

# National Transfer Accounts

(Training Ver.)

**By: Participants from LAO PDR**

**02 April 2015**

**Siam@Siam Hotel, Bangkok**

# Lao PDR

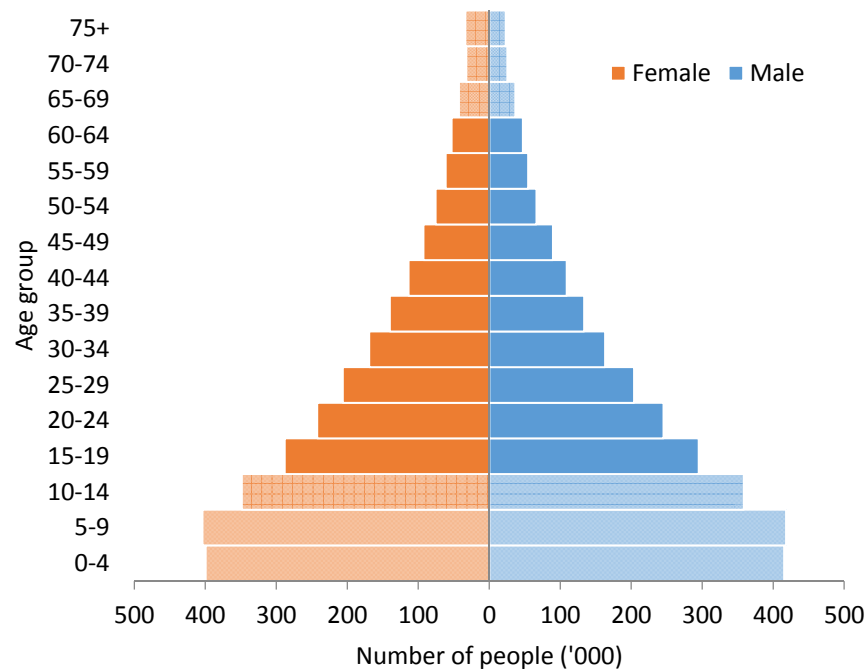
## Demography performance

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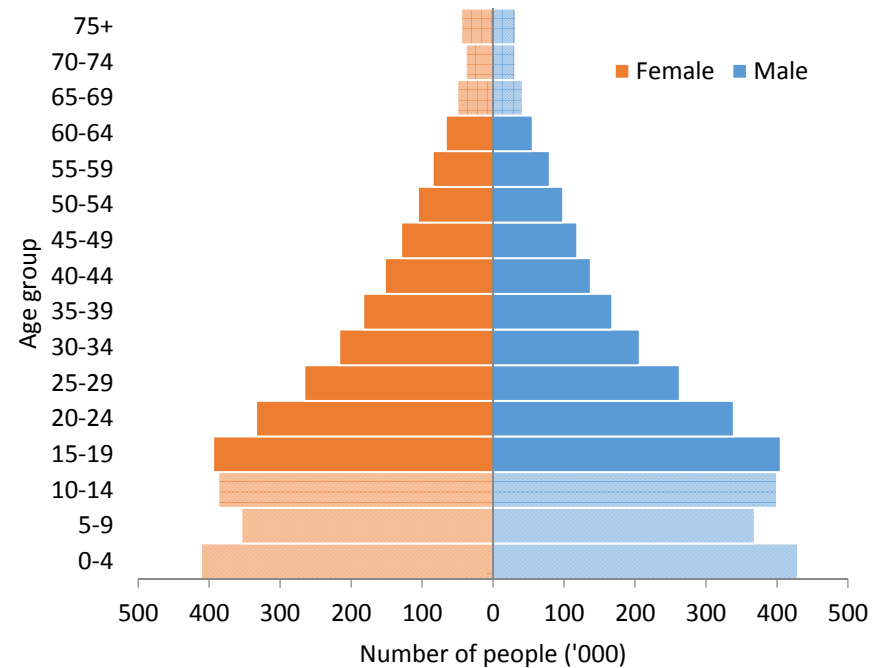
# Population Change

In Last decade, the proportion of population in working age group increase significantly. Consequently, Laos begin to gain benefit from Labor force increasing, Population growth stays nearly 1.7% in average. GDP grows approximately at 7.4% per year.

### Population Pyramid 2000



### Population Pyramid 2010

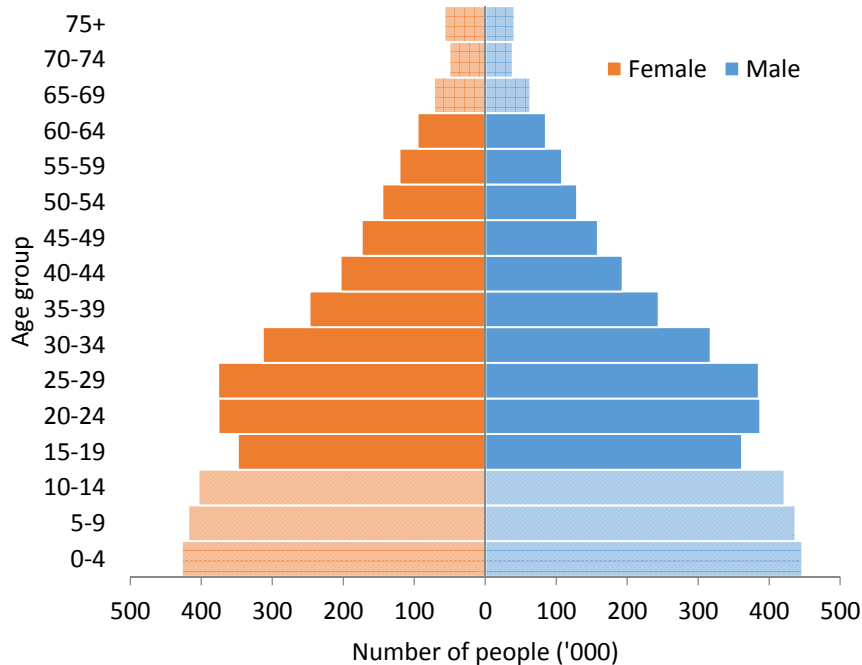


Source: Department of Economic and Social Affairs, UN (2014)

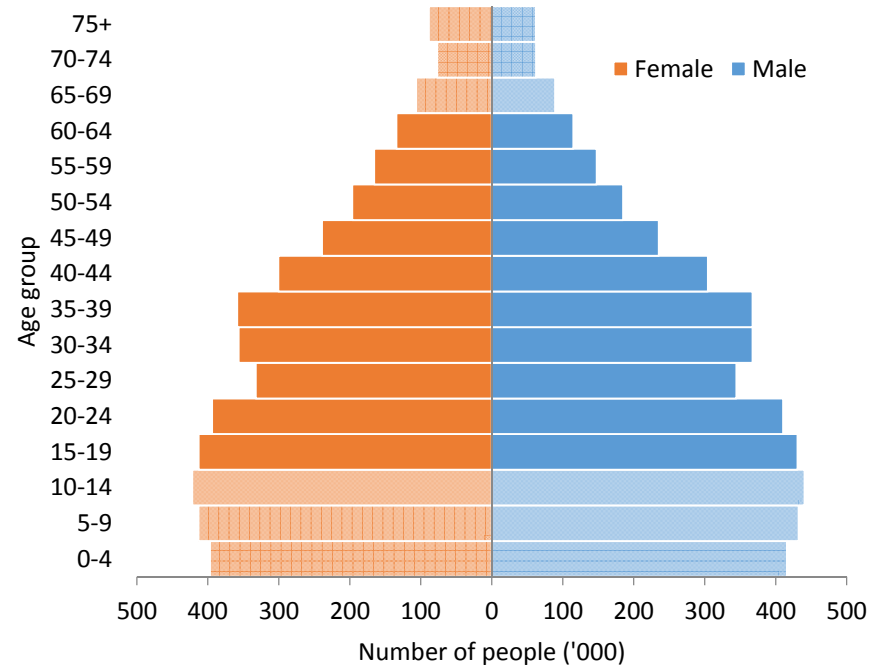
# Population Change (Cont.)

Look forward next decade, Laos continually benefit because the major proportion of population being in working age group, Population growth is projected at 1.8% and 1.4% of 2010-2020 and 2020-2030 respectively in average. Economic is planed to grow above 7.5% per year.

Population Pyramid 2020



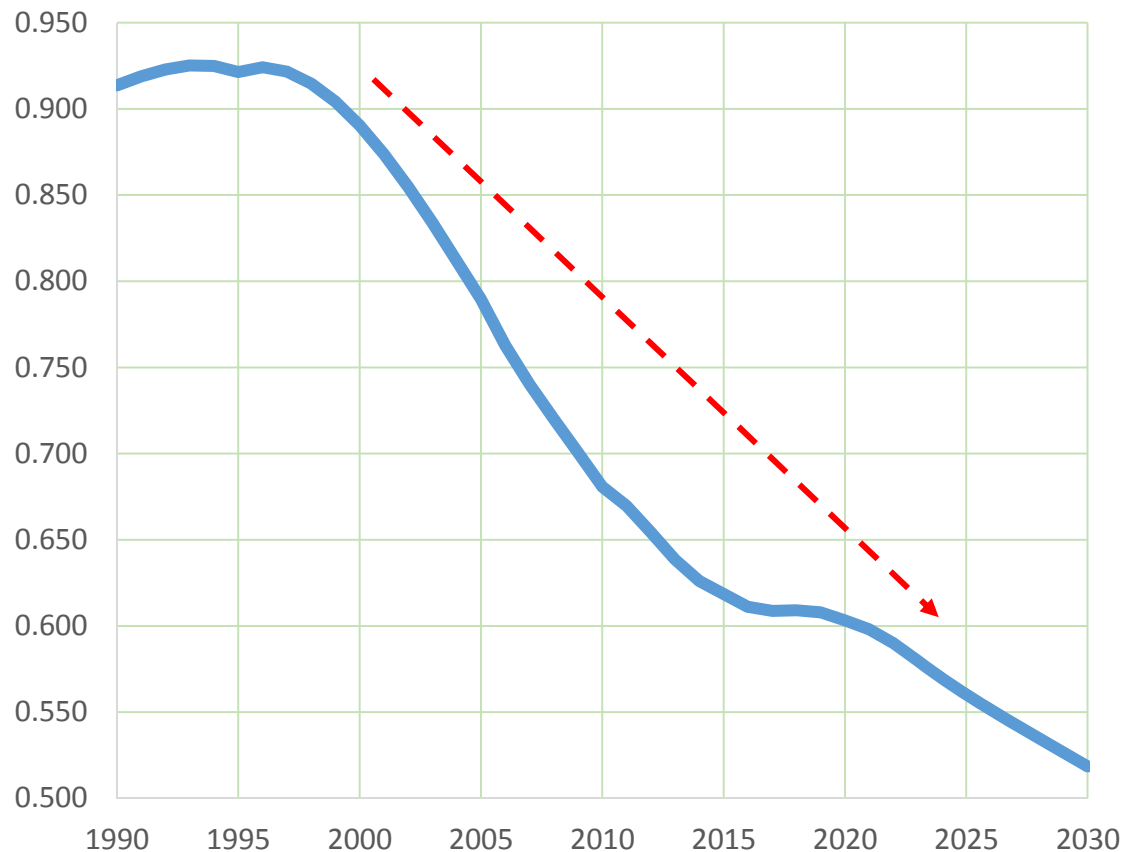
Population Pyramid 2030



Source: Department of Economic and Social Affairs, UN (2014)

# Dependency Ratio

The graph illustrates that dependency ratio decrease slightly form 1995 to 2030. It means is the pressure on productive population going to go down .



A high dependency ratio can cause serious problems for a country if a large proportion of a government's expenditure is on health, social security & education, which are most used by the youngest and the oldest in a population. The fewer people of working age, the fewer the people who can support schools, retirement pensions, disability pensions and other assistances to the youngest and oldest members of a population, often considered the most vulnerable members of society.

Source: Calculated by NERI staff, based on data from Department of Economic and Social Affairs, UN (2014)

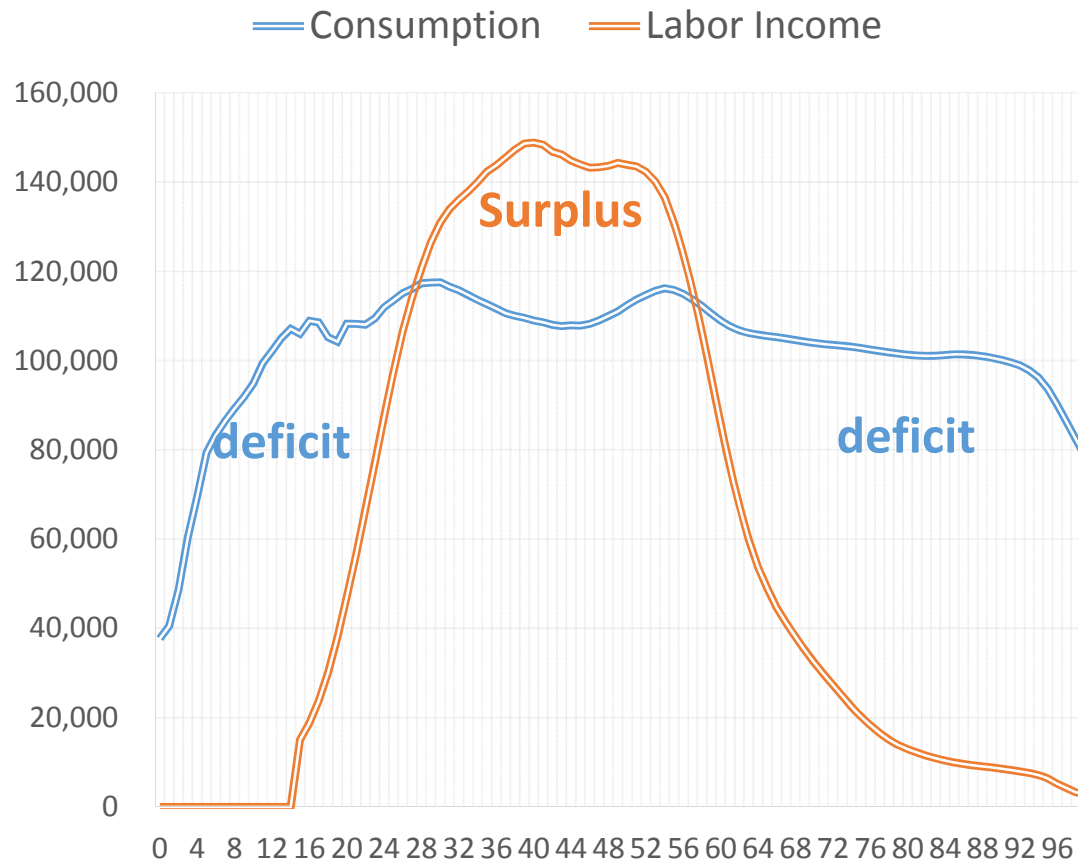
# Thailand

## National Transfer Accounts

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# Life Cycle Deficit

## Consumption and Labour Income, per capita value (THB)

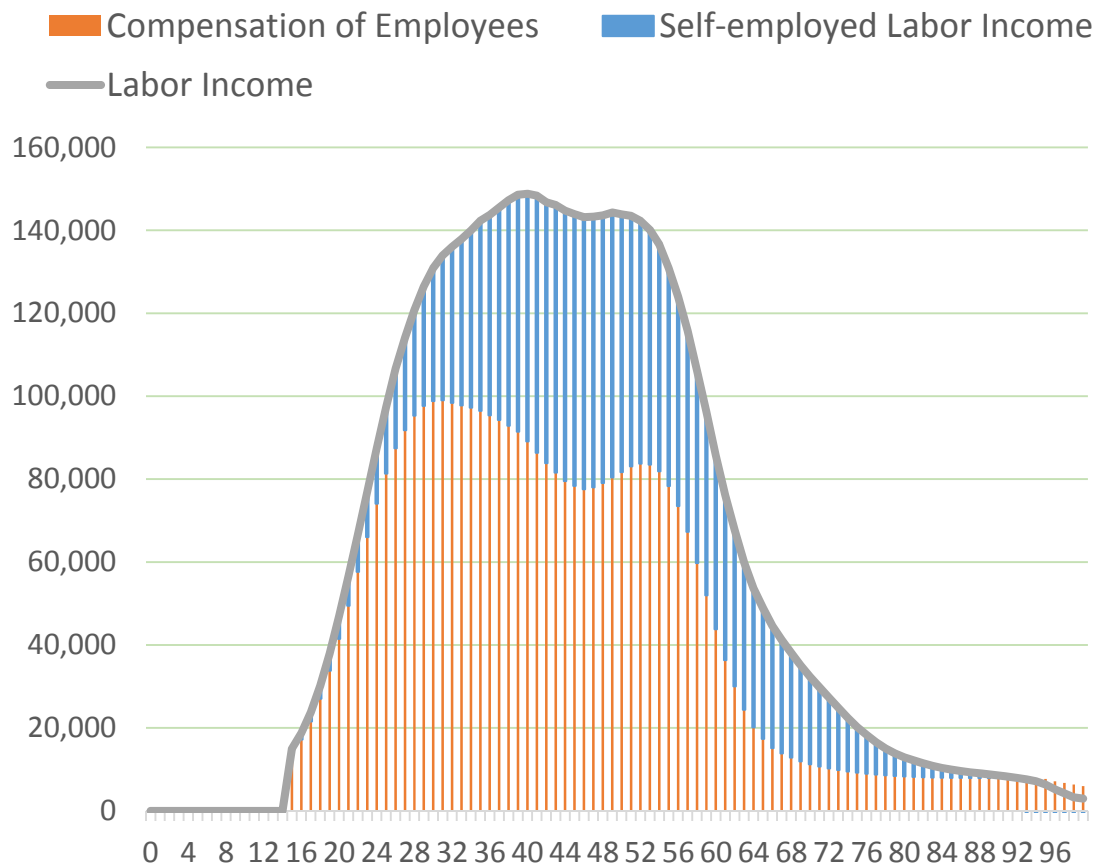


- Thai population had an income surplus during the ages of 27-57.
- The rest age groups (0-26 and 58+), on the other hand, had consumption expenditure higher than their labor income and incurred a deficit.

Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

# Labor Income

## Annual Per-capita Labor Income(THB)



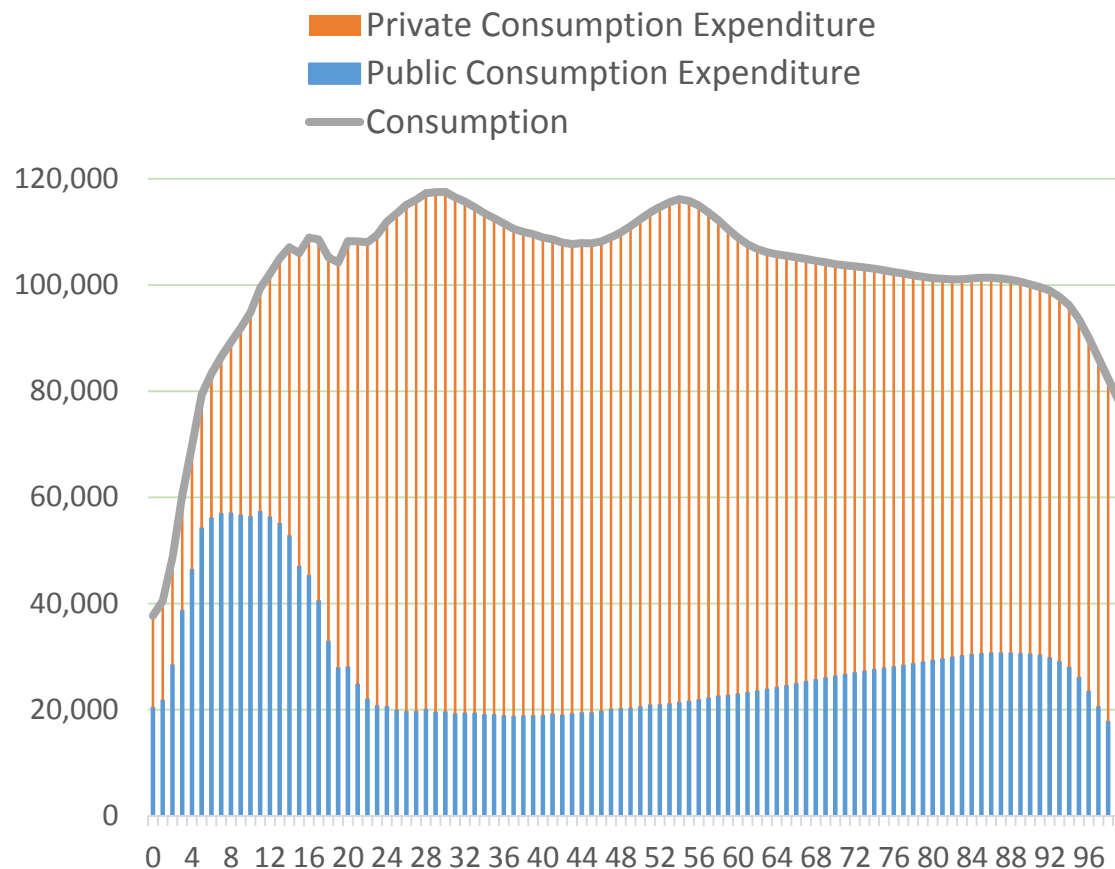
- Labor income was highest at age 40, with average income of THB 148,822 per person per year.
- Then, the labor income gradually declined until reaching minimum income (2,977) in the age of 99
- On average, compensation of employees accounted for larger share of labor income when population was in early working ages.
- However, self-employed labor income has increasingly become the main source of labor income when population got older until the age of 77
- After 78 years old, the compensation become significant contribution to Labor Income.

Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)



# Public-Private Consumption

## Annual Per-capita Public and Private Consumption (THB)



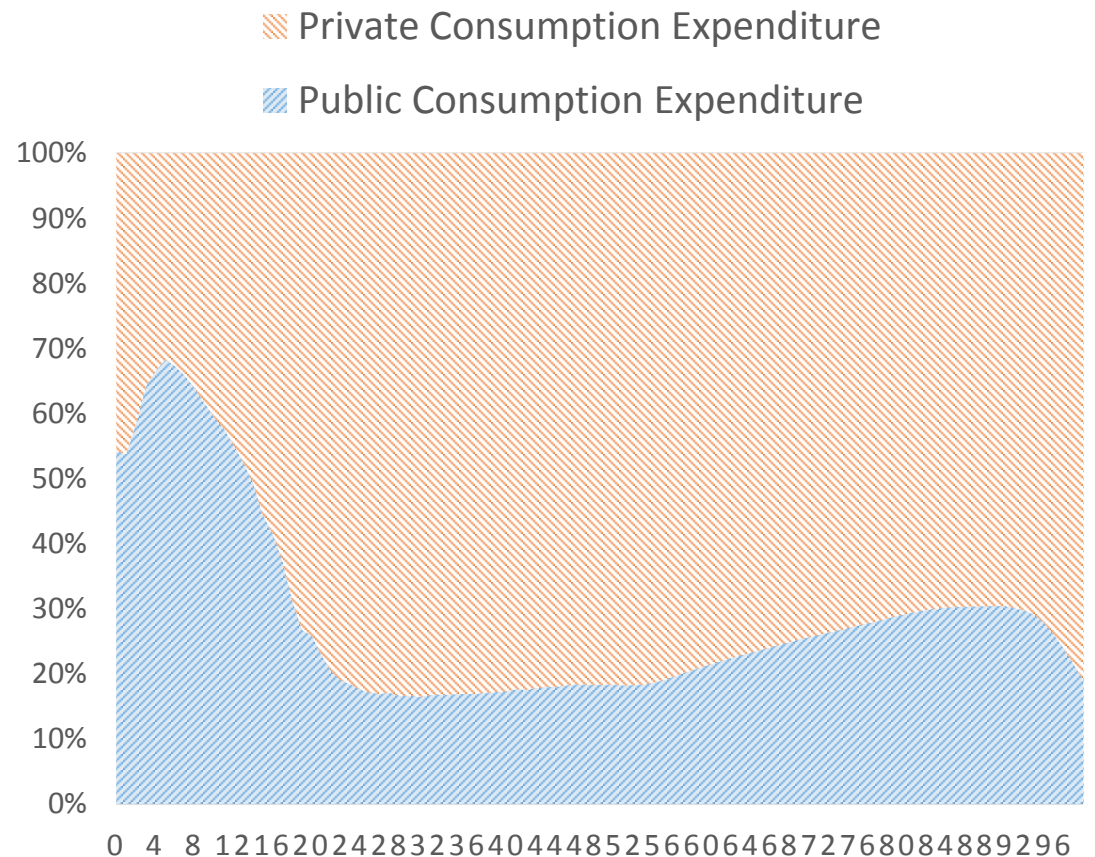
- On average, private consumption accounted for larger share of total consumption, particularly the age from 14
- However, public sector played significant role in supporting expenditure for younger and older population.
- Share of public sector was low and stable during the working ages.

Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

# Public-Private Consumption

Shares of Public and Private Consumption (%)

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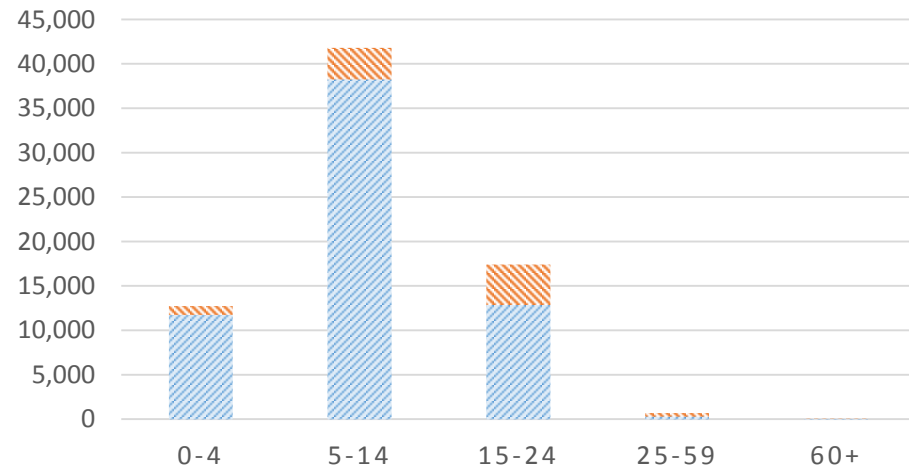


Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

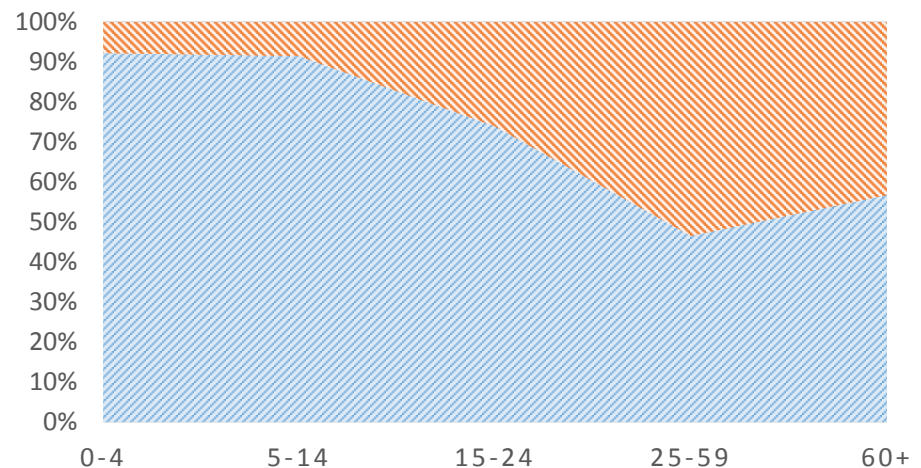
# Education Expenditure

- Education Expenditure per capital, which accounts for nearly 60%, was spent by the age of 5-14 or in primary education level
- Education was mainly financed by public resources.
- The public share was higher than 80% for almost all education levels except for the elderly group

Public Consumption, Education Private Consumption, Education



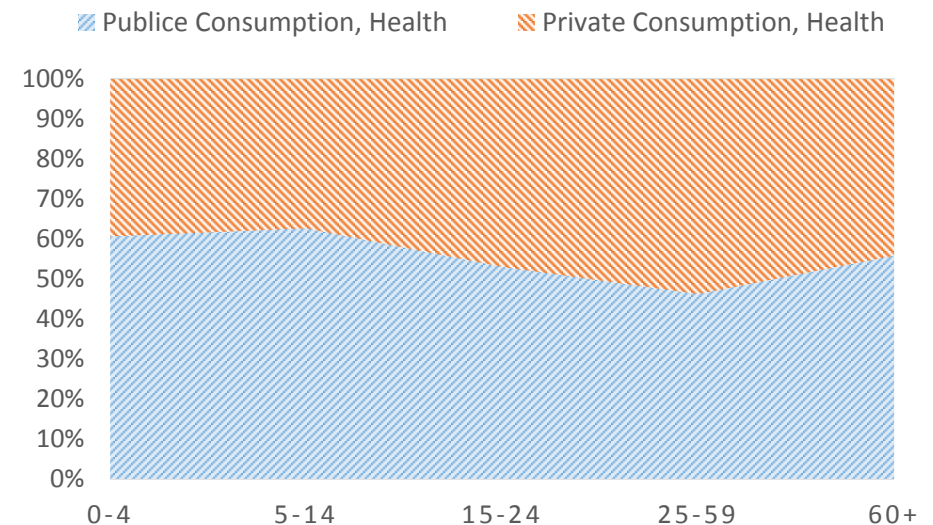
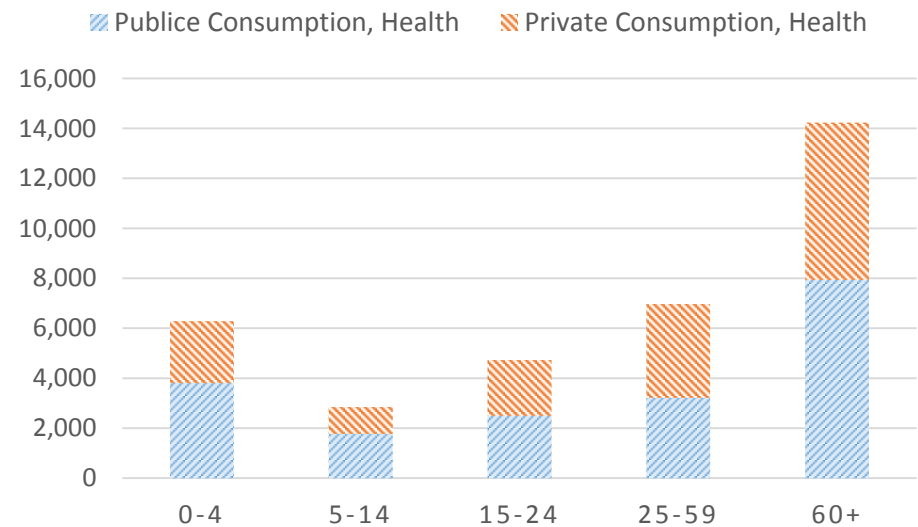
Public Consumption, Education Private Consumption, Education



Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

# Health Expenditure

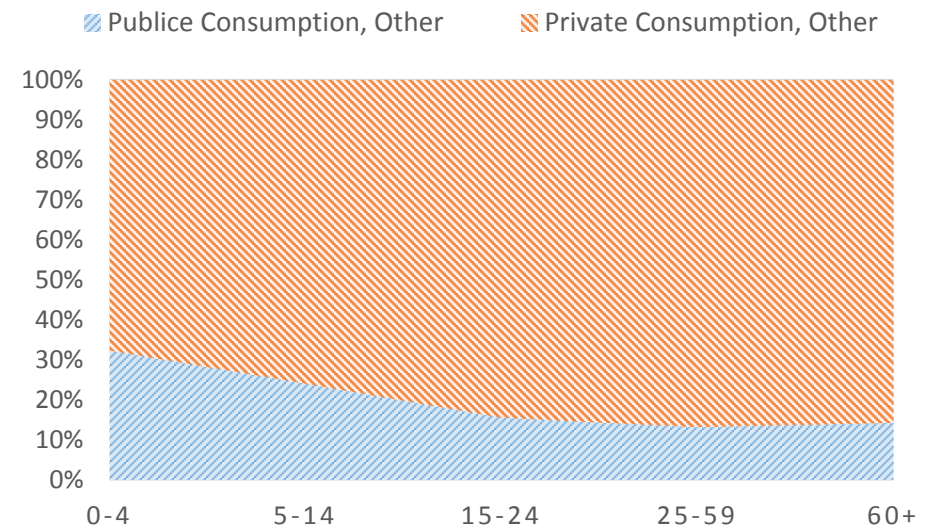
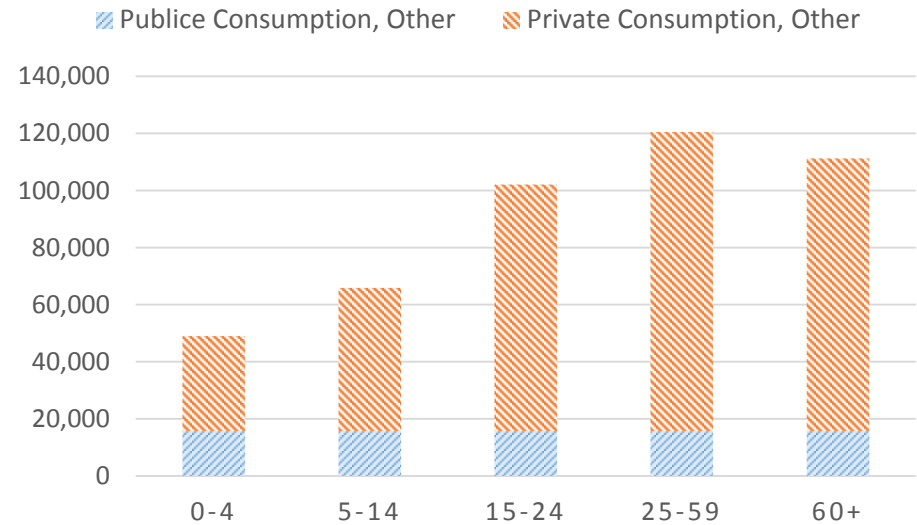
- The major spending on healthcare was disburses to early childhood (0-5) and elderly (60+) groups
- In 2011, population age 60 years and above considerably consume for health more than other age groups
- Public sector and private sector both significantly finance to health spending



Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

# Other Expenditure

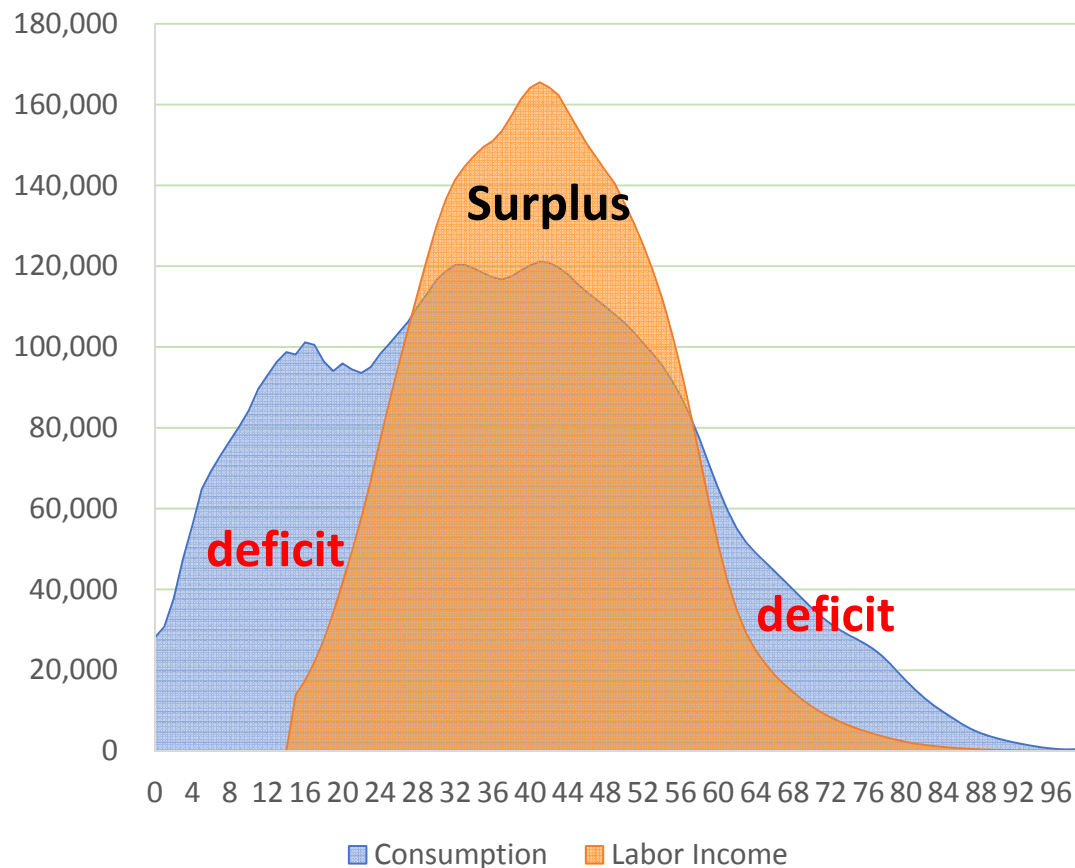
- Other expenditure for population age 15 years and above is the most common spending, with 75% of the other expenditure
- The private share was higher than 85% for other spending



Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

# Life Cycle Deficit

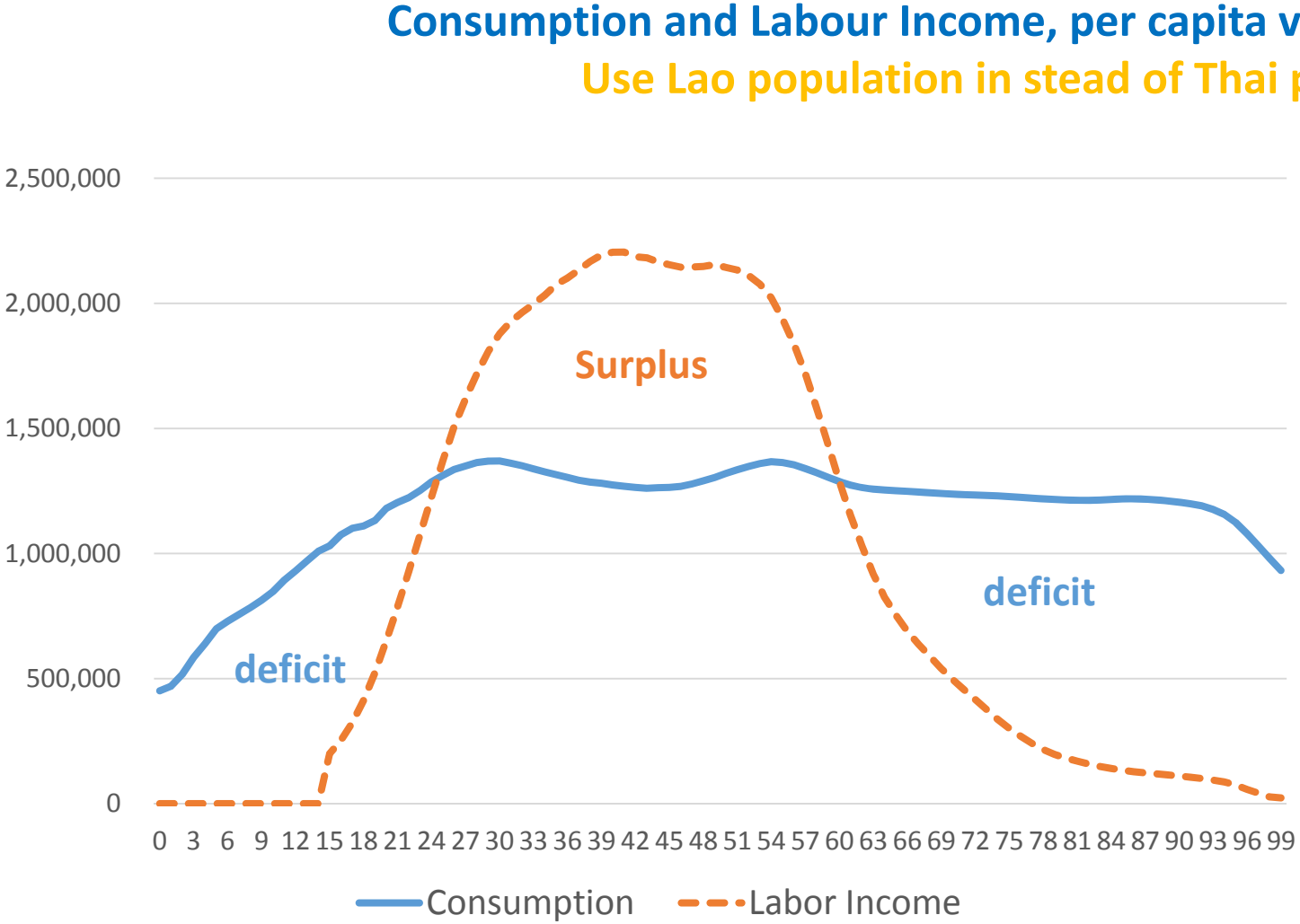
## Consumption and Labour Income, aggregate value (Mil. THB)



- The aggregate deficit occurred for age 0-27 and 56 years and over is larger than the aggregate surplus.

Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

# Life Cycle Deficit simulate for Lao PDR



Source: Calculated by Lao participants, based on Thai data from NESDB (for NTA training, 02 April 2015)

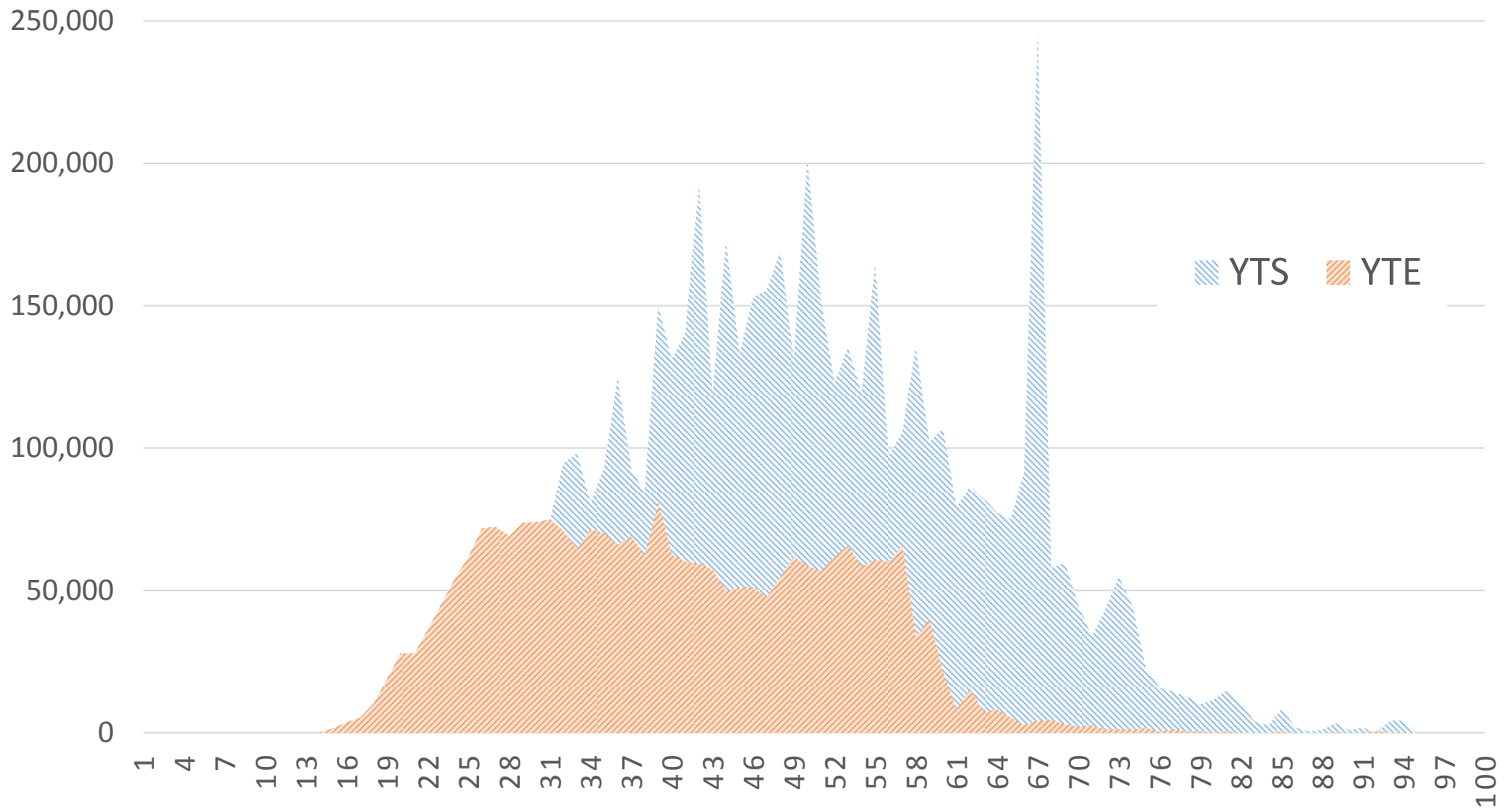


Thank You

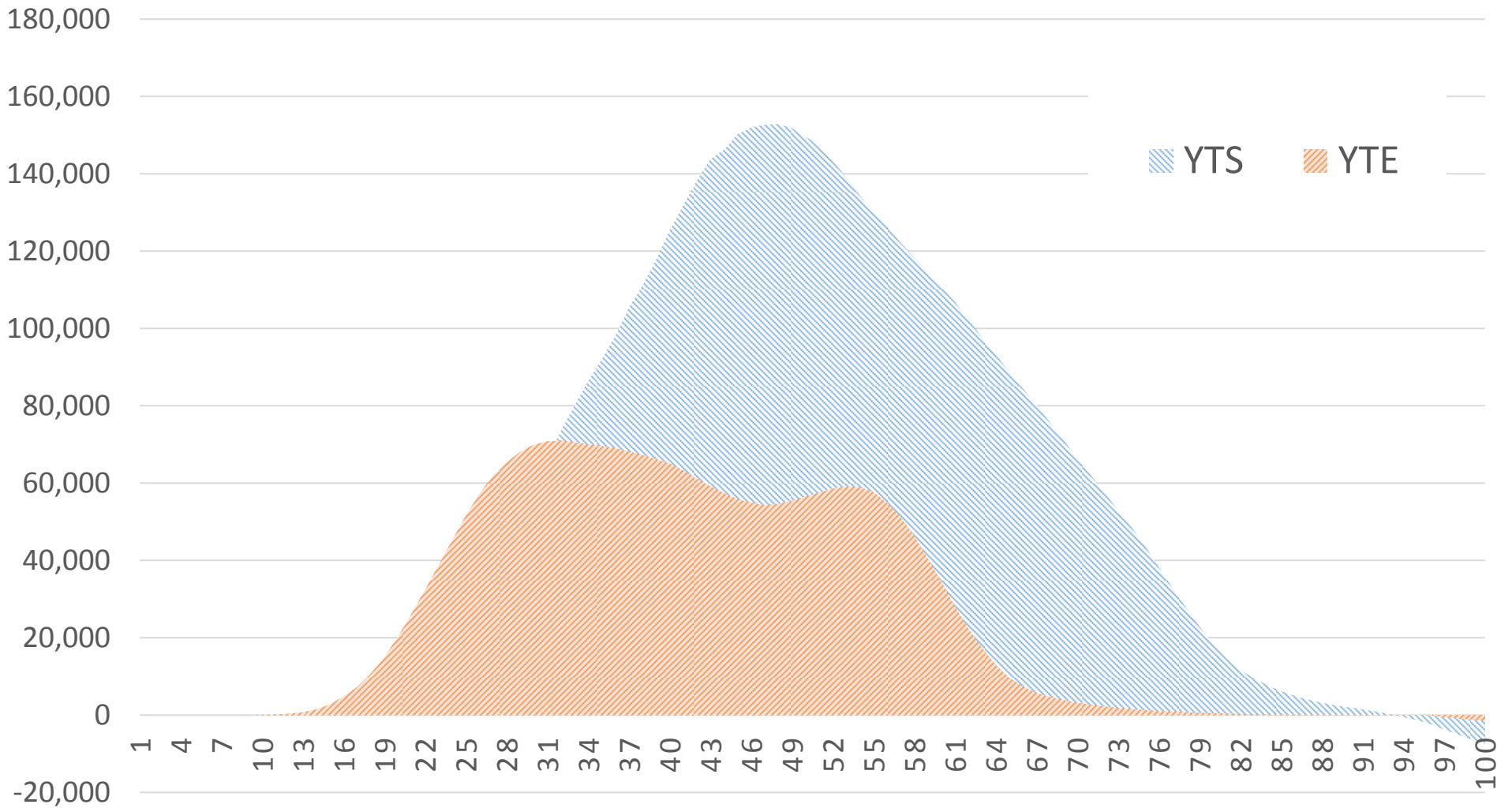


# Labor Income

(Not smoothed, Not adjusted)

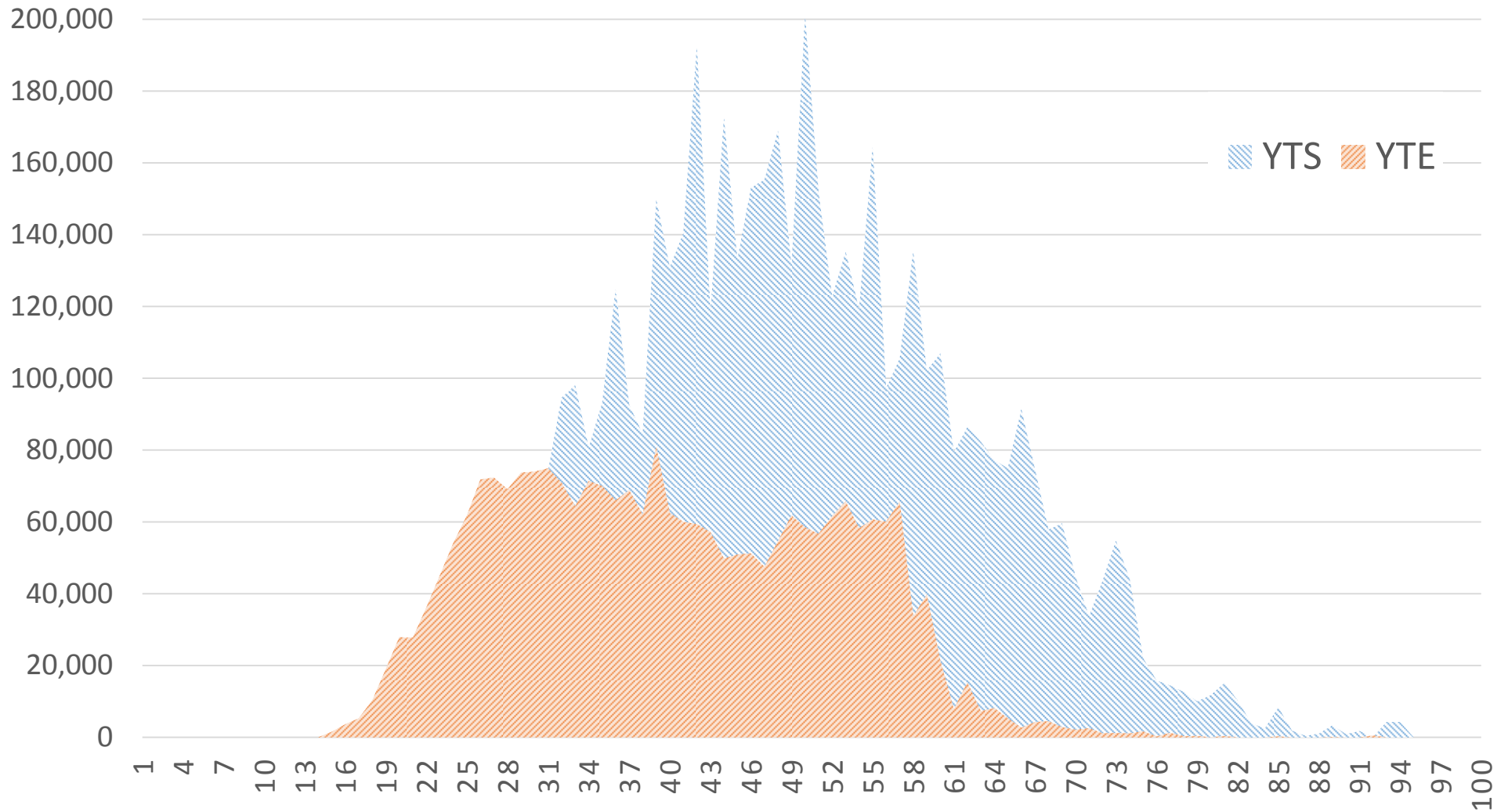


# Labor Income (smoothed)

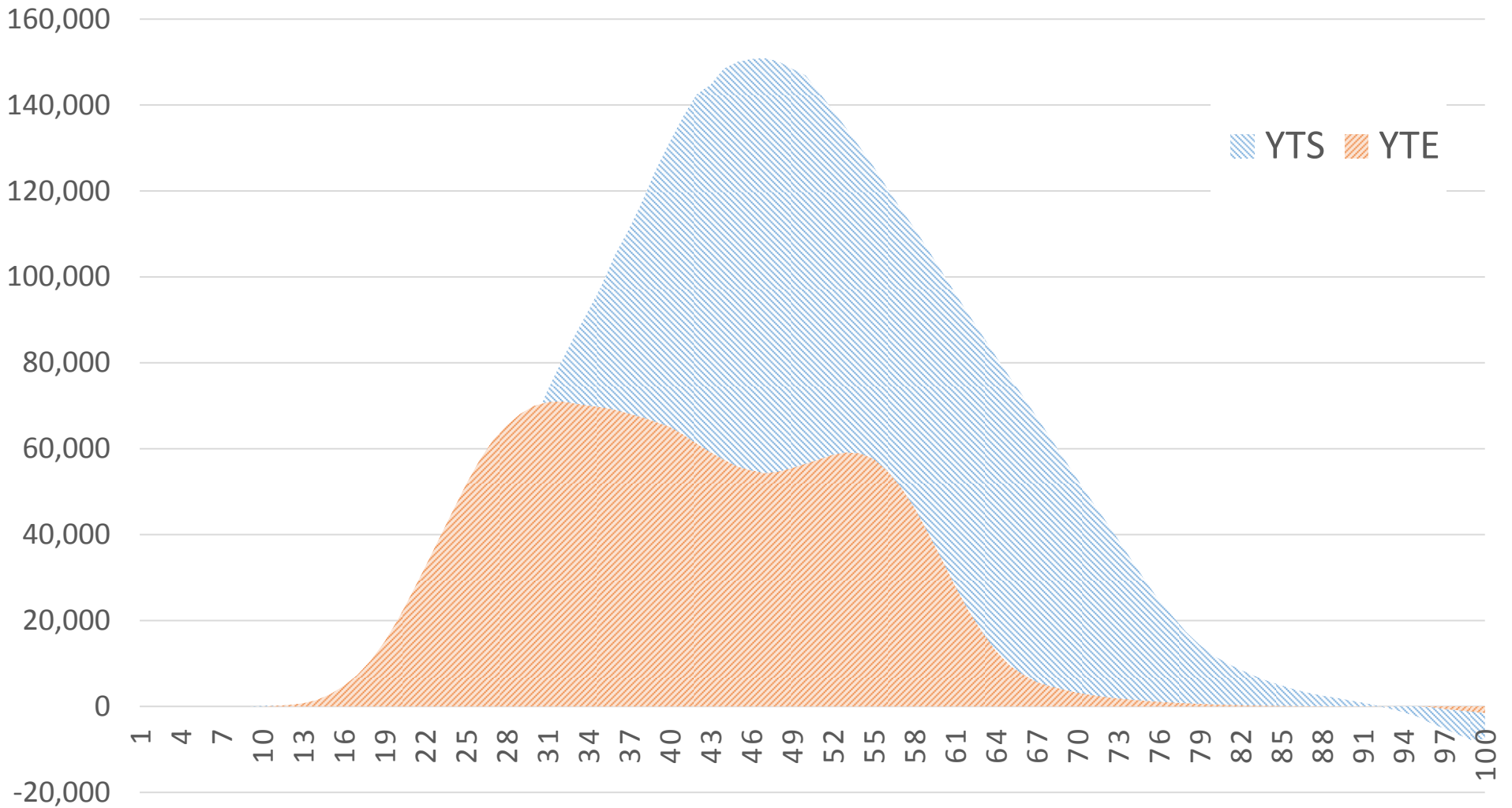


# Labor Income

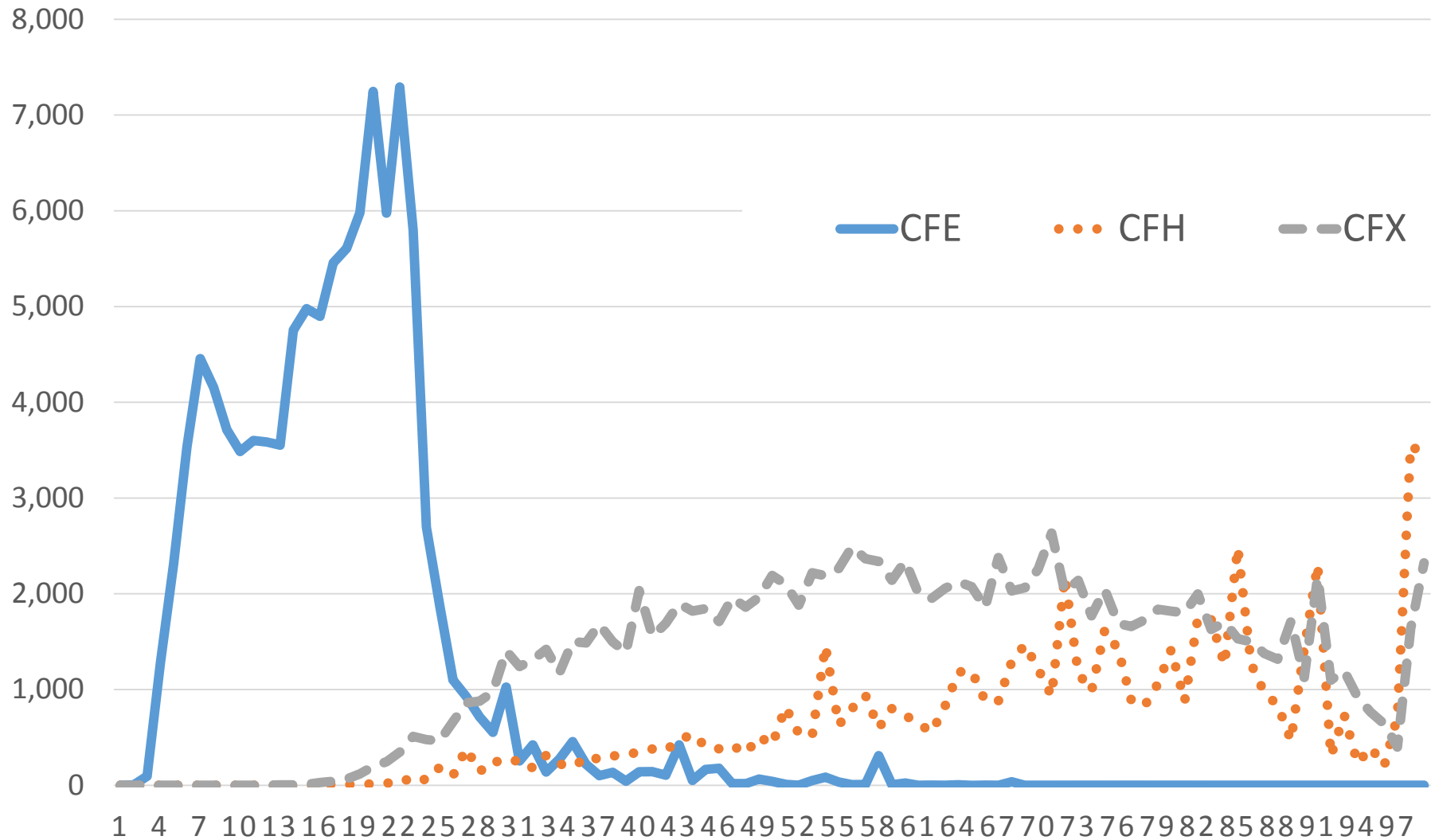
(Not smoothed but Adjusted)



# Labor Income (Smoothed and Adjusted)



# Labor consumption (Not smoothed)



# Labor consumption (Smoothed)

