

# **Quality report**

The value of the subsistence minimum in the Republic of Kazakhstan

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#### S.1 Контактные ланные

#### S.1.1 Организация

Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan

#### S.1.2 Structural subdivision

Department of price statistics

#### S.1.3 Contact name

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## S.1.3.1 Name of the head of the responsible structural unit

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## S.1.5 Contact person's mailing address

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## S.1.6 E-mail address of the contact person

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#### U.2 Introduction-Relevance

Subsistence minimum (hereinafter referred to as SML) is the minimum monetary income per person, equal in value to the value of the minimum consumer basket.

The subsistence minimum applies to annual:

- 1) assessing the standard of living of the population;
- 2) determination of directions of social policy and implementation of measures for social support of the population.

## S.3 Updating metadata

- S.3.1 Latest confirmation of updated metadata
- S.3.2 Last Placement of Metadata
- S.3.3 Latest metadata update
- S.4 Presentation of statistical information

## S.4.1 Data description

The minimum consumer basket is the minimum set of food products, goods and services necessary to ensure human life, in kind and in value terms, and consists of:

- 1) food basket;
- 2) a fixed share of expenses for non-food products and services. The SML is calculated based on the value of the food basket increased by a fixed share of the cost of the minimum essential non-food goods and services.

SML is calculated as a whole for the republic, regions, cities of republican significance, the capital, districts and cities of regional significance on average per capita and for the main age and gender groups.

SML on average for the region is determined from the prevailing values for the regional center, district centers and cities of regional significance by weighing them; for the republic is determined from the prevailing values for regions, the capital and cities of republican significance.

The calculation of SML, equal to the cost of the minimum consumer basket, for the capital, cities of republican significance, regional, district centers and cities of regional significance is made by summing the cost of the food basket (CFB) and the cost of expenses for non-food products and services (CNFP) according to the following formula:

$$SML = CFB + CNFP$$

CFB is calculated by multiplying scientifically based physiological norms for the consumption of food products included in the food basket for different sex and age groups of the population (the minimum consumption value of the i-th product of the n-th sex and age or social group per year - qin) by average retail prices (average retail the price of i food product - pi) as of the current month in cities of republican significance, the capital, regional and district centers according to the following formula:

CFB = 
$$\sum \left( \frac{\rho_1 * q_1 n}{12} + \frac{\rho_2 * q_2 n}{12} + \dots + \frac{\rho_4 3 * q_4 3 n}{12} \right)$$

The CNFP value is determined by dividing the CFB by the food spending share (FSS) and increasing by a fixed share of the minimum essential non-food goods and services (SNFP) spending using the following formula:

$$CNFP = (CFB: FSS) \times SNFP$$

In this case, FSS is determined by the following formula:

## S.4.2 Classification system

The following statistical classifiers are used:

- 1) SIVL reference book of age intervals;
- 2) SGVL a directory of age groupings;
- 3) SGNL a directory of population groups.

#### S.4.3 Sectoral coverage

SML is calculated by gender, age and socio-demographic groups

#### S.4.4 Statistical concepts and definitions

T.1) The type of observation is selective.

- 2) Data collection tools statistical forms "Notebook for registering prices for consumer goods and paid services" (code 263107084, index C-101, daily frequency), "Electronic data entry form for registering prices for consumer goods and services" (code 263107084, index C -101e, daily frequency). Statistical forms are available on the website of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat.gov.kz in the section "For respondents" / "Statistical forms"/.
  - 3) Definitions:
  - base object a selected object for monitoring and registering prices in it;
  - registration of prices collection of primary statistical data on prices (tariffs) for the base object a selected object for monitoring and registering prices in it;M
- registration of prices collection of primary statistical data on prices (tariffs) for a representative product a set of certain types of goods in a commodity group, which differ from each other in insignificant features (details) that do not affect the quality and basic consumer properties of goods and are homogeneous in their own way consumer purpose.

## S.4.5 Statistical entity

Large retail facilities with a wide range of products (hypermarkets, department stores, specialty stores), small and medium-sized, as well as mixed and food markets.

S.4.6 General population (principle of selection of survey units)

The choice of basic objects is carried out from their entire set available in the settlement selected for the survey. First, the selection of geographical locations (areas) is carried out, after which the selection of retail objects is carried out within each of these locations.

The statistical business register, telephone business directories, catalogs and other lists of wholesale companies and retail trade organizations are used as a basis for selection.

The choice of basic objects is made subject to the following conditions: 1) objects with different trading conditions are selected. Includes large retail facilities with a wide range of goods and paid services (hypermarkets, department stores, trading houses, specialized stores and facilities that provide a range of paid services), small and medium-sized, selling one or two groups of goods or paid services, clothing, mixed and food markets;

- 2) objects are included in which significant volumes of goods are sold from their total sale in the selected settlement;
- 3) their territorial representativeness is ensured. Includes basic objects located in different parts of the settlement (center, microdistricts, on the outskirts);
  - 4) objects of various forms of ownership are selected;
  - 5) the readiness of employees of basic facilities to participate in the survey, to assist in assessing the quality and representativeness of the goods when registering prices for it is taken into account;
  - 6) objects in which prices for goods sold are slightly higher than the average level are included in the observation provided that they have a high turnover and goods are sold in them, according to their consumer properties and price level, designed for the mass consumer.

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S.4.7 Territorial coverage

Oblasts, cities of republican significance, the capital, districts and cities of regional significance.

S.4.8 Time coverage

The SML has been formed since 1997, there are time series from 1997 to the present.

S.4.9 Base period

S.5 Unit of measurement

Kazakh tenge

S.6 Reporting period

Month

S.7 Legal basis

S.7.1 Legal framework

- 1. Law of the Republic of Kazakhstan dated March 19, 2010 No. 257-IV "On state statistics".
- 2. Law of the Republic of Kazakhstan dated May 19, 2015 No. 314-V 3PK "On minimum social standards and their guarantees".
- 3. The plan of statistical work, approved in accordance with the established legislative procedure of the Republic of Kazakhstan by the Order of the Minister of National Economy of the Republic of Kazakhstan.
- 4. Schedule for the dissemination of official statistical information, approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan.
- 5. Joint order of the acting Minister of Health and Social Development of the Republic of Kazakhstan dated July 27, 2015 No. 623 and acting Of the Minister of National Economy of the Republic of Kazakhstan dated July 31, 2015 No. 585 "On approval of the Rules for calculating the subsistence level and the establishment of a fixed share of expenses for non-food products and services." Registered with the Ministry of Justice of the Republic of Kazakhstan dated August 26, 2015 No. 11944.
- 6. Rules for registration of prices approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated December 26, 2018 No. 16. Registered with the Ministry of Justice of the Republic of Kazakhstan on December 27, 2018 No. 18065.
- 7. Rules for the provision and use for scientific purposes of databases in a de-identified form, approved by order of the Chairman of the Agency of the Republic of Kazakhstan on Statistics dated July 2, 2010 No. 168. Registered with the Ministry of Justice of the Republic of Kazakhstan on August 13, 2010 No. 6388

- 8. "Methodology for constructing the consumer price index", approved by the order of the Acting Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated December 30, 2015 No. 230 and registered with the Ministry of Justice of the Republic of Kazakhstan No. 12955
- 9. Order of the Minister of National Economy of the Republic of Kazakhstan dated December 9, 2016 No. 503 "On the approval of scientifically based physiological norms for food consumption." Registered with the Ministry of Justice of the Republic of Kazakhstan on January 13, 2017 No. 14674.
- S.8. Privacy and data protection
- S.8.1 Privacy policy
- 1. Article 8 of the Law of the Republic of Kazakhstan No. 257-IV dated March 19, 2010 "On state statistics "in accordance with which a guarantee of confidentiality and protection of the submitted data by respondents is ensured.
- 2. Information security policy (hereinafter the Policy) approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated October 31, 2016 No. 252 defines the goals, objectives, guidelines and practical techniques in the field of ensuring information security of the Committee. The main goal of the Policy is to ensure the availability of official statistical information, confidentiality of information stored and processed on the computer equipment of the Committee under the conditions of its integrity and authenticity.
- 3. Article 28 of the Entrepreneurial Code of the Republic of Kazakhstan No. 183 dated October 29, 2015 ensures the protection of information constituting a commercial secret.
- S.8.2 Confidentiality data handling

Rules for the provision and use for scientific purposes of databases in a de-identified form, approved by the order of the Chairman of the Agency of the Republic of Kazakhstan on statistics dated July 2, 2010 No. 168. Registered with the Ministry of Justice of the Republic of Kazakhstan on August 13, 2010 No. 6388.

S.9 Publication Policy

S.9.1 Publication calendar

According to paragraph 1, paragraph 2 of Article 26 of the Law of the Republic of Kazakhstan "On State Statistics" dated March 19, 2010 No. 257, the Schedule for the dissemination of official statistical information is formed.

S.9.2 Graph Access

The schedule for the dissemination of official statistical information is posted on the website of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat.gov.kz in the "Home" / "Basic documents" section.

S.9.3 User access

Official statistical information is to be disseminated in accordance with the schedule for the dissemination of official statistical information in the volumes stipulated by the statistical work plan.

State statistics bodies provide users with equal rights to simultaneous access to high-quality official statistical information and statistical methodology by posting them on the Internet resources of state statistics bodies (Website Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat .gov.kz).

S.10 Frequency of propagation

Month

S.11 Distribution format, accessibility and clarity

## S.11.1 News publications

A press release "The size of the subsistence minimum" is published monthly. Information is posted on the website Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat.gov.kz. News - Press releases of the Committee.

#### S.11.2 Publications

- T.1) The statistical bulletin "The value of the subsistence minimum in the Republic of Kazakhstan" is published monthly
- 2) Express information "The value of the subsistence minimum in the Republic of Kazakhstan" is published monthly on the website of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat.gov.kz in the section "Official statistics" (by industry) / "Price statistics".
- 3) Annual statistical compilations "Prices on the consumer market in the Republic of Kazakhstan", "The standard of living of the population in Kazakhstan" are published on the website of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat.gov.kz in section "Official statistics" (publications) / "Statistical compilations".

## S.11.3.1 Online databases

Information-analytical system "Taldau" in the section "Statistics of living standards".

S.11.3.1 AC1. Data tables-consultation

Not implemented

## S.11.4 Microdata access

Rules for the provision and use for scientific purposes of databases in a de-identified form, approved by the order of the Chairman of the Agency of the Republic of Kazakhstan on statistics dated July 2, 2010 No. 168. Registered with the Ministry of Justice of the Republic of Kazakhstan on August 13, 2010 No. 6388.

S.11.5 Other

S.11.5.1 AC2. Metadata consultation Not implemented

## S.12 Availability of documentation

## S.12.1 Methodology documentation

Joint order of the acting Minister of Health and Social Development of the Republic of Kazakhstan dated July 27, 2015 No. 623 and acting Of the Minister of National Economy of the Republic of Kazakhstan dated July 31, 2015 No. 585 "On Approval of the Rules for Calculating the Subsistence Minimum and Establishing a Fixed Share of Costs for Non-food Products and Services" is available on the website of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan www.stat.gov.kz. Home> RLA in the field of statistics (regulatory legal acts in the field of state statistics)> Orders of the Ministry of National Economy of the Republic of Kazakhstan.

## S.12.2 Quality documentation

- 1. Policy in the field of quality, approved by the order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated April 23, 2015 No. 67.
- 2. Quality objectives Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan, Quality objectives of the Price Statistics Department.
- 3. Documented information of the quality management system: Quality manual; Documented procedures; Instructions; Process maps.
- 4. Standard methodology for describing the process of production of statistical information by state bodies, approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated March 30, 2015 No. 53;
- 5. Methodology for assessing the quality of official statistical information, approved by the Order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan dated May 23, 2018 No. 63.
- S.13 Quality management
- S.13.1 Quality assurance

The quality and reliability of price statistics data are supported by generally accepted procedures

- compliance with the basic principles of primary accounting;
- the use of standard statistical product classifications;
- rotation of sample sets of goods and basic objects selected for price observation;
- annual review of weighing schemes;
- control measures in order to establish the reliability of the registered data by the territorial statistical bodies.

## S.13.2 Quality control

The rules for calculating SML have been developed taking into account the recommendations of international organizations: the International Labor Organization, the World Health Organization, the United Nations.

S.14 Relevance

**S.14.1** Needs

SML satisfies the needs of a wide range of users, internal (industry statistics bodies), external (government bodies, economists, employees of management bodies and financial and economic services of enterprises, organizations, scientific, business and banking workers, faculty, students, the media).

S.14.2 User satisfaction

An annual survey of users of official statistical information is carried out according to the questionnaire Q-002 "Survey of users".

S.14.3 Completeness / R1. Data completeness-share

Not applicable

S.15 Accuracy and reliability (filled in according to the type of observation)

S.15.1 Overall accuracy

The accuracy and reliability of the SML indicator is ensured by conducting an optimally selected observation method

The SML calculation methodology is based on international standards.

S.15.2 Sample errors - indicators / A1.

Cannot be estimated due to targeted sampling.

#### S.15.3 Non-sampling error

Errors not related to sampling are not calculated, since in the absence of information on the price of a specific product in the region, the cost of a food basket is determined taking into account the average retail price for this product in the republic.

S.15.3.1 Coverage error

Cannot be estimated due to targeted sampling.

S.15.3.1.1 A2.Excess coverage-share

Cannot be estimated due to targeted sampling

S.15.3.1.2 A3.Common Units-Ratio

Cannot be estimated due to targeted sampling.

S.15.3.3 No response errors

S.15.3.3.1 A4. Absence unit-fraction

In the absence of information on the price of a specific product in the region, the cost of a food basket is determined taking into account the average retail price for this product in the republic. S.15.3.3.2 A5. No response-share clause

The calculation is not carried out.

S.16 Timeliness and punctuality

S.16.1 Timeliness

S.16.1.1 TP1 Waiting period - first results

The time spent on processing the first results, from the term of submission by the territorial statistical offices to the first publication of the SML, is on average 9 days.

The first results are published on the 30th of the month of the reporting period and are final.

The release dates were approved and published in the Statistical Work Plan and the Schedule for the Dissemination of Official Statistical Information.

S.16.1.2 TP2 Waiting Period - Latest Results

Results are final

S.16.2 Punctuality

S.16.2.1 Punctuality / TP3

The data are published and disseminated in accordance with the Schedule for Dissemination of Official Statistical Information, approved annually by order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan. The terms of publication are set in the Plan of statistical work, approved annually by order of the Chairman of the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan and registered with the Ministry of Justice of the Republic of Kazakhstan.

S.17 Comparability

S.17.1 Geographic comparability

Within the territory of the Republic of Kazakhstan.

S.17.1.1 Asymmetry on Mirror Stream Statistics - Coefficient / CC1 Not.

S.17.2 Comparable time series duration / CC2

Time series SML since 1997 to 2005, from 2006 to 2017, from 2018 to the present time are comparable.

S.18 Consistency

S.18.1 Consistency, external, cross

The main developer of the SML calculation methodology is the Ministry of Labor

and social protection of the population of the Republic of Kazakhstan. The rules for calculating SML are developed taking into account the recommendations of the International Labor Organization, the World Health Organization, the United Nations.

## S.18.2 Internal consistency

SML change is consistent with inflation in major trends.

Price trends of changes in SML and inflation in Kazakhstan for 2008-2018.



#### S.19 Load

Registration of prices for consumer goods is carried out by specialists of territorial statistical bodies. The collection of prices is carried out on paper and electronically using tablets.

Information processing processes are automated using local software systems, control of input and output information, procedures for imputing missing data are provided.

There is no duplication with other studies. No administrative data or other sources are used.

S.20 Revision of data

S.20.2 Revision of data / A6

There has been no revision of the data since 1997.

S.21 Processing of statistical data

## **S.21.1** Input

SML is formed on the basis of data from national statistical observations of prices of consumer goods (form C-101).

The statistical form is intended for registration by territorial statistical bodies of prices and tariffs for goods - representatives in the basic objects of trade, services. The collection of price information is carried out directly at the points of sale of the goods. In the selected base object, prices are recorded for specific types of goods and services on the same day of the month (day of the week) as in the previous period. Deviation is allowed for no more than 1-2 days.

Changes in prices for consumer goods are monitored for a sample of basic objects and goods.

To calculate the SML, the structure of the food basket for various social and gender and age groups of the population of the Republic of Kazakhstan is used, which is given in sections 8, 9 and 10 of the scientifically grounded physiological norms of food consumption, approved by order of the Minister of National Economy of the Republic of Kazakhstan dated December 9, 2016 No. 503 " On the approval of scientifically grounded physiological norms of food consumption "(registered in the Register of State Registration of Normative Legal Acts under No. 14674).

## S.21.2 Inspection frequency month

## S.21.3 Method (method) of collecting primary statistical data

The prices for food products are registered on a monthly basis by the specialists of the territorial statistical bodies in each locality for which the SML is calculated. Average prices for food products are published monthly in the bulletins "Retail prices for basic food products in the Republic of Kazakhstan", "Retail prices for goods and services in cities and regional centers of the Republic of Kazakhstan" on the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan in the section "Official statistics (by industry)", subsection "Price statistics".

## S.21.4 Reliability of primary statistics

The prices of consumer goods are constantly compared with the dynamics of producer prices, wholesale prices, alternative sources of information (mass media, the Internet and other organizations). Territorial statistical bodies organize control trips to basic facilities during the price registration procedure. Also, the Bureau of national statistics of the Agency for strategic planning and reforms of the Republic of Kazakhstan carries out control activities in order to establish the reliability of the registered data by the territorial statistical bodies.

## S.21.5 Imputation - share / A7

The imputation is carried out in accordance with clause 11 of the SML Calculation Rules. The following implicit methods are also used:

- 1) the method of "direct comparison of prices" is used to compare directly the price of a replacement product with the price of an absent one, provided they are fully comparable in quality. Any price changes are unaffected by quality changes.
- 2) the method of "direct price comparison" is used to maintain the consistency of the quality of goods, if the replacement product is representative and in demand among the population.
- 3) the "matching" method is used to adjust the base price of the missing item to the price of the replacement for the previous period. Replacement by adjusting the reference price of the missing item is made when the replacement item is not comparable to the missing item. All the difference in price at a single point in time between an absent product and its substitute is due to a difference in quality.

- 4) the "imputation of the total average" method is based on the assessment of changes prices for missing goods using the average change in prices for goods in one group. The resulting price change value is used to impute the price of the missing item. The net difference in price between the missing item and its substitute is equal to the average price change for the remaining items.
- 5) the "imputation of the middle class" method differs from the "imputation of the general average" method in that the change in prices for equivalent goods is used to estimate changes in prices for missing goods.
- 6) the method of "transferring prices to the next period". When calculating price changes, the price of the previous period is used, which is carried over to the subsequent period. This method is used for temporarily absent goods, when there is information about its future receipts.

S.21.6 Correction

There are no statistical procedures and software used to adjust the time series.

S.21.6.1 Seasonal adjustment

Seasonal products like tomatoes and cucumbers are included in the SML calculation for only five months (June - October), watermelons and grapes - for three months (August - October).

S.22 Notes

Continue work to ensure the quality of statistical data.