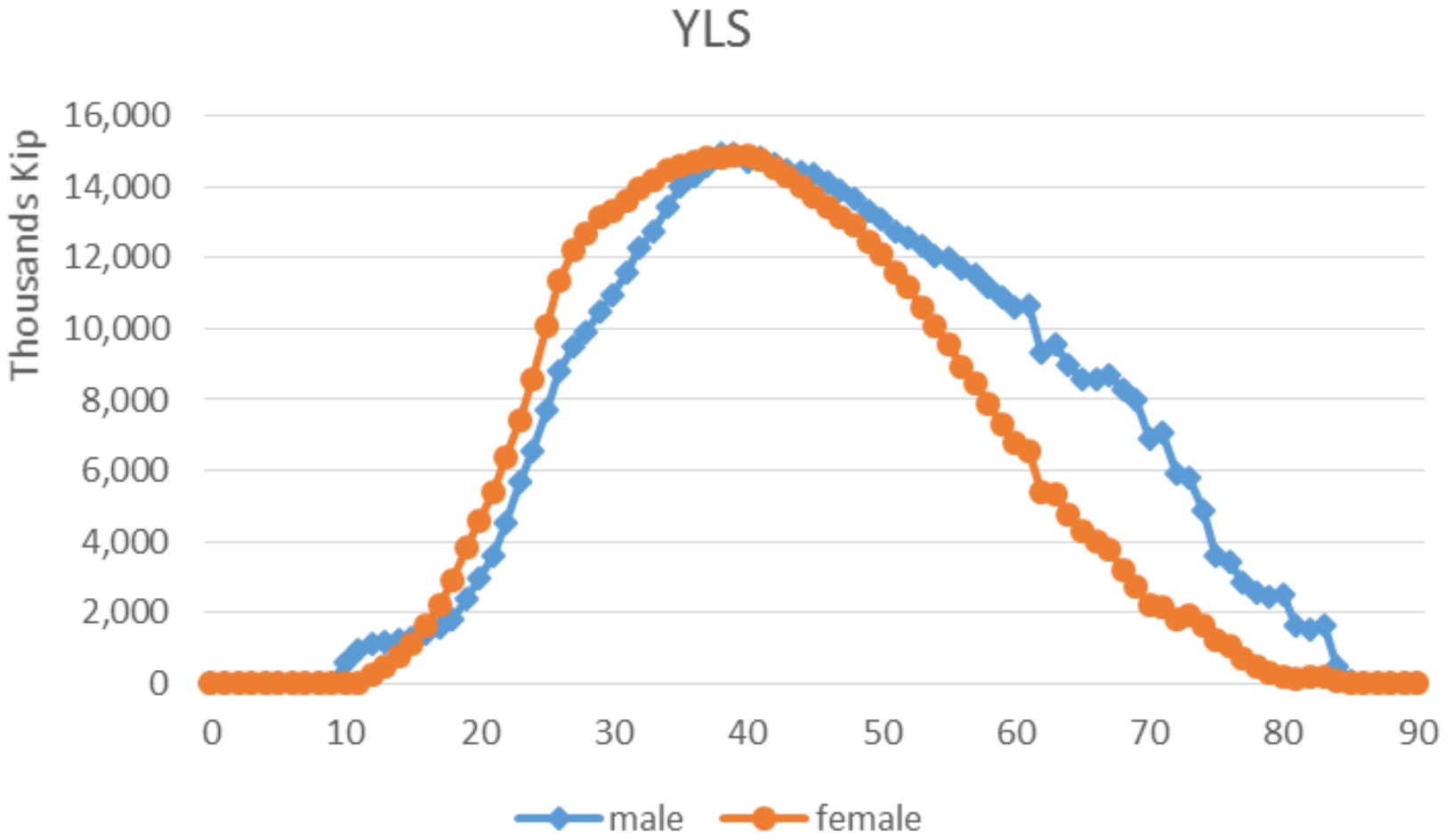
Compensation of Employees by gender



Self-employment Labor Income



Self-employment Labor Income by gender

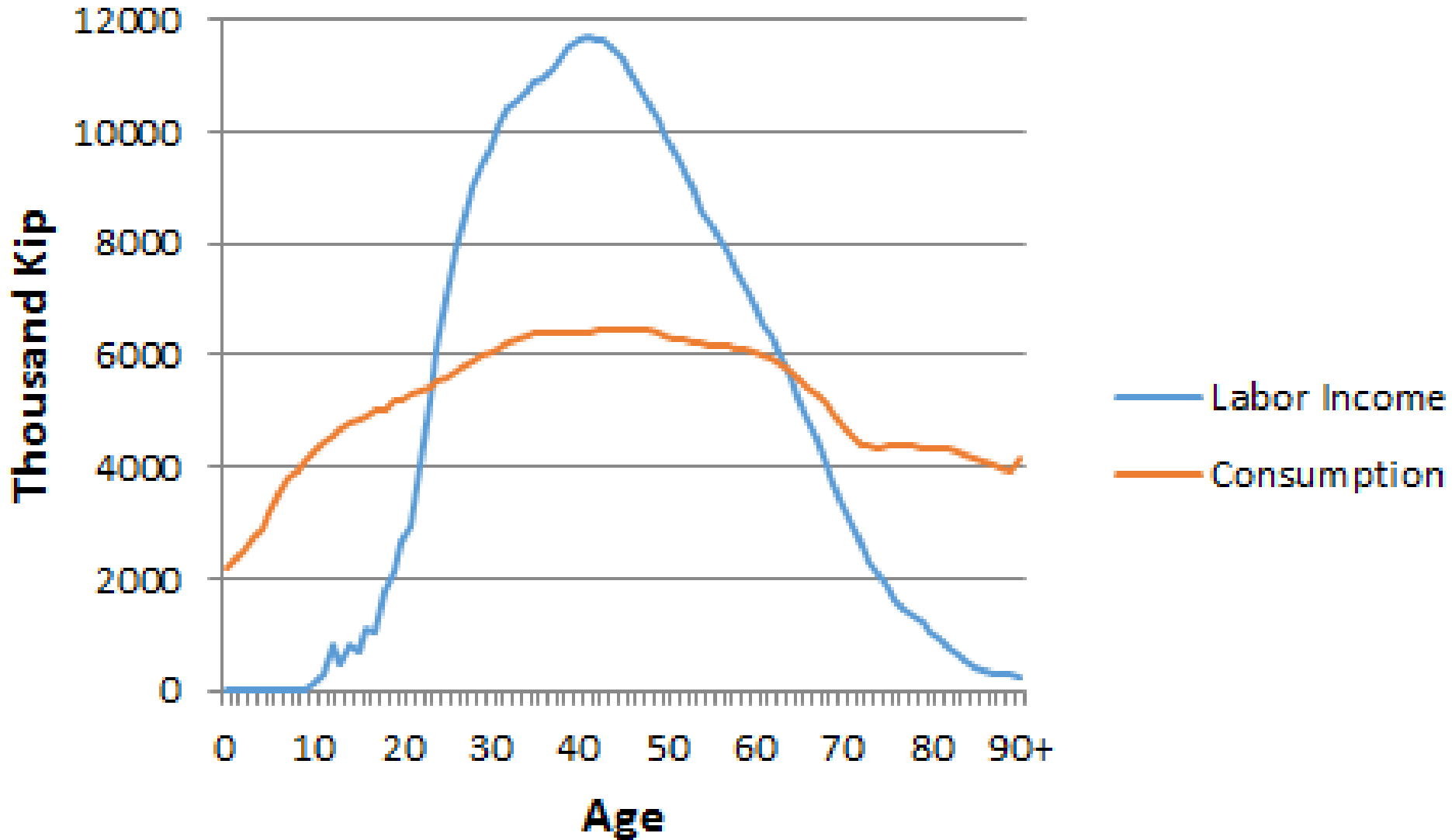


Labor Income

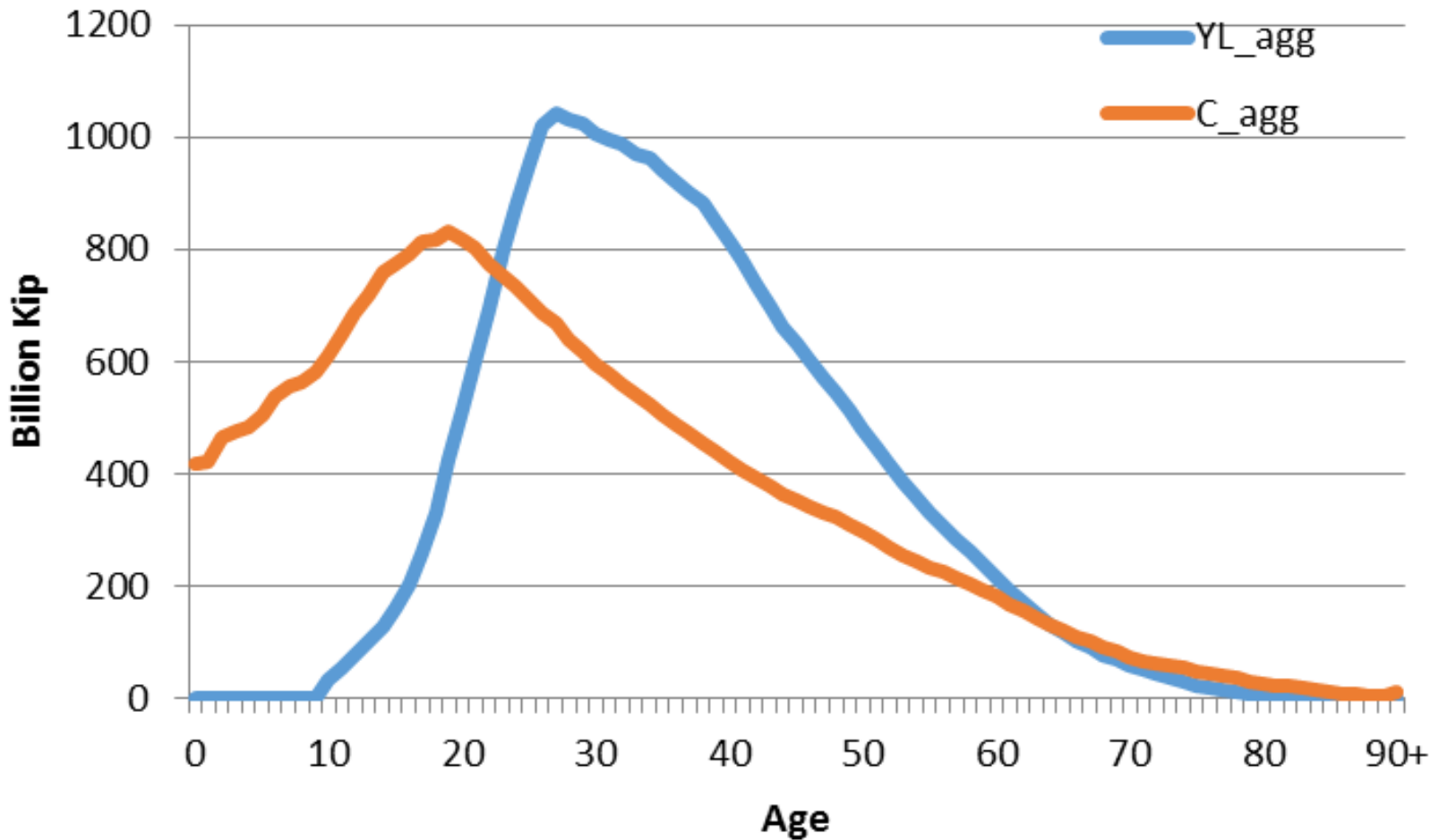


NATIONAL TRANSFER ACCOUNT (NTA)

National Transfer Account (Per capital)



National Transfer Account (Aggregate)



SUPPORT RATIO



Effective producers and consumers

$$L = \sum_0^{\omega} \frac{y_l(x)}{\bar{y}_l(30-49)} P(x)$$

$$N = \sum_0^{\omega} \frac{c(x)}{\bar{c}(30-49)} P(x)$$

$P(x)$ – population age x

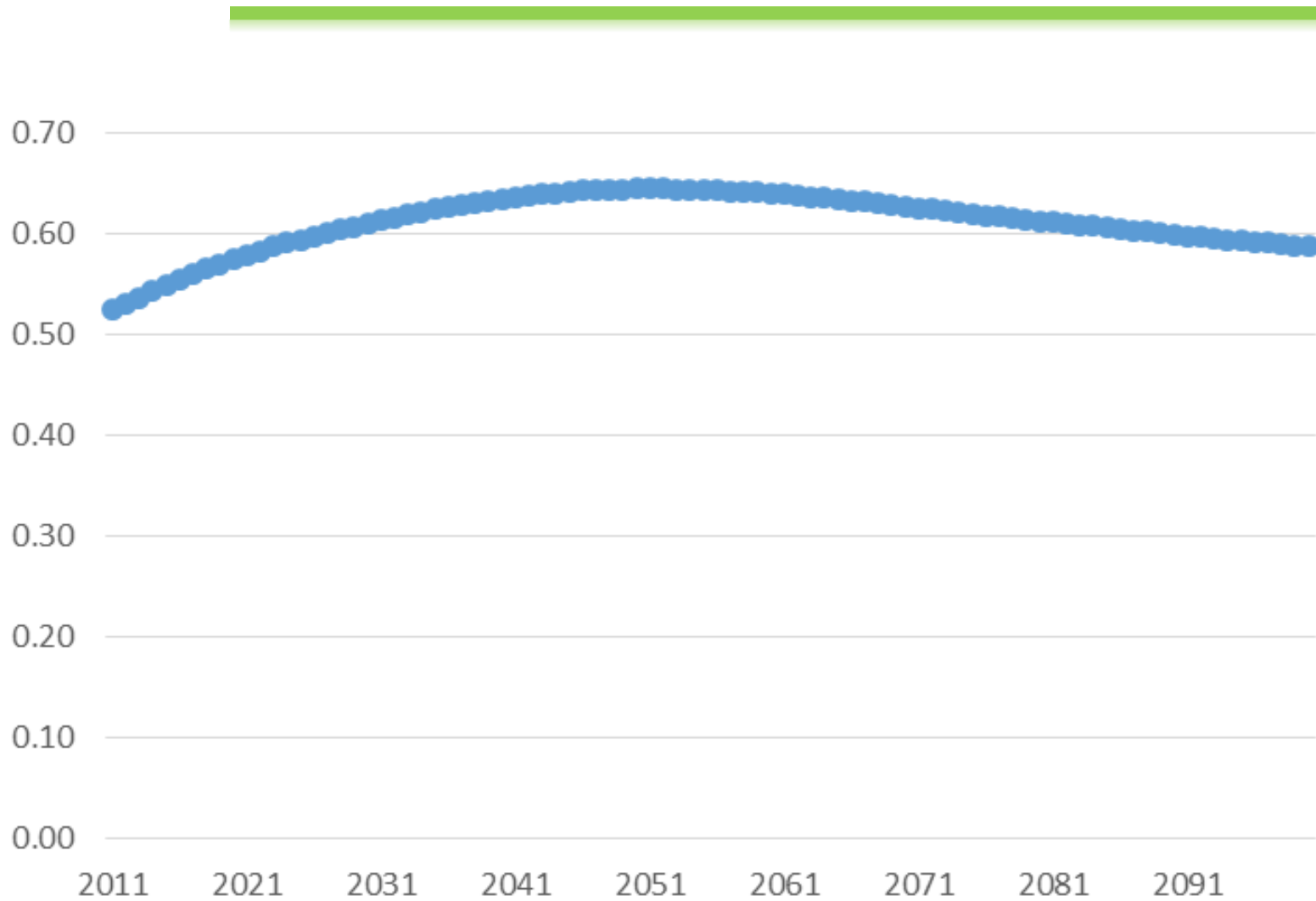
$y_l(x)$ – per capita labor income age x

$\bar{y}_l(30-49)$ – per capita labor income age 30-49

$c(x)$ – per capita consumption age x

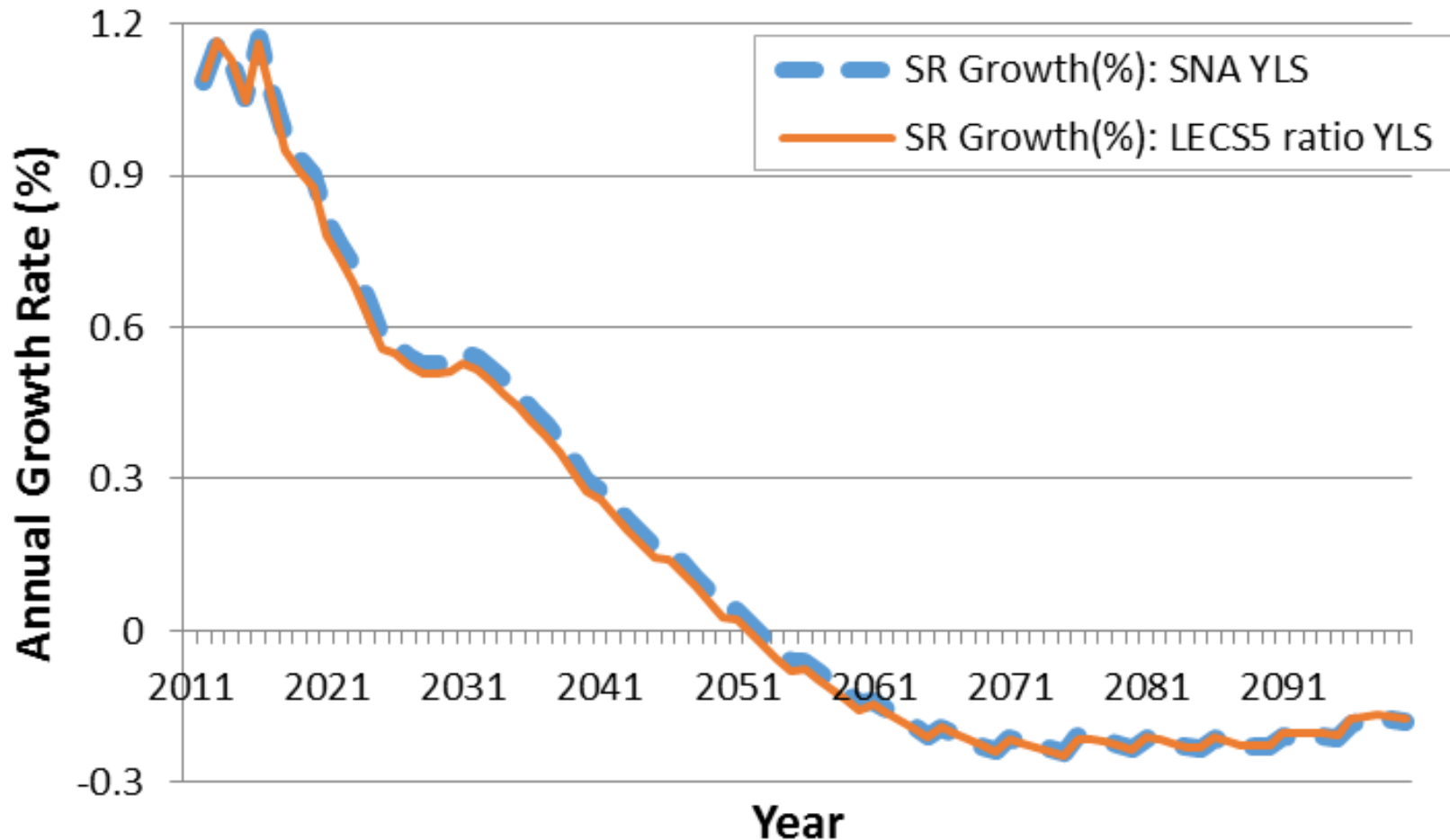
$\bar{c}(30-49)$ – per capita consumption age 30-49

Support ratio



Demographic dividend

The average of support ratio from 2015 to 2050 is **0.48%** per year





Thank You