## **ABSTRACT**

The study analyzed the willingness to pay for improved water supply services by households in Lahore. A two stage random sampling technique was employed to select two hundred and fifty-seven households from WASA's jurisdiction area. Methods of data analyses involved the use of descriptive statistics and logistic regression model for the sampled households. Fifty two percent of sampled households were less than 30 years while the average age was 33 years. The educational level among the households sampled was high with 71.2 percent having post secondary school education. On the average, households in the study area paid Rs.860 per two month for water charges depending on level of household consumption. Ninety two percent of the households were willing to pay for improved water supply services. The logistic regression estimates, however, revealed that age, Plot Size, Primary source of drinking and washing water, Capability to pay for improved water in term of rupees and time spend per day for obtaining water were statistically significant at P < 0.05 and P < 0.1 respectively. The satisfaction of sewage disposal with other factors by using bivariate analysis has also been analyzed and applied logistic regression technique by using forward likelihood ratio method and it was found that primary means of water disposal, Predominant problem of current sewage system, Willingness to pay for sanitation and water borne diseases were statistically significant in the estimated model.