



# KENYA NATIONAL BUREAU OF STATISTICS

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## QUARTERLY LABOUR FORCE REPORT

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Quarter 3

July – September, 2021

November 2021

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Forthcoming issue

Quarter 4, 2021

Expected date

March 2022

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## 1. Introduction

The Quarterly Labour Force Survey (QLFS) is a modular survey under the Kenya Continuous Household Survey (KCHS). The survey is designed to provide data on a wide range of socio-economic indicators on a quarterly and annual basis. Data collection for the KCHS was undertaken for 24 days per quarter. The QLFS module collected information about the Kenya labour market activities for the population aged 5 years and above. The survey results were uprated using estimation weights based on the 2019 Population and Housing census.

This quarterly release analyses the labour market situation for the population aged 15 to 64 years for the period July to September 2021. Topics covered include labour Force Participation Rates, Employment, Unemployment, Labour Underutilization, Youth Not in Education, Employment or Training (NEET) and Inactivity. The statistics are measured based on the labour force framework as guided by the International Labour Organization (ILO) standard for labour market statistics for international comparability. Indicators are compared between the current quarter and the corresponding quarter of the previous year and the immediate previous quarter. No adjustments are made for seasonality and therefore some of the variations may be due to seasonality factors.

## 2. Key Highlights

Table 1: Key Labour Market Indicators

Indicator	Quarter 3 2020	Quarter 2, 2021	Quarter 3, 2021
Population (15-64).....	27,665,619	28,060,159	28,186,264
Labour Force.....	19,043,176	19,011,744	18,740,306
Extended Labour Force.....	21,027,475	20,340,310	19,802,305
Employed.....	17,674,570	17,847,152	17,695,302
Employment/Population Ratio (%).....	64.5	63.6	62.8
Unemployed <sup>1</sup> .....	1,360,160	1,164,592	1,045,005
Unemployment Rate [LU1](%).....	7.1	6.1	5.6
Unemployed <sup>2</sup> .....	3,170,625	2,493,158	2,107,003
Unemployment Rate [LU3](%).....	15.1	12.3	10.6
Long-Term Unemployed.....	441,892	638,412	683,751
Long-Term Unemployed (%).....	2.3	3.4	3.6
Not in Labor Force (Inactive).....	8,461,408	9,048,415	9,445,958
Not in Labor Force (Inactive) <sup>3</sup> ...	6,638,144	7,719,849	8,383,959
Labour Force Participation (%).....	69.4	67.8	66.5
Labour Under Utilization <sup>4</sup> .....	2,258,931	2,376,992	1,979,543
Labour Under Utilization (LU2).....	11.8	12.5	10.6

<sup>1</sup> Using strict definition of unemployment (see appendix 2)

<sup>2</sup> Includes the unemployed under the strict definition and the potential Labour Force (see Appendix 2)

<sup>3</sup> Excludes potential Labour Force (see appendix 2)

<sup>4</sup> Comprise the time related underemployment and the Unemployed

Figure 1: Labour Underutilization Framework

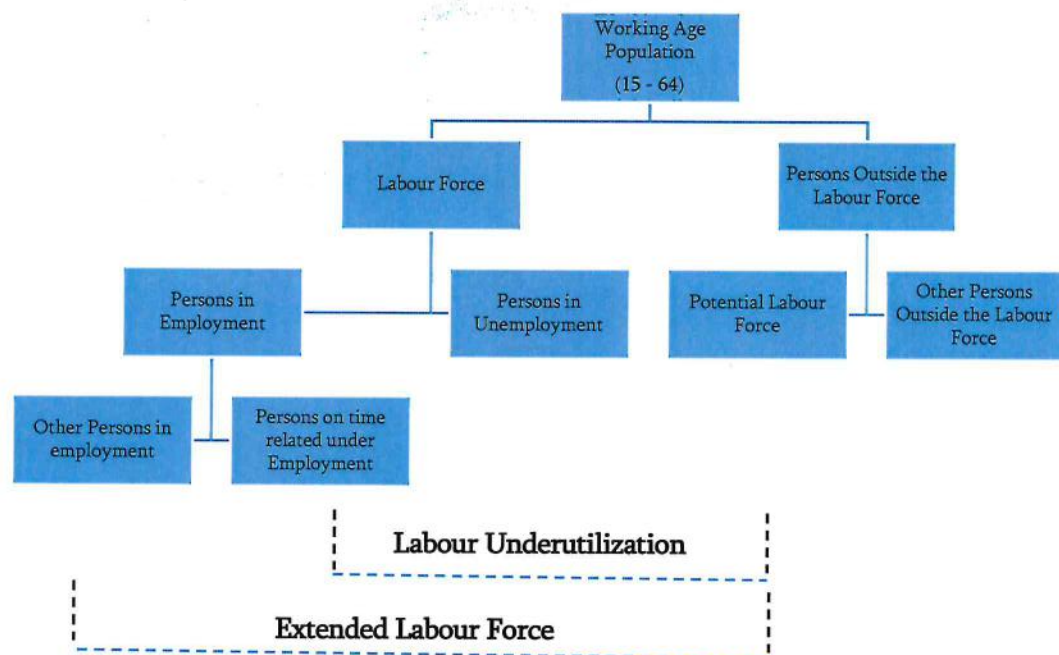
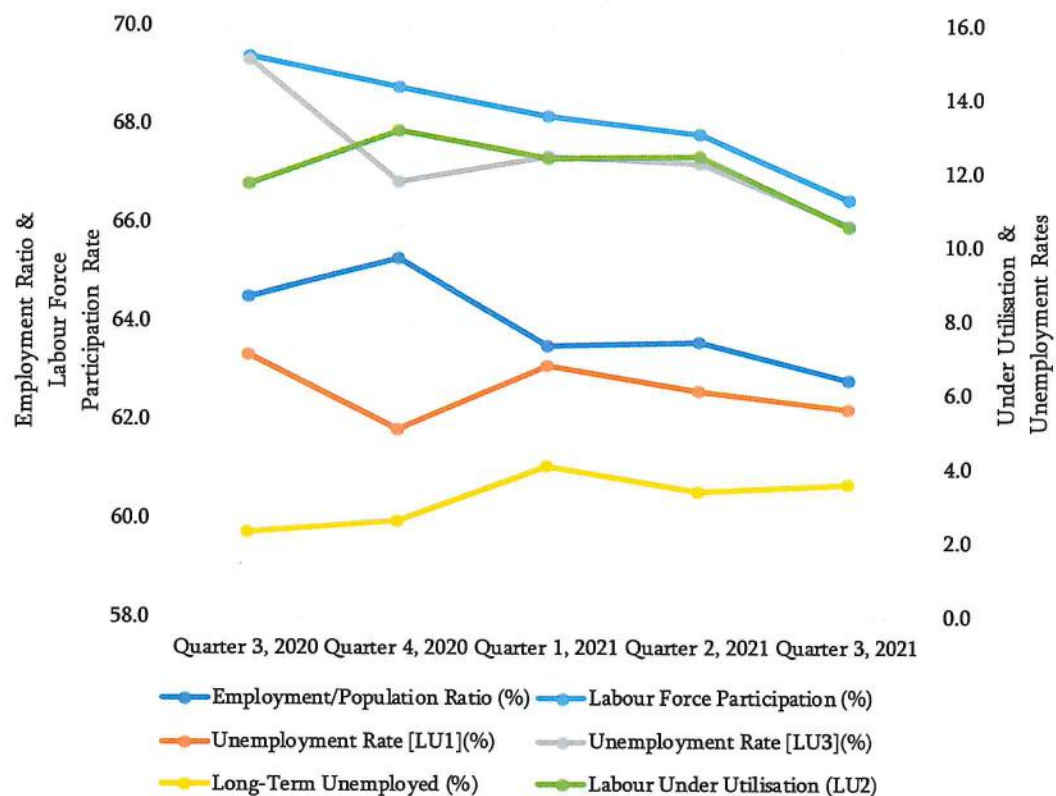


Figure 2: Quarterly Trends of Selected Key Indicators of the Labour Market





### 3. Labour Force Participation

Table 2 presents the labour force participation rates by age cohorts. The participation rate decreased to 66.5 per cent during the third quarter of the year compared to 67.8 per cent registered in the previous quarter. This was also a 2.9 per cent decline relative to 69.4 per cent registered in the same quarter of 2020. The age group 60-64 years had significant decline of 11.2 percentage points compared to the previous quarter.

### 4. Employment

#### 4.1 Employment to Population Ratio

Table 3 shows the distribution of the employed population and employment to population ratios. The survey revealed that the overall employment to population ratio in the country, for the working age population (15-64 years), was 62.8 per cent in the third quarter of 2021 a drop from 63.6 per cent recorded in the previous quarter, and 64.5 per cent recorded in the same quarter of 2020.



## 5. Labour Underutilization

This section presents information on labour underutilization measured using unemployment, time-related underemployment, long term unemployment and potential labour force (all definitions are in Appendix 2). The results presented in Table 4, to Table 7, indicate a reduction in unemployment. Similarly, a decrease in underemployment was also witnessed in the third quarter of 2021.

### 5.1 Unemployment Rate [LU1]

As indicated in Table 4, the unemployment rate, measured based on the strict definition of not working, seeking work in the last four weeks and available to work, was 6.1 per cent in the second quarter of 2021, compared to 5.6 per cent registered in the third quarter of 2021 and 7.1 per cent recorded in the third quarter of 2020. The age group 20-24 recorded the highest unemployment rate of 11.8 per cent.

### 5.2 Combined Rate of Unemployment and Potential Labour Force [LU3]

Table 5 presents the combined rate of unemployment and potential labour force (LU3) measured as either unavailable jobseekers or available potential jobseekers. As shown in the Table, LU3 for the third quarter of 2021 was 10.6 per cent, an improvement from the 15.1 per cent recorded in the same quarter of 2020, this was a 1.7 percentage point decline than that recorded in the second quarter of 2021.

### 5.3 Unemployment and Time Related Underemployment [LU2]

As shown in Table 6, the Labour Underutilization (LU2), which is the combined rate of time-related underemployment and unemployment decreased from 12.5 per cent in the previous quarter to 10.6 per cent recorded in the third quarter 2021. The number of people who were time related underemployed decreased from 1,212,400 in the second quarter of 2021 to 934,538 in the third quarter of 2021. Further analysis shows a decline in LU2 of 1.2 percentage points over the corresponding quarter in 2020.

### 5.4 Long Term Unemployment Rate

Table 7 presents details of the long-term unemployment rates. The results indicate that the long-term unemployment rate was 3.6 per cent, which was an increase from the 3.4 per cent rate recorded in the previous quarter. The youth aged 20 - 24 continued to have the highest rate of long-term unemployment which stood at 8.0 per cent.



**Table 4: Unemployment (strict definition) by Age Cohorts [LU1]**

Age	Quarter 3, 2020			Quarter 2, 2021			Quarter 3, 2021			Change	
	Unemployed	Total Labour Force		Unemployed	Total Labour Force		Unemployed	Total Labour Force		Rate	Rate
		Force	Rate		Force	Rate		Force	Rate		
15-19	40,271	1,639,847	2.5	76,614	940,723	8.1	76,337	776,925	9.8	1.7	7.3
20-24	455,978	2,575,378	17.7	385,191	2,446,538	15.7	281,558	2,393,846	11.8	-3.9	-5.9
25-29	307,324	3,017,669	10.2	338,042	3,127,575	10.8	297,502	3,223,259	9.2	-1.6	-1.0
30-34	198,777	3,099,062	6.4	143,316	3,211,554	4.5	188,291	3,112,573	6.0	1.5	-0.4
35-39	99,446	2,361,383	4.2	57,467	2,438,287	2.4	87,844	2,431,934	3.6	1.2	-0.6
40-44	100,214	2,049,239	4.9	69,899	2,120,239	3.3	62,725	2,124,187	3.0	-0.3	-1.9
45-49	85,267	1,645,161	5.2	37,599	1,688,302	2.2	22,686	1,724,650	1.3	-0.9	-3.9
50-54	43,231	1,146,456	3.8	17,060	1,216,177	1.4	12,837	1,223,788	1.0	-0.4	-2.8
55-59	24,731	977,962	2.5	38,714	1,025,438	3.8	15,225	1,030,592	1.5	-2.3	-1.0
60-64	4,921	704,853	0.7	691	796,912	0.1	0	698,554	0.0	-0.1	-0.7
<b>Total</b>	<b>1,360,160</b>	<b>19,217,010</b>	<b>7.1</b>	<b>1,164,592</b>	<b>19,011,744</b>	<b>6.1</b>	<b>1,045,005</b>	<b>18,740,306</b>	<b>5.6</b>	<b>(0.5)</b>	<b>(1.5)</b>

**Table 5: Combined rate of Unemployment and Potential Labour Force by Age Cohorts [LU3]**

Age	Quarter 3, 2020			Quarter 2, 2021			Quarter 3, 2021			Change	
	Unemployed	Extended Labour Force <sup>1</sup>		Unemployed	Extended Labour Force <sup>1</sup>		Unemployed	Extended Labour Force <sup>1</sup>		Rate	Rate
		Force <sup>1</sup>	Rate		Force <sup>1</sup>	Rate		Force <sup>1</sup>	Rate		
15-19	353,417	1,952,992	18.1	238,250	1,102,359	21.6	216,241	916,828	23.6	2.0	5.5
20-24	1,040,334	3,159,734	32.9	842,156	2,903,504	29.0	622,134	2,734,422	22.8	-6.2	-10.1
25-29	680,738	3,391,084	20.1	616,485	3,406,018	18.1	483,079	3,408,836	14.2	-3.9	-5.9
30-34	372,980	3,273,265	11.4	317,417	3,385,655	9.4	355,520	3,279,802	10.8	1.4	-0.6
35-39	237,829	2,499,765	9.5	161,722	2,542,542	6.4	158,710	2,502,800	6.3	-0.1	-3.2
40-44	189,831	2,138,856	8.9	113,253	2,163,593	5.2	121,249	2,182,711	5.6	0.4	-3.3
45-49	133,581	1,693,475	7.9	79,632	1,730,335	4.6	47,117	1,749,081	2.7	-1.9	-5.2
50-54	79,860	1,183,085	6.8	49,157	1,248,273	3.9	37,636	1,248,588	3.0	-0.9	-3.8
55-59	47,508	1,000,739	4.7	55,909	1,042,633	5.4	51,771	1,067,137	4.9	-0.5	0.2
60-64	34,547	734,480	4.7	19,176	815,397	2.4	13,545	712,099	1.9	-0.5	-2.8
<b>Total</b>	<b>3,170,626</b>	<b>21,027,476</b>	<b>15.1</b>	<b>2,493,158</b>	<b>20,340,310</b>	<b>12.3</b>	<b>2,107,003</b>	<b>19,802,305</b>	<b>10.6</b>	<b>-1.7</b>	<b>-4.5</b>

<sup>1</sup> Includes Potential Labour Force

**Table 6: Unemployment and Time Related Underemployment by Age Cohorts [LU2]**

Age	Quarter 3, 2020				Quarter 2, 2021				Quarter 3, 2021				Change	
	Time related Under Employed	Unemp-loyed	Total Labour Force	Labour Under - Utilization [LU2]	Time related Under Employed	Unemp-loyed	Total Labour Force	Labour Under - Utilization [LU2]	Time related Under Employed	Unemp-loyed	Total Labour Force	Labour Under - Utilization [LU2]	Qrt3, 2021/ Qrt2, 2021	Qrt3, 2021/ Qrt3, 2020
15-19	71,387	40,271	1,639,847	6.8	75,068	76,614	940,723	16.1	66,279	76,337	776,925	18.4	2.3	11.6
20-24	225,397	455,978	2,575,378	26.5	151,677	385,191	2,446,538	21.9	198,397	281,558	2,393,846	20.0	-1.9	-6.5
25-29	128,061	307,324	3,017,669	14.4	239,438	338,042	3,127,575	18.5	149,265	297,502	3,223,259	13.9	-4.6	-0.5
30-34	104,625	198,777	3,099,062	9.8	212,803	143,316	3,211,554	11.1	112,092	188,291	3,112,573	9.7	-1.4	-0.1
35-39	119,504	99,446	2,361,383	9.3	152,077	57,467	2,438,287	8.6	95,062	87,844	2,431,934	7.5	-1.1	-1.8
40-44	48,994	100,214	2,049,239	7.3	101,985	69,899	2,120,239	8.1	91,057	62,725	2,124,187	7.2	-0.9	-0.1
45-49	69,322	85,267	1,645,161	9.4	109,539	37,599	1,688,302	8.7	98,717	22,686	1,724,650	7.0	-1.7	-2.4
50-54	72,074	43,231	1,146,456	10.1	77,173	17,060	1,216,177	7.7	47,377	12,837	1,223,788	4.9	-2.8	-5.2
55-59	38,115	24,731	977,962	6.4	48,387	38,714	1,025,438	8.5	50,816	15,225	1,030,592	6.4	-2.1	0.0
60-64	21,292	4,921	704,853	3.7	44,254	691	796,912	5.6	25,476	0	698,554	3.6	-2.0	-0.1
<b>Total</b>	<b>898,771</b>	<b>1,360,160</b>	<b>19,217,010</b>	<b>11.8</b>	<b>1,212,400</b>	<b>1,164,592</b>	<b>19,011,744</b>	<b>12.5</b>	<b>934,538</b>	<b>1,045,005</b>	<b>18,740,306</b>	<b>10.6</b>	<b>-1.9</b>	<b>-1.2</b>

**Table 7: Long Term Unemployment by Age Cohorts**

Age	Quarter 3, 2020				Quarter 2, 2021				Quarter 3, 2021				Change	
	Long Term Unemployed	Labour Force	Rate	Long Term Unemployed	Labour Force	Rate	Long Term Unemployed	Labour Force	Rate	Long Term Unemployed	Labour Force	Rate	Qrt3, 2021/ Qrt2, 2021	Qrt3, 2021/ Qrt3, 2020
15-19	32,685	1,639,847	2.0	36,769	940,723	3.9	51,300	776,925	6.6	51,300	776,925	6.6	2.7	4.6
20-24	186,304	2,575,378	7.2	248,402	2,446,538	10.2	190,435	2,393,846	8.0	190,435	2,393,846	8.0	-	0.8
25-29	115,262	3,017,669	3.8	200,801	3,127,575	6.4	216,836	3,223,259	6.7	216,836	3,223,259	6.7	0.3	2.9
30-34	58,129	3,099,062	1.9	44,822	3,211,554	1.4	129,242	3,112,573	4.2	129,242	3,112,573	4.2	2.8	2.3
35-39	23,839	2,361,383	1.0	29,509	2,438,287	1.2	38,461	2,431,934	1.6	38,461	2,431,934	1.6	0.4	0.6
40-44	9,898	2,049,239	0.5	40,359	2,120,239	1.9	29,683	2,124,187	1.4	29,683	2,124,187	1.4	0.5	0.9
45-49	10,239	1,645,161	0.6	5,477	1,688,302	0.3	17,555	1,724,650	1.0	17,555	1,724,650	1.0	0.7	0.4
50-54	566	1,146,456	-	10,428	1,216,177	0.9	5,471	1,223,788	0.4	5,471	1,223,788	0.4	0.5	0.4
55-59	4,970	977,962	0.5	21,845	1,025,438	2.1	4,769	1,030,592	0.5	4,769	1,030,592	0.5	1.6	-
60-64	0	704,853	-	0	796,912	-	0	698,554	-	0	698,554	-	-	-
<b>Total</b>	<b>441,892</b>	<b>19,217,010</b>	<b>2.3</b>	<b>638,412</b>	<b>19,011,744</b>	<b>3.4</b>	<b>683,751</b>	<b>18,740,306</b>	<b>3.6</b>	<b>683,751</b>	<b>18,740,306</b>	<b>3.6</b>	<b>0.2</b>	<b>1.3</b>

## **6. Youth not in Education, Employment or Training (NEET)**

This section presents results of the youth aged 15 – 34 who were not in the education system and were not working or being trained for work during the reference period. The results for those in NEET at the time of the survey are presented in Table 8. The percentage of youth in NEET was recorded at 19.8 per cent in quarter 3 of 2021, a 2.0 percentage decrease from the level recorded in the previous quarter. This was also a 3.2 percentage points' decrease in NEET over the one-year period. Youth aged 20 – 24 years continued to record the highest percentage of persons in NEET at 27.8 per cent.

## **7. Persons not in the Labour Force**

Tables 9a and 9b present persons outside the labour force by age cohorts. In Table 9a, the potential labour force entrants are included while they are excluded in Table 9b. As shown in Table 9a, there was a 1.3 percentage point increase of persons outside the labour force compared to the previous quarter. Similarly, compared to quarter 3 of 2020, the number of persons outside the labour force declined by 2.9 per cent.



**Table 8: Youth Not in Education, Employment or Training (NEET)**

Age	Quarter 3, 2020			Quarter 2, 2021			Quarter 3, 2021			Change	
	Not in Education, Employment or Training*	Total Population	%	Not in Education, Employment or Training*	Total Population	%	Not in Education, Employment or Training*	Total Population	%	Qrt3, 2021/ Qrt2, 2021	Qrt3, 2021/ Qrt3, 2020
15-19	584,388	5,410,225	10.8	742,353	5,484,870	13.5	547,327	5,509,528	9.9	-3.6	-0.9
20-24	1,564,947	4,531,472	34.5	1,507,541	4,593,946	32.8	1,283,484	4,614,584	27.8	-5.0	-6.7
25-29	1,157,090	3,919,973	29.5	1,024,819	3,974,018	25.8	941,595	3,991,871	23.6	-2.2	-5.9
30-34	719,112	3,633,048	19.8	589,220	3,683,135	16.0	746,373	3,699,681	20.2	4.2	0.4
<b>Total</b>	<b>4,025,537</b>	<b>17,494,718</b>	<b>23.0</b>	<b>3,863,933</b>	<b>17,735,969</b>	<b>21.8</b>	<b>3,518,779</b>	<b>17,815,664</b>	<b>19.8</b>	<b>-2.0</b>	<b>-3.2</b>

\* Vocational training was not captured so, some of the youth might still be in training.

**Table 9a: Persons Outside the Labour force by Age Cohorts**

Age	Quarter 3, 2020			Quarter 2, 2021			Quarter 3, 2021			Change	
	Not in Labour Force	Total Population	Prop.	Not in Labour Force	Total Population	Prop.	Not in Labour Force	Total Population	Prop.	Qrt3, 2021/ Qrt2, 2021	Qrt3, 2021/ Qrt3, 2020
15-19	3,770,379	5,410,225	69.7	4,544,146	5,484,870	82.8	4,732,603	5,509,528	85.9	3.1	16.2
20-24	1,956,094	4,531,472	43.2	2,147,408	4,593,946	46.7	2,220,738	4,614,584	48.1	1.4	4.9
25-29	902,304	3,919,973	23.0	846,444	3,974,018	21.3	768,613	3,991,871	19.3	-2.0	-3.7
30-34	533,986	3,633,048	14.7	471,581	3,683,135	12.8	587,108	3,699,681	15.9	3.1	1.2
35-39	333,995	2,695,378	12.4	294,277	2,732,565	10.8	312,915	2,744,849	11.4	0.6	-1.0
40-44	251,874	2,301,113	10.9	212,623	2,332,862	9.1	219,163	2,343,350	9.4	0.3	-1.5
45-49	175,841	1,821,002	9.7	157,826	1,846,128	8.5	129,778	1,854,428	7.0	-1.5	-2.7
50-54	187,526	1,333,982	14.1	136,209	1,352,386	10.1	134,677	1,358,465	9.9	-0.2	-4.2
55-59	164,406	1,142,368	14.4	132,684	1,158,122	11.5	132,735	1,163,327	11.4	-0.1	-3.0
60-64	185,004	889,857	20.8	105,215	902,128	11.7	207,627	906,181	22.9	11.2	2.1
<b>Total</b>	<b>8,461,409</b>	<b>27,678,418</b>	<b>30.6</b>	<b>9,048,415</b>	<b>28,060,159</b>	<b>32.2</b>	<b>9,445,958</b>	<b>28,186,264</b>	<b>33.5</b>	<b>1.3</b>	<b>2.9</b>



Table 9b: Persons Outside the Labour force<sup>1</sup> by Age Cohorts

Age	Quarter 3, 2020			Quarter 2, 2021			Quarter 3, 2021			Change	
	Not in Labour Force	Total Population	Prop.	Not in Labour Force	Total Population	Prop.	Not in Labour Force	Total Population	Prop.	Qrt3, 2021/ Qrt2, 2021	Qrt3, 2021/ Qrt3, 2020
15-19	3,457,233	5,410,225	63.9	4,382,510	5,484,870	79.9	4,592,700	5,509,528	83.4	3.5	19.5
20-24	1,371,738	4,531,472	30.3	1,690,443	4,593,946	36.8	1,880,162	4,614,584	40.7	3.9	10.4
25-29	528,890	3,919,973	13.5	568,000	3,974,018	14.3	583,035	3,991,871	14.6	0.3	1.1
30-34	359,782	3,633,048	9.9	297,480	3,683,135	8.1	419,879	3,699,681	11.3	3.2	1.4
35-39	195,613	2,695,378	7.3	190,023	2,732,565	7.0	242,048	2,744,849	8.8	1.8	1.5
40-44	162,257	2,301,113	7.1	169,269	2,332,862	7.3	160,639	2,343,350	6.9	-0.4	-0.2
45-49	127,527	1,821,002	7.0	115,793	1,846,128	6.3	105,347	1,854,428	5.7	-0.6	-1.3
50-54	150,897	1,333,982	11.3	104,112	1,352,386	7.7	109,877	1,358,465	8.1	0.4	-3.2
55-59	141,629	1,142,368	12.4	115,489	1,158,122	10.0	96,189	1,163,327	8.3	-1.7	-4.1
60-64	155,377	889,857	17.5	86,730	902,128	9.6	194,082	906,181	21.4	11.8	3.9
<b>Total</b>	<b>6,650,943</b>	<b>27,678,418</b>	<b>24.0</b>	<b>7,719,849</b>	<b>28,060,159</b>	<b>27.5</b>	<b>8,383,960</b>	<b>28,186,264</b>	<b>29.7</b>	<b>2.2</b>	<b>5.7</b>

<sup>1</sup> Excludes Potential Labour force

## Appendices

### Appendix 1: Survey Design and Methodology

#### Sample Design

The KCHS focuses on data collection for monitoring key labour and welfare indicators among others. Under the programme, data is collected on a quarterly basis and analysis undertaken to provide quarterly national estimates of labour indicators. At the end of each year (12 months) annual county level estimates of both labour and poverty indicators are produced. It is particularly noted that monitoring of labour indicators on a quarterly basis allows for analysis of changes over specific time periods to check on quarterly seasonality on labour indicators.

#### Sample Size and Allocation

The 2021 KCHS was the third series of the program and it had a total of 50 study domains, namely; national, urban, rural and 47 counties. In designing the sample, the minimum sample size for anticipated integrated surveys and relative sizes of the counties were considered. The sample size for the annual survey consisted of 1,500 Enumeration Areas (EAs) and 24,000 households. The EAs were randomized into 4 quarters each comprising of 375 EAs and 6,000 households. The quarterly sample was distributed to all the 47 counties using power allocation method. Unlike the previous two surveys under the program which comprised of both cross-sectional and panel designs, the 2021 KCHS was purely cross-sectional.

The sample allocation for the 3<sup>rd</sup> quarter is presented in Table 10.

#### Sampling Frame

The sample for the survey was drawn from the newly created Kenya Household Master Sample Frame (K-HMSF) developed from the 2019 Kenya Population and Housing Census. The K-HMSF is composed of 10,000 clusters selected with Probability Proportional to Size (PPS) from approximately 128,000 Enumeration Areas (EAs) created during the 2019 Population and Housing Census. In the development of the frame, it was stratified into 92 sampling strata, that is, urban and rural strata in 45 counties plus Nairobi and Mombasa counties that are purely urban. The counties formed 1<sup>st</sup> level of stratification.

The frame is further divided into four sub-samples (C1, C2, C3 and C4) each composed of 2,500 clusters that can each serve as independent sample frames. Any two or more sub-samples can be combined whenever a bigger sample size is required. The EAs for quarter 3 of the 2021 KCHSP were drawn from component 1(C1) of the frame.

#### Sampling

Two sets of units were sampled, namely; Enumeration Areas and households. The units were sampled without replacement and only preselected units were visited for interviews. At the time of interviews in the households, it was expected that individuals would be eligible for various modules of the survey, with individuals aged 5 years and above being eligible for the labour module.

### **Sampling of EAs**

The EAs were the primary sampling units for the survey and were selected independently from each of the 92 strata in K-HMSF frame. All the required EAs for the entire year were selected systematically with equal probability. The selected EAs from each stratum were further randomized systematically into the four quarters.

### **Sampling of Households**

A total of 16 households per EA were sampled systematically (with a random start) from the list of households enumerated during the 2019 KPHC and those listed during cluster development. Sampling of the households was done centrally at the head-office and interviews were only undertaken in the preselected households.

**Table 10: Sample Allocation for the 3<sup>rd</sup> Quarter of 2021 KCHS**

County Code	County	Enumeration Areas			Households		
		Rural	Urban	Total	Rural	Urban	Total
1	MOMBASA	0	8	8	0	128	128
2	KWALE	5	3	8	80	48	128
3	KILIFI	4	4	8	64	64	128
4	TANA RIVER	4	3	7	64	48	112
5	LAMU	4	3	7	64	48	112
6	TAITA-TAVETA	4	3	7	64	48	112
7	GARISSA	5	3	8	80	48	128
8	WAJIR	5	3	8	80	48	128
9	MANDERA	5	3	8	80	48	128
10	MARSABIT	4	3	7	64	48	112
11	ISIOLO	3	4	7	48	64	112
12	MERU	6	2	8	96	32	128
13	THARAKA-NITHI	6	2	8	96	32	128
14	EMBU	5	3	8	80	35	115
15	KITUI	6	2	8	96	32	128
16	MACHAKOS	4	4	8	64	64	128
17	MAKUENI	6	2	8	96	32	128
18	NYANDARUA	6	2	8	96	32	128
19	NYERI	5	3	8	80	48	128
20	KIRINYAGA	5	3	8	80	48	128
21	MURANG'A	6	2	8	96	32	128
22	KIAMBU	4	6	10	64	96	160
23	TURKANA	5	3	8	80	48	128
24	WEST POKOT	6	2	8	96	32	128
25	SAMBURU	5	2	7	80	32	112
26	TRANS NZOIA	5	3	8	80	48	128
27	UASIN GISHU	4	4	8	64	64	128
28	ELGEYO-MARAKWET	5	2	7	80	32	112
29	NANDI	6	2	8	96	32	128
30	BARINGO	5	3	8	80	48	128
31	LAIKIPIA	5	3	8	80	48	128
32	NAKURU	4	5	9	64	80	144
33	NAROK	6	2	8	96	32	128
34	KAJIADO	3	5	8	48	80	128
35	KERICHO	6	2	8	96	32	128
36	BOMET	6	2	8	96	32	128
37	KAKAMEGA	6	2	8	96	32	128
38	VIHIGA	6	2	8	96	32	128
39	BUNGOMA	6	2	8	96	32	128
40	BUSIA	5	3	8	80	48	128
41	SIAYA	6	2	8	96	32	128
42	KISUMU	4	4	8	64	64	128
43	HOMA BAY	6	2	8	96	32	128
44	MIGORI	5	3	8	80	48	128
45	KISII	6	2	8	96	32	128
46	NYAMIRA	6	2	8	96	32	128
47	NAIROBI CITY	0	11	11	0	176	176
<b>Total</b>		<b>229</b>	<b>146</b>	<b>375</b>	<b>3,664</b>	<b>2,323</b>	<b>5,987</b>



## Appendix 2: Concepts and Definitions

**Economically Active:** The activity principle of the labour force framework is based on the concept of production of goods and services falling under the production frontiers of the United Nations System of National Accounts (SNA 2008). The economically active population analysed here consist of the employed and the unemployed persons. The employed includes those persons who reported that they did some work during the reference period or they held a job even if they were not actually doing any work at the time. This covers persons who were on leave or had a business to return to. The unemployed were persons who reported to be without work, available for work and actively seeking work. Also included here were persons who though they may not satisfy the criteria for unemployment, reported that they were out of season or on temporary layoff.

**Inactive Population:** The economically inactive population also known as persons not in the labour force, covers persons who did not work or hold a job during the reference period and did not seek work because they were either full time students, infirm/incapacitated, retired or did not need work due to unspecified reasons. Persons who reported that they were retrenched or declared redundant and persons whose businesses closed and had not taken steps towards looking for alternative jobs or starting other businesses were included in the inactive population.

**Labour force:** consists of all persons in the working age population who are either employed or unemployed. It was previously also referred to as the 'currently active population'

**Extended Labour force:** consists of all persons in the working age population who are either employed or unemployed and the potential labour force.

**Potential labour Force:** is defined as all persons of working age who, during the short reference period, were neither in employment nor in unemployment and: (a) carried out activities to "seek employment", were not "currently available" but would become available within a short subsequent period established in the light of national circumstances (i.e. unavailable jobseekers); or (b) did not carry out activities to "seek employment", but wanted employment and were "currently available" (i.e. available potential jobseekers).

**Employment:** Refers to performance of work as defined above. This term is used to measure the number of persons employed, including persons at work during a short reference period, and persons temporarily absent from work but holding a job.

**Unemployment – Strict definition:** Under the strict terms is defined as people who do not have a job, have actively looked for work in the past four weeks, and are currently available for work.

**Combined rate of unemployment and potential labour force (LU3):** In addition to the unemployed under the strict definition, individuals who carried out activities to 'seek employment in the short reference period but were not "currently available" and those who were available but did not actively seek employment are also included.

**Long-term unemployment:** This refers to all unemployed persons with continuous periods of unemployment extending for one year or longer (52 weeks and over).

**Labour Force Participation Rate (LFPR):** The LFPR is a measure of the proportion of a country's working-age population that engages actively in the labour market, either by working or looking for work; it provides an indication of the size of the supply of labour available to engage in the production of goods and services, relative to the population at working age.

**The Working Age Population (WAP):** includes all persons in the population above a specified age (15-64) threshold used for statistical purposes to define the economically active population

**Employment to Population Ratio:** This is the proportion of a country's working age population that is employed. It gives an indication of the job opportunities that are available for persons in the economically active age groups in an economy. A high employment to population ratio indicates that a large proportion of the population is employed, while a low ratio means that large share of the population is not directly involved in market related economic activities because they are either unemployed or out of the labour force.

**Time Related Underemployment Rate:** This is a measure of labour underutilization that provides information regarding the share of employed persons who are willing and available to increase their working time (for production of goods and services within the SNA production boundary) and worked fewer hours than a specified time threshold during the reference period.

**Labour Underutilization [LU2]:** Refers to mismatches between labour supply and demand, which translate into an unmet need for employment among the population. Labour underutilization [LU2] is computed as the combined rate of time-related Underemployment and Unemployment.



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