

**Step 1:** Obtain sample survey microdata and small area constraints

<u>Survey microdata</u>				<u>Known small area constraints</u> [Published small area census tabulations]			
Household	Characteristics			1. Household size (persons per household)		2. Age of occupants	
	size	adults	children	Household size	Frequency	Type of person	Frequency
(a)	2	2	0	1	1	adult	3
(b)	2	1	1	2	0	child	2
(c)	4	2	2	3	0		
(d)	1	1	0	4	1		
(e)	3	2	1	5+	0		
				<b>Total</b>	<b>2</b>		

**Step 2:** Randomly select *two* households from survey sample [ (a) & (e) ] to act as an initial small-area microdata estimate

**Step 3:** Tabulate selected households and calculate (absolute) difference from known small-area constraints

Household size	Estimated Frequency (i)	Observed Frequency (ii)	Absolute difference   (i)-(ii)	Age	Estimated Frequency (i)	Observed Frequency (ii)	Absolute difference   (i)-(ii)
1	0	1	1	adult	4	3	1
2	1	0	1	child	1	2	1
3	1	0	1	<i>Sub-total:</i>			2
4	0	1	1	<b>Total absolute difference = 4 + 2 = 6</b>			
5+	0	0	0				
<i>Sub-total:</i>			4				

**Step 4:** Randomly select one of selected households (a or e). Replace with another household selected at random from the survey sample, provided this leads to a reduced total absolute difference

Households selected: (d) & (e) [Household (a) replaced]

Tabulate selection and calculate (absolute) difference from known constraints

Household size	Estimated Frequency (i)	Observed Frequency (ii)	Absolute difference   (i)-(ii)	Age	Estimated Frequency (i)	Observed Frequency (ii)	Absolute difference   (i)-(ii)
1	1	1	0	adult	3	3	0
2	0	0	0	child	1	2	1
3	1	0	1	<i>Sub-total:</i>			1
4	0	1	1	<b>Total absolute difference = 2 + 1 = 3</b>			
5+	0	0	0				
<i>Sub-total:</i>			2				

**Step 5:** Repeat step 4 until no further reduction in total absolute difference is possible:

**Result:** Final selected households: (c) & (d)

Household size	Estimated Frequency (i)	Observed Frequency (ii)	Absolute difference   (i)-(ii)	Age	Estimated Frequency (i)	Observed Frequency (ii)	Absolute difference   (i)-(ii)
1	1	1	0	adult	3	3	0
2	0	0	0	child	2	2	0
3	0	0	0	<i>Sub-total:</i>			0
4	1	1	0	<b>Total absolute difference = 0 + 0 = 0</b>			
5+	0	0	0				
<i>Sub-total:</i>			0				

**Figure 1** A simplified combinatorial optimisation process