

## France 2000: Survey Information

### Summary table

<b>Generic information</b>	
Name of survey	Family Budget Survey (FBS) / <i>Enquête Budget de Famille</i>
Institution responsible	INSEE - <a href="http://www.insee.fr">www.insee.fr</a>
Main objective / contents	To measure with utmost accuracy expenditures, consumption and income of French households.
Survey structure	One cross-sectional survey broken down by 8 waves during one year
Frequency	Approximately every five years
Survey year / Wave	2000-2001
Coverage	All civilian non institutional households in metropolitan France and overseas departments; overseas territories are not in the scope of the survey.
<b>Sampling</b>	
Sampling design	Random uniform sample
Sampling frame	1990 Census housing files (completed by a file containing new houses) for the metropolitan sample, and the 1999 Census for the sample in overseas departments
Final sample size	10,035 households containing 25,803 individuals completed the interview
<b>Collection</b>	
Collection period	Between 9th of May 2000 and 6th of May 2001
Instruments	A series of CAPI household questionnaires (questionnaires N.1, N.2 and N.3, questionnaire Qcarnet, and questionnaire Qqualité), and diaries filled by all persons aged 14 years old or more; the section on socio-demographic characteristics and incomes of household members is asked for each household member (everybody for the main demographics, those 15 or more for education and labour market, and those 16 or more for revenues).
<b>Labour market information</b>	
Source	Interview
Reference period	At present / last job held
LFS concept	"Any employment" concept
Education	Highest attained degree - national classification
Occupation	Profession is asked and INSEE recoded it into socio-professional category (32 categories)
Industry	Sector of activity is asked, but no recoding of the string variable was made (not used by LIS)
<b>Income</b>	
Source	Interview
Reference period	Last 12 months preceding the interview (in some cases people may give income over a different period, but the edited variables account for that)
Unit of collection	Mostly individual (persons aged 16 or more), except for housing allowances, family allowances, capital income, transfers received from other households and exceptional incomes, which are asked at the household level only
Period of collection	Free choice (but most people give monthly amounts)
Restrictions	No top-coding; possibility to give amounts in brackets in case exact amount not known
Gross/net	Net amounts. Because in France income tax is not withheld at source but paid by annual tax return, all the amounts are net of mandatory contributions but gross of income tax
<b>Data quality aspects</b>	
Unit response rate	62% of contacted households completed the survey
Item non-response / imputation	All income variables were fully imputed, as well as most of the categorical ones
Weighting	There is a household-level weight which inflates to total population

This document draws extensively upon the Data collection instruction manual for the Family Budget Survey 2000-2001, published by Insee in May 2000.

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### **A. General Characteristics**

#### Name

Family Budget Survey (FBS) / *Enquête Budget de Famille*

#### Administrative unit responsible for survey:

INSEE
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#### History

In France, INSEE makes family budget surveys every five years or so. The first survey covering the whole non institutional civilian population was made in 1956. The Family Budget Survey (FBS) was made in 1956, 1963, every year from 1965 to 1974, in 1979, 1984-1985, 1989, 1994-1995 and 2000-2001.

#### Purpose and use of the survey

The main goal of the new Family Budget Survey 2000-2001 is to measure with utmost accuracy expenditures, consumption and income of French households.

The study of expenditures is the central and traditional target of the survey : all households expenditures (nature and amount) are recorded, then broken down according to a 800 items classification that is compatible with the National Accounts classification. All expenditures are covered, including those that are not consumption of goods and services, National Accounts-wise : taxes and contributions, insurance premiums, home renovation expenditures, transfers between households, purchase of second hand goods, loan pay offs. The survey also collects information about non monetary consumption : food produced for own consumption, fictitious rent, employer payments in kind.

Till 1989, the study of income was not a goal of the survey : the data on income were not used per se, but only as an explanatory variable of consumption. But methodological studies have proved that the FBS (or at least the 1984-1985 and 1989 surveys) provided a satisfactory measure of income. The FBS survey can thus be considered as a reliable source of data on income, that completes the information provided by the « Fiscal Revenue » survey. The FBS records all types of income : taxable income, non taxable income, social security benefits, money from other households, exceptional income.

The FBS mainly records monetary data. Specialised surveys on health, clothing, transportation, leisure, holidays, focus more on the qualitative aspect and the household behaviour. Nevertheless, in order to illustrate the monetary data, some supplementary questions that are aimed at assessing the households financial situation are asked. They are very useful for several studies.

### Main users of the survey

The « Family Budget » surveys build up a very complete database on consumption and living standards of different classes of households. They can be used in many different ways.

*The National Accounts and price indexes drawing up* - The FBS provide an estimate of the average consumption of goods and services : they are thus used to elaborate the household final consumption account, as well as the weights for the price indexes. This need has justified the development of the Family Budget Surveys in the 1960s. The National Accounts mainly use the FBS when renewing the baseline, by confronting them to other sources. The price indexes division use the FBS as an additional source, either to tune down the index corresponding to the industrial workers and clerks, or to break down its components between the different items of the National Accounts classification.

*The European dimension of the « Family Budget » surveys* - Eurostat has become a major user of consumption surveys, because of the unique market. In 1980, 1985, 1988 and 1995, Eurostat has published reports dealing with consumption and living standards in the Member states. It has bought the data bases and provides them to economists. Several works have been made, dealing for instance with poverty within the European Union.

*Other publications and studies* - The FBS is very interesting because it allows comparing different classes' living standards and consumption patterns. They are a reference source for very different works: description of consumption and explanatory variables, income-elasticity; study of living standards and behaviour of several groups (industrial workers, unemployed, immigrants, large families, retired persons, senior citizens...); study of poverty and inequalities; estimates of the child cost; simulation of tax reforms (tax on value added); consumption projections; etc.

Inside Insee, the « Households living conditions » division publishes the first results and publications as well as several studies and papers. The « Income » division jointly uses the FBS and the Income survey in order to measure income, inequalities, poverty. The « Price indexes » division uses the data on purchase premises that are recorded in the diaries.

Out of Insee, the Housing Ministry and a national agency that deals with home improvement, and generally speaking all economists interested in housing conditions use several data from the FBS: description of the home, home expenditures, real estate income. Moreover, all along with the « Housing » survey, the FBS is one of the few sources that provide information on home renovation. The National Institute for Food Research (INRA) focuses on the food quantities, food taken away from

home and food production for own consumption. Besides, several economists use the FBS data to estimate consumption models.

## **B. Population, sample size and sampling methods**

### Population coverage

The survey covers all civilian non institutional households in metropolitan France and overseas departments. Overseas territories are not in the scope of the survey.

### Sample design

The metropolitan sample has been obtained using as a sample frame the 1990 Census housing files, completed by a file containing new houses. It is a random uniform sample of 20000 dwellings. The sample in overseas departments comprises 5000 dwellings from more up to date sources (namely the 1999 Census). The data collection unit is the household. No group or category is over-represented in the sample, since the main objective is to draw a global picture of the budget of all households living in France. Only the main residences are surveyed. Other residences (vacant, secondary or occasional) are excluded from the survey scope.

The households expenditures are not recorded over a year. It is thus necessary to have a uniform break down of the sample over the year, in order to take into accounts the seasonal effects that may affect some expenditures : the impact of season (fruits, vegetables), of temperature (clothes, energy), of the calendar (taxes, energy bills) can be great. The careful breakdown of the sample is necessary to get a correct estimate of the annual expenditure, but also a faithful picture of the seasonal movements throughout the year. This is why there are eight waves of survey, of six weeks each, and each one having an eighth of the sample.

Originally 18 000 addresses have been randomly selected, as in 1994-1995. The sample frame being quite old now (1990 Census), there should be more vacant or destroyed housings than in 1994-1995. It was thus decided to select 20000 addresses with special conditions. Two samples have actually been made :

- one main sample of 18000 addresses on the same pattern used for former surveys - broken down on eight waves
- a supplementary sample of 2000 addresses broken down on the five last waves.

The supplementary sample will be used only if necessary.

### Sample size

10,035 households containing 25,803 individuals completed the interview

## **C. Data collection and acquisition**

### Data collection period

Data collection began on the 9th of May 2000 and lasted over a complete year, till the 6th of May 2001.

<b>Family Budget Survey</b>	<b>Waves</b>
1ère wave	9 May - 18 June 2000
2th wave	19 June - 30 July 2000
15 days stop	
3th wave	14 August - 24 September 2000
4th wave	25 September - 5 November 2000
5th wave	6 November - 17 December 2000
15 days stop	
6th wave	2 January - 11 February 2001
7th wave	12 February - 25 March 2001
8th wave	26 March - 6 May 2001

There is no data collection during the first half of August and the second half of December.

### Instruments of data collection

The Family Budget Survey 2000-2001 uses two data collection instruments :

*Computer Assisted Personal Interview household questionnaire* - asked by the interviewer during a face to face interview, it records:

- the socio-demographic characteristics of the household
- regular or big expenditures
- the revenues the household received during the last calendar year
- qualitative questions describing the household's financial situation.

Given its length, the questionnaire is broken down over three visits (Questionnaire N.1, Questionnaire N.2 and Questionnaire N. 3). Furthermore, there is a checking questionnaire (a CAPI questionnaire called Qcarnet, which comprises a module dealing with food produced for own consumption, a module dealing with food taken away from home, and a checking list with all type of expenditures potentially made by the household) , and a quality questionnaire (Qqualité), filled by the interviewers, the household not being present, after each visit (it records the interviewer's point of view on the quality of answers given by the household in the questionnaire, in 5 modalities, the reliability of diaries, in 5 modalities, the collection of diaries, as well as the visit's result).

*Diaries* - filled by all persons aged 14 years old or more, they record all daily expenditures, more particularly small, irregular expenditures. The person must write down every expenditure made during 14 days. The interviewer hands out the diaries during his or her first visit, checks them during the second visit and collect them during the third visit.

### Survey schedule

The interviewer will visit the household three times. It is necessary to respect the relevant waiting periods between visits in order to let the household fill the diaries. Here is the time schedule:

<u>1st visit :</u>	• interviewer with household :
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	<ul style="list-style-type: none"> <li>- explanation about the survey</li> <li>- CAPI questionnaire n°1</li> <li>- CAPI questionnaire Qcarnet</li> <li>- handing out of the diaries and explanations + test</li> <li>• interviewer alone :</li> <li>- questionnaire Qqualité</li> </ul>
day after	<ul style="list-style-type: none"> <li>• household alone :</li> <li>first day of the diary</li> </ul>
from 4 to 7 days after the first day of diary des carnets : <u>2nd visit</u>	<ul style="list-style-type: none"> <li>• interviewer with household :</li> <li>- CAPI questionnaire n°2</li> <li>- CAPI questionnaire Qcarnet</li> <li>- quick checking of the diaries</li> <li>• interviewer alone :</li> <li>- questionnaire Qqualité</li> </ul>
14 days after the first day of diary : <u>3rd visit</u>	<ul style="list-style-type: none"> <li>• interviewer with household :</li> <li>- CAPI questionnaire n°3</li> <li>- CAPI questionnaire Qcarnet</li> <li>- quick checking of the diaries</li> <li>- collection of diaries</li> <li>• interviewer alone :</li> <li>- questionnaire Qqualité</li> <li>PRESENT</li> </ul>

## D. Definition of survey units

### Unit of observation

The data collection unit is the household.

### Household

A household is composed by all the persons who usually live in the dwelling, including those who are temporarily absent at the moment of the interview. Are not included those who are temporarily present at the moment of the interview but have their usual domicile elsewhere. Domestic servants and employees living in the dwelling are to be included. Subtenants are also included, unless they occupy completely independent rooms.

Are also to be included the persons who belong to the household but live temporarily in a collective dwelling, such as militaries living in barracks, pupils in internship, students in university dwellings, young people living in an institutions for young workers, etc.; also included are those who belong to the household, but at times also live in another dwelling.

Details about each individual are collected for up to 12 persons (starting from the head, his/her partner, their parents, all the active persons, and the children starting from the oldest).

## Household head

By definition:

- in case of households with one or more couples (married or not), the reference person is the oldest male active partner, or simply the oldest male in case there are no actives;;
- in case of households with one or more monoparental families (one adult with single children), the reference person is the oldest active person, or simply the oldest one in case there are no actives;
- in the other households with isolated persons, the reference person is the oldest active person, or simply the oldest if there are no actives.

## **E. Survey contents**

### *Questionnaire 1*

- 1 - Description of the household - Common core
- 2 - Youth of the reference couple
- 3 - Professional activity cycle of the reference couple
- 4 - Children of the reference couple living away from home
- 5 - Forming of the household
- 6 - Changes having occurred in the calendar year
- 7 - Main residence
  - Sous-module 1 : Characteristics of the home
  - Sous-module 2 : Owners and new owners
  - Sous-module 3 : Tenants and subtenants
  - Sous-module 4 : Charges
  - Sous-module 5 : Water, electricity, gas, telephone
  - Sous-module 6 : Heating
  - Sous-module 7 : Insurances
  - Sous-module 8 : Local taxes
  - Sous-module 9 : Garages and car parks
  - Sous-module 10 : Other expenditures linked to home
- 8 - Secondary residence
- 9 - Other residences
- 10 - Land
- 11 - Supplementary elements about residence and land
- 12 - Home renovation
  - Sous-module 1 : Main residence
  - Sous-module 2 : Secondary residence
  - Sous-module 3 : Other residence
- 13 - Transports
  - Sous-module 1 : Cars
  - Sous-module 2 : Bicycles
  - Sous-module 3 : Two-wheeled vehicles
  - Sous-module 4 : Caravans
  - Sous-module 5 : Other vehicles
  - Sous-module 6 : Supplementary elements about vehicles
- 14 - Description of the household (reminder)

*Questionnaire n°2*

- 1 - Durables
  - Sous-module 1 : Domestic appliances
  - Sous-module 2 : Audiovisual
  - Sous-module 3 : Gardening and do-it-yourself
  - Sous-module 4 : Supplementary elements about durables
- 2 - Furniture
  - Sous-module 1 : Purchases
  - Sous-module 2 : Supplementary elements about furniture
- 3 - Valuables
- 4 - Clothes and shoes
- 5 - Holidays away from home
- 6 - Services
  - Sous-module 1 : School and university fees
  - Sous-module 2 : Child care away from home
  - Sous-module 3 : School and university help for assignments
  - Sous-module 4 : Domestic services at home
- 7 - Expenditures linked to meals taken at work or at school
- 8 - Transports expenditures
- 9 - Leisure and culture expenditures
  - Sous-module 1 : Audiovisual
  - Sous-module 2 : Culture and leisure
- 10 - Health expenditures
  - Sous-module 1 : Ongoing treatment
  - Sous-module 2 : Hospitalizations
  - Sous-module 3 : Purchase or rental of medical appliances
- 11 - Description of the household (reminder)

*Questionnaire n°3*

- 1 - Miscellaneous expenditures
  - Sous-module 1 : Insurances
  - Sous-module 2 : Loans
  - Sous-module 3 : Income tax
  - Sous-module 4 : Banking expenditures
  - Sous-module 5 : Employers' deductions
  - Sous-module 6 : expenditures for a person who lives away from home at least one day per week
  - Sous-module 7 : exceptional expenditures
  - Sous-module 8 : TV licence fee
- 2 - Aids and presents offered
  - In kind
  - Regularly, cash
  - Occasionally, cash
- 3 - Aids and presents received
  - In kind
  - Regularly, cash
  - Occasionally, cash
- 4 - Revenues
  - Sous-module 1 : Nature of revenues



- Sous-module 2 : Amount of revenues
- 5 - Savings income
- 6 - Exceptional income
- 7 - Financial situation
  - Sous-module 1 : Wealth and patrimony
  - Sous-module 2 : Past and future evolution of income
  - Sous-module 3 : Opinion about the financial situation
- 8 - Description of the household (reminder)

### Reference periods of the expenditures

In the *questionnaires* reference periods of expenditures differ according to the nature of the incomes/expenditures:

- expenditures in connection with mortgages and charges of main, secondary and other residence, home renovation, transports, durables, furniture, valuables, school and university fees, culture and leisure expenditures, and other miscellaneous expenditures such as insurances and income tax are asked for a 12 month period;
- expenditures in connection with holidays away from home and health over a 6 month period;
- expenditures in connection with clothing and footwear over a 2 month period;
- expenditures in connection with childcare, domestic services at home, food taken at work or school, audiovisual and deductions made by the employer over a 1 month period;
- rent of main, secondary and other residence refers to the last receipt/payment.

*Diaries* report daily expenditures. Each person aged 14 years old or more is asked to fill a diary during fourteen days. These fourteen days are theoretically the fourteen days between the first visit and the third visit. The first day can be the first visit's day or the day after.

## **F. Quality of the data**

### Total and partial non response

The FBS being long, difficult, time-consuming, it is not easy to avoid refusals. Even if it is mandatory, and if there are some incentives (letter, present, follow-up letters), the non response rate is rather high. For the three last surveys, for instance, out of 100 households, 13 refuse to answer from the beginning, and 12 begin the survey but do not complete it.

Before the survey data collection, the households receive a letter that informs them that they have been selected for the Family Budget Survey, and a brochure. After the contact, there are potential follow-up letters. When contacting the household, the interviewer's quality of persuasion and arguments will be capital in order to obtain the household's consent. The interviewer can explain why the survey is interesting, or focus on its mandatory character. He or she can insist on the data confidentiality, or inform the household about the present that will be given. It is important to lay the stress on the mandatory character of the survey. This has been obtained through a thorough quality process assessment.

### Voluntary and involuntary omissions

Even if he or she is willing to make the survey, it might happen that the respondent does not know or does not want to convey the exact amount of his or her income, or of certain expenditures that are sometimes difficult to estimate (for instance, holidays expenditures). One major problem of the survey is that people have thus a natural tendency to forget or underestimate, voluntarily or not, some expenditures, in the diary as well as in the questionnaires. It is the same as far as income is concerned. Some results are thus somewhat underestimated compared to the National Accounts.

In order to avoid this kind of bias, the interviewer can insist upon the confidentiality of data. Moreover, there are several other precautionary measures:

- as far as questionnaires are concerned: brackets and consistency controls increase quality; visual cards allow the household to check whether the answers are exhaustive; there is a check list of all potential expenditures, so that the household might not forget some; as far as revenues are concerned, the first step is the listing of all income earned by the household (overview of the resources) before recording the amounts; the person is proposed an assessment of his or her income using brackets - if the person does not want to tell even in which bracket his or her income is, the type of income earned is still known and can thus be estimated (however, this is a loss of quality and accuracy); all along the questionnaire, the use of brackets or the absence of amounts is tolerated;

- as far as diaries are concerned, the interviewer must: clearly explain how to fill the diary, lay the stress upon the easiness of attaching and completing bills; check that all bills are attached; check the number of diaries; control the diaries during the second and third visits, by scanning all possible expenditures (thanks to a special check questionnaire) - for instance, the person is asked whether he or she has not forgotten to record expenditures linked to home maintenance (do-it-yourself, plumber services) or to communication (stamps, phonecards...).

### Other problems

The reference period differs with the nature of expenditure: there might be confusion. Some expenses can be recorded twice (for instance maintenance charges). Purchases that are not detailed enough in the diary.

In order to minimise those problems, the interviewer must read slowly and completely each question, clearly explain what type of expenditure or income are included in the question, clearly recall the reference period for an expenditure or an income, and check the diaries.

### Processing data

Using the data collected by the interviewer, the regional offices code the socio-economic classification. The first step is an automatic codification using the same software used for the automatic codification manually code failed codes. The diaries are then processed. The data are keyed in 13 regional offices. Then they are automatically coded in the same 13 regional offices that will manually code the failed codes.

### Analysing data

The expenditures are recorded on different reference periods. The first step consists in an annual estimate of each expenditure item. In order to achieve this estimate, the amount is weighted by the relevant coefficient. For instance, child care expenditures are recorded over a reference period of a month and are thus multiplied by 12 in order to have the corresponding annual estimate. An electricity

bill over four month will be multiplied by three. The diary expenditures will be multiplied by 365/14 since they are recorded over a period of fourteen days.

For some modules it is more complicated. This is the case for holidays or clothes, since only the two last trips, and the clothes of only a few members of the household, are completely described. It is thus necessary to estimate expenditure for all the vacation trips, or a clothing expenditure for the whole household.

By aggregating all the expenditure items the annual budget of the household is rebuilt. Of course, it may not correspond to the household real budget. For instance, if a household bought a tennis racket for 1000FF during the fourteen days of diary, it will be given an annual tennis racket budget of 26000FF! Nevertheless, from a statistical point of view, an average over 1000 identical household will give the « real » average annual budget of the group at stake. This statistical logic is somewhat difficult to understand and it is important to explain it to the household.

The annual expenditure is estimated by using the questionnaires and the diaries. For several types of expenditures the diary is the only source (e.g. food expenditures). This is why the quality and reliability of diaries is so important. For other types of expenditures, the questionnaires and the diary are potential sources. Whenever this is the case (for insurances or home renovation) the questionnaire is privileged because it is assumed to be more reliable for regular and big expenditures.

Nevertheless, all expenditures must be recorded in the diary and Insee will process double-counts. This will be made by merging the files from the CAPI questionnaires with the files from the diaries. It will also be necessary to econometrically estimate some expenditures recorded on an aggregated level, into more detailed expenditures. Finally, a raking ratio technique will correct the total non response.

#### How to deal with refusals and « do not know »

Some expenditures, and moreover some revenues, are not easily told by the household. In that case, it is better to tolerate a non response than upset the household. Of course, a complete answer (exact amount) or a partial answer (brackets) is better than nothing at all. For all amounts, and for most questions, « do not know » and « do not want to answer » are possible. However, it is forbidden for several identification questions (name, age, gender, filter questions). A « do not know » is possible when the household cannot answer at one because some documents are needed, and will answer later. A « do not know » or « do not want » cancels the questions that follow and are linked to the amount at stake. The interviewer will always favour an approximate amount to a non response. For instance, all revenues can be declared using brackets if the household does not want to convey the exact income. If there is a non response, it is important to record that the income or the expenditure exists. If it is known that the household has paid a phone bill, it will be possible to impute a phone bill amount. If it is not known, then the household will be given null phone consumption. In the survey, there are :

- 17 questions about amounts that sustain a « do not know » or « do not want » answer
- 8 questions about brackets that sustain a « do not know » or « do not want » answer
- 24 questions about amounts that sustain brackets.

#### Consistency checks

Soft controls and messages have been programmed in order to detect mistakes.

*Example :*

Pierre is a child of the reference couple (LIEN=3), but you mistakenly entry LIEN=2. The computer indicates a mistake, since a couple cannot be made of persons of the same sex. A message is displayed. It is impossible to continue the interview if the mistake is not corrected. There are very few consistency checks in the questionnaire. There are in the description of the household and multiple-choice questions, in order to ensure that the interviewer does not put two contradictory answers.

### Soft messages

#### *Example :*

The interviewer entries that the household pays a rent of 82000F per month. A message appears, explaining this is a very high rent. If it is really the case, the amount can be confirmed, and the interviewer must entry a comment. If not (in fact it is 8200F per month, or 82000F per year) the wrong answer can be easily corrected. These « soft » messages (soft because the entry can be confirmed) are quite numerous in the questionnaire. They detect:

- surprising answers in the description of the household
- lower or higher amounts than in average
- potential inconsistencies.

It is normal to have a lot of soft messages when the household is on the fringes of the population (very rich, or very poor, very large...). These are just an incentive to check the answers. But they cannot detect all mistakes: it is possible to entry that Elaine is a man.

### **G. Publications**

The main results of the 2000-2001 wave of the survey were published in “Le budget des familles en 2001”, by N. Cérani and M. Camus, Insee Résultats, Société, No. 29, April 2004.