Highlights of the 2015/16 Kenya Integrated Household Budget Survey (KIHBS) Reports

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Director General KNBS
Outline of the Presentation

• Introduction
• Background of the Survey
• Results
  • Basic Report
  • Labour Report
  • Poverty Report
Introduction

Rationale for Implementation of 2015/16 KIHBS

• Provide updated parameters for sharing of national resources as provided in the Constitution of Kenya, 2010

• Provide a wide range of national and county-specific indicators necessary for assessment of the living standards of the population.
Introduction…Cont’d

• Monitoring the impact of the Implementation of the devolved system of Government

• Monitor and evaluate Government programmes. eg Medium Term Plan (MTP II) and to provide benchmark indicators for Medium Term Plan III

• Provide indicators for monitoring Sustainable Development Goals (SDGs) and Agenda 2063
Survey Objectives

The objectives of the 2015/16 KIHBS were:

• Computation of updated poverty and inequality indicators at national and county levels

• Computation of updated labour force indicators

• Computation of updated consumption baskets to produce new Consumer Price Index (CPI) series

• Provide requisite data for the System of National Accounts (SNA)
Background of the Survey

History of Household Budget Surveys (HBS): -

• 1981/82 Rural Household Budget Survey (RHBS)
• 1983/84 Urban Household Budget Survey (UHBS)
• 1993/94 Urban Household Budget Survey (UHBS)
• 2005/06 Kenya Integrated Household Budget Survey (KIHBS)

• **2015/16 Kenya Integrated Household Budget Survey KIHBS**
  • Survey conducted over a 12-month period to capture seasonality- from September 2015 to August 2016.

• Recommended duration for implementation of Household Budget Surveys is once every five years
Methodology

• 2015/16 KIHBS targeted a sample of **24,000** households drawn from 2400 clusters

• Sampling - The sampling for the survey was done in two stages.
  
  • In the first stage, a total of **2,400** clusters (988 in urban and **1,412** in rural areas) were sampled from NASSEP V sampling frame
  
  • The second stage involved selection of **10 households** (from each cluster) out of which **five** households were randomly selected for the administration of diaries
Survey Instruments

- **Three** main questionnaires and **two** dairies were administered to the household.
- One market questionnaire and a community questionnaire.
- Survey instruments were administered using the Paper Assisted Personal Interview (PAPI).
Response Rates

• Data was obtained from 21,773 Households representing a response rate of 91.3 Per cent

• Response rate for rural households was 93.6% while that for Urban areas was 88.0%.

• The non-response albeit low was occasioned by insecurity and unavailability of households due to nomadism in some parts of the country.
RESULTS

1. Basic Report
Household Characteristics... Cont’d

Household Size

• Average Household sizes
  • Nationally 4.0
  • Rural 4.5
  • Urban 3.3

• Relatively high average household sizes were recorded in ASAL counties of Wajir (6.6), Garissa (5.5) and Mandera (6.4)

• Counties with smaller household sizes included Nyeri (2.9), Nairobi City (3.0) and Mombasa (3.0)
Household Headship

- Male headed-households: 67.6%
- Female headed-households: 32.4%
Household Characteristics Cont’d

Orphanhood

• An orphan was defined as a child aged 18 years and below who had lost one or both parents at the time of the survey.

• Overall, 8.4 per cent of the children aged 0-17 years were orphans.

• More orphans were living in the rural areas (8.7%) than in urban areas (7.7%).

• Counties with high proportion of orphans were Migori (21.4%), Siaya (16.0%), Homa Bay (15.0%) and Turkana (12.6%)

• Bomet County had the lowest proportion of orphans at 4.6 per cent.
Housing Conditions and Amenities…Cont’d

• Ownership

• Nationally, 59.5 per cent of the households owned the dwellings they were living in
  • Out of which
    • 85.2% were rural households
    • 26.1% were in Urban areas
Housing Conditions and Amenities...Cont’d

• **Drinking Water**

  The findings show that **72.6** per cent of households have access to improved drinking water sources (piped; protected wells and springs; boreholes).

• **Disposal of Waste**

  **Six out ten** households had access to improved human waste disposal methods (Flush toilet, VIP pit latrine).
Education

• School Attendance

• Nationally, 89.4 per cent of the population aged three years and above reported having ever attended school.

• Nairobi City and Kisumu Counties registered the highest proportion that had ever attended school at 97.5 per cent a piece.

• Garissa, Marsabit, Mandera, Wajir, Turkana, and Samburu Counties reported low proportions of school attendance of below 50%.
General Health Characteristics

Health Seeking Behaviour

• Majority of the individuals (55.5 %) with sickness or injury visited a health worker at a health facility for diagnosis.

Health Insurance Cover

• Survey findings showed that the proportion of the population that had a health insurance cover was 19.0 per cent

Child Health

• Regarding child deliveries, the findings revealed that three out of ten children were delivered at home.
Nutrition

Nutritional Status of children

• Nationally, 29.9 per cent of the children were moderately stunted.

• Overall, 13.0 per cent of children were moderately wasted while 6.7 per cent were moderately underweight.
Sources of Credit

- **Merchant/Shop**: 28.2%
- **Self-Help Groups/Chamas**: 19.4%
- **Relatives/Friends/Neighbours**: 14.0%
- **SACCOs**: 11.2%
- **Commercial Banks**: 8.8%
- **Mobile Phone Platform**: 7.6%
- **Micro-Finance Institution**: 5.3%
- **Employer**: 1.3%
- **Money Lender (Shylock)**: 1.2%
- **NGOs**: 1.2%
- **Government Funds**: 1.2%
- **Other**: 0.3%
- **Religious Institution**: 0.2%
- **Not Stated**: 0.0%
- **Insurance Company**: 0.0%
- **Mortage Finance**: 0.0%
Household Transfers

- Transfers constitute income, in cash or in kind, that the household receives without working for it and it augments household income by improving its welfare.

- Nationally, **three out of ten** households received cash transfers.

- High proportions of households receiving cash transfers from the National Government were reported in Mandera, Marsabit, Wajir and Turkana Counties.
Uses of Transfers

- National
- Rural
- Urban

- Education/School fees
- Food
- Rent/housing
- Clothing
- Debt repayment
- Health Care
- Business/Investment
- Other

Chart showing the percentage distribution of transfers for education, food, rent/housing, clothing, debt repayment, health care, business/investment, and other categories.
Information and Communication Technology

Mobile Phone Ownership

• Three out of four individuals 18 years and above owned a mobile phone

ICT Equipment

• The most commonly used ICT equipment is the radio and mobile phone, reported by 79.3 per cent and 68.5 per cent of individuals aged 3 years and above, respectively.
Domestic Tourism

• Nationally, 13.4 per cent of individuals reported to have travelled within Kenya in the 3 months preceding the survey.

• Visiting friends and relatives was reported by the highest proportion (71.1%) of individuals who took trips.

• Majority (66.4%) of those who took a trip reported that they sponsored themselves.

• Transport costs accounted for the largest share (38.4%) of expenditure on domestic tourism.
RESULTS

2. Labour Report
## Distribution of the Population

### Population 15-64

<table>
<thead>
<tr>
<th>Year</th>
<th>Base Population (Million)</th>
<th>Total Labour Force (Million)</th>
<th>Employed (Million)</th>
<th>Unemployed (Million)</th>
<th>Economically Inactive (Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005/06</td>
<td>19.9</td>
<td>14.6</td>
<td>12.7</td>
<td>1.9</td>
<td>5.3</td>
</tr>
<tr>
<td>2009</td>
<td>20.5</td>
<td>15.8</td>
<td>14.2</td>
<td>1.5</td>
<td>4.7</td>
</tr>
<tr>
<td>2015/16</td>
<td>25.0</td>
<td>19.3</td>
<td>17.9</td>
<td>1.4</td>
<td>5.6</td>
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</table>
# Key Indicators of the Labour Market

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2005/06</th>
<th>2009</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour Force Participation Rate (per cent)</td>
<td>72.6</td>
<td>76.7</td>
<td>77.4</td>
</tr>
<tr>
<td>Employment to Population Ratio</td>
<td>69.3</td>
<td>69.3</td>
<td>71.6</td>
</tr>
<tr>
<td>Unemployment Rate (per cent)</td>
<td>12.7</td>
<td>9.7</td>
<td>7.4</td>
</tr>
<tr>
<td>Underemployment Rate (per cent)</td>
<td>18.7</td>
<td>15.2</td>
<td>20.4</td>
</tr>
<tr>
<td>Labour Under Utilisation</td>
<td></td>
<td></td>
<td>26.4</td>
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</table>
Percentage of Active Population by Age Cohorts

<table>
<thead>
<tr>
<th>Age Groups</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>5-9</td>
<td>6.0</td>
</tr>
<tr>
<td>10-14</td>
<td>15.6</td>
</tr>
<tr>
<td>15-19</td>
<td>32.4</td>
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<tr>
<td>20-24</td>
<td>70.6</td>
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<td>25-29</td>
<td>89.8</td>
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<tr>
<td>30-34</td>
<td>93.8</td>
</tr>
<tr>
<td>35-39</td>
<td>95.6</td>
</tr>
<tr>
<td>40-44</td>
<td>96.2</td>
</tr>
<tr>
<td>45-49</td>
<td>95.8</td>
</tr>
<tr>
<td>50-54</td>
<td>94.9</td>
</tr>
<tr>
<td>55-59</td>
<td>93.4</td>
</tr>
<tr>
<td>60-64</td>
<td>86.3</td>
</tr>
<tr>
<td>65+</td>
<td>66.0</td>
</tr>
<tr>
<td>Not Stated</td>
<td>56.8</td>
</tr>
<tr>
<td>Total</td>
<td>55.5</td>
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</tbody>
</table>
Working Patterns of Population (15 – 64)
Unemployment Rate – Labour Underutilisation 1 (LU1)

<table>
<thead>
<tr>
<th>Age Cohort</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19</td>
<td>14.9</td>
<td>19.2</td>
<td>17.7</td>
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<tr>
<td>20-24</td>
<td>9</td>
<td>10.6</td>
<td>9.8</td>
</tr>
<tr>
<td>25-29</td>
<td>4.6</td>
<td>5.6</td>
<td>5.1</td>
</tr>
<tr>
<td>30-34</td>
<td>3.7</td>
<td>2.7</td>
<td>3.2</td>
</tr>
<tr>
<td>35-39</td>
<td>2.7</td>
<td>1.8</td>
<td>2.3</td>
</tr>
<tr>
<td>40-44</td>
<td>1.8</td>
<td>1.6</td>
<td>1.8</td>
</tr>
<tr>
<td>45-49</td>
<td>1.6</td>
<td>1.9</td>
<td>1.8</td>
</tr>
<tr>
<td>50-54</td>
<td>1.9</td>
<td>1.6</td>
<td>1.8</td>
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<td>55-59</td>
<td>1.6</td>
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<td>1.6</td>
</tr>
<tr>
<td>60-64</td>
<td></td>
<td>5.6</td>
<td>3.8</td>
</tr>
</tbody>
</table>

Per cent
Under-employment rate by Age (15-64) and Residence.
Under Utilization - Combined Rate of Time Related Under-Employment and Unemployment (LU2)
RESULTS

3. Poverty Report
Poverty Measures

• **Poverty Headcount Index**

Poverty headcount, also known as incidence of poverty, measures the proportion of the population that cannot afford the basic basket of goods as measured by a predetermined threshold.

• **Poverty Gap**

The poverty gap index /depth of poverty provides information on how much poorer the poor people are relative to the poverty line.

• **Severity of Poverty**

Poverty severity is a better measure to assess how poor the poor are.
Poverty Measures...Cont’d

• **Food Poverty:** Households and individuals whose monthly adult equivalent food consumption expenditure per person is less than KSh **1,954** in rural and peri-urban areas and less than KSh **2,551** in core-urban areas respectively are considered to be food poor or live in “food poverty”.

• **Overall Poverty:** Households and individuals whose monthly adult equivalent total consumption expenditure per person is less than KSh **3,252** in rural and peri-urban areas and less than KSh **5,995** in core-urban areas are considered to be overall poor or live in “overall poverty”.

• **Hardcore or Extreme Poverty:** Households and individuals whose monthly adult equivalent total consumption expenditure per person is less than KSh **1,954** in rural and peri-urban areas and less than KSh **2,551** in core-urban areas respectively are considered to be hardcore poor or live in “hardcore or extreme poverty”.
Summary of Poverty Measures...Cont’d

• Nationally, the proportion of population living below the overall poverty line was 36.1%.

• Survey results showed that 32.0% of the population were living below the food poverty line while 8.6% were found to be experiencing hardcore/extreme poverty.

• Overall poverty head count was comparatively higher in rural areas (40.1%) than in peri-urban (27.5%) and core-urban areas (29.4%).
Comparisons in Poverty Incidence between 2005/06 and 2015/16

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Place of Residence</th>
<th>2005/06</th>
<th>2015/16</th>
<th>10 year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Poverty Rate (%)</td>
<td>National</td>
<td>46.6</td>
<td>36.1</td>
<td>-10.5</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>49.7</td>
<td>40.1</td>
<td>-9.6</td>
</tr>
<tr>
<td></td>
<td>Peri-Urban</td>
<td>n/a</td>
<td>27.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Core-Urban</td>
<td>34.4</td>
<td>29.4</td>
<td>-5</td>
</tr>
<tr>
<td>Food Poverty Rate (%)</td>
<td>National</td>
<td>45.8</td>
<td>32.0</td>
<td>-13.8</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>47.2</td>
<td>35.8</td>
<td>-11.4</td>
</tr>
<tr>
<td></td>
<td>Peri-Urban</td>
<td>n/a</td>
<td>28.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Core-Urban</td>
<td>40.4</td>
<td>24.4</td>
<td>-16</td>
</tr>
<tr>
<td>Extreme or Hardcore Poverty Rate (%)</td>
<td>National</td>
<td>19.5</td>
<td>8.6</td>
<td>-10.9</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>22.3</td>
<td>11.2</td>
<td>-11.1</td>
</tr>
<tr>
<td></td>
<td>Peri-Urban</td>
<td>n/a</td>
<td>6.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Core-Urban</td>
<td>8.3</td>
<td>3.4</td>
<td>-4.9</td>
</tr>
<tr>
<td>Population Living in Overall Poverty (Million)</td>
<td>National</td>
<td>16.6</td>
<td>16.4</td>
<td>-0.2</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>14.1</td>
<td>11.7</td>
<td>-2.4</td>
</tr>
<tr>
<td></td>
<td>Peri-Urban</td>
<td>n/a</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Core-Urban</td>
<td>2.5</td>
<td>3.8</td>
<td>1.3</td>
</tr>
</tbody>
</table>
Expenditure Shares (%)
# Measures of Poverty

<table>
<thead>
<tr>
<th>Residence</th>
<th>Head Count (Rate)</th>
<th>Poverty Gap</th>
<th>Severity of Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>36.1</td>
<td>10.4</td>
<td>4.5</td>
</tr>
<tr>
<td>Rural</td>
<td>40.1</td>
<td>11.5</td>
<td>5</td>
</tr>
<tr>
<td>Peri-Urban</td>
<td>27.5</td>
<td>6.9</td>
<td>2.6</td>
</tr>
<tr>
<td>Core-Urban</td>
<td>29.4</td>
<td>8.9</td>
<td>3.9</td>
</tr>
</tbody>
</table>
Incidence of Overall Poverty, by County
Poverty Headcount (%), by County
Number of Overall Poor at County Level

[Map showing the number of overall poor at county level in Kenya]
Next steps

• In depth analysis of 2015/16 KIHBS data to produce more detailed analytical reports

• Uploading of anonymized data for use by researchers

• Implementation of the Continuous Household Survey Programme (CHSP)-derive high frequency poverty estimates and labour force
THANK YOU