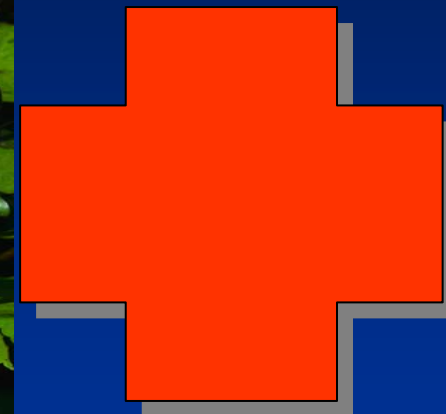
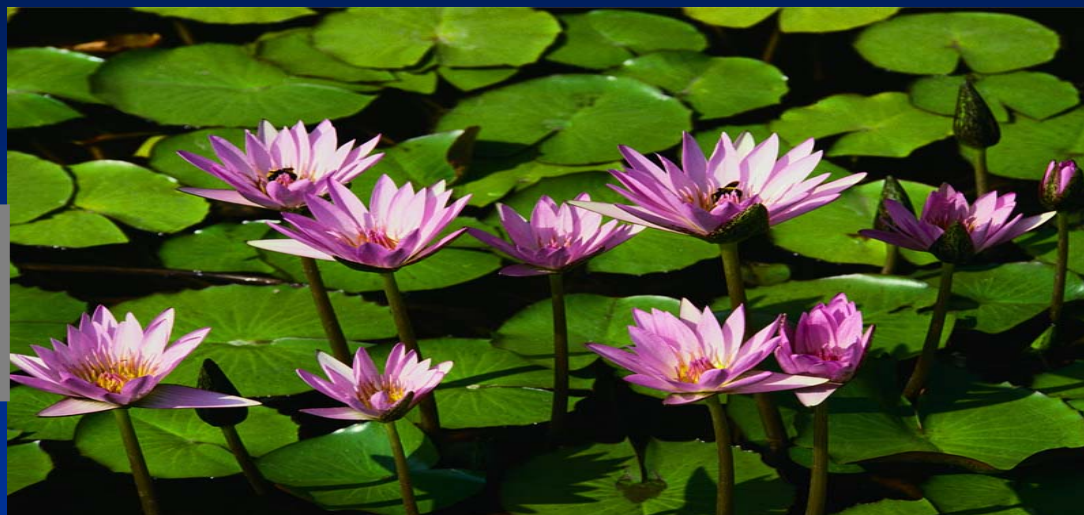
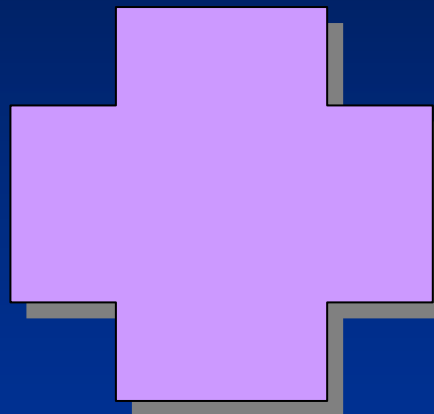


# THE 2004/05 KENYA INTEGRATED HOUSEHOLD BUDGET SURVEY [KIHBS]



## **PADI WORKSHOP**

**Prof. Dankit Nassiuma, KIHBS Project Manager**

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# BACKGROUND

- ❑ Need for objective evidence based policy making in Kenya
- ❑ The “Economic Recovery Strategy (ERS) for Wealth and Employment Creation” –lays a framework for national development and poverty reduction and specifies policy and monitoring needed.
- ❑ The need for improved techniques and statistics for the design and implementation various development programs.
- ❑ Outdated statistics on crucial variables such as poverty, consumption patterns, and living standards in Kenya.

# BACKGROUND

- ❑ Rapidly increasing demand for statistical data for the evaluation of development programs for economic recovery and national development e.g ERS, MDGs, PRS.
- ❑ A principal goal in the Strategic Plan is to design and conduct household surveys in an integrated framework (timing of surveys and sampling design).
- ❑ Emphasis on the provision of regular updates of key indicators to be monitored (e.g. measures of poverty and well-being).

# OBJECTIVES

## 1. *UPDATE THE URBAN CONSUMER PRICE INDEX (CPI) AND ESTABLISH THE RURAL ONE*

- Measuring inflation, Comparing price movements, Deflating incomes and consumption/expenditure for estimating changes in real incomes
- Indexing: license fees, pensions and social benefit payments, agricultural wages; setting tax allowances/tax thresholds
- Providing a point of reference for evaluating changes in wages and salaries

# OBJECTIVES

## 2. MEASURE AND MONITOR POVERTY AND LIVING STANDARDS

1. Income Poverty: (Headcount poverty, Poverty gap, Food poverty, Hardcore poor).
2. Income Inequality (Gini Coefficient, income distributions by area and socioeconomic groups)
3. Social Economic Dimensions of Income Poverty: poverty status by socio economic factors e.g employment groups, education classes, health status, household amenities, water source etc.  
(at national, provincial, and district levels)

# OBJECTIVES

## 3. **NATIONAL ACCOUNTS:** *(For monitoring overall macroeconomic growth).*

- Provide data on type and cost of household consumptions for computing Gross Domestic Product (GDP).
- Measure flow of goods and services
- Provide coverage of purchases from small-scale retailers and service providers.
- Provide information on payments for domestic workers, services received in-kind and payments for licenses and fees.
- Collect data that will estimate household savings.
- Provide data to estimate the number of small-scale household enterprises.

# OBJECTIVES

4. TO UPDATE EMPLOYMENT STATISTICS;
5. TO COLLECT DATA ON VARIOUS SOCIO-ECONOMIC CIRCUMSTANCES OF THE KENYAN POPULATION e.g. EDUCATION, HEALTH, COOKING AND LIGHTING FUEL (ENERGY), HOUSING, WATER AND SANITATION
6. TO PROVIDE INFORMATION AT THE DISTRICT LEVEL IN ORDER TO SUPPORT THE M&E ACTIVITIES OF THE ERS, MDG'S AND OTHER GOVERNMENT POLICIES AND PROGRAMMES AT THAT LEVEL.

# OBJECTIVES

7. **Need a comprehensive consumption and expenditure survey** to identify the proxy indicators correlated with consumption levels (and thus poverty status), e.g ownership of certain assets, education levels and type of dwelling.
8. **Provide information on initiatives** such as infrastructure investments, school feeding programs, pension and health insurance e.t.c. to provide data for policy relevant socio-economic analysis.
9. The KIHBS 2004/05 will **serve as a baseline survey** for continued monitoring of key poverty and welfare indicators.

# PROJECT COMPONENTS

- ✓ Initial Planning and proposal development
- ✓ Financial sourcing
- ✓ Logistical and administrative framework
- ✓ Pilot survey
- ✓ Household re-listing
- ✓ Recruitment and training
- Main survey fieldwork
- Data entry and Analysis
- Reports and Dissemination

# PILOT SURVEY

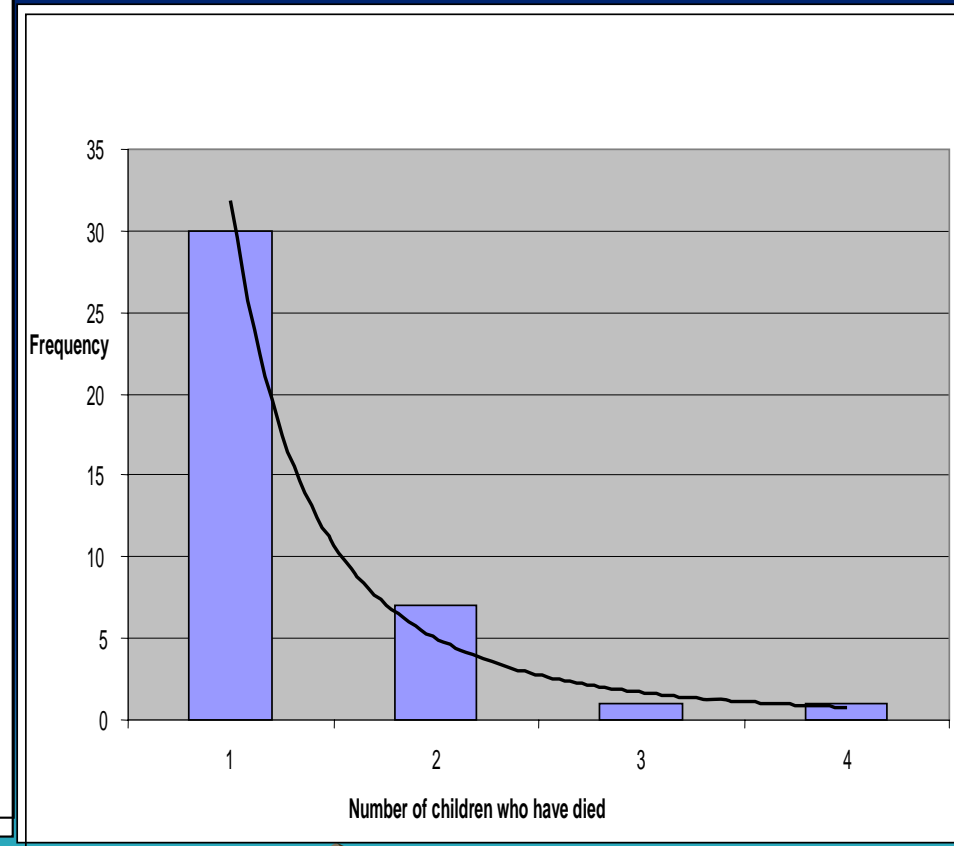
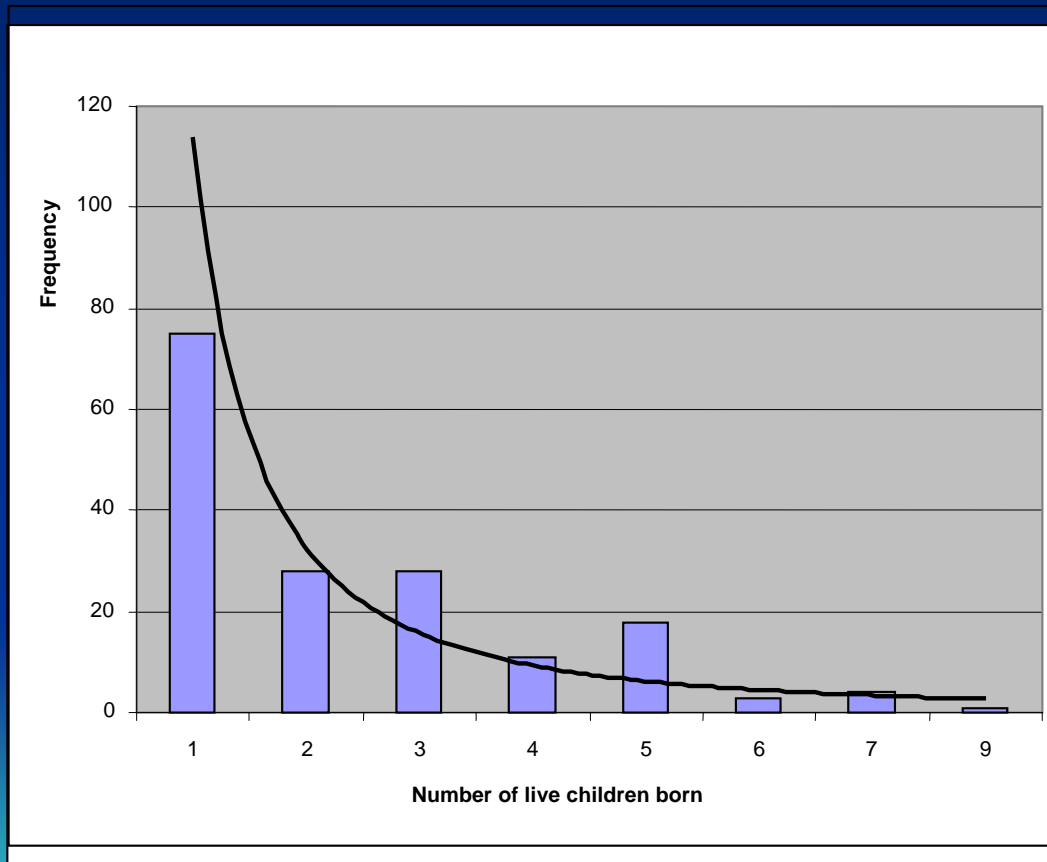
- The pilot survey field work was carried out from November 9th to 30th November 2004 [3 weeks (one cycle)] to test the technical, administrative and logistical preparedness to undertake the main survey.
- It covered 3 districts per province in 7 Provinces and one District in North Eastern Province.
- During this period, various field supervisory and evaluation activities were carried out to ensure quality control.

# OBSERVATIONS

- Among the respondents, 51.8% were female.
- The age profile shows that 59.2% were 20 years or less while 11.4% were over 50 years and 1.8% were over 80 years.
- The educational profile shows that 72.3% of the HH members have attended school at one time or another.
- Thirty five percent (35%) of the respondents cannot read at all while 25.6% cannot write in any language.
- Among the respondents, 22.6% sleep under nets for protection from mosquitoes. Only 9.3% of these use nets that are treated.

# FERTILITY

- An average of 2.4 live children per woman.
- The mean number of children who have died are 1.37 per woman



# LABOUR

- 80% of the respondents were not employed
- 3.3% of those who were employed worked for 12 months in a year.
- 94.5% of the employed people are not trade union members.

Employment Status			Trade Union Membership		
Response	Frequency	%	Membership	Frequency	%
Employed	118	12.0	Yes	6	5.5
Unemployed	862	88.0	No	104	94.5

The majority of people are employed by individuals.

More than 80% of those employed earn less than KES 10,000.

Most households have one or two domestic workers.

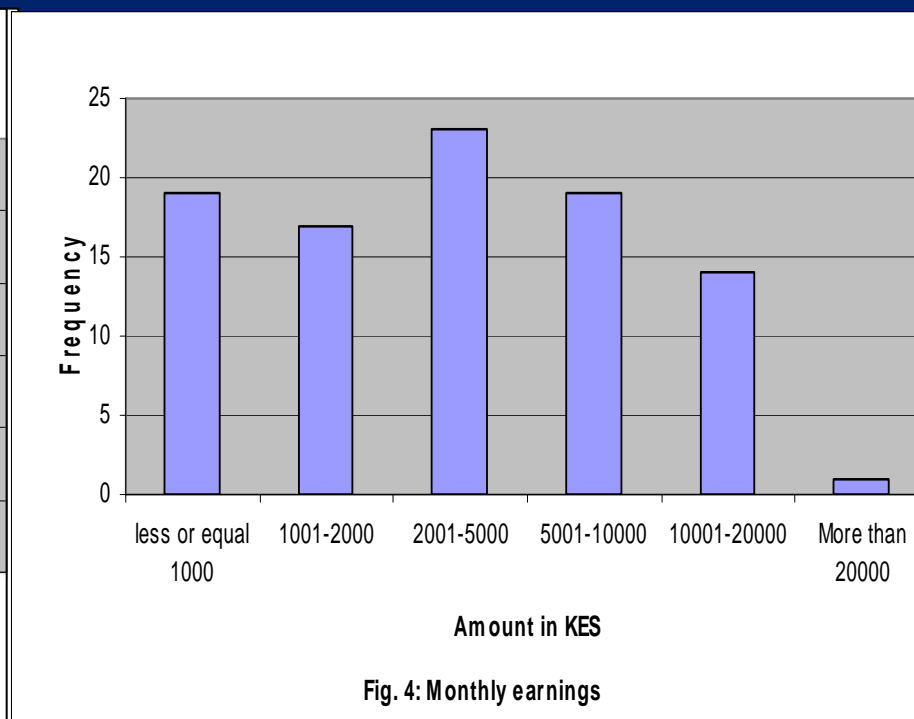
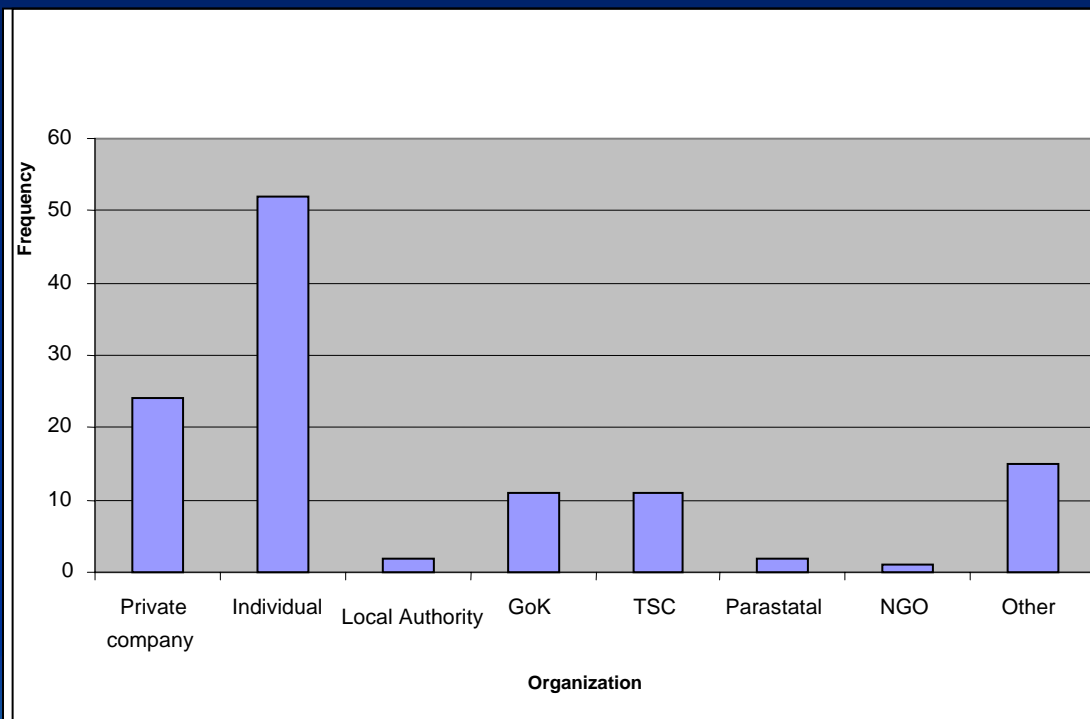


Fig. 4: Monthly earnings

# Water

- The majority of households get their water from rivers, ponds and streams.
- 5.9% of respondent households have piped water
- 66.3% store drinking water in buckets and jericans
- 16.1% store water in drums.
- About 81.6% of the respondents spent at most one hundred shillings for the purchase of drinking water per month.

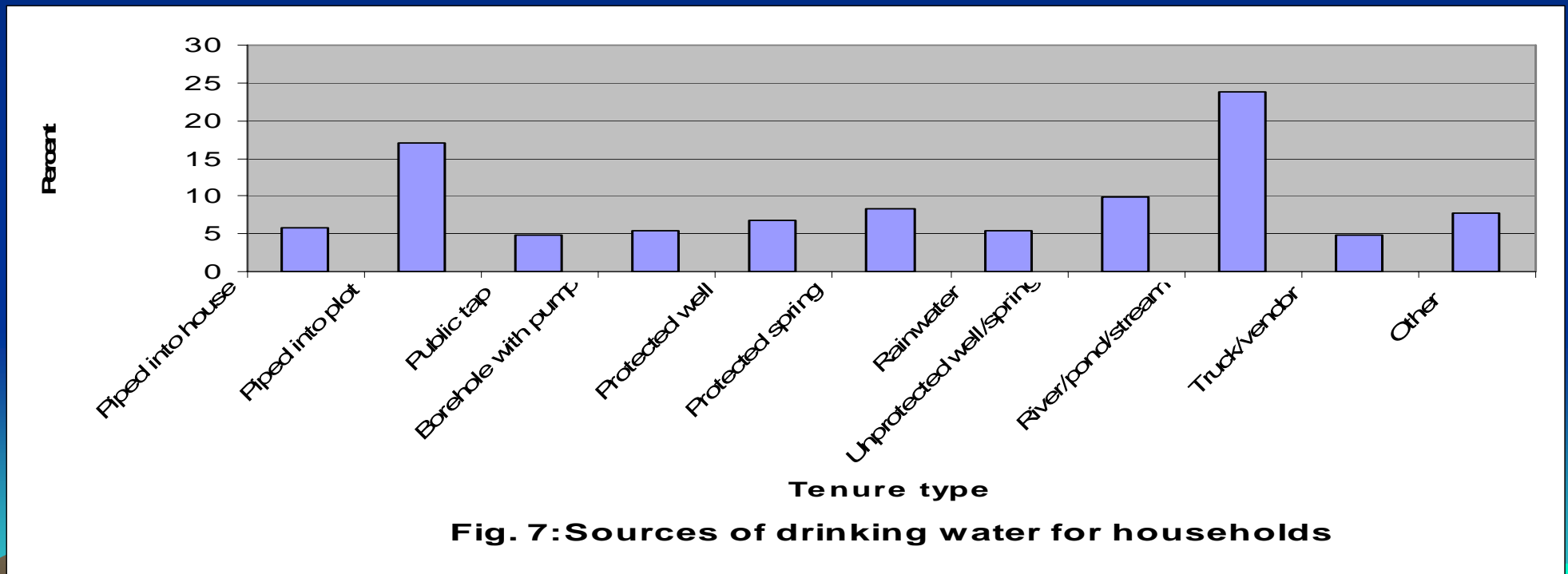


Fig. 7: Sources of drinking water for households

# ENERGY

- ❖ The major source of lighting in households is paraffin (70.2%) followed by firewood (17.1%) and electricity (7.8%).
- ❖ Most people who use paraffin also use firewood as minor sources of lighting

<b>Source of lighting</b>	<b>Frequency</b>	<b>Percent</b>	<b>Minor source</b>
Collected firewood	27	13.2	Paraffin
Purchased firewood	8	3.9	Paraffin
Grass	2	1.0	Paraffin
Paraffin	144	70.2	Firewood/Torch
Electricity	16	7.8	Paraffin
Dry cells torch	1	.5	none
Solar	5	2.4	Paraffin

# Consumption and Recall

More items were recorded by the households from the diaries as compared to the recall as.

<b>Mode</b>	<b>Number of items</b>
Diary- consumption	3343
Diary- purchase	3038
Recall- consumption	1011
Recall- purchase	2763

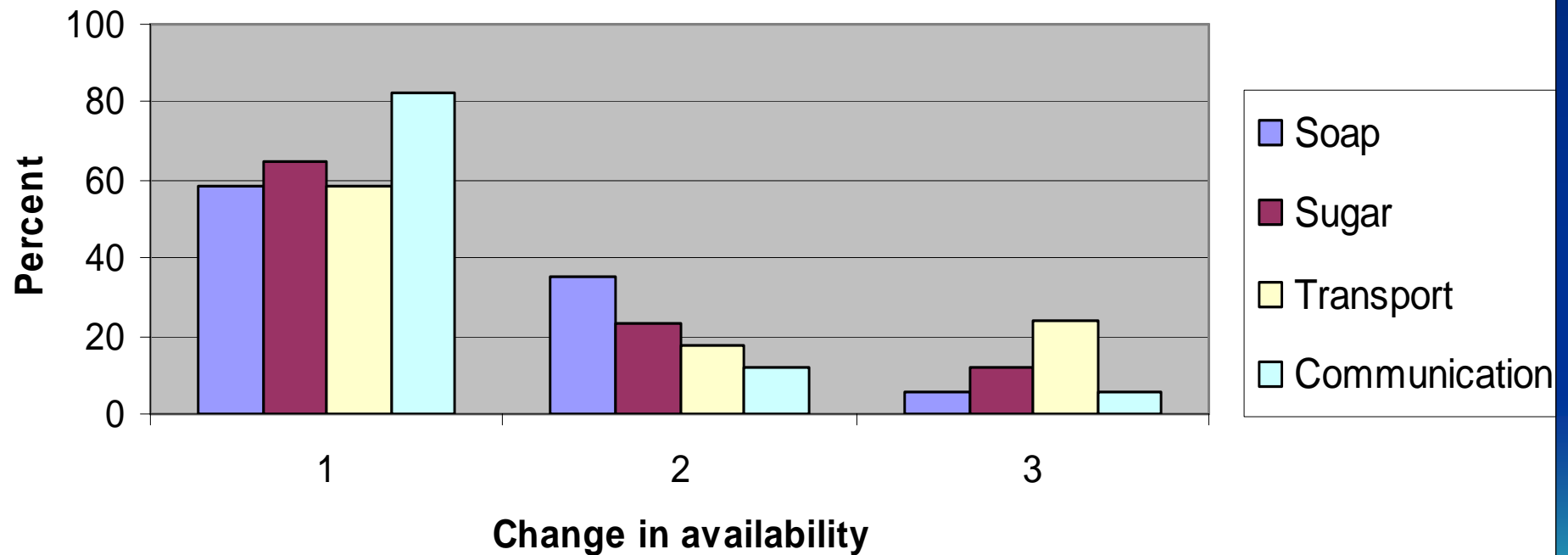
# AGRICULTURE

- More than 67% of the households have at most one acre of land and only 5.2% own more than five acres.
- 15.7% of respondents are landless
- There is a general reducing trend in size of land when compared with the observations of 1993/94 where 17.5% of the households owned at least five acres.
- 41% of the respondents have title deeds to their land parcels.
- The acreage under crop farming in most cases is less than half an acre.
- More than 73% of the farm earnings are less than KES 5,000 in a year

# AVAILABILITY OF COMMODITIES

The majority of respondents felt that the availability of commodities had increased over the past five years.

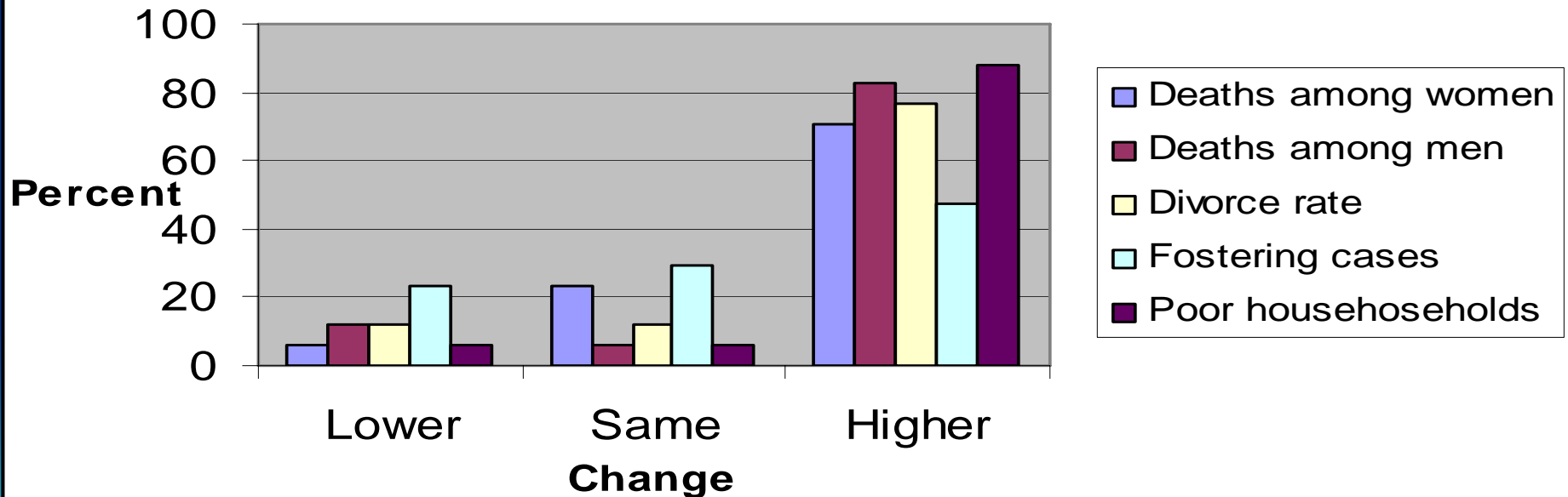
Fig. 10: Availability of commodities compared to five years ago



# CHANGES IN INCIDENCES

- The highest increases have been in the number of poor households
- All communities felt that the difference between the rich and the poor was much higher now as compared to five years ago.

**Fig. 11: Changes in incidences over the past five years**



# CONTRIBUTING FACTORS

- **Factors that have contributed to people being worse off economically include**
  - Increase in prices of basic commodities
  - Job layoffs
  - Human disease
  - Crop diseases
  - Livestock diseases
  - Drought
  
- **Factors that have contributed to people being well off include**
  - New development projects
  - New health facilities
  - Employment opportunities

THE END