

## KENYA NATIONAL BUREAU OF STATISTICS

## QUARTERLY LABOUR FORCE REPORT

# Quarter 1 January – March 2021

May 2021

Enquiries +254 20 2911000 directorgeneral@knbs.or.ke Forthcoming issue
Quarter 2, 2021

Expected date
August 2021

## **Table of Contents**

List of Tables	iii
List of Figures	iii
1. Introduction	1
2. Key Highlights	
3. Labour Force Participation	
4. Employment	4
4.1 Employment to Population Ratio	
5. Labour Underutilization	6
5.1 Unemployment Rate [LU1]	
5.2 Combined Rate of Unemployment and Potential Labour Force [LU3]	6
5.3 Unemployment and Time Related Under-employment [LU2]	6
5.4 Long Term Unemployment Rate	6
6. Youth not in Education, Employment or Training (NEET)	9
7. Persons not in the Labour Force	9
Appendices	12
Appendix 1: Survey Design and Methodology	
Appendix 2: Concepts and Definitions	15

## List of Tables

Table 1: Key Labour Market Indicators	2
Table 2: Labour Participation Rates by Age Cohorts	5
Table 3: Employed and Employment to Population Ratios	5
Table 4: Unemployment (strict definition) by Age Cohorts [LU1]	7
Table 5: Combined rate of Unemployment and Potential Labour Force by Age Cohorts [LU3]	7
Table 6: Unemployment and Time Related Under-employment by Age Cohorts [LU2]	8
Table 7: Long Term Unemployment by Age Cohorts	8
Table 8: Youth Not in Education, Employment or Training (NEET)	. 10
Table 9a: Persons Outside the Labour force by Age Cohorts	. 10
Table 9b: Persons Outside the Labour force1 by Age Cohorts	.11
Table 10: Sample Allocation for the 1st Quarter of 2021 KCHS	. 14
List of Figures	
Figure 1: Labour Underutilization Framework	2
Figure 2: Quarterly Trends of Selected Key Indicators of the Labour Market	3

#### 1. Introduction

The Quarterly Labour Force Survey (QLFS) is a modular survey under the Kenya Continuous Household Survey Programme (KCHSP). The programme is designed to provide data on a wide range of socio-economic indicators on a quarterly and annual basis. Data collection for the KCHSP was undertaken for twelve days each month, alternating between the first twelve days for the first month and the last twelve for the subsequent month and vice versa. 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. 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.

The QLFS report is released with a lag of two months. This report presents the results for the period January to March 2021.

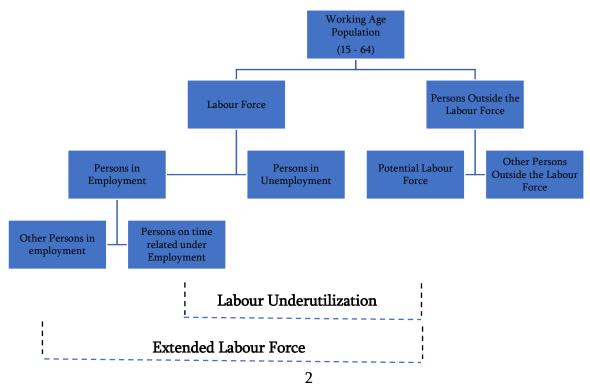
## 2. Key Highlights

**Table 1: Key Labour Market Indicators** 

	Quarter 1,	Quarter 4	Quarter 1
Indicator	2020	2020	2021
Population (15-64)	27,308,334	27,844,257	28,028,495
Labour Force	18,548,627	19,130,994	19,106,156
Extended Labour Force	20,531,685	20,654,396	20,337,364
Employed	17,586,961	18,095,367	17,841,823
Employment/Population Ratio (%)	64.4	65.0	63.7
Unemployed $^1$	961,666	1,035,624	1,264,333
Unemployment Rate [LU1](%)	5.2	5.4	6.6
Unemployed <sup>2</sup>	2,944,724	2,559,027	2,495,541
Unemployment Rate [LU3](%)	14.3	12.4	12.3
Long-Term Unemployed	377,859	538,831	749,238
Long-Term Unemployed (%)	2.0	2.8	3.9
Not in Labor Force (Inactive)	8,759,707	8,713,263	8,922,339
Not in Labor Force (Inactive) <sup>3</sup>	6,776,649	7,189,861	7,691,131
Labour Force Participation (%)	67.9	68.7	68.2
Labour Under Utilization <sup>4</sup>	1,539,109	2,585,489	2,346,724
Labour Under Utilization (LU2)	8.3	13.5	12.3

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

Figure 1: Labour Underutilization Framework

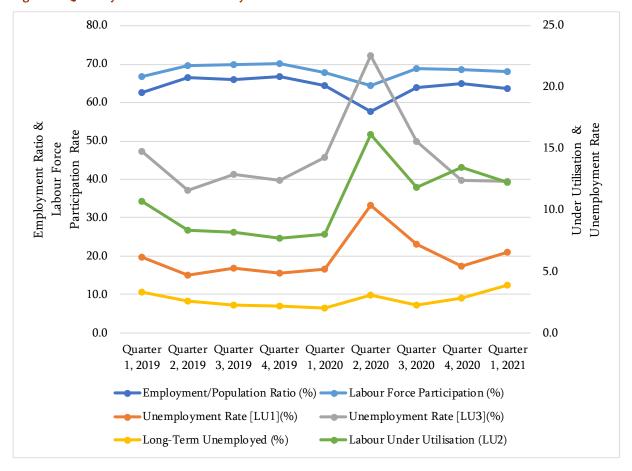


<sup>&</sup>lt;sup>2</sup> Includes the unemployed under the strict definition and the potential Labour Force (see Appendix 2)

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

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





#### 3. Labour Force Participation

Table 2 presents the labour force participation rates by age cohorts. The participation rate dropped to 68.2 per cent during the first quarter of the year compared to 68.7 per cent registered in the previous quarter. However, this was a 0.3 per cent growth compared to 67.9 per cent registered in the same quarter of 2020. The age group 15 -19 years and 55 – 59 years had significant declines of 3.8 and 7.6 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 63.7 per cent in quarter one of 2021 compared to 65.0 per cent recorded in the previous quarter, and 64.4 per cent recorded in the same quarter of 2020.

Table 2: Labour Participation Rates by Age Cohorts

	Quart	ter 1, 2020		Quart	er 4, 2020		Quar	ter 1, 2021		Change		
		Total			Total		Labour	Total		Qrt1, 2021/	Qrt1, 2021/	
Age	Labour Force	Population	Rate	Labour Force	Population	Rate	Force	Population	Rate	Qrt4, 2020	Qrt1, 2020	
15-19	1,368,947	5,316,499	25.7	1,454,566	5,420,835	26.8	1,261,037	5,478,646	23.0	-3.8	-2.7	
20-24	2,288,424	4,473,378	51.2	2,432,576	4,561,167	53.3	2,406,148	4,588,793	52.4	-0.9	1.2	
25-29	3,057,193	3,876,857	78.9	3,024,104	3,952,940	76.5	3,154,546	3,969,559	79.5	3.0	0.6	
30-34	2,940,449	3,591,366	81.9	3,219,836	3,661,846	87.9	3,223,810	3,679,005	87.6	-0.3	5.7	
35-39	2,339,748	2,665,461	87.8	2,333,759	2,717,771	85.9	2,467,403	2,729,466	90.4	4.5	2.6	
40-44	2,019,506	2,272,329	88.9	2,090,022	2,316,924	90.2	2,073,921	2,330,213	89.0	-1.2	0.1	
45-49	1,610,109	1,796,611	89.6	1,648,895	1,831,869	90.0	1,647,119	1,844,031	89.3	-0.7	-0.3	
50-54	1,207,158	1,316,189	91.7	1,189,350	1,342,019	88.6	1,194,883	1,350,853	88.5	-0.2	-3.2	
55-59	995,026	1,124,582	88.5	1,029,931	1,146,651	89.8	950,856	1,156,817	82.2	-7.6	-6.3	
60-64	722,067	875,062	82.5	707,955	892,235	79.3	726,433	901,113	80.6	1.3	-1.9	
Total	18,548,627	27,308,334	67.9	19,130,992	27,844,257	68.7	19,106,156	28,028,495	68.2	-0.5	0.3	

Table 3: Employed and Employment to Population Ratios

	Qua	Quarter 1, 2020			rter 4, 2020		Quar	rter 1, 2021		Change	
		Total			Total			Total		Qrt1, 2021/	Qrt1, 2021/
Age	Employed	Population	Ratio	Employed	Population	Ratio	Employed	Population	Ratio	Qrt4, 2020	Qrt1, 2020
15-19	1,230,033	5,316,499	23.1	1,413,602	5,420,835	26.1	1,175,131	5,478,646	21.4	-4.7	-1.7
20-24	1,997,971	4,473,378	44.7	2,067,629	4,561,167	45.3	2,014,080	4,588,793	43.9	-1.4	-0.8
25-29	2,830,929	3,876,857	73.0	2,760,427	3,952,940	69.8	2,868,450	3,969,559	72.3	2.5	-0.7
30-34	2,800,796	3,591,366	78.0	3,085,134	3,661,846	84.3	3,027,992	3,679,005	82.3	-2.0	4.3
35-39	2,260,670	2,665,461	84.8	2,242,750	2,717,771	82.5	2,368,192	2,729,466	86.8	4.3	2.0
40-44	1,973,977	2,272,329	86.9	2,041,150	2,316,924	88.1	1,971,719	2,330,213	84.6	-3.5	-2.3
45-49	1,593,197	1,796,611	88.7	1,607,078	1,831,869	87.7	1,586,518	1,844,031	86.0	-1.7	-2.7
50-54	1,194,315	1,316,189	90.7	1,172,767	1,342,019	87.4	1,186,959	1,350,853	87.9	0.5	-2.8
55-59	992,001	1,124,582	88.2	998,616	1,146,651	87.1	924,518	1,156,817	79.9	-7.2	-8.3
60-64	713,072	875,062	81.5	706,214	892,235	79.2	718,263	901,113	79.7	0.5	-1.8
Total	17,586,962	27,308,334	64.4	18,095,367	27,844,257	65.0	17,841,823	28,028,495	63.7	-1.3	-0.7

#### 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 deterioration in unemployment. However, there was an improvement in underemployment in the first 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 6.6 per cent in the first quarter of 2021, compared to 5.2 per cent registered in the first quarter of 2020 and 5.4 per cent recorded in the fourth quarter of 2020. The age groups 20-24 and 25-29 continued to record the highest proportion of the unemployed at 16.3 per cent and 9.1 per cent, respectively.

#### 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 first quarter of 2021 was 12.3 per cent, an improvement from the 14.3 per cent recorded in the same quarter of 2020, this was at almost the same level as was recorded in the fourth quarter of 2020.

#### 5.3 Unemployment and Time Related Under-employment [LU2]

As shown in Table 6, the Labour Underutilization (LU2), which is the combined rate of time-related underemployment and unemployment decreased from 13.5 per cent in the previous quarter to 12.3 per cent recorded in the first quarter 2021. The number of people who were time related underemployed decreased from 1,549,864 in the fourth quarter of 2020 to 1,082,391 in the first quarter of 2021. Further analysis shows an increase in LU2 of 4.0 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 3.9 per cent, which was an increase from the 2.8 per cent rate recorded in the fourth quarter of 2020 as well as the 2.0 per cent rate recorded in the first quarter of 2020. The youth aged 20 - 24 continued to have the highest rate of long-term unemployment which stood at 13.5 per cent.

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

	Quart	er 1, 2020		Quart	er 4, 2020		Quart	er 1, 2021		Change		
		Total			Total			Total				
		Labour			Labour			Labour		Qrt1, 2021/	Qrt1, 2021/	
Age	Unemployed	Force	Rate	Unemployed	Force	Rate	Unemployed	Force	Rate	Qrt4, 2020	Qrt1, 2020	
15-19	138,914	1,368,947	10.1	40,964	1,454,566	2.8	85,906	1,261,037	6.8	4.0	-3.3	
20-24	290,453	2,288,424	12.7	364,946	2,432,576	15.0	392,068	2,406,148	16.3	1.3	3.6	
25-29	226,264	3,057,193	7.4	263,678	3,024,104	8.7	286,097	3,154,546	9.1	0.4	1.7	
30-34	139,653	2,940,449	4.7	134,701	3,219,836	4.2	195,818	3,223,810	6.1	1.9	1.4	
35-39	79,078	2,339,748	3.4	91,008	2,333,759	3.9	99,211	2,467,403	4.0	0.1	0.6	
40-44	45,529	2,019,506	2.3	48,872	2,090,022	2.3	102,202	2,073,921	4.9	2.6	2.6	
45-49	16,912	1,610,109	1.1	41,817	1,648,895	2.5	60,600	1,647,119	3.7	1.2	2.6	
50-54	12,843	1,207,158	1.1	16,582	1,189,350	1.4	7,923	1,194,883	0.7	-0.7	-0.4	
55-59	3,025	995,026	0.3	31,315	1,029,931	3.0	26,338	950,856	2.8	-0.2	2.5	
60-64	8,995	722,067	1.2	1,741	707,955	0.2	8,170	726,433	1.1	0.9	-0.1	
Total	961,666	18,548,628	5.2	1,035,625	19,130,992	5.4	1,264,333	19,106,156	6.6	1.2	1.4	

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

	Quart	er 1, 2020		Quart	er 4, 2020		Quart	er 1, 2021		Change		
		Extended			Extended			Extended				
		Labour			Labour			Labour		Qrt1, 2021/	Qrt1, 2021/	
Age	Unemployed	Force <sup>1</sup>	Rate	Unemployed	Force <sup>1</sup>	Rate	Unemployed	Force <sup>1</sup>	Rate	Qrt4, 2020	Qrt1, 2020	
15-19	490,291	1,720,324	28.5	264,224	1,677,826	15.7	308,980	1,484,110	20.8	5.1	-7.7	
20-24	941,248	2,939,218	32.0	747,569	2,815,199	26.6	755,086	2,769,166	27.3	0.7	-4.7	
25-29	563,076	3,394,005	16.6	579,731	3,340,157	17.4	518,243	3,386,692	15.3	-2.1	-1.3	
30-34	378,085	3,178,881	11.9	307,288	3,392,423	9.1	321,545	3,349,537	9.6	0.5	-2.3	
35-39	206,920	2,467,591	8.4	250,405	2,493,155	10.0	176,555	2,544,747	6.9	-3.1	-1.5	
40-44	145,869	2,119,846	6.9	151,239	2,192,389	6.9	199,104	2,170,823	9.2	2.3	2.3	
45-49	98,430	1,691,626	5.8	91,905	1,698,983	5.4	97,898	1,684,417	5.8	0.4	0.0	
50-54	49,195	1,243,510	4.0	74,528	1,247,295	6.0	44,917	1,231,877	3.6	-2.4	-0.4	
55-59	46,580	1,038,581	4.5	57,822	1,056,438	5.5	49,147	973,665	5.0	-0.5	0.5	
60-64	25,030	738,103	3.4	34,316	740,531	4.6	24,067	742,330	3.2	-1.4	-0.2	
Total	2,944,724	20,531,685	14.3	2,559,028	20,654,395	12.4	2,495,541	20,337,364	12.3	-0.1	-2.0	

<sup>&</sup>lt;sup>1</sup> Includes Potential Labour Force

Table 6: Unemployment and Time Related Under-employment by Age Cohorts [LU2]

		Quarte	er 1, 2020			Quarter	4, 2020			Quarter	1, 2021		Change		
	Time			Labour	Time			Labour	Time			Labour			
	related		Total	Under -	related		Total	Under -	related		Total	Under -			
	Under	Unemp-	Labour	Utilization	Under	Unemp-	Labour	Utilization	Under	Unemp-	Labour	Utilization	Qrt1, 2021/	Qrt1, 2021/	
Age	Employed	loyed	Force	[LU2]	Employed	loyed	Force	[LU2]	Employed	loyed	Force	[LU2]	Qrt4, 2020	Qrt1, 2020	
15-19	24,658	138,914	1,368,947	11.9	70,656	40,964	1,454,566	7.7	57,010	85,906	1,261,037	11.3	3.6	-0.6	
20-24	78,928	290,453	2,288,424	16.1	247,790	364,946	2,432,576	25.2	165,673	392,068	2,406,148	23.2	-2.0	7.1	
25-29	82,664	226,264	3,057,193	10.1	308,680	263,678	3,024,104	18.9	197,249	286,097	3,154,546	15.3	-3.6	5.2	
30-34	87,809	139,653	2,940,449	7.7	230,170	134,701	3,219,836	11.3	132,648	195,818	3,223,810	10.2	-1.1	2.5	
35-39	83,829	79,078	2,339,748	7.0	198,658	91,008	2,333,759	12.4	131,840	99,211	2,467,403	9.4	-3.0	2.4	
40-44	74,628	45,529	2,019,506	5.9	145,388	48,872	2,090,022	9.3	167,923	102,202	2,073,921	13.0	3.7	7.1	
45-49	52,559	16,912	1,610,109	4.3	98,948	41,817	1,648,895	8.5	101,521	60,600	1,647,119	9.8	1.3	5.5	
50-54	35,042	12,843	1,207,158	4.0	95,130	16,582	1,189,350	9.4	56,102	7,923	1,194,883	5.4	-4.0	1.4	
55-59	39,562	3,025	995,026	4.3	84,938	31,315	1,029,931	11.3	29,733	26,338	950,856	5.9	-5.4	1.6	
60-64	17,764	8,995	722,067	3.7	69,505	1,741	707,955	10.1	42,693	8,170	726,433	7.0	-3.1	3.3	
Total	577,443	961,666	18,548,627	8.3	1,549,864	1,035,625	19,130,992	13.5	1,082,391	1,264,333	19,106,156	12.3	-1.2	4.0	

Table 7: Long Term Unemployment by Age Cohorts

	Quart	er 1, 2020		Quar	ter 4, 2020		Quar	ter 1, 2021		Change		
Age	Long Term Unemployed	Labour Force	Rate	Long Term Unemployed	Labour Force	Rate	Long Term Unemployed	Labour Force	Rate	Qrt1, 2021/ Qrt4, 2020	Qrt1, 2021/ Qrt1, 2020	
15-19	59,788	1,368,947	4.4	9,872	1,454,566	0.7		1,261,037	1.6		-2.8	
20-24	110,422	2,288,424	4.8	235,087	2,432,576	9.7	325,985	2,406,148	13.5	3.8	8.7	
25-29	87,666	3,057,193	2.9	136,877	3,024,104	4.5	157,074	3,154,546	5.0	0.5	2.1	
30-34	69,012	2,940,449	2.3	42,178	3,219,836	1.3	72,425	3,223,810	2.2	0.9	-0.1	
35-39	19,475	2,339,748	0.8	71,227	2,333,759	3.1	47,410	2,467,403	1.9	-1.2	1.1	
40-44	10,074	2,019,506	0.5	5,830	2,090,022	0.3	72,158	2,073,921	3.5	3.2	3.0	
45-49	8,554	1,610,109	0.5	16,464	1,648,895	1.0	29,494	1,647,119	1.8	0.8	1.3	
50-54	8,455	1,207,158	0.7	6,198	1,189,350	0.5	7,923	1,194,883	0.7	0.2	0.0	
55-59	0	995,026	0.0	15,099	1,029,931	1.5	16,639	950,856	1.7	0.2	1.7	
60-64	4,413	722,067	0.6	0	707,955	-	0	726,433	0.0	0.0	-0.6	
Total	377,859	18,548,628	2.0	538,831	19,130,992	2.8	749,238	19,106,156	3.9	1.1	1.9	

#### 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 16.9 per cent in quarter 1 of 2021, a 1.2 percentage reduction from the level recorded in the previous quarter. This was, however, a 0.9 percentage points increase in NEET over the one-year period. Youth aged 20 - 24 years continued to record the highest percentage of persons in NEET at 27.6 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, over the last quarter there was a 0.5 percentage points increase of persons outside the labour force during the reference period.

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

	Quar	ter 1, 2020		Quar	ter 4, 2020		Quar	ter 1, 2021		Change	
	Not in			Not in			Not in				
	Education,			Education,			Education,				
	Employment	Total		Employment	Total		Employment	Total		Qrt1, 2021/	Qrt1, 2021/
Age	or Training*	Population	%	or Training*	Population	%	or Training*	Population	%	Qrt4, 2020	Qrt1, 2020
15-19	510,340	5,316,499	9.6	431,622	5,420,835	8.0	408,310	5,478,646	7.5	-0.5	-2.1
20-24	1,138,598	4,473,378	25.5	1,365,573	4,561,167	29.9	1,265,477	4,588,793	27.6	-2.3	2.1
25-29	611,420	3,876,857	15.8	944,680	3,952,940	23.9	798,600	3,969,559	20.1	-3.8	4.3
30-34	492,433	3,591,366	13.7	441,956	3,661,846	12.1	528,331	3,679,005	14.4	2.3	0.7
Total	2,752,791	17,258,100	16.0	3,183,831	17,596,788	18.1	3,000,718	17,716,002	16.9	-1.2	0.9

<sup>\*</sup> 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

	Quai	ter 1, 2020		Quar	ter 4, 2020		Quar	ter 1, 2021		Change		
	Not in			Not in			Not in					
	Labour	Total		Labour	Total		Labour	Total		Qrt1, 2021/	Qrt1, 2021/	
Age	Force	Population	Prop.	Force	Population	Prop.	Force	Population	Prop.	Qrt4, 2020	Qrt1, 2020	
15-19	3,947,552	5,316,499	74.3	3,966,269	5,420,835	73.2	4,217,609	5,478,646	77.0	3.8	2.7	
20-24	2,184,954	4,473,378	48.8	2,128,592	4,561,167	46.7	2,182,645	4,588,793	47.6	0.9	-1.2	
25-29	819,663	3,876,857	21.1	928,835	3,952,940	23.5	815,012	3,969,559	20.5	-3.0	-0.6	
30-34	650,917	3,591,366	18.1	442,011	3,661,846	12.1	455,194	3,679,005	12.4	0.3	-5.7	
35-39	325,713	2,665,461	12.2	384,012	2,717,771	14.1	262,063	2,729,466	9.6	-4.5	-2.6	
40-44	252,823	2,272,329	11.1	226,902	2,316,924	9.8	256,293	2,330,213	11.0	1.2	-0.1	
45-49	186,502	1,796,611	10.4	182,974	1,831,869	10.0	196,912	1,844,031	10.7	0.7	0.3	
50-54	109,031	1,316,189	8.3	152,670	1,342,019	11.4	155,970	1,350,853	11.5	0.1	3.2	
55-59	129,555	1,124,582	11.5	116,721	1,146,651	10.2	205,961	1,156,817	17.8	7.6	6.3	
60-64	152,995	875,062	17.5	184,280	892,235	20.7	174,680	901,113	19.4	-1.3	1.9	
Total	8,759,707	27,308,334	32.1	8,713,265	27,844,257	31.3	8,922,340	28,028,495	31.8	0.5	-0.3	

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

	Quan	rter 1, 2020		Quar	ter 4, 2020		Qua	rter 1, 2021		Change		
	Not in			Not in			Not in					
	Labour	Total		Labour	Total		Labour	Total		Qrt1, 2021/	Qrt1, 2021/	
Age	Force	Population	Prop.	Force	Population	Prop.	Force	Population	Prop.	Qrt4, 2020	Qrt1, 2020	
15-19	3,596,175	5,316,499	67.6	3,743,009	5,420,835	69.0	3,994,536	5,478,646	72.9	3.9	5.3	
20-24	1,534,160	4,473,378	34.3	1,745,968	4,561,167	38.3	1,819,627	4,588,793	39.7	1.4	5.4	
25-29	482,852	3,876,857	12.5	612,782	3,952,940	15.5	582,866	3,969,559	14.7	-0.8	2.2	
30-34	412,485	3,591,366	11.5	269,424	3,661,846	7.4	329,468	3,679,005	9.0	1.6	-2.5	
35-39	197,870	2,665,461	7.4	224,615	2,717,771	8.3	184,719	2,729,466	6.8	-1.5	-0.6	
40-44	152,483	2,272,329	6.7	124,535	2,316,924	5.4	159,390	2,330,213	6.8	1.4	0.1	
45-49	104,985	1,796,611	5.8	132,886	1,831,869	7.3	159,614	1,844,031	8.7	1.4	2.9	
50-54	72,679	1,316,189	5.5	94,724	1,342,019	7.1	118,976	1,350,853	8.8	1.7	3.3	
55-59	86,001	1,124,582	7.6	90,214	1,146,651	7.9	183,152	1,156,817	15.8	7.9	8.2	
60-64	136,959	875,062	15.7	151,705	892,235	17.0	158,783	901,113	17.6	0.6	1.9	
Total	6,776,649	27,308,334	24.8	7,189,862	27,844,257	25.8	7,691,131	28,028,495	27.4	1.6	2.6	

<sup>&</sup>lt;sup>1</sup> Excludes Potential Labour force

### **Appendices**

#### Appendix 1: Survey Design and Methodology

#### Sample Design

The KCHS focuses mainly collects data 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 designed, the 2021 KCHS was purely cross-sectional.

The sample allocation for the 1<sup>st</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 1 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 labour module.

#### Sampling of EAs

The EAs were the primary sampling units for 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. 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  $1^{st}$  Quarter of 2021 KCHS

County		Enumeration Areas			Households		
Code	County	Rural	Urban	Total	Rural	Urban	Total
1	MOMBASA	0	8	8	0	128	128
2	KWALE	6	2	8	96	32	128
3	KILIFI	5	3	8	80	48	128
4	TANA RIVER	5	2	7	80	32	112
5	LAMU	5	2	7	80	32	112
6	TAITA-TAVETA	5	2	7	80	32	112
7	GARISSA	5	3	8	80	48	128
8	WAJIR	6	2	8	96	32	128
9	MANDERA	5	3	8	80	48	128
10	MARSABIT	5	2	7	80	32	112
11	ISIOLO	4	3	7	64	48	112
12	MERU	6	2	8	96	32	128
13	THARAKA-NITHI	6	2	8	96	32	128
14	EMBU	6	2	8	96	32	128
15	KITUI	7	1	8	112	16	128
16	MACHAKOS	5	3	8	80	48	128
17	MAKUENI	6	2	8	96	32	128
18	NYANDARUA	6	2	8	96	32	128
19	NYERI	6	2	8	96	32	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	6	2	8	96	32	128
24	WEST POKOT	7	1	8	112	16	128
25	SAMBURU	5	2	7	80	32	112
26	TRANS NZOIA	6	2	8	96	32	128
27	UASIN GISHU	4	4	8	64	64	128
28	ELGEYO-MARAKWET	6	1	7	96	16	112
29	NANDI	6	2	8	96	32	128
30	BARINGO	6	2	8	96	32	128
31	LAIKIPIA	5	3	8	80	48	128
32	NAKURU	5	4	9	80	64	144
33	NAROK	6	2	8	96	32	128
34	KAJIADO	4	4	8	64	64	128
35	KERICHO	6	2	8	96	32	128
36	BOMET	7	1	8	112	16	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	6	2	8	96	32	128
41	SIAYA	6	2	8	96	32	128
42	KISUMU	5	3	8	80	48	128
43	HOMA BAY	6	2	8	96	32	128
44	MIGORI	6	2	8	96	32	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
	Total	252	123	375	4,032	1,968	6,000
1 Ota1			120	3,3	-,	1,700	5,500

#### 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.

Macdonald G. Obudho, MBS Director General, KNBS