

# **NTA, Aggregate Level Lao 2008**

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  - **Lai Mun Sim**

# 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
<b>Panel A. Economic life cycle</b>						
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		
<b>Panel B. Public age reallocations</b>						
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
<b>Panel C. Private age reallocations</b>						
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

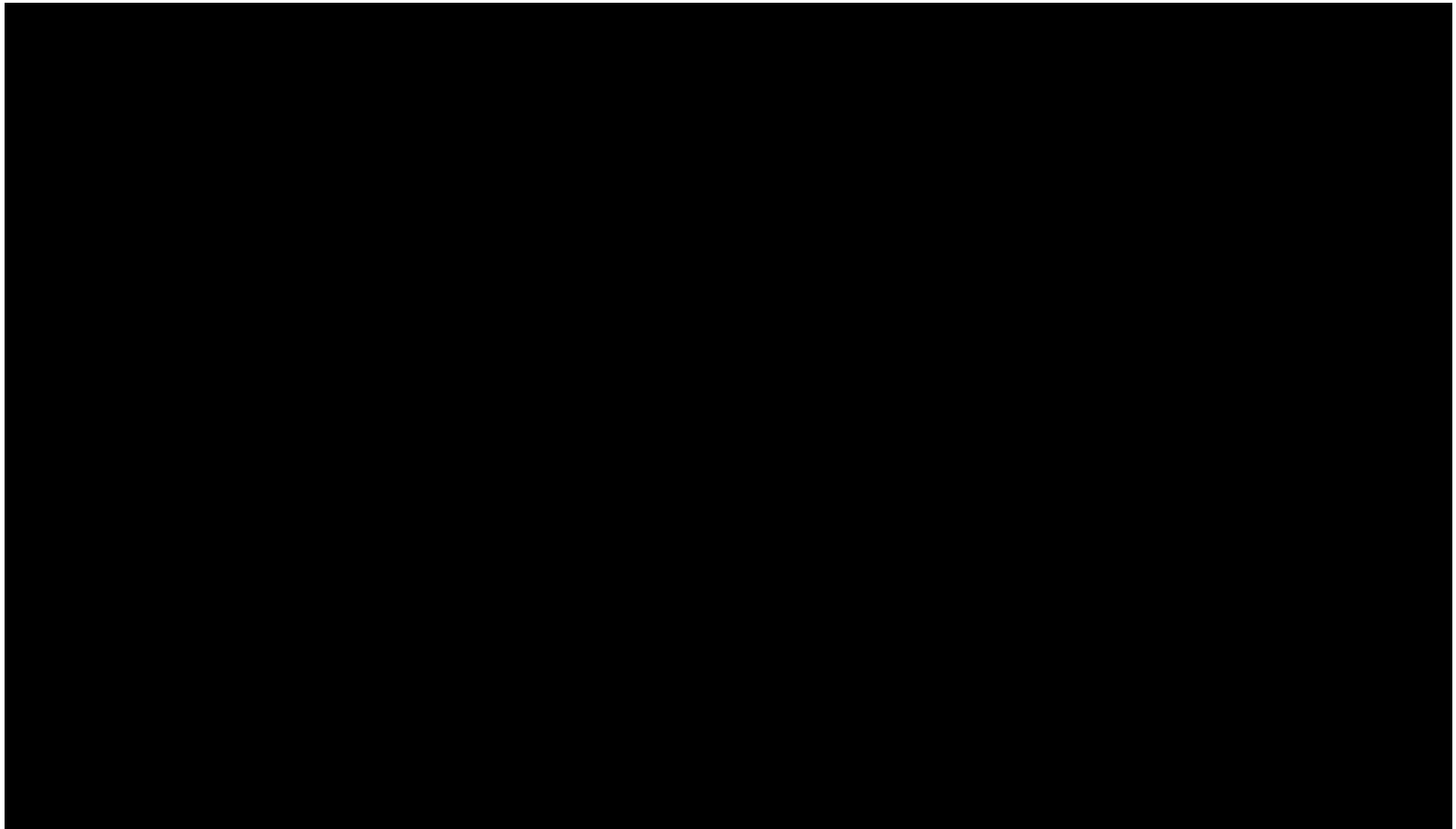
## **1. What is the source of aggregate data?**

-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



# NTA Lifecycle Deficit

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

<b>Age Reallocations</b>	<b>1,376,491</b>
<b>Asset-Based Reallocations</b>	<b>1,376,491</b>
<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
<b>Transfers</b>	<b>0</b>
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

02 July 2015

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# **LAO PDR**

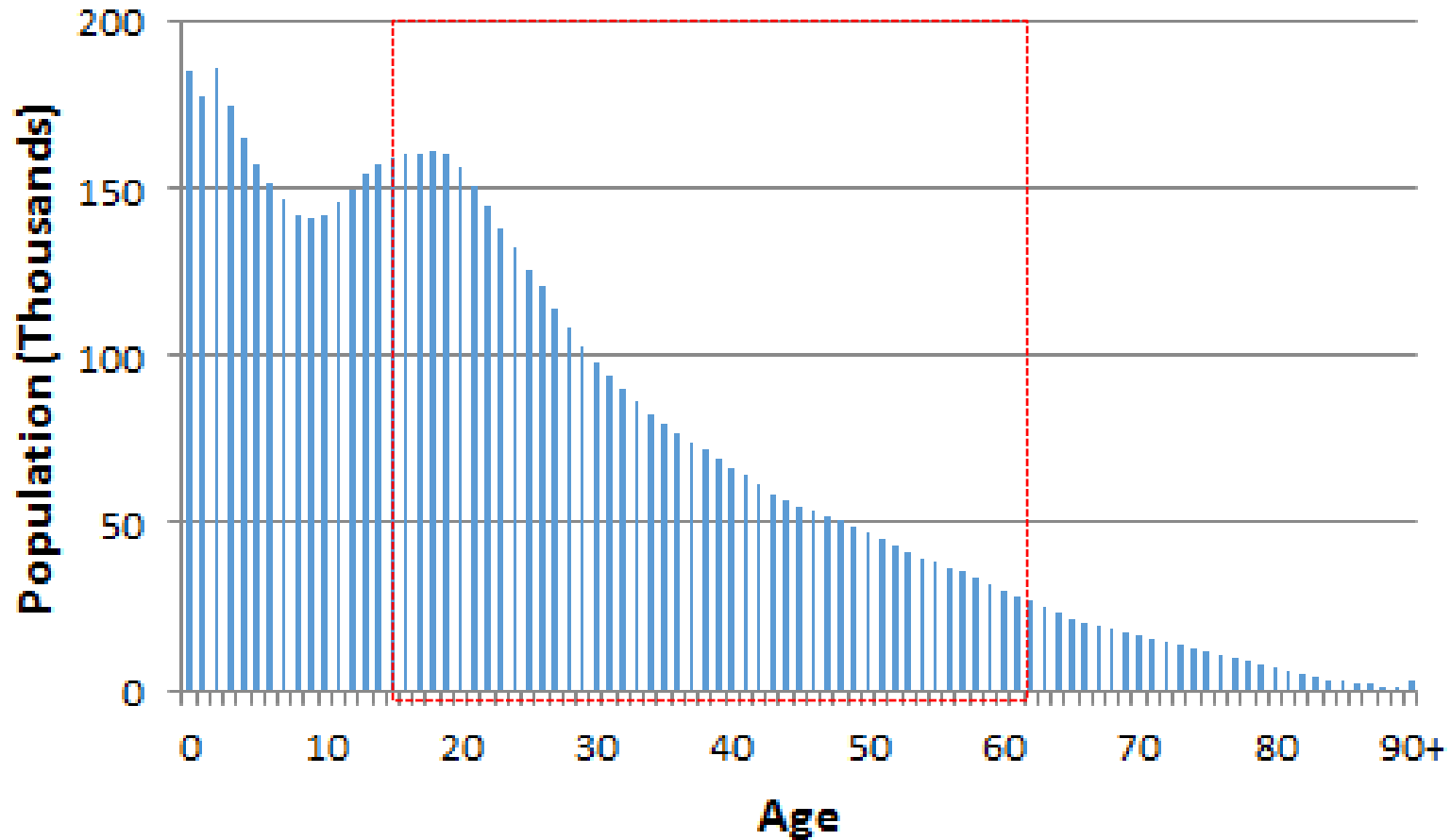
## **DEMOGRAPHY**

### **PERFORMANCE**

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# Lao Population



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

# Lao NTA

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- Consumption
  - Private Consumption
  - Public Consumption
  
- Labor Income
  - Compensation of employees
  - Self-employment labor income

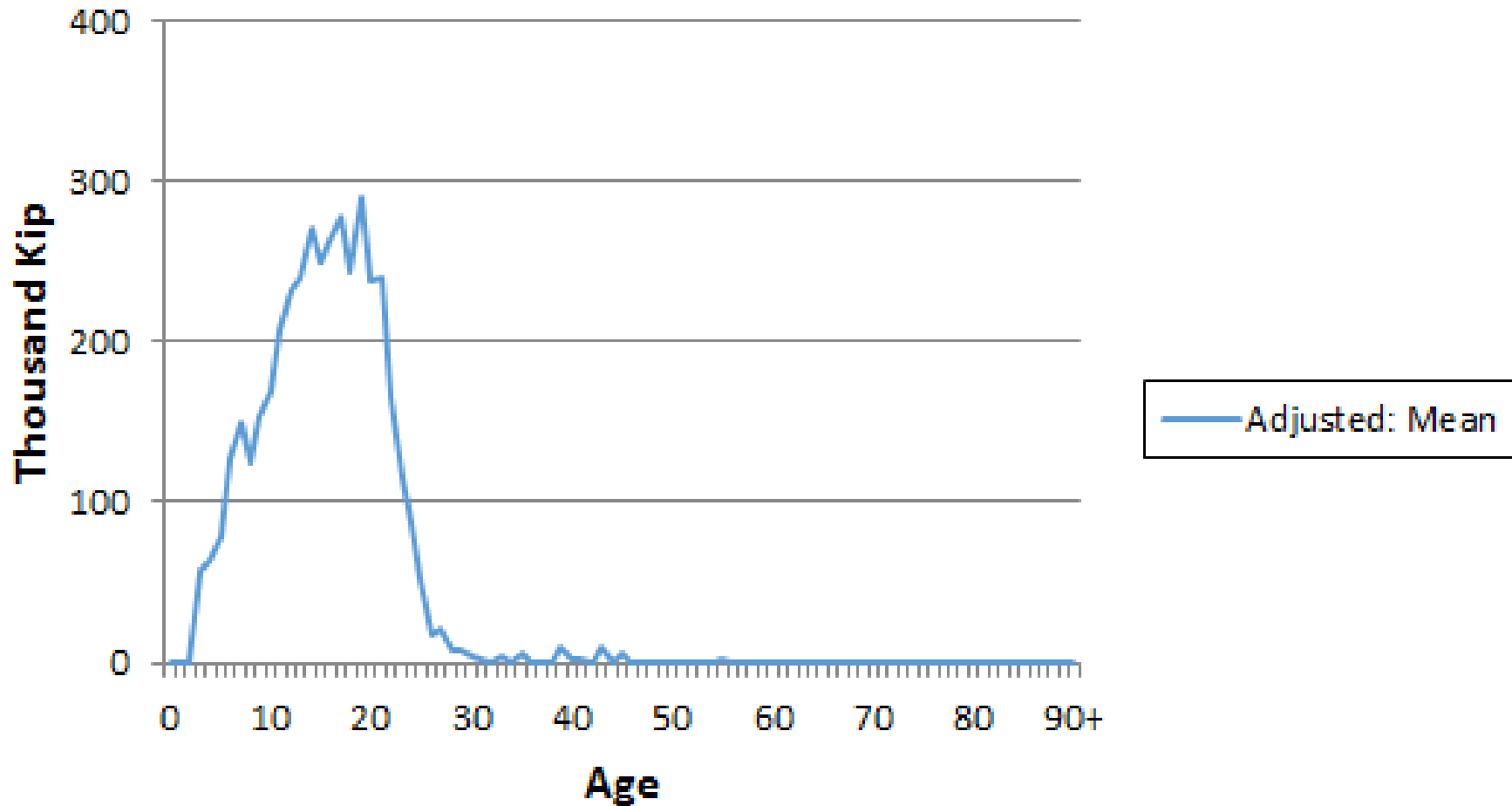
**PRIVATE**

**CONSUMPTION**

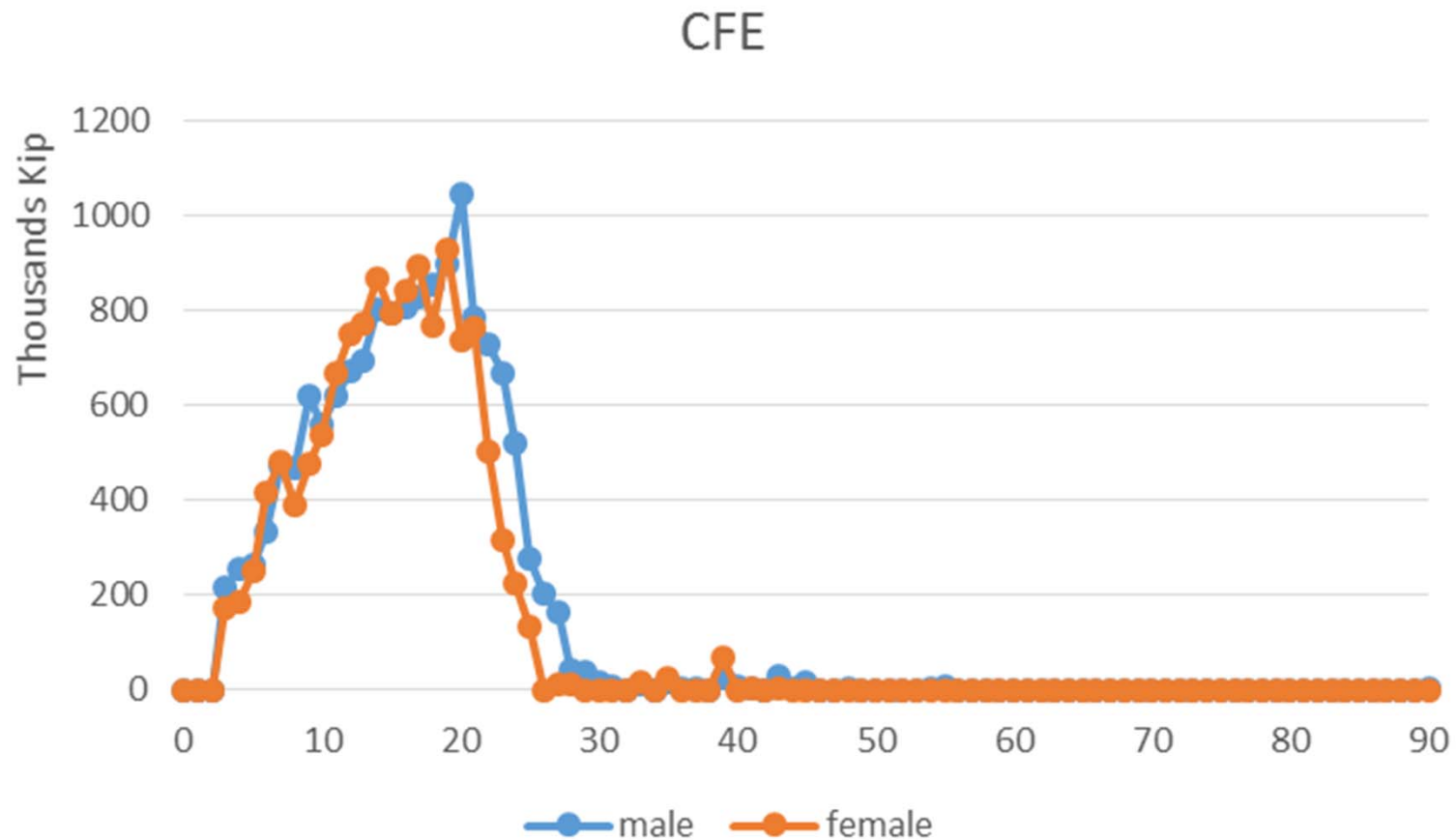
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# Private Consumption, Education

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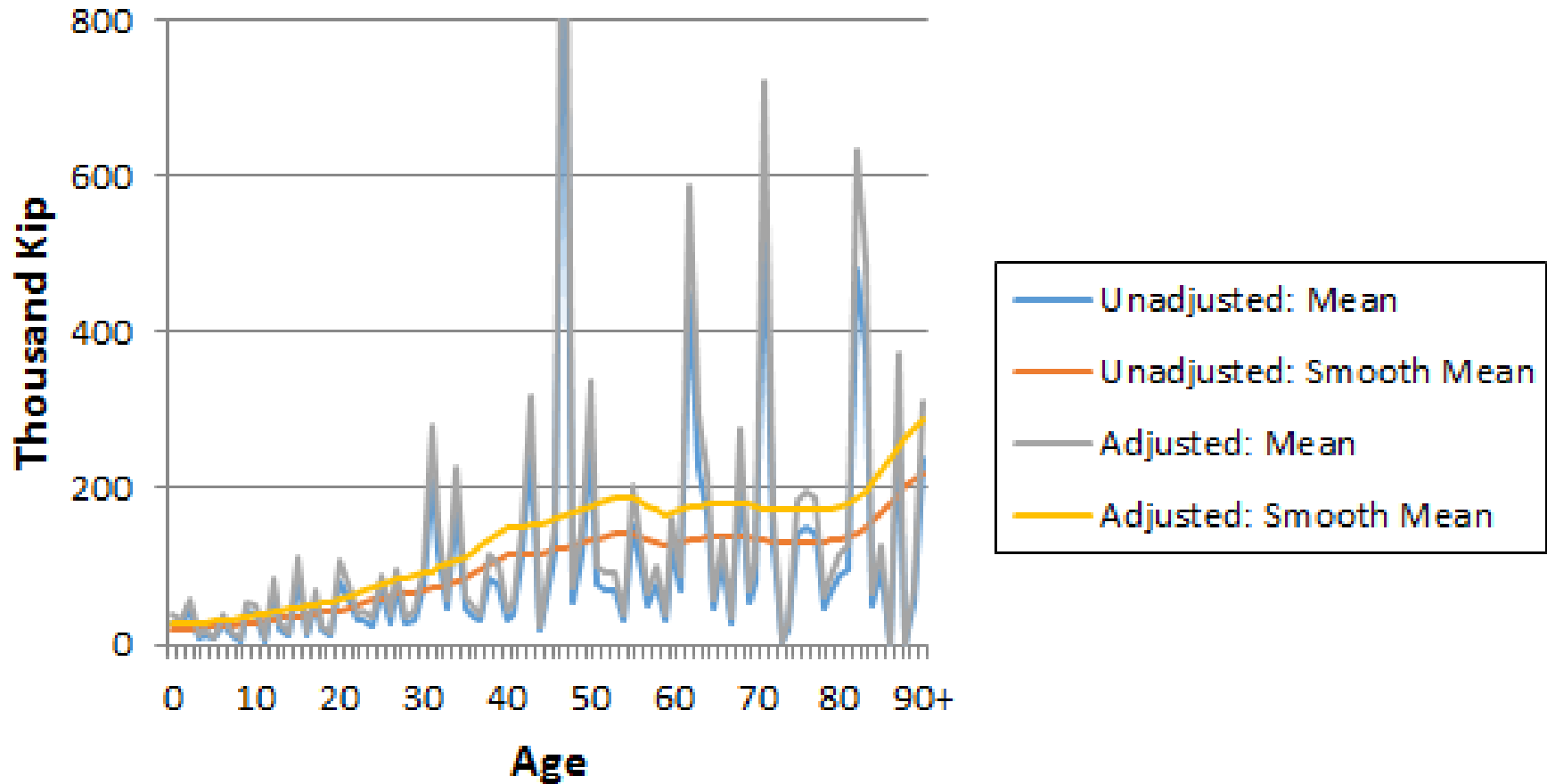


# Private Consumption, Education by gender



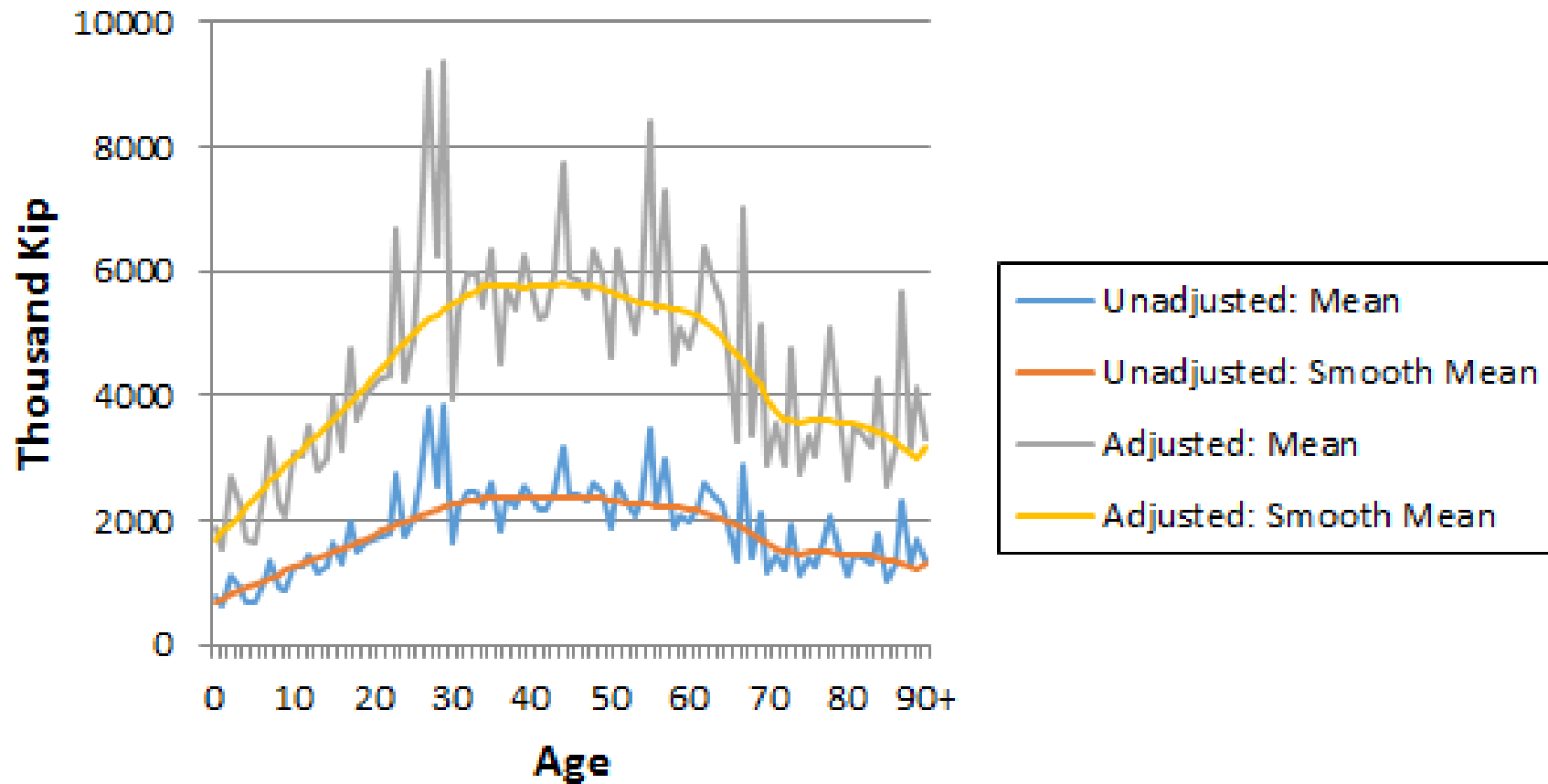
# Private Consumption, Health

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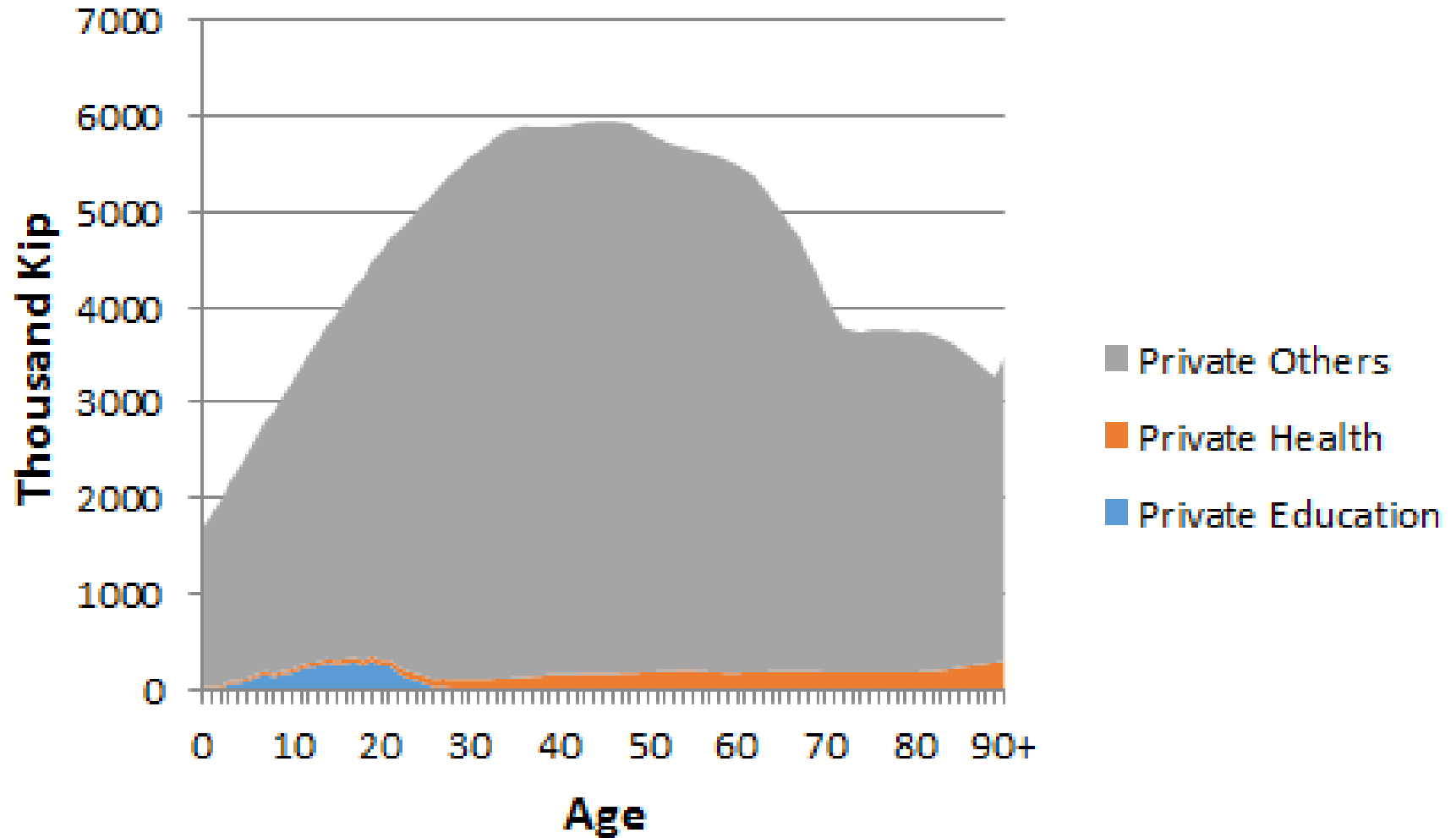
# Private Consumption, Others

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# Private Consumption

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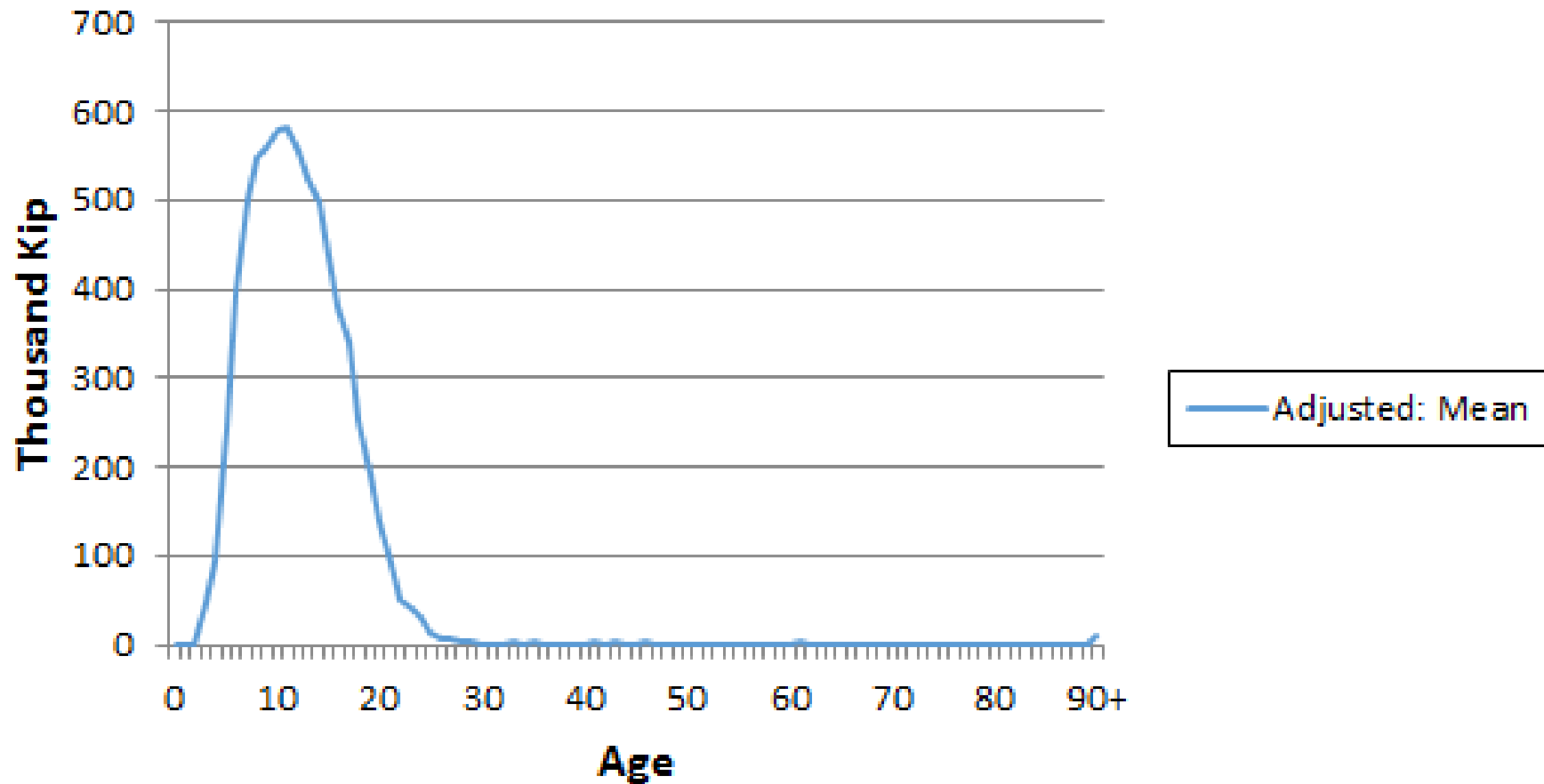
**PUBLIC**

**CONSUMPTION**

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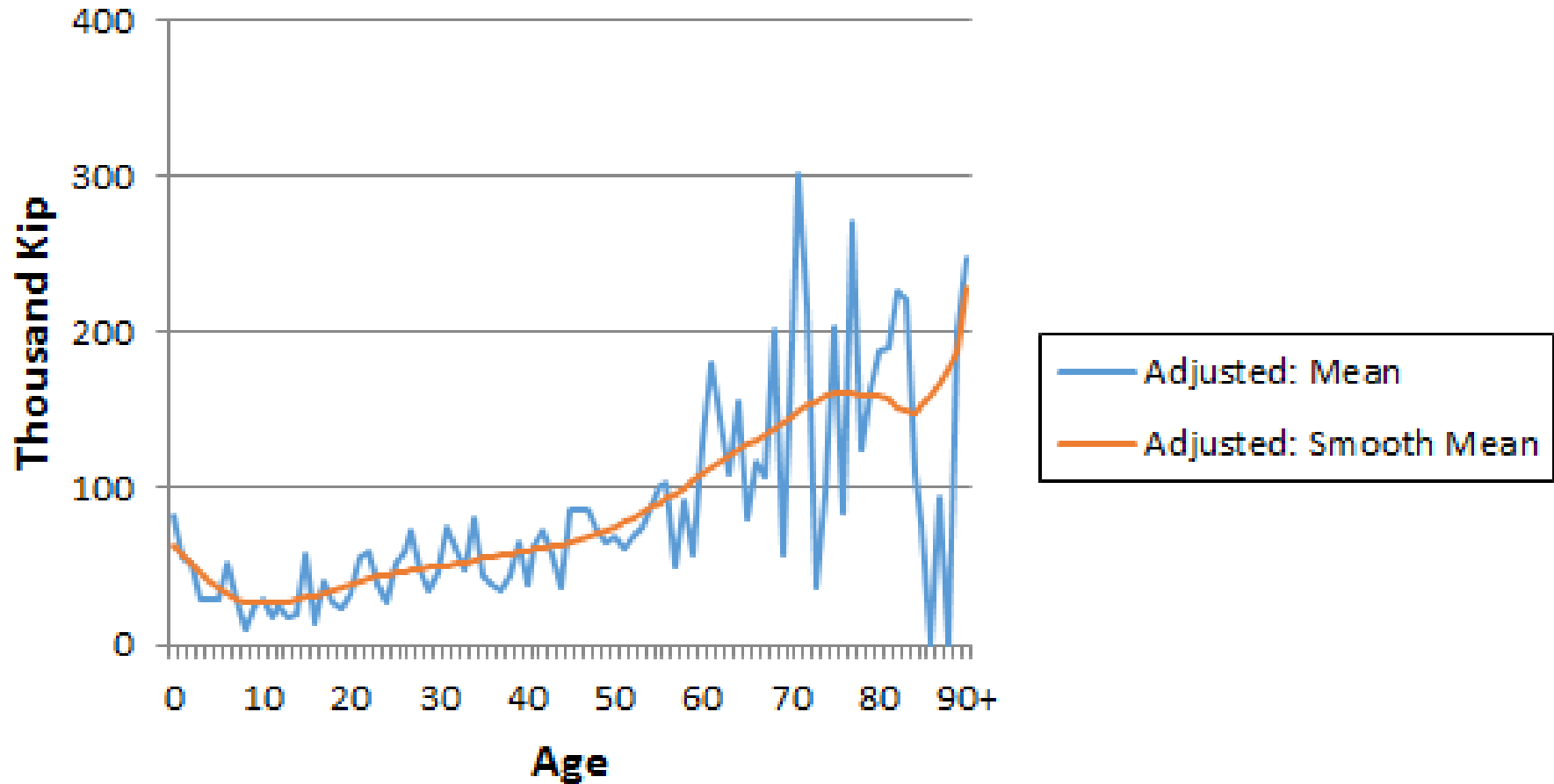
# Public Consumption, Education

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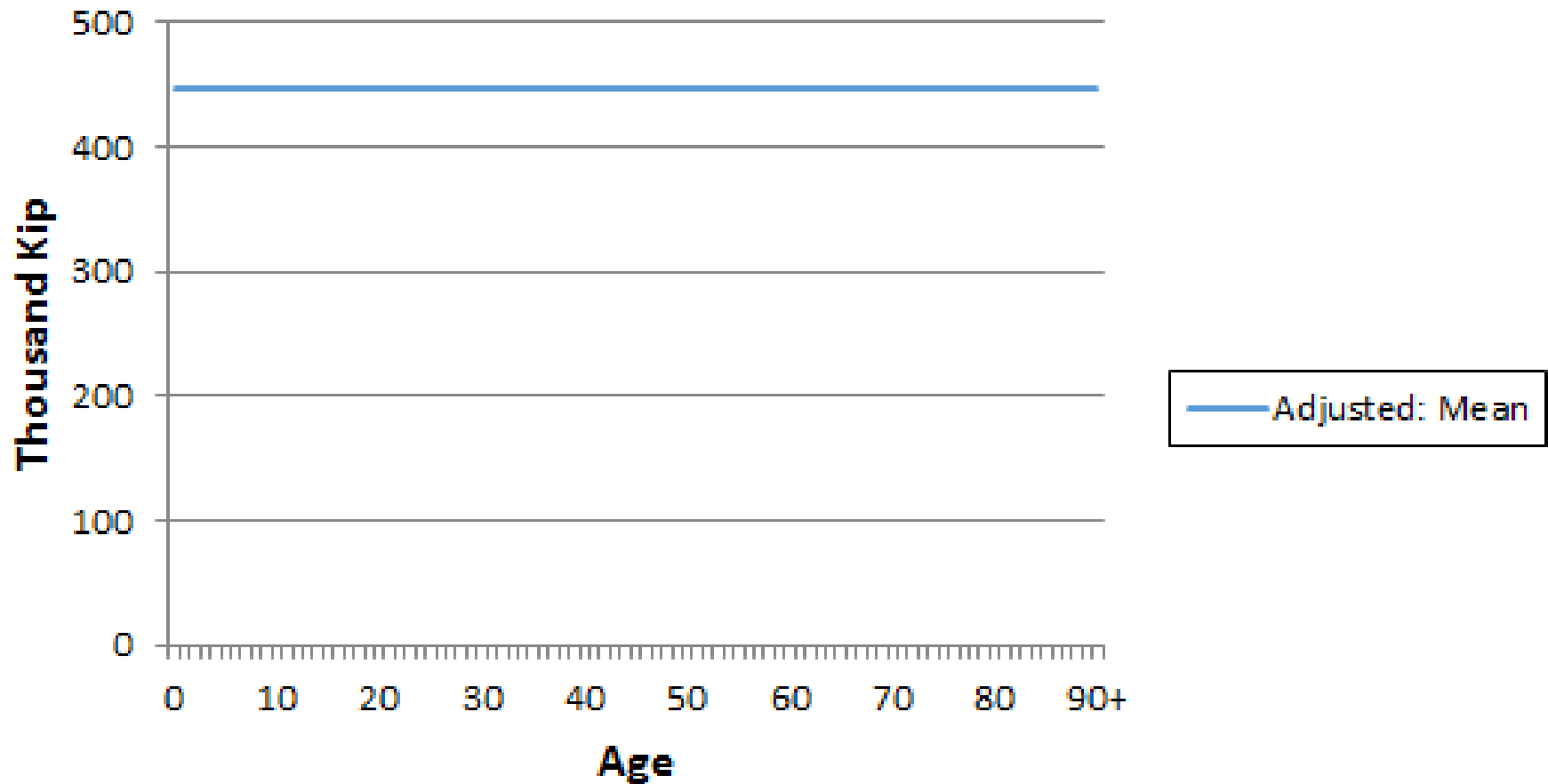
# Public Consumption, Health

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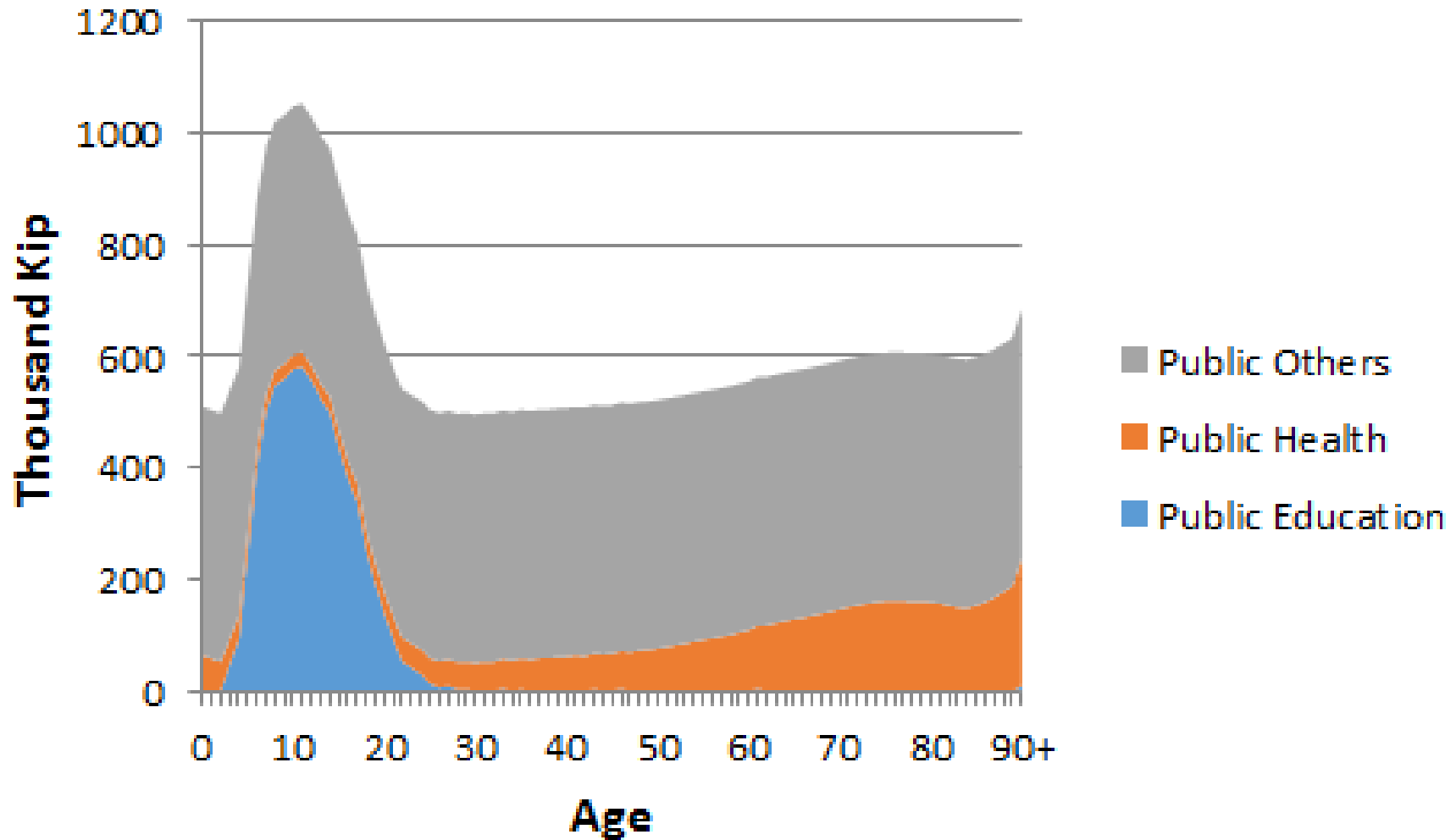
# Public Consumption, Others

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# Public Consumption

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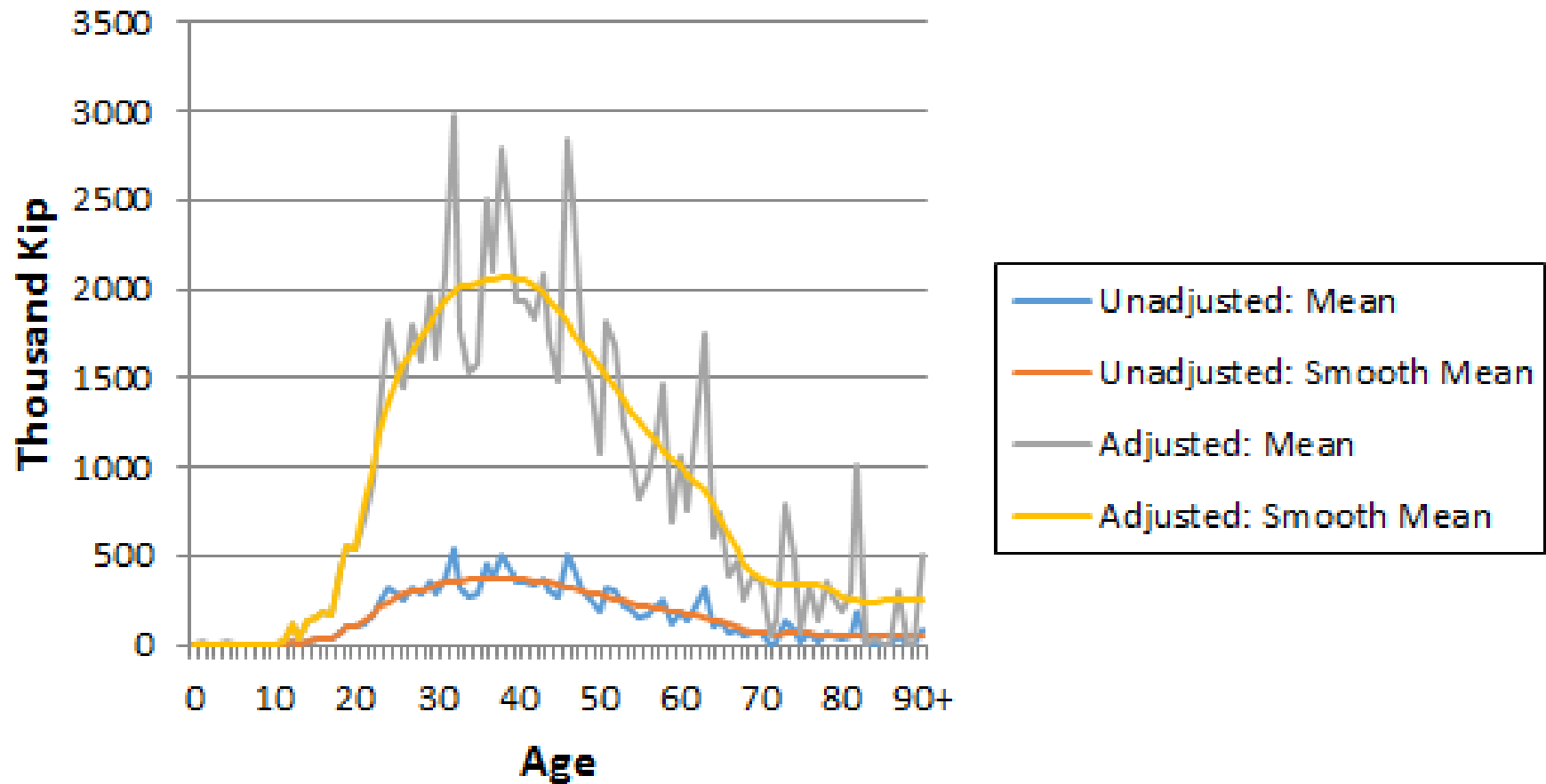
**LABOR**

**INCOME**

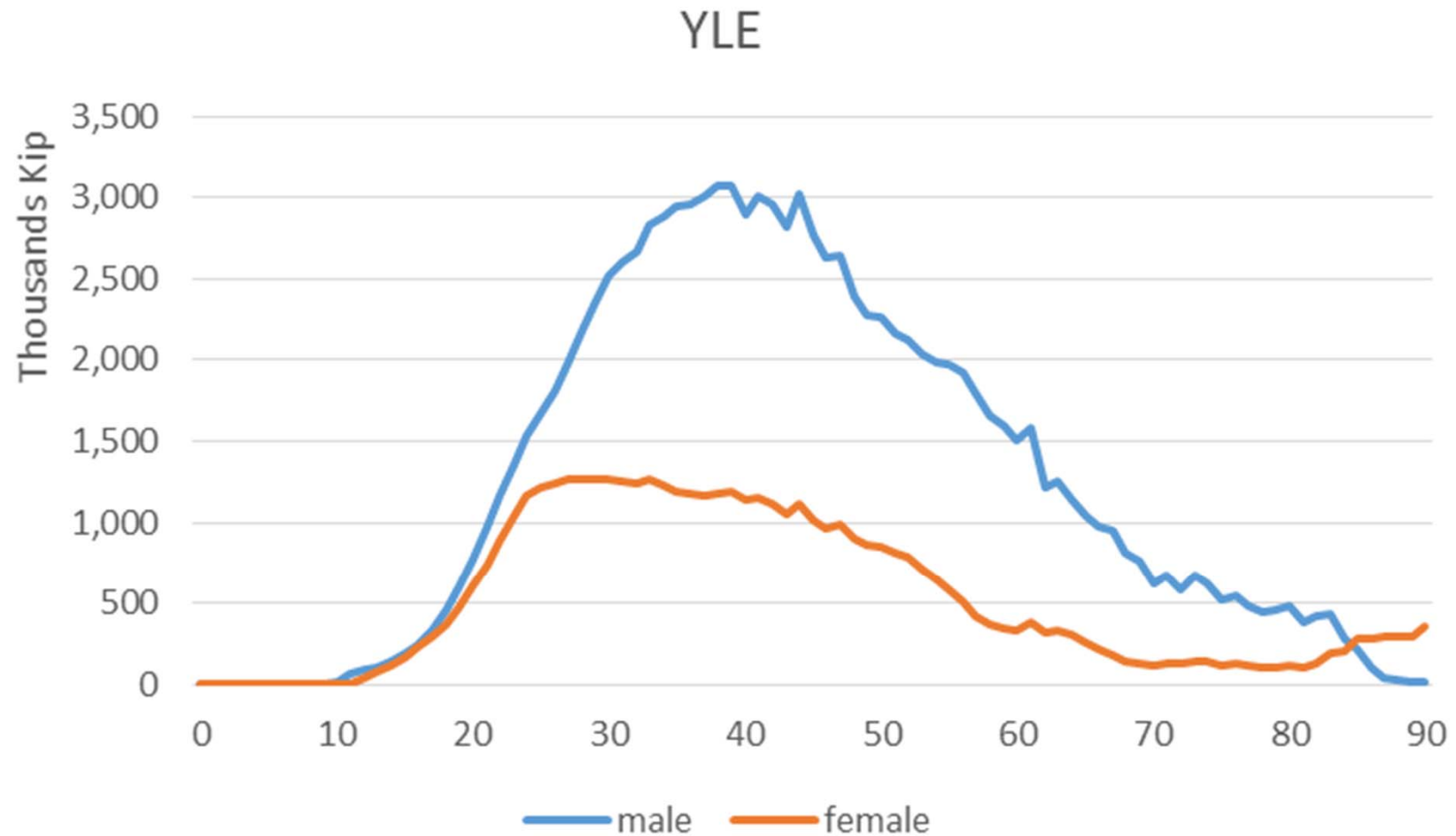
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# Compensation of Employees

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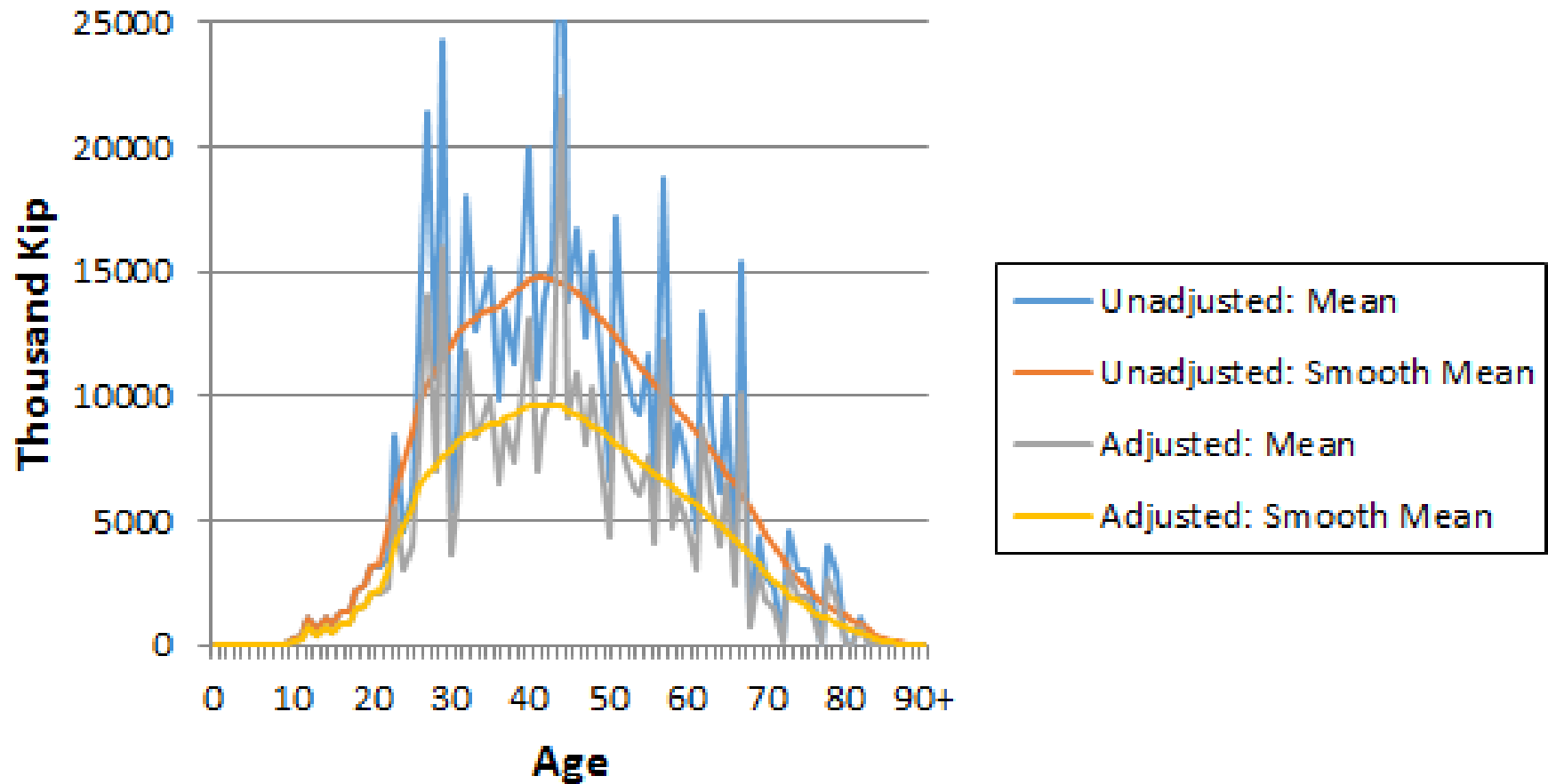
# Compensation of Employees by gender



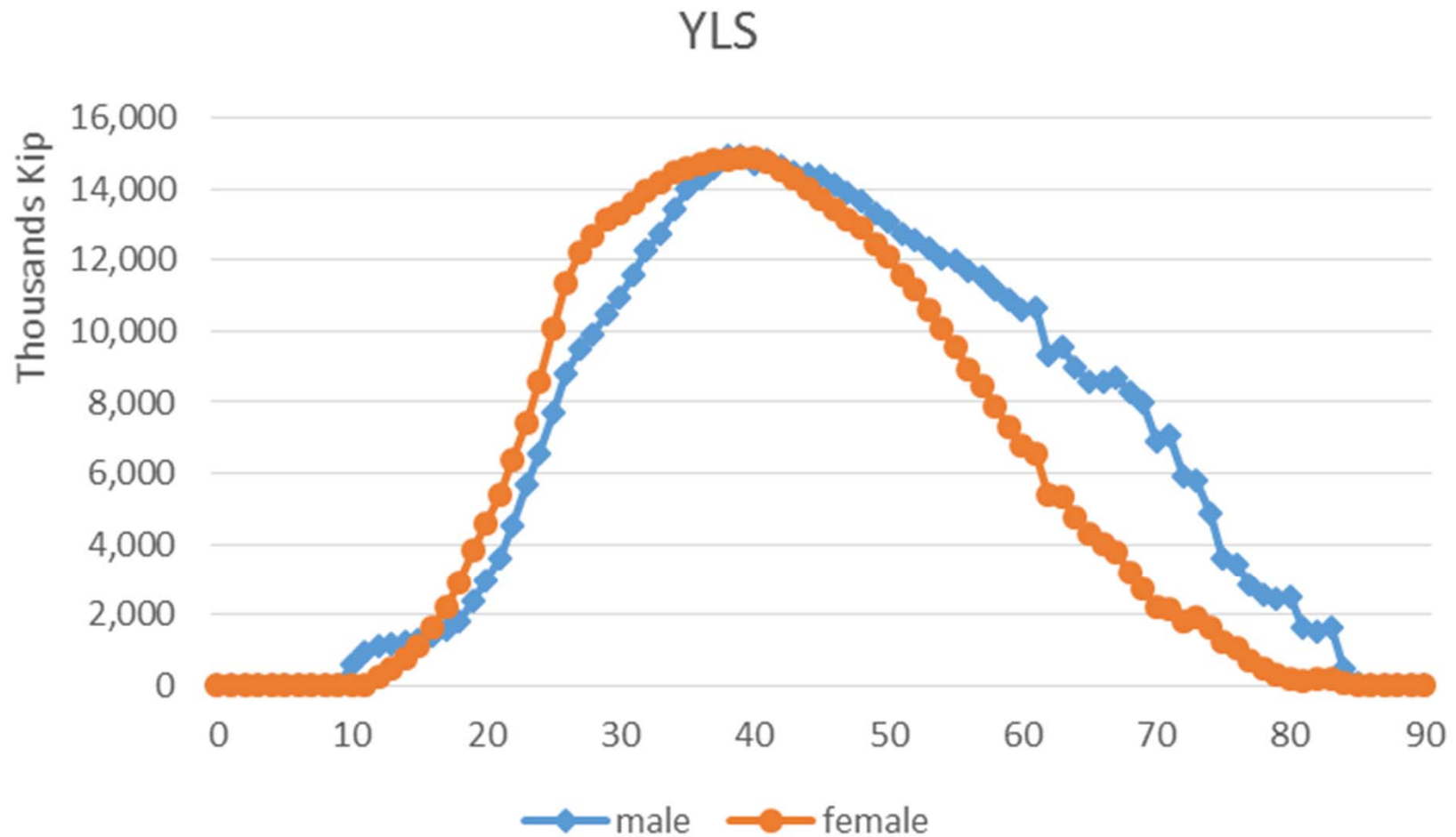


# Self-employment Labor Income

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# Self-employment Labor Income by gender



# Labor Income

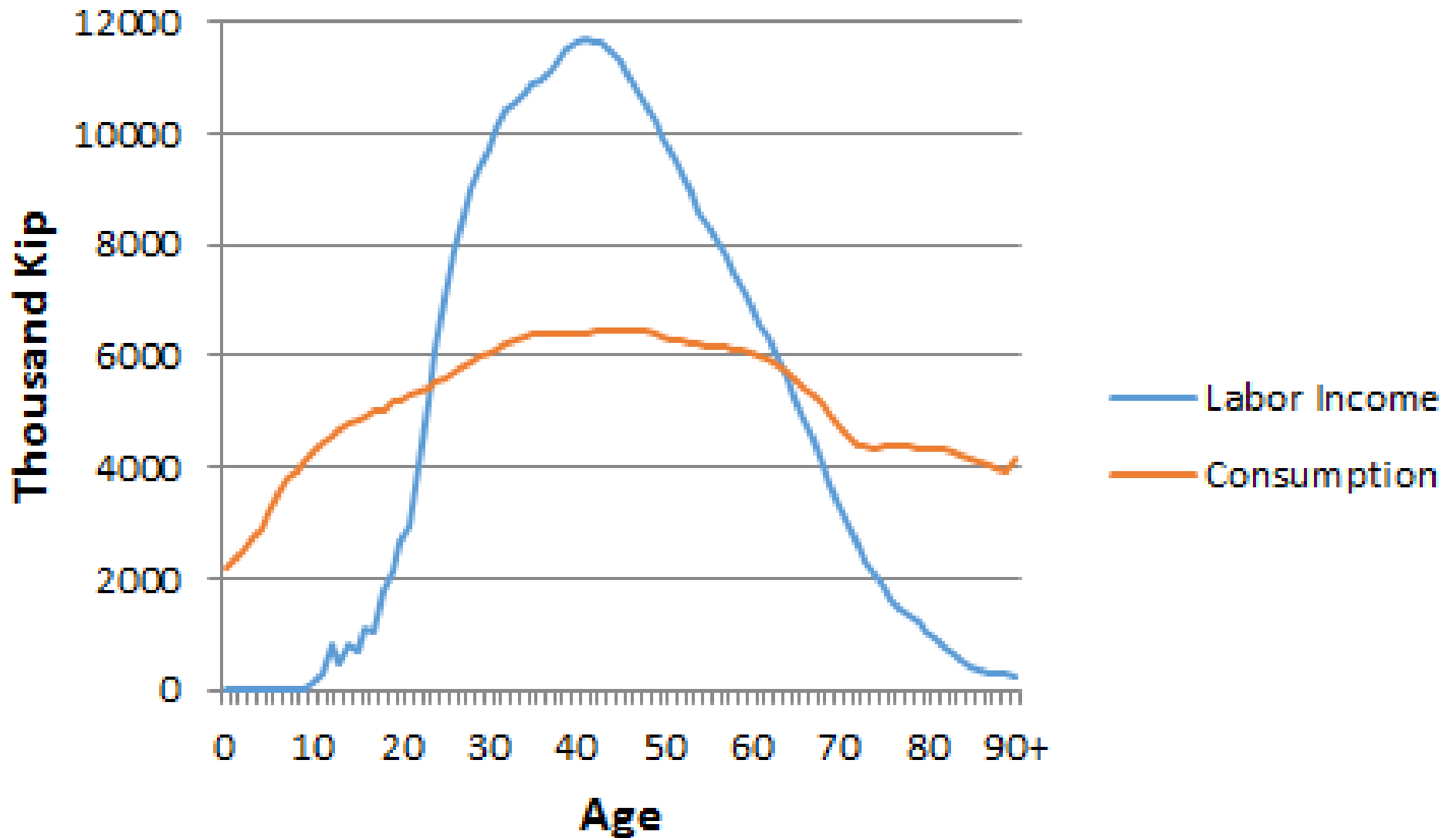


# **NATIONAL TRANSFER ACCOUNT (NTA)**

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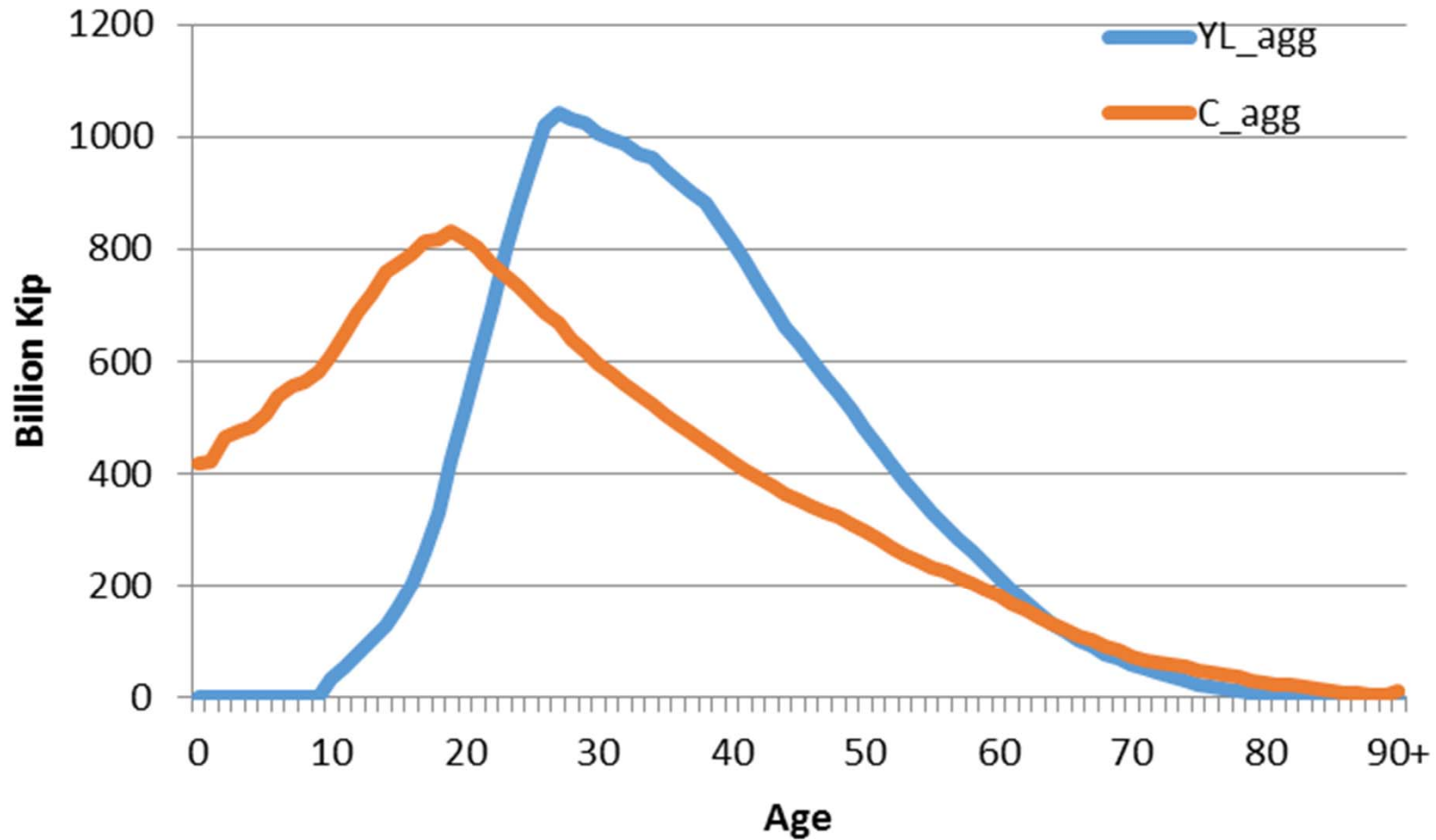
# National Transfer Account (Per capital)

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# National Transfer Account (Aggregate)

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# SUPPORT RATIO



# Effective producers and consumers

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

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

$P(x)$  – population age  $x$

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

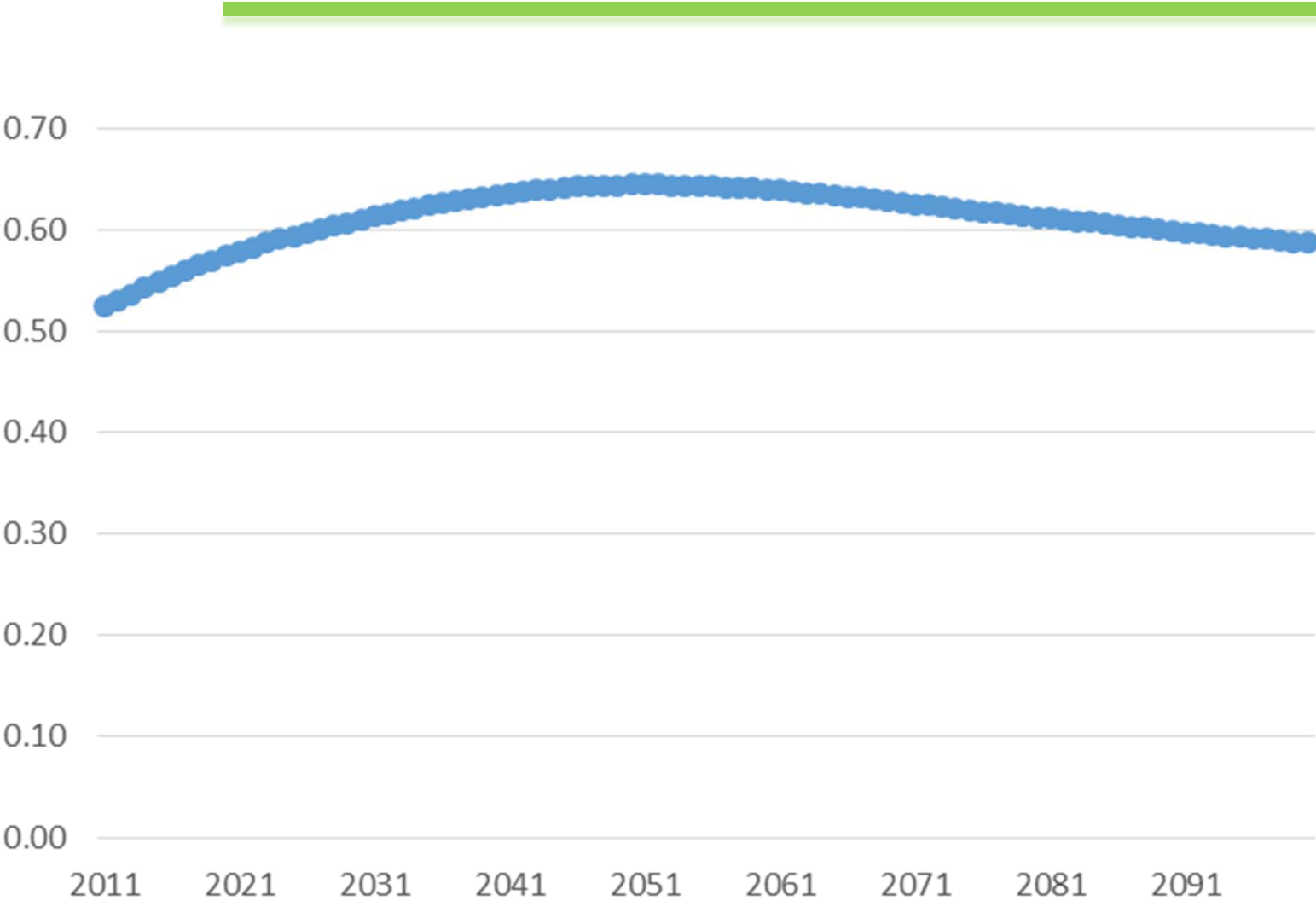
$\bar{y}_l(30-49)$  – per capita labor income age 30-49

$c(x)$  – per capita consumption age  $x$

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

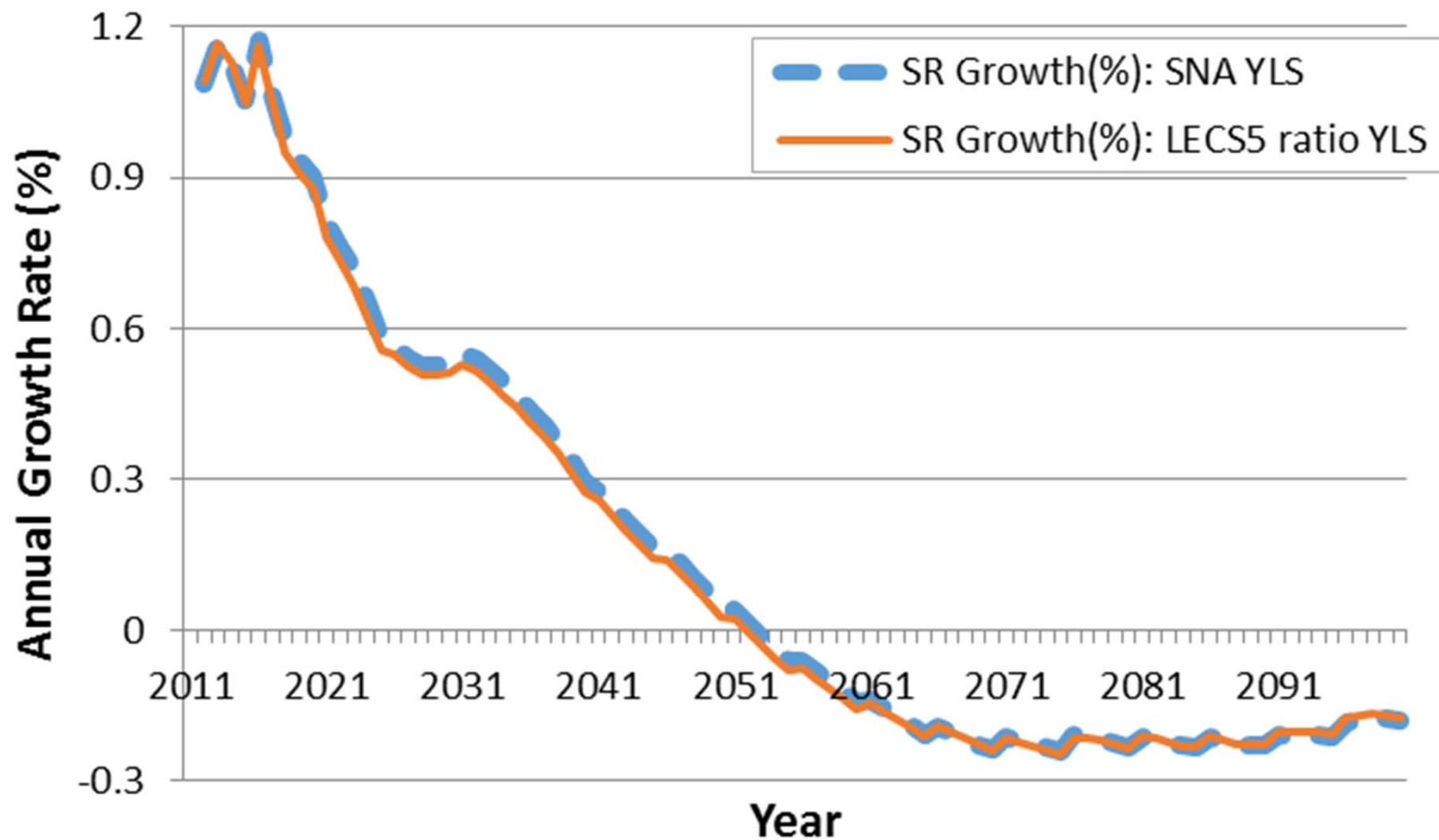


# Support ratio



# Demographic dividend

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





**Thank You**