



# HOUSEHOLD INTEGRATED ECONOMIC SURVEY (HIES) 2018-19





Government of Pakistan
Pakistan Bureau of Statistics
Ministry of Planning Development and Special Initiatives
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# HIES 2018-19

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#### **PREFACE**

Pakistan Social and Living Standards Measurements (PSLM), 2018-19 is the eleventh round of a series of surveys, initiated in 2004. Current round of PSLM (Social & Household Integrated Economic Survey (HIES)) at provincial level survey covered 24809 households and provide detailed outcome indicators on Education, Health, Population Welfare, Housing, Water Sanitation & Hygiene, Information Communication & Technology (ICT), Food Insecurity Experience Scale (FIES) and Income & Expenditure. This report contains result on main indicators whereas detail reports for Social indicators and HIES 2018-19 will be released separately.

The Field activities of the eleventh round were carried out during August 2018 to June 2019. This report provides information on key socio economic indicators, whereas the main Social and HIES report provides detail information of each indicator at national, as well as at provincial level with urban /rural breakdown. It also provides a comparison with the last provincial rounds of PSLM Survey 2013-14 for social indicators and 2015-16 for HIES indicators. This survey will also provide requisite data for the estimation of consumption based Poverty.

UN has adopted new development plan for post 2015 monitoring called Sustainable Development Goals (SDGs). Under SDGs there are 17 goals, 169 targets and 232 indicators. The agenda of SDGs is very comprehensive with the aim of "leaving no one behind". United Nations Statistics Division has assigned the task of monitoring and reporting of SDGs to the National Statistical organizations globally, accordingly Pakistan Bureau of Statistics (PBS) being the central Statistical organization with the network of 34 regional /field offices all over Pakistan is mainly responsible for monitoring and reporting of SDGs Keeping in view the changed ground realities & in the light of SDGs, a Technical Committee was constituted to review both questionnaires of PSLM (District & Provincial Level). Four sub-committees were formed on Poverty Labour & Employment, Education, Health and Housing Water & Sanitation. In the light of the recommendations of the sub-committees, questionnaires have been amended and it is worth mentioning here that out of 66 SDG indicators reported by PBS, 30 indicators are being monitored through PSLM Surveys

I would like to congratulate Mr. Muhammad Sarwar Gondal, Member (Support Services), Mr. Ayazuddin, Deputy Director General PBS and the whole PSLM team for the successful completion of the task. The report is also available on the website of PBS. Comments and suggestions are welcome to further improve the survey and this report in future.

(Zafar Hasan) Secretary/Chief Statistician

Government of Pakistan Ministry of Planning Development & Special Initiatives Pakistan Bureau of Statistics, Islamabad

#### **ACKNOWLEDGEMENTS**

This is the Eighth report of Household Integrated Economic Survey (PSLM/HIES) which is being conducted under PSLM project since 2004 to 2015. It provides information at National/Provincial level with urban/rural breakdown. This report contains the data collected from 24,809 household based on 1802 urban & rural Primary sampling units (PSUs). The period of field enumeration of PSLM/HIES 2018-19 was from August 2018 to June 2019.

I would like to thank Ms. Rabia Awan Director (PSLM), the completion of the report would have not been possible without the leadership, support and guidance provided by her and enormous hard work and devotion of PSLM Management Team, Support Services Team, Field Teams and Sample Design Section of the Pakistan Bureau of Statistics (PBS). The completion of the survey activity and preparation of the report in a limited time has further added pride to the Pakistan Bureau of Statistics.

Considering the requirements of the policy makers, planners, researchers and other data users, efforts have been made to improve the report in a way that it can meet the expectations. Report is also placed at PBS website <a href="www.pbs.gov.pk">www.pbs.gov.pk</a> and main results are also available on exclusively designed customized dashboard. It is hoped that the data users will find this report useful and timely. Any further comments and suggestions for future improvement will be highly appreciated.

(Ayazuddin) Deputy Director General

Government of Pakistan

Pakistan Bureau of Statistics,

Ministry of Planning Development & Special Initiatives

June, 2020

# List of officers Involved in PSLM/HIES, 2018-19

The PSLM/HIES report is produced by the efforts of the following officers/officials of Pakistan Bureau of Statistics listed under the specific tasks:

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# **CHAPTER 1**

#### 1.1 Introduction

This report presents household Income and consumption expenditure data for the year 2018-19. The format of the report is almost the same as of the earlier Household Integrated Economic Surveys (HIES) conducted during the years 2004-05, 2005-06, 2007-08, 2010-11, 2011-12, 2013-14 and 2015-16. In this report all the variables have also been disaggregated by consumption quintiles. In chapter-2 the main findings of the report are summarised. Chapter 3 explains the concepts and definitions used in the report. After that, twenty-five major tables are presented. The methodology for computation of consumption quintiles is explained in Appendix-A.

# 1.2 Developments in HIES

The HIES has been conducted, with some breaks, since 1963. However, in 1990 the HIES questionnaire was revised in order to address the requirements of a new system of national accounts. The four surveys of 1990-91, 1992-93, 1993-94 and 1996-97 were conducted using the revised questionnaire. In 1998-99, the HIES data collection methods and the questionnaire were revised to reflect the integration of HIES with the Pakistan Integrated Household Survey (PIHS). After this the HIES was conducted as an Integrated Survey with PIHS in 1998-99 and 2001-02. Subsequently the survey was renamed in 2004 as Pakistan Social and Living Standards Measurement (PSLM) Survey and the same module of the HIES remain intact. PSLM, (District Level) Survey and PSLM/ HIES (National/ Provincial level) Survey were conducted on alternating years. Before this Survey, six rounds of HIES were conducted during 2004-05, 2005-06, 2007-08, 2010-11, 2011-12 and 2013-14. However, in 2015-16, special survey namely Household Integrated Income & Consumption survey (HIICS) was conducted for rebasing of price indices, for which all items were disaggregated and asked in detail in order to compute separate weight. It is pertinent to mention that survey is designed in such a way that it also provided all data and information regarding HIES.

Prior to PIHS 1998-99, HIES surveys were collected by single enumerators using public transport. Only male household could be interviewed which is afterwards collected

by mobile team of both male and female enumerators under the day to day management of a team supervisor.

The current round of the HIES covers 24,809 households. It provides important information on household income, savings, liabilities, and consumption expenditure and consumption patterns at national and provincial level with urban/rural breakdown.

#### 1.3 Data Collection Methods

PSLM/HIES 2018-19 data is being collected by adopting team approach comprising of both male and female enumerators. In each field team female enumerators interviewed the female household members while male enumerators interviewed the male respondents and collects separate information on especially designed modules.

# 1.4 Questionnaire Design

HIES survey collects information on Consumption of items according to Classification of Individual Consumption of Purpose (COICOP) along with Income and other social indicators by covering both urban and rural areas of all four provinces. However, information on Education, Information Communication Technology (ICT), Health, Population welfare, Housing, and Food insecurity experience scale are also collected through this survey. The component of food taken away from home and readymade food taken at home is modified/amended to capture the changing food consumption pattern in this regard.

The data collected through PSLM/HIES provincial level survey is used for developing a series of socio-economic indicators e.g., literacy rates; primary enrolment rates; Drop out rates: Infant Mortality rates, Immunization, Pre and Post Natal Consultations, Delivery through Skilled Birth attendant, Contraceptive Prevalence Rate (CPR), Total Fertility Rate (TFR). Proportion of households with access to water and sanitation; Severe and moderate food insecurity average, household consumption expenditure and household income from various sources. This report presents results regarding Employment, Household Income and Consumption Expenditure patterns, while separate report has been prepared for social indicators as per previous practice.

The main structure of the HIES questionnaire used for the survey 2018-19 is as under:-

#### STRUCTURE OF HIICS QUESTIONNAIRES FOR THE YEAR 2018-19

SECTION A: SURVEY INFORMATION (MALE AND FEMALE BOTH)

SECTION 1: PART-A: HOUSEHOLD INFORMATION (MALE AND FEMALE BOTH)

PART-B: EMPLOYMENT & INCOME (MALE AND FEMALE BOTH)

SECTION 2: PART-A: EDUCATION (MALE AND FEMALE BOTH)

PART-B: INFORMATION COMMUNICATION TECHNOLOGY (MALE AND FEMALE BOTH)

SECTION 3: PART-A: DIARRHOEA (FEMALE ONLY)

PART-B: IMMUNISATION (FEMALE ONLY)

PART-C: MALARIA, HEPATITIS, TUBERCULOSIS (MALE AND FEMALE BOTH)

PART-D: OUT OF POCKET HEALTH EXPENDITURE (MALE AND FEMALE BOTH)

SECTION 4: PART-A: PREGNANCY HISTORY (FEMALE ONLY)

PART-B: MATERNITY HISTORY (FEMALE ONLY)

PART-C: FAMILY PLANNING (FEMALE ONLY)

PART-D: PRE AND POST- NATAL CARE (FEMALE ONLY)

PART-E: WOMEN IN DECISION MAKING (FEMALE ONLY)

SECTION 5-PART-A HOUSING (MALE ONLY)

PART-B: FOOD INSECURITY EXPERIENCE SCALE (MALE ONLY)

#### **CONSUMPTION MODULE**

SECTION 6: HOUSEHOLD CONSUMPTION EXPENDITURE (MALE AND FEMALE BOTH)

SECTION 8: TRANSFERS RECEIVED AND PAID OUT (DURING LAST ONE YEAR (MALE ONLY)

SECTION 9: PART- A: BUILDINGS AND LAND OWNED (MALE ONLY)

PART- B: FINANCIAL ASSETS AND LIABILITIES, LOANS AND CREDIT (MALE ONLY)

SECTION 10: PART A: AGRICULTURAL SHEET (MALE ONLY)

PART B: LIVESTOCK, POULTRY, FISH, FORESTRY, HONEY BEE (MALE ONLY)

SECTION 11: NON-AGRICULTURAL ESTABLISHMENT (MALE ONLY)

SECTION 12: BALANCE SHEET FOR INCOME AND EXPENDITURE (MALE ONLY)

NOTE: In national\ provincial survey two types of questionnaires were administered, one for male and the other was filled from female respondents.

# 1.5 Sample Design of HIES Survey 2018-19

## **Objectives:**

The data generated though PSLM/HIES provincial level Survey will be used to produce 24 SDGs indicators and to provide consumption expenditure data for computation of poverty incidence by Ministry of Planning Development & special indicatives.

#### Universe:

The universe for survey consists of all urban and rural areas of the four provinces of Pakistan including ICT, excluded military restricted areas. It is worth mentioning here that areas of erstwhile FATA now merged in Khyber Pakhtunkhwa has been covered in this survey.

#### Sampling Frame:

Sampling Frame updated through Census 2017 has been used for sample selection. Each enumeration block is comprised to 200-250 houses on the average with well-defined boundaries and maps. In urban areas each enumeration block is treated as PSU while in rural areas villages are divided into blocks with well-defined boundaries and maps and each separate block within village is considered as PSU.

The numbers of enumeration block in urban and rural areas of the country are:

NO. OF ENUMERATION BLOCKS AS PER SAMPLING FRAME (2017)

NUMBER OF BLOCKS						
PROVINCE	URBAN	RURAL	Total			
Punjab	27853	60666	88519			
Sindh	21915	17215	39130			
KP	3266	22538	25804			
Balochistan	1826	8384	10210			
Total	54860	108803	163663			
AJK	526	3496	4022			
GILGIT BALTISTAN(GB)	148	1098	1246			
Grand Total	55534	113397	168931			

Note: The above enumeration blocks are as per 2017 sampling frame used for the survey.

# Sample Design:

A stratified two-stage sample design has been adopted for the survey.

# **Stratification Plan:**

The stratification plan for urban and rural areas is as follows.

#### **Urban Domain:**

For urban domain, each administrative division for all four provinces has been considered as an independent stratum.

#### **Rural Domain:**

For rural domain, each administrative district in Punjab, Sindh and Khyber Pakhtunkhawa and each administrative division in Balochistan, has been considered as an independent stratum

#### **Selection of Primary Sampling Units (PSUs):**

Enumeration blocks in both Urban and rural domains are taken as Primary Sampling Units (PSUs). Sample PSUs from each ultimate stratum/sub-stratum are selected with probability proportional to size (PPS) method of sampling scheme. In both Urban and Rural domains, the number of households in an enumeration block has been taken as measure of size.

# Selection of Secondary Sampling Units (SSUs):

The households of sample PSUs have been taken as Secondary Sampling Units (SSUs). 12 and 16 households have been selected from urban and rural domains respectively by using systematic sampling technique.

#### Sample Size and its Allocation:

Keeping in view the objectives of the survey, the sample size for the four provinces, AJK &Gilgit Baltistan has been fixed at 1995 sample blocks (PSU's) comprising 28500 households (SSU's), which is expected to produce reliable results at provincial level with urban and rural break down.

The distribution plan of PSUs and SSUs by province and region is as under:

#### PROFILE OF THE HIES SAMPLE 2018-19

PROVINCE	Fixed for Survey 2018-19			Covered During Surve 2018-19		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
PSUs:						
Punjab	350	500	850	350	500	850
Sindh	250	220	470	248	220	468
KP	125	195	320	125	194	319
Balochistan	70	110	180	66	99	165
Total	795	1025	1820	789	1013	1802
AJK	35	65	100	35	64	99
Gilgit Baltistan(GB)	25	50	75	25	49	74
Total	60	115	175	60	113	173
Grand Total	855	1140	1995	849	1126	1975
SSUs/Households						
Punjab	4200	8000	12200	3945	7836	11781
Sindh	3000	3520	6520	2719	3497	6216
KP	1500	3120	4620	1450	3035	4485
Balochistan	840	1760	2600	759	1568	2327
Total	9540	16400	25940	8873	15936	24809
AJK	420	1040	1460	397	979	1376
Gilgit Baltistan(GB)	300	800	1100	240	637	877
Total	720	1840	2560	637	1616	2253
Grand Total	10260	18240	28500	9510	17552	27062

Note: - Out of 1820 PSUs, of all four provinces 18 PSUs (6 urban and 12 rural PSUs) were dropped due to bad law and order situation. Out of these 18 dropped PSUs 15 (4 urban and 11 rural PSUs) belong to Balochistan.

1131 Non- Contacted / Refusal households which are also excluded from the covered households. One areas of each both AJK and GB are dropped. However, results for the AJK and G.B are not given in the report.

# PROFILE OF THE HIES NATIONAL / PROVINCIAL LEVEL SURVEY 2011-12, 2013-14 AND 2015-16 USED FOR ANALYSIS

	20	11-12 H	IES	201	I3-14 H	IES	20	15-16 H	IES
PROVINCE	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
PSUs:									
Punjab	260	252	512	282	287	569	482	215	697
Sindh	164	144	308	123	241	364	267	143	410
KP	108	127	235	115	144	259	224	122	346
Balochistan	53	50	103	36	79	115	114	38	152
Total	585	573	1158	556	751	1307	1087	518	1605
HOUSEHOLDS:									
Punjab	2949	3957	6906	3150	4447	7597	7181	3327	10508
Sindh	1898	2301	4199	1374	3837	5211	3912	2264	6176
KP	1267	2009	3276	1301	2221	3522	3322	1887	5209
Balochistan	629	797	1426	409	1250	1659	1740	605	2345
Total	6743	9064	15807	6234	11755	17989	16155	8083	24238

# 1.6 Objectives and Scope of Analysis

The PSLM/HIES provincial level survey is a large, complex household survey that collects information on a number of different socio-economic dimensions. The tabulations presented here comprise the tables at National/ Provincial level with urban and rural breakdown and detailed analytical comparison is carried out with the last round of HIES 2015-16. Majority of the tables presented are based on consumption quintiles. The methodology of computing quintiles based on consumption is explained in Appendix-A.

## 1.7 Data Quality and Reliability Measures

Data quality in PSLM/HIES Survey is ensured through a built-in system of checking of enumeration work by the supervisors in the field. Teams at the headquarters, supervisors and field staff at Regional/ Field offices thoroughly review and edit the questionnaire to check the inconsistency or omissions. In case it requires further clarification or it is not properly filled, the household is again revisited to maintain high quality of data. The entire data entry and data cleaning was carried at the PBS headquarter Islamabad. The data entry programme prepared at the Data processing centre had a number of built in consistency checks, that alert the data entry operators of inconsistencies, allowing the operators to immediately correct data entry mistakes. To determine the reliability of estimates confidence interval and standard error of important key indicators are also worked out.

# CHAPTER 2 Concepts and Definitions

In this chapter the major concepts and definitions used in the report are outlined, and divided into four main parts. The first part consists of definitions of the household and its members, the second part covers concepts and definitions of employment status, income, financial and assets transactions, the third part covers consumption expenditure, and the fourth education.

#### 2.1 Definition of Household and Household Members

**Household:** A household may either be a single person household or a multi-person household. A single person household is one where the individual makes provision for his/her own food and other essentials of living, without combining it with any other person and without any usual place of residence elsewhere.

A multi-person household is a group of two or more persons who make some common provision for food or other essentials of living and who are without usual place of residence elsewhere. The persons constituting the group may pool their incomes and have a common budget to a greater or lesser extent; they may be related or unrelated or a combination of both. The general criterion to be used in identifying the members of a multi-person household relates to whether they live and eat together and have no usual place of residence elsewhere.

**Head of the household:** If a person lives alone, that person is considered as the head of the household. If a group of persons live and eat together as defined above, the head of the household is that person who is considered as the head by the household members. In practice, when husband, wife, married and unmarried children form a single household, the husband is generally reported as the "head". When parents, brothers and sisters comprise a household, either a parent or the eldest brother or sister is generally reported as the head by the household. When a household consists of several unrelated persons either the respondent or the eldest household member is selected as the "head". In special dwelling units the resident person in-charge (e.g. manager) may be reported as the "head".

**Household Members:** Household members are all such persons or group of persons in a household who normally live and eat together and consider the living quarter/space

occupied by them as their usual place of residence. Such persons may be related or unrelated to each other. All such persons who normally live and eat in the household and are present at the time of enumeration and those who are temporarily absent for reasons such as, visiting, travelling in connection with business, attending schools/ colleges/ universities/ polytechnics/ other educational institutions, admitted in hospitals, outside tours etc., are treated as household members. Visitors, purely temporary boarders and lodgers, transients, servants and guests, etc. who consider their usual place of residence to be elsewhere but are found staying with the household included in the sample are not household members.

Absent household members such as migrant workers in the Middle East, are not considered to be part of the household and their income (as far as made available to the household) is included as remittances received. As these persons are not present, consumption expenditures also do not include expenses on their account.

Family members include husband, wife/wives, unmarried sons and daughters and other direct dependents such as parents, unmarried sisters, brothers, separated/divorced sisters and daughters. Other related persons, servants, boarders and lodgers who have no other place of residence elsewhere and who live and eat within the household with or without payment are considered members of the household, but not members of the family.

# 2.2 Employment Status, Income, Financial and Other Transactions

**Employed Persons**: A person is considered employed if he/she worked for at least one hour during the month preceding the interview or, even if the person did not work in the last month, he/she had a job or ran an enterprise such as shop, business, and farm or service establishment during the last year. Modules of LFS and HIES are not comparable as main objective of LFS is to capture Employment, Unemployment and Labour Force, while in HIES the main objective is to capture Consumption patterns & Income sources of households. Reference period for reporting is also different (Preceding week in LFS and Last one month in HIES).

**Employment Status**: Employed persons are divided in the following categories: employer, paid employee, self-employed and own account worker, contributing family worker, and agricultural labourers (owner cultivator, share-cropper, and contract cultivator). An employer is a person who owns an enterprise and works himself as well as

employs individuals for pay to help him/ her in his/her enterprise but may have others working for him/ her without pay. An employee is a person who works for others in exchange for wages and a salary that is paid in cash or in kind. A self-employed or own account worker is a person who, though owning an enterprise, does not employ any person for pay, to help him/ her in his/ her enterprise but may have others working for him/her without pay, such as family helpers (Contributing family worker). The self-employed are divided into two categories:

- Those who run their own business or enterprise themselves without the help of any other person.
- Those own account workers who run their own business or enterprise with the help of contributing family workers only.

**Contributing Family Worker** (Unpaid Family Worker) is a member of the family who works for the family enterprise without being paid. Although they are not paid, their efforts result in an increase in the household income; therefore they are considered employed persons.

**Earners** are all those persons aged 10 years and above who provide the household with material return, in cash or in kind. Earners are divided into two categories, economically active and not economically active. All employed persons are included amongst the economically active. Pensioners and those who receive incomes from renting buildings and land (i.e. landlords) are classed as not economically active.

Industry Divisions represent the activities of the firm, office, establishment or department in which a person is employed or the kind of business in which he/she works. Pakistan Standard Industrial Classification (PSIC) 2010 is currently used to define Industry divisions. They are divided into: agriculture/fishing; mining and quarrying; manufacturing; electricity/gas and water; construction; trade/hotels and restaurants; transport and storage; finance and real estate; community services; and other activities not defined.

**Major Occupation Groups** describe the nature of work usually undertaken by an individual. Where a person performs more than one occupation during the year the main occupation is recorded. Pakistan Standard Classification of Occupations (PSCO) 2015 is

currently used to define Occupational groups .Main occupational groups are: legislators/senior officials and managers; professionals; technicians and associate professionals; clerks; service workers/shop and market sales workers; skilled agriculture and fishery workers; craft and related trade workers; plant and machine operators and assemblers; elementary occupations; and armed forces.

Household Income is the sum of monetary income and income "in kind". Household income consists of receipts, which, as a rule, are of a recurring nature and are received regularly by the household or by individual household members usually at annual or more frequent intervals. Household income is derived from the following main sources: employees' salaries, wages and other related receipts from employers; operating surplus from non-agricultural and non-financial sector enterprises employing less than 10 persons; operating surplus from agriculture; withdrawal of entrepreneurial income for proprietors engaging ten or more persons in the industry divisions mentioned above; and income from personal investment (rent, interest and dividends) and royalties. For the purposes of household surveys it is convenient to include as income, bonuses and gratuities, pensions, social security benefits, tuition fees, other subsidiary sources, receipts from Zakat, usher, scholarships, and other periodical receipts like domestic and foreign remittances, alimony, inheritance or trust funds.

Household income in cash includes all money receipts such as wages, salaries, rent from land and property, income from self-employment, gifts, and assistance.

Household income "in kind" includes wage payments in kind through goods and services transferred free of charge by an enterprise (including farm products) to an employee and to the household of the owner or part owner of the enterprise; it also includes the value of home production that is consumed within the household (e.g. agricultural products, livestock products etc.). Where an employee buys from his employer, for his household consumption, goods and services at concessionary/subsidised prices and thus obtains a significant advantage, the value of these concessions/subsidies is also taken into account as income "in kind". Remittances in kind, gifts and assistance, zakat and other transfers in kind are considered income "in kind". The estimated net rental value of owner occupied housing is in principle also treated as income "in kind" and, as is the estimated

gross rental value to the occupier of rent-free housing, whether obtained as wages "in kind" or otherwise.

**Imputed Income** is the estimated value at current market prices of the goods and services received by the household for which no cash payment is made. Imputed income includes the estimated value of home produced goods consumed by the household, rent from owner occupied and rent free dwellings, gifts and assistance received in kind and wages and salaries paid in kind free of cost by the employers. For example for wheat received in kind, the enumerator will report the market value of wheat received under the column wages & salaries

**Disposable Income** is defined in the System of National Accounts (SNA) as the income from all sources after netting for all current transfers (which include taxes) received and paid. It is equivalent to final consumption plus savings. In exceptional circumstances disposable income may be negative: current expenditure in those cases has to be met from the net disposal of assets.

**Operating Surplus** for establishments run by households has generally been calculated from the special agricultural and non-agricultural modules in the questionnaire. The alternative is to use respondent's own self-reported estimate of operating surplus, however, this estimate is liable to reporting errors.

A detailed worksheet was filled for household members who were engaged in agricultural activities either through cultivation of land or keeping livestock and/or inland fishery. With regards to those household members engaged in the agricultural sector, no restriction is set on the number of persons engaged in the unit. Furthermore, for all household members who were engaged as owner-proprietor of a business in the non-agricultural and non-financial sectors with less than 10 employees, a detailed worksheet for economic activity was completed. The number of persons engaged in the unit is calculated as the sum of all own-account workers, Contributing-family workers and employees.

All units whether registered or unregistered, using power or not, are included if the unit engages less than 10 persons.

**Wages and Salaries** are the earning of employees in cash or in kind from one or more jobs.

**Income from Farming** (Self-Employed) is the operating surplus derived from crop farming, including rent from land and agricultural equipment.

**Income from Livestock** (Self-Employed) is the operating surplus derived from livestock products.

**Income from Other Activities** (Self-Employed) is the operating surplus derived from commercial and industrial activities, including rent from building and machinery.

**Property Income** consists of interest and dividends from savings/deposits and receipts from rent of land and buildings, if these amounts are not reported in the worksheets for the agricultural or non- agricultural establishments. In fact, rental income from buildings, plants, or machinery reported in the worksheets is included in the operating surplus.

**Social Benefits** includes pension and social security benefits, such as sickness benefit, unemployment benefit, family and maternity benefit, invalidity benefit, etc. This is asked in employment section and constitutes recurrent cash payments from various types of employment schemes. If assistance is received from Government/Private in the form of Zakat and other cash transfers, it is reported in section Transfers Received and Paid and tabulated under "Gift and Assistance" group in table 3.6 of write up and table 11of main table.

**Net Sales of Property** are calculated as sales minus purchases of land, buildings (including major improvements), livestock, machinery and equipment. The value of major improvements and renovations is deducted from sales along with purchases.

**Net Sales of Other Assets** includes sales minus purchases of stocks, shares and other securities; withdrawal from deposits minus savings added to deposits; sales minus purchases of gold, silver and precious metals (including jewellery), and the sale of durable items. Also cash transfers for dowry and inheritance have been considered as asset movements and added to the net sale of assets (cash expenses minus values received). Finally, from this aggregate those amounts that households reported as losses of cash were deducted.

**Net Borrowing** consists of two parts, the value of loans obtained minus the loans repaid (including interest/profit) and the difference between the values of loan given out minus repayments on such loan received. Net borrowing is net loans obtained minus net loans given out.

**Net Capital Transfers Receipts** consists of property received as gift, inheritance, etc., minus property given away, lost or destroyed.

**Net Change in Cash Balances** is the net change of cash kept in hand or in current accounts with the banks. This variable is derived as a residual. It is calculated as net savings (household income minus expenditures) minus receipts other than income, that is, income from liquidation of assets, net capital transfers received and increases in borrowing.

# 2.3 Consumption Expenditure

**Household Expenditure:** household consumption expenditure refers to all money expenditure by the household and individual members on goods intended for consumption and expenses on services. Also included is the value of goods and services received "in kind" or "own produced" which are consumed by the household.

**Paid for and Unpaid for:** For household income and expenditure purposes, household consumption expenditure is classified into two main categories: "paid" and "unpaid" expenditure. The expenditure on consumption items is reported under columns, "paid and consumed" and "unpaid and consumed".

**Paid and Consumed:** For the purpose of household income and expenditure, the category of "paid and consumed" refers to i) all cash payments or ii) purchases on credit or iii) under barter (exchange) arrangements with other goods and services by the household to obtain goods and services which were consumed during the reference period.

**Unpaid and Consumed:** Unpaid and consumed expenditure refers to the imputed market value of goods and services consumed by the household or individual members which were received as "income in kind" by the household or individual members. The unpaid and consumed expenditure is classified into three sub-categories:

Wages and salaries in kind consumed

- Own produced and consumed
- Receipts from assistance, gifts, dowry, inheritances and other sources

Wages and Salaries in Kind Consumed category includes wages and salaries paid "in kind" like food, clothing and housing provided free of charge by the employer, either at the work place or consumption out of the workplace. In addition to the income "in kind" received by the employees, this category includes similar other facilities. Therefore, other consumption items like free telephone, car and domestic servants are to be included if applicable. The valuation of these consumed items should be based on current local market value.

**Own Produced and Consumed** category refers to the items and value of items produced for commercial or non-commercial purposes by the household/ non-financial unincorporated enterprise and utilised in its own consumption such as food grains produced and used by farm households, shoes made and used by shoe makers, net rental value of owner occupied housing, small amounts of vegetables produced, knitting wearing apparel, etc. during the reference period. The commodities consumed do not necessarily have to be produced during the reference period.

Receipts from Assistance, Gifts, Dowry, Inheritances and Other Sources category relates to commodities consumed during the reference period obtained by means of assistance, gifts (nazrana etc.) and other sources like remittances in kind from relatives, dowry in kind, presents from relatives, etc. Again they should be valued at current local market prices.

Indirect taxes are included in household consumption expenditures, such as sales taxes and payments made for (consumption) of goods and services. Payments made for commercial expenditures are excluded e.g. expenditure on diesel to operate vans for commercial purposes is not included.

**Durable Goods:** Durable goods include those items with a life expectancy of one year or more such as furniture, fixtures, clocks, wrist watches, television, radio, cutlery, kitchen utensils, etc.

**Non-Durable Goods:** Non-durable goods include those items with a life expectancy of less than one year such as food, clothing, fuel and lighting, footwear, medicines, etc.

**Accommodation Expenses** include the amount paid for renting accommodation, the rental value of rent-free accommodation and the estimated rent of owner-occupied dwellings at current market prices. Housing expenditures also includes expenses incurred on repairs, re-decoration and minor improvements of the dwellings, insurance, water and conservancy charges and other housing expenses.

**Per Capita Consumption** is calculated by dividing the total consumption of the households by the number of household members.

**Taxes** are not classified as household consumption, but in a separate expenditure category. Taxes, fines and fees included within the expenditure categories of the household are: house and property tax; license fees for TV/VCR, fire arms and driving licenses; registration and renewal fees for car, motorcycle and scooter; fines, choolah tax, birth and marriage taxes, pet keeping taxes, etc.

#### 2.4 Education

**Literacy** Literate is ability of a person to read and write a simple letter with understanding in any language. .

**No Formal Education** describes the situation where an individual never attended school.

# **CHAPTER 3**

# 3.1 Main Findings

This chapter presents the key results of the 2018-19 data in comparison with the HIES data 2015-16. Specific sections examine changes in average household size; the percentage of employed people and their employment status, main sources of income; consumption patterns; the level of savings; and the consumption of the major food items. In this chapter results are given in a summarised form. Key findings are presented on the change in the patterns of the people's welfare (e.g. the impact on the poor and the rich).

A more detailed disaggregation is provided in the main tables of this report and the key distributions are examined across five standardised per capita consumption quintiles. Each quintile contains 20 percent of the total population. For example, the first quintile contains lowest 20 percent of the total population and in the second quintile the next better off 20 percent of the total population, whereas and the fifth quintile contains the richest 20 percent of the total population. The quintile approach provides a better distributional and welfare analysis for the reasons that each quintile contains 20 percent of the population with respect to their welfare standard.

#### 3.2 Household Size

The national average household size is 6.24 members in year 2018-19 (Table 3.2 A), which is slightly lesser than the average household size 6.31 members observed for the year 2015-16.

TABLE 3.2.A AVERAGE HOUSEHOLD SIZE, 2015-16 AND 2018-19

	Average Household Size					
AREA	2015-16	2018-19				
Total	6.31	6.24				
Urban	6.03	5.97				
Rural	6.47	6.40				

See table-1 in the main body of this report for further disaggregation.

The average household size is disaggregated by quintiles (Table 3.2 B). The average household size shows decreasing trend from 1<sup>st</sup> quintile to the 5<sup>th</sup> quintile. It gives understanding that the richest households have a comparatively smaller family size than the poorest households. In urban areas the household size is greater than rural

areas in all quintiles which shows that people in urban areas are living together to save expenses.

TABLE 3.2.B AVERAGE HOUSEHOLD SIZE BY QUINTILES AND REGION. 2018-19

	Quintiles								
AREA	1 <sup>ST</sup>	2 <sup>ND</sup>	3 <sup>RD</sup>	4 <sup>TH</sup>	5 <sup>TH</sup>	Total			
Total	8.11	7.27	6.42	5.78	4.72	6.24			
Urban	8.50	7.74	6.89	6.12	4.84	5.97			
Rural	8.04	7.14	6.21	5.52	4.51	6.40			

See table-1 in the main body of this report for further disaggregation.

A further analysis reveals that differences exist in household size between rural and urban areas and among provinces (Table 3.2 C). Punjab shows decline in household size i.e. from 6.04 in 2015-16 to 5.78 in 2018-19. On the other side average household size of Sindh, Khyber Pakhtunkhwa and Balochistan have slightly increased.

TABLE 3.2.C AVERAGE HOUSEHOLD SIZE, BY PROVINCES AND REGION

AREA	2015-16	2018-19
Total	6.31	6.24
Urban	6.03	5.97
Rural	6.47	6.40
Punjab	6.04	5.78
Sindh	6.22	6.23
KP Excluding Merged Areas	7.34	7.41
KP Including Merged Areas		7.52
Balochistan	7.84	8.12

See table- 1 in the main body of this report for further disaggregation.

# 3.3 Employed Persons and Other Income Earners

In this sub-section, the distribution of income earners across the total population is presented disaggregated by Urban/Rural & provinces. **Table 3.3** shows the average numbers of earner per household have slightly decreased from 1.94 in 2015-16 to 1.86 in 2018-19, while the numbers of earners in urban areas is 1.75 and rural areas is 1.92. Provincial comparison of the two surveys shows that average number of earners have significantly increased in Khyber Pakhtunkhwa and Balochistan i.e. from 2.04 and 1.99 in 2015-16 to 2.08 and 2.14 in 2018-19 respectively, however shown declining pattern in Punjab and Sindh.

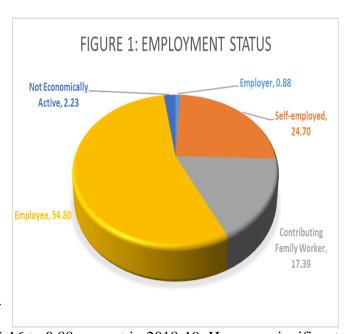
TABLE 3.3 AVERAGE NUMBERS OF EARNERS PER HOUSEHOLD BY PROVINCE AND REGION

AREA	2015-16	2018-19
Total	1.94	1.86
Urban	1.78	1.75
Rural	2.04	1.92
Punjab Sindh	1.66	1.63
Sindh	1.96	1.80
KP	2.04	2.08
Balochistan	1.99	2.14

See table -6 in the main body of this report for further disaggregation.

# 3.4. Earners by Employment Status

Table 3.4 present the household earners disaggregated by employment status. However, it is observed that pattern of employment status remained same with Paid employee with 54.80 percent being the highest followed by Selfemployed 24.70 percent, and contributing family helper with 17.39 percent (Figure 1). There is slight decline in the percentage of



employers from 0.90 percent in 2015-16 to 0.88 percent in 2018-19. However significant increase has been observed in percentage of self-employed persons and contributing family worker has decreased from 19.50 percent in 2015-16 from 17.39 percent in 2018-19.

TABLE 3.4 PERCENTAGE DISTRIBUTIONS OF EARNERS BY EMPLOYMENT STATUS

	2015-16			2018-19		
EMPLOYMENT STATUS	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Employer	2.01	0.36	0.90	1.60	0.49	0.88
Self-employed	17.72	26.72	23.74	20.32	27.15	24.70
Contributing Family Worker	7.78	25.30	19.50	7.96	22.65	17.39
Employee	69.08	46.32	53.85	66.63	48.19	54.80
Not Economically Active	3.41	1.30	2.00	3.49	1.53	2.23
See Table 6 in the main body of report for further disaggregation						

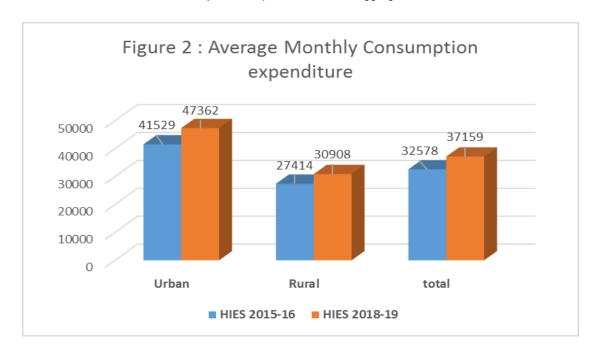
# 3.5 Consumption, Income and Savings

In table 3.5.A, the pattern of consumption expenditure of households is presented among urban and rural areas by quintiles. It shows that the level of consumption expenditure in urban areas is much higher as compared to rural areas (Figure 2). However, the gap in the first and the fifth quintiles is wider in urban areas as compared to rural areas (Figure 3). Consumption expenditures have increased by 14 percent in 2018-19 as compared to 2015-16.

TABLE: 3.5.A AVERAGE MONTHLY HOUSEHOLD CONSUMPTION EXPENDITURE BY QUINTILES & REGION

	AVERAGE MONTHLY CONSUMPTION EXPENDITURE PER HOUSEHOLD										
QUINTILES		2015-16			%						
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL	CHANGE				
1 <sup>st</sup>	19542	18321	18496	23515	21430	21726	17.46				
2 <sup>nd</sup>	24255	22465	22874	29130	26587	27138	18.64				
3 <sup>ra</sup>	28326	25988	26705	32931	29389	30475	14.12				
4 <sup>th</sup>	33100	30150	31337	38689	34491	36338	15.96				
5 <sup>th</sup>	58584	44189	52907	64681	47236	58206	10.02				
TOTAL	41529	27414	32578	47362	30908	37159	14.06				

See table -15 & 16 in the main body of this report for further disaggregation.



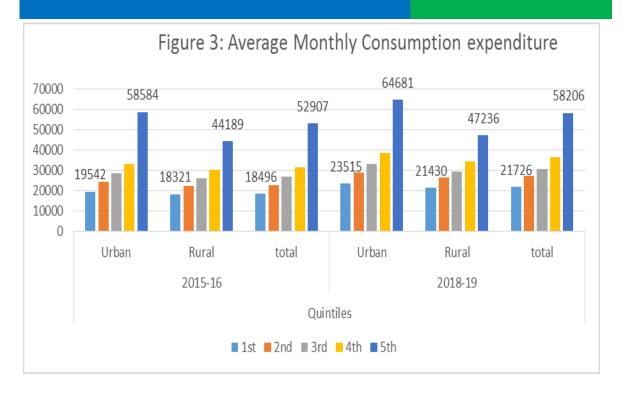
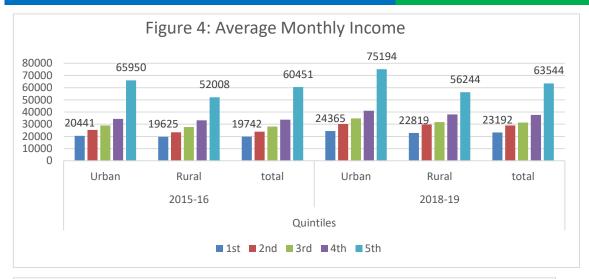


Table 3.5.B, presents the analysis of the average household income by quintiles and region. The breakdown indicates that the pattern of average household income is very much similar to its Consumption pattern. Among total households, households of the richest quintile are having the average income almost three times as compared to lowest quintile of households in urban areas and rural areas (Figure 4). However, the gap between lowest and highest quintile are more pronounced in urban areas (Figure 5).

TABLE: 3.5.B AVERAGE MONTHLY HOUSEHOLD INCOME BY QUINTILES AND AREAS

QUINTILE		AVERAGE MONTHLY INCOME PER HOUSEHOLD 2015-16 2018-19								
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL				
1 <sup>st</sup>	20441	19625	19742	24365	22819	23192	17.48			
2 <sup>nd</sup>	25292	23392	23826	30210	29743	29049	21.92			
3 <sup>rd</sup>	28940	27613	28020	34789	31705	31373	11.97			
4 <sup>th</sup>	34407	33170	33668	41084	38094	37643	11.81			
5 <sup>th</sup>	65950	52008	60451	75194	56244	63544	5.12			
TOTAL	45283	30110	35662	53010	34520	41545	16.50			
See table -11 in t	he main body	of this report	for further d	lisaggregatio	n.					



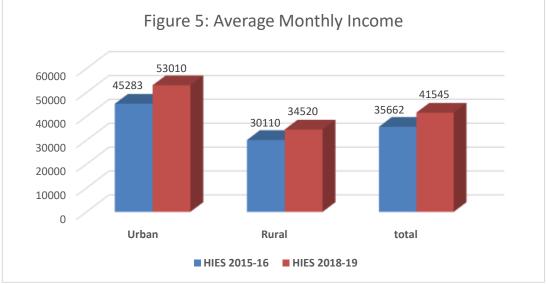


Table 3.5.C present that average per capita consumption expenditure, it increases to Rs. 5959 in 2018-19 as compared to Rs. 5166 in 2015-16. The average individual expenditures for the richest quintile in urban and rural areas are more than four times than the poorest quintile. There is not much difference between the average per capita expenditure for poorest quintile in rural and urban areas whereas it is significantly higher in urban areas than the rural areas for richest quintile.

Table 3.5 D present the average per capita Income by quintile & region and it is observed that the average per capita income increases in 2018-19 to Rs. 6662 from Rs.5653 in 2015-16. It is observed that difference in per capita income between fourth quintile to fifth quintile is almost near to double.

TABLE 3.5.C PER CAPITA MONTHLY CONSUMPTION EXPENDITURE BY QUINTILES AND REGION

		2015-16			2018-19	
QUINTILES	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
1 <sup>ST</sup>	2357	2284	2295	2765	2665	2680
2 <sup>ND</sup>	3203	3165	3174	3764	3725	3734
3 <sup>RD</sup>	4074	4058	4063	4781	4733	4749
4 <sup>TH</sup>	5394	5340	5363	6325	6251	6286
5 <sup>TH</sup>	11920	9364	10937	13365	10480	12342
TOTAL	6888	4239	5166	7928	4832	5959

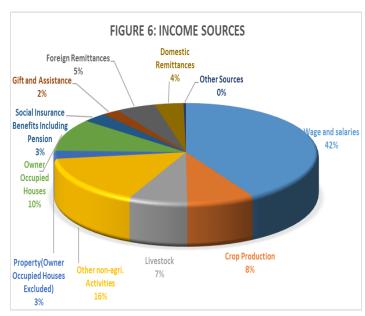
See table -22 in the main body of this report for further disaggregation.

TABLE 3.5.D PER CAPITA MONTHLY INCOME BY QUINTILES AND REGION

		2015-16		2018-19				
QUINTILES	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL		
1 <sup>ST</sup>	2465	2446	2449	2865	2838	2861		
2 <sup>ND</sup>	3339	3295	3306	3903	4167	3997		
3 <sup>RD</sup>	4162	4311	4263	5051	5106	4889		
4 <sup>TH</sup>	5606	5875	5761	6717	6904	6511		
5 <sup>TH</sup>	13410	11017	12490	15537	12478	13473		
TOTAL	7508	4655	5653	8873	5397	6662		

#### 3.6 Income Sources

While analysing household income and consumption expenditure we need to consider different sources of income of both rich and poor. Percentage of the income earned from different sources in 2018-19 has been compared with the data of 2015-16 in table 3.6. In general, the trend of major income



sources towards the total household income has more or less same over the period from 2015-16 to 2018-19. It is observed that wages and salaries have the major contribution

towards the total household income with 41.68 percent (Figure 6), which is also true for urban and rural areas with 49.03 percent and 34.75 percent respectively. The second major source of income overall remained the non agricultural activities i.e. business and services sectors, which has increased from 13.53 percent in 2015-16 to 15.91 percent in 2018-19. Crop production is also an important source which decreased from 9.43 percent in 2015-16 to 8.18 percent in 2018-19. The decrease is due to significant decline in rural areas i.e. from 16.46 percent in 2015-16 to 14.05 percent in 2018-19.

TABLE 3.6 PERCENTAGE OF MONTHLY HOUSEHOLD INCOME SHARE BY SOURCE AND REGION

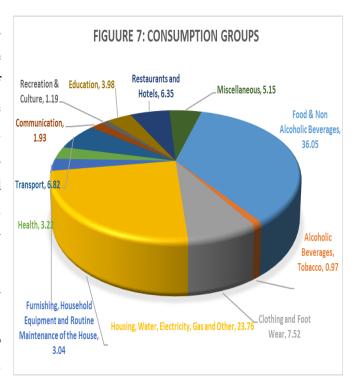
		2015-16		2018-19		
INCOME SOURCES	URBAN	RURAL	TOTA L	URBAN	RURAL	TOTAL
Wage and salaries	51.16	32.05	40.93	49.03	34.75	41.68
Crop Production	1.33	16.46	9.43	1.95	14.05	8.18
Livestock	1.01	13.72	7.81	1.77	12.17	7.13
Other non-agri. Activities	17.95	9.69	13.53	20.22	11.85	15.91
Property(Owner Occupied Houses Excluded)	3.03	3.03	3.03	2.91	2.26	2.58
Owner Occupied Houses	14.16	7.22	10.44	13.93	7.31	10.52
Social Insurance Benefits Including Pension	3.25	2.02	2.59	3.40	2.63	3.01
Gift and Assistance*	1.29	2.48	1.93	1.44	2.76	2.12
Foreign Remittances	4.47	6.85	5.75	4.07	5.80	4.96
Domestic Remittances	1.97	5.76	4.00	1.20	5.90	3.62
Other Sources	0.38	0.72	0.56	0.07	0.52	0.31

<sup>\*</sup> Gift and Assistance also include cash transfers received through BISP. See table -11 in the main body of this report for further disaggregation.

The percentage share of income from foreign remittances has decreased from 5.75 percent in 2015-16 to 4.96 percent in 2018-19. However, there is a slight increase in the percentage share of income from gift and assistance from 1.93 percent in 2015-16 to 2.12 percent in 2018-19. Analysing the income sources in urban and rural areas reveals that non-agriculture activities is the second major source of income in urban areas with 20.22 percent followed by Owner occupied houses with 13.93 percent, while in rural areas crop production with 14.05 percent and livestock with 12.17 percent are second and third major sources of income respectively.

# 3.7 Consumption Pattern

Table 3.7(A)presents monthly consumption expenditure according to Classification Individual Consumption by Purpose (COICOP). Comparing the results of HIES 2018-19 and 2015-16 its seems that the share of food expenditure is relatively high as compared to all other commodity groups at Pakistan level (Figure 7), however it has decreased from 37.05 percent in 2015-16 to 36.05 percent in 2018-19. It is pertinent to mention here that the food share is



continuously declining since preceding 10 years due to increase in share of housing, water, electricity and other.

TABLE 3.7.A PERCENTAGE OF MONTHLY CONSUMPTION EXPENDITURE BY COMMODITY GROUPS AS PER COICOP

COMMODITY GROUPS		2015-16			2018-19	
COMMODITY GROUPS	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Food & Non Alcoholic Beverages	31.25	42.13	37.05	30.64	41.13	36.05
Alcoholic Beverages, Tobacco	0.88	1.32	1.11	0.81	1.13	0.97
Clothing and Foot Wear	8.23	9.78	9.05	6.85	8.14	7.52
Housing, Water, Electricity, Gas and Other	27.76	19.06	23.12	28.62	19.20	23.76
Furnishing, Household Equipment and Routine Maintenance of the House	2.83	2.56	2.69	3.09	3.00	3.04
Health	2.37	3.62	3.04	2.63	3.78	3.22
Transport	5.43	4.96	5.18	6.89	6.75	6.82
Communication	2.42	2.06	2.22	2.14	1.74	1.93
Recreation & Culture	1.78	1.42	1.59	1.06	1.31	1.19
Education	5.01	2.20	3.51	5.50	2.56	3.98
Restaurants and Hotels	6.87	5.59	6.18	6.56	6.16	6.35
Miscellaneous	5.18	5.31	5.25	5.22	5.09	5.15

See table -15 in the main body of this report for further disaggregation.

Further analysis reveals that the consumption expenditure in Housing, Water, Electricity, Gas and Other, Furnishing, Household equipment and routine maintenance of the house, Health, Transport, Education and Restaurants & Hotels has shown increasing trend as compared to 2015-16 while consumption expenditures on Beverages & tobacco,

Clothing & footwear, Communication and Recreation & Culture have shown decreasing trend as compared to 2015-16.

The component of food taken away from home and readymade food taken at home were added in detail, in the consumption module and reported under "Restaurants and Hotels" table 3.7A and its share has slightly increase from 6.18 percent in 2015-16 to 6.35 percent in 2018-19. The expenditure on food and soft drinks acquired from hotel & restaurants during marriages/births/other occasions is also reported in "Restaurants and Hotels" group.

# 3.8. Monthly Household Consumption Expenditure on Major Food Items

Table 3.8.A shows the percentage share of expenditure on major food items. Out of the total food expenditure 20 food items contributed 86.79 percent. These items contribute 87.65 percent in rural areas and 85.63 percent in urban areas.

TABLE 3.8.A PERCENTAGE OF MONTHLY EXPENDITURE ON 20 MAJOR FOOD ITEMS

		2015-16			2018-19	
FOOD ITEMS	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Wheat & Wheat Flour	9.88	14.42	12.55	8.98	12.84	11.20
Rice & Rice Flour	3.35	3.51	3.45	3.76	3.99	3.89
Pulses ,Split & Whole	2.11	2.45	2.31	1.79	2.10	1.97
Bread and Other Cereals	2.65	2.69	2.67	2.33	2.02	2.15
Vegetable Ghee	2.93	5.39	4.38	3.02	5.75	4.59
Tea(black & green)	2.31	2.84	2.62	2.53	3.01	2.81
Milk, Fresh & Boiled	18.38	22.69	20.92	21.24	23.96	22.81
Milk Tetra Pack	1.77	0.85	1.23	1.36	0.63	0.94
Mutton	2.44	1.12	1.66	3.12	1.53	2.20
Beef	3.35	2.77	3.01	3.52	2.87	3.15
Chicken	3.87	3.32	3.54	3.68	3.52	3.58
Fish	1.09	0.60	0.80	0.89	0.54	0.69
Fruits(fresh & dried)	5.01	3.86	4.33	5.51	4.26	4.79
Vegetables	8.22	9.58	9.02	7.88	9.24	8.66
Salt	0.17	0.17	0.17	0.16	0.16	0.16
Spices	2.83	2.26	2.49	1.99	1.64	1.79
Sugar Mill/Desi	3.16	4.60	4.01	2.61	3.82	3.31
Gur & Shakkar	0.11	0.35	0.25	0.12	0.33	0.24
Mineral Water Soft Drinks Fruits and Vegetable Juice	2.40	1.23	1.71	2.20	1.36	1.71
Hotel and Restaurants	11.30	4.43	7.25	8.95	4.08	6.15
Total	87.33	89.13	88.37	85.63	87.65	86.79

See table -17 in the main body of this report for further disaggregation.

An analysis of these 20 food items reveals that major share of consumption expenditure on food is incurred on wheat, milk, vegetable ghee, vegetables and sugar which almost share 50.57 percent out of 86.79 percent, clearly depicting that Milk, Wheat

and Vegetables are the major part of food consumption. While comparing urban and rural areas, it is observed that different pattern of food preferences exists as in rural areas, milk, wheat, vegetables constitute major share however in urban areas milk, wheat & restaurants and hotels constitute major share.

Disaggregation of expenditure on major food items by quintiles (Table 3.8B) shows the contrasting consumption pattern among different quintiles. Among the food items, the poorest spend 61.35 percent of the total food expenditure on wheat, milk, vegetable ghee, vegetables and sugar, while the richest spends 56.85 percent on milk, wheat, vegetables, fruits, mutton, beef, sugar and chicken etc. which shows that they have different preferences for consumption expenditures. In richest quintile the spending on Hotel & restaurants group constitutes the 2nd largest share among food items with 9.45 percent which reveals their different eating habits and patterns.

TABLE 3.8.B PERCENTAGE OF MONTHLY EXPENDITURE ON MAJOR FOOD ITEMS BY QUINTILES

TABLE 3.0.B PERCENTAGE						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
			QUINT	TILES		
FOOD ITEMS	1 <sup>ST</sup>	2 <sup>ND</sup>	3 <sup>RD</sup>	4 <sup>TH</sup>	5 <sup>TH</sup>	TOTAL
Wheat & Wheat Flour	18.28	14.98	12.72	10.28	6.77	11.20
Rice & Rice Flour	4.33	4.34	4.28	3.94	3.29	3.89
Pulses ,Split & Whole	2.43	2.26	2.16	2.01	1.54	1.97
Bread and Other Cereals	1.88	1.99	2.04	2.11	2.40	2.15
Vegetable Ghee	7.73	6.62	5.52	4.25	2.28	4.59
Tea(black & green)	3.59	3.30	3.03	2.71	2.25	2.81
Milk, Fresh & Boiled	19.56	22.15	23.36	24.52	22.79	22.81
Milk Tetra Pack	0.67	0.82	0.76	0.79	1.30	0.94
Mutton	0.53	0.83	1.25	1.77	4.23	2.20
Beef	1.81	2.66	3.16	3.59	3.53	3.15
Chicken	3.35	3.45	3.61	3.73	3.61	3.58
Fish	0.50	0.50	0.61	0.66	0.90	0.69
Fruits(fresh & dried)	2.45	3.25	3.93	4.90	6.72	4.79
Vegetables	10.81	10.05	9.34	8.55	6.97	8.66
Salt	0.19	0.17	0.17	0.16	0.14	0.16
Spices	1.58	1.72	1.74	1.84	1.89	1.79
Sugar Mill/Desi	4.97	4.17	3.68	3.16	2.23	3.31
Gur & shakkar	0.36	0.35	0.27	0.21	0.16	0.24
Mineral water Soft Drinks Fruits and Vegetable Juice	0.89	1.11	1.35	1.69	2.50	1.71
Hotel and Restaurants	3.71	3.91	4.51	5.40	9.45	6.15
Total	89.62	88.65	87.48	86.26	84.93	86.79

See table -17 in the main body of this report for further disaggregation.

Per capita monthly consumption in quantity reveals that wheat is significantly less consumed in urban areas as compared to rural areas while Tea, Milk, Chicken, Fruits & Vegetables are consumed more in urban areas (Table 3.8.C).

TABLE 3.8.C PER CAPITA MONTHLY CONSUMPTION (QUANTITIES) OF MAJOR FOOD ITEMS

			2015-16			2018-19	
FOOD ITEMS	UNIT	URBAN	RURAL	TOTAL	URBAN	RURA L	TOTA L
Wheat & wheat flour	Kg	6.29	7.79	7.26	6.12	7.50	7.00
Rice &rice flour	Kg	1.05	0.96	0.99	1.10	1.03	1.06
Pulses	Kg	0.36	0.35	0.36	0.36	0.35	0.35
Vegetable ghee	Kg	0.50	0.73	0.65	0.52	0.79	0.69
Tea black & green	Grams	82.64	80.80	81.45	88.77	85.90	86.95
Milk (fresh & boiled)	Litre	6.09	6.56	6.40	6.74	6.92	6.85
Milk(Packed)	Litre	0.44	0.17	0.27	0.36	0.14	0.22
Mutton	Kg	0.09	0.04	0.06	0.10	0.04	0.06
Beef	Kg	0.25	0.18	0.20	0.22	0.16	0.19
Chicken	Kg	0.46	0.33	0.37	0.42	0.32	0.36
Fish	Kg	0.10	0.05	0.07	0.09	0.04	0.06
Fruits	Kg	0.89	0.58	0.69	1.13	0.68	0.84
Vegetables	Kg	5.06	4.70	4.83	5.04	4.90	4.95
Salt	Kg	0.24	0.24	0.24	0.23	0.23	0.23
Sugar(desi & milled)	Kg	1.27	1.41	1.36	1.18	1.35	1.28
Gur & shakkar	Kg	0.03	0.08	0.06	0.04	0.09	0.07

See table -23 in the main body of this report for further disaggregation.

A further analysis of consumption patterns is presented in **table 3.9 A** where household consumption expenditure on fuel and lighting is disaggregated into nine different components. It is observed that the major share of expenditure on fuel and lighting in urban areas is incurred on electricity and gas where in rural areas incurred on electricity and firewood. Further it is observed that fuel expenditure incurred on Generators etc. are decreased from 2.59 percent in 2015-16 to 0.90 percent in 2018-19.

TABLE 3.9 A PERCENTAGE OF HOUSEHOLD EXPENDITURE ON FUEL AND LIGHTING

		2015-16			2018-19	
FUEL ITEMS	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Firewood	4.94	30.80	20.70	4.86	28.94	18.90
Kerosene Oil	0.08	0.95	0.61	0.01	0.28	0.17
Charcoal	0.10	0.66	0.44	0.06	0.49	0.31
Coal(hard,soft,peat)	0.01	0.12	0.08	0.01	0.06	0.04
Dung cakes	0.65	7.78	5.00	0.47	5.21	3.23
Gas(piped/cylinder)	19.76	8.78	13.07	18.11	11.69	14.37
Electricity	69.40	38.61	50.64	74.47	41.60	55.30
Generator, etc.	4.34	1.48	2.59	1.38	0.56	0.90
Cotton Sticks	0.40	5.40	3.44	0.30	5.67	3.43
Others	0.32	5.42	3.43	0.32	5.51	3.35

See table -19 in the main body of this report for further disaggregation.

Disaggregation by quintiles shows that the richest households mostly use electricity and gas whereas the poor prefer low cost products such as firewood, dung cake and others (other agri. wastes, bagasse etc.). See Table 3.9B

TABLE 3.9B PERCENTAGES OF HOUSEHOLD EXPENDITURE ON FUEL & LIGHTING BY QUINTILES, 2018-19

FUEL AND LIGHTING		QUINTILES								
TOLL AND LIGHTING	1 <sup>ST</sup>	2 <sup>ND</sup>	3 <sup>RD</sup>	4 <sup>TH</sup>	5 <sup>TH</sup>	TOTAL				
Firewood	32.76	30.14	25.10	19.74	7.40	18.90				
Kerosene Oil	0.43	0.28	0.21	0.14	0.05	0.17				
Charcoal	0.75	0.47	0.42	0.19	0.14	0.31				
Coal(hard, soft, peat)	0.06	0.05	0.06	0.03	0.02	0.04				
Dung cakes	6.07	5.85	4.60	2.91	1.01	3.23				
Gas(piped/cylinder)	5.83	9.50	12.44	16.46	18.23	14.37				
Electricity	35.27	41.03	47.96	54.89	69.94	55.30				
Generator, etc.	0.27	0.18	0.44	0.74	1.66	0.90				
Cotton Sticks	10.24	6.70	4.48	2.01	0.66	3.43				
Other Agri. Wastes, Bagasse etc.	8.32	5.80	4.28	2.88	0.88	3.35				

See table -19 in the main body of this report for further disaggregation.

# Appendix A: Consumption Quintiles

Consumption quintiles are used to distinguish the population according to their welfare: poorest households are grouped together into the 1st quintile, those with higher consumption into the 2nd quintile, and so on. Five quintiles rank the population from the poorest 20 percent to the richest 20 percent. The main aim of quintile is to analyse how social and economic indicators change in relation to people's welfare. For instance, the government wants to know whether poorer households have access to basic services (immunization, schools, safe water etc.) or whether there are significant differences between the poor and the rich. Furthermore, policy makers are interested to know how consumption patterns and income sources of poorer households are different from those of richer households. Estimates by quintiles describe distributional differences, thus representing an important tool of analysis.

Quintiles are calculated for the four provinces together (Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan) so that the first quintile contains households from all provinces with the same welfare. However, if one province is relatively richer than others its population will not be evenly distributed in each quintile, but mostly concentrated in the higher quintiles. In fact, only at the overall level each quintile contains 20 percent of the population, but in urban areas, where people usually are richer, upper quintiles contain higher population percentages, and the opposite is true in rural areas. See table 2 and 3

Consumption expenditure is used as a proxy to assess people's welfare. Expenditure is calculated at the household level but it is adjusted by household size and its composition. (See table 4). This adjustment is necessary to assess a proper ranking of households. Reasons can become clear with some examples. Imagine two households both with a monthly consumption expenditure of Rs. 3000. However, it would be wrong to say that both households enjoy the same welfare without considering their household size and composition. For instance, one household may be composed of one single individual whereas the other of five people. The table 1 given below shows the range of per capita consumption expenditure for consumption quintiles.

TABLE 1:- RANGES OF PER CAPITA CONSUMPTION EXPENDITURE FOR CONSUMPTION QUINTILES

Quintiles	1 <sup>st</sup>	2 <sup>ND</sup>	3 <sup>RD</sup>	<b>4</b> <sup>TH</sup>	5 <sup>™</sup>
Ranges of Per Capita Consumption Expenditure	Up to Rs.3271	Rs. 3272 To Rs.4207	Rs. 4208 To Rs.5402	Rs.5403 To Rs.7508	Rs.7509 and above

The table no 2, 3 & 4 summarise some important information about the households which were covered in HIES 2018-19 by province, region and quintile, the distribution of population by region and quintiles whereas the table-4 provide results on the average household size by province, region and quintile.

TABLE 2:- DISTRIBUTION OF NUMBER OF HOUSEHOLDS BY PROVINCE, REGION AND QUINTILES

REGION AND PROVINCE	1 <sup>ST</sup> QUINTILE	2 <sup>ND</sup> QUINTILE	3 <sup>RD</sup> QUINTILE	4 <sup>TH</sup> QUINTILE	5 <sup>TH</sup> QUINTILE	OVERALL
URBAN AREAS	612	1000	1503	2187	3571	8873
Punjab	203	341	561	952	1888	3945
Sindh	172	282	473	725	1067	2719
KP	138	213	299	345	455	1450
Balochistan	99	164	170	165	161	759
RURAL AREAS	3584	3554	3500	3026	2272	15936
Punjab	1406	1585	1686	1674	1485	7836
Sindh	1155	831	777	506	228	3497
KP	543	665	697	655	475	3035
Balochistan	480	473	340	191	84	1568
TOTAL	4196	4554	5003	5213	5843	24809
Punjab	1609	1926	2247	2626	3373	11781
Sindh	1327	1113	1250	1231	1295	6216
KP	681	878	996	1000	930	4485
Balochistan	579	637	510	356	245	2327

TABLE 3:- PERCENTAGE OF POPULATION BY PROVINCE, REGION AND QUINTILES

REGION AND PROVINCE	1 <sup>ST</sup> QUINTILE	2 <sup>ND</sup> QUINTILE	3 <sup>RD</sup> QUINTILE	4 <sup>TH</sup> QUINTILE	5 <sup>TH</sup> QUINTILE	OVERALL
URBAN AREAS	8.18	12.68	18.08	25.58	35.48	100.00
Punjab	6.89	10.63	16.21	25.49	40.78	100.00
Sindh	7.75	13.15	19.67	27.23	32.20	100.00
KP	13.30	17.75	21.50	23.51	23.95	100.00
Balochistan	18.16	25.53	23.31	18.14	14.86	100.00
RURAL AREAS	26.76	24.18	21.09	16.81	11.16	100.00
Punjab	22.49	22.74	21.46	19.21	14.11	100.00
Sindh	40.18	25.10	19.60	10.57	4.55	100.00
KP	23.68	24.50	22.19	18.21	11.41	100.00
Balochistan	36.25	32.08	18.40	9.18	4.09	100.00
TOTAL	20.00	19.99	20.00	20.00	20.01	100.00
Punjab	16.72	18.26	19.52	21.53	23.97	100.00
Sindh	23.30	18.88	19.63	19.24	18.94	100.00
KP	21.96	23.39	22.08	19.09	13.49	100.00
Balochistan	31.27	30.27	19.75	11.65	7.06	100.00

TABLE 4:- AVERAGE HOUSEHOLD SIZE BY PROVINCE, REGION AND QUINTILES

REGION AND PROVINCE	1 <sup>ST</sup> QUINTILE	2 <sup>ND</sup> QUINTILE	3 <sup>RD</sup> QUINTILE	4 <sup>TH</sup> QUINTILE	5 <sup>TH</sup> QUINTILE	OVERALL
URBAN AREAS	8.50	7.74	6.89	6.12	4.84	5.97
Punjab	7.89	7.06	6.53	5.97	4.81	5.68
Sindh	8.27	7.95	6.97	6.12	4.75	6.01
KP	10.32	9.23	7.93	7.19	5.71	7.47
Balochistan	10.99	9.54	8.43	6.58	5.36	7.92
RURAL AREAS	8.04	7.14	6.21	5.52	4.51	6.40
Punjab	7.38	6.56	5.81	5.27	4.30	5.84
Sindh	7.70	6.86	5.80	4.95	4.56	6.50
KP	9.63	8.40	7.58	6.60	5.15	7.53
Balochistan	10.16	8.88	7.00	5.75	5.15	8.20
OVERALL	8.11	7.27	6.42	5.78	4.72	6.24
Punjab	7.45	6.66	6.01	5.56	4.61	5.78
Sindh	7.79	7.22	6.35	5.76	4.72	6.23
KP	9.70	8.50	7.63	6.71	5.30	7.52
Balochistan	10.28	9.02	7.41	6.08	5.27	8.12

ACRONYMS HIES 2018-19

# **ACRONYMS**

HIES Household Integrated Economic Survey

PSLM Pakistan Social and Living Standards Measurement Survey

PIHS Pakistan Integrated Household Survey

HIICS Household Integrated Income and Consumption Survey

FBS Family Budget Survey

KP Khyber Pakhtunkhwa

CPI Consumer Price Index

UN United Nations

PBS Pakistan Bureau of Statistics

SNA System of National Accounts

E.Bs Enumeration Blocks

PSUs Primary Sampling Units

SSUs Secondary Sampling Units

PPS Probability Proportional to Size

MOS Measure of Size

COICOP Classification of Individual Consumption by Purpose

ICT Information and Communication Technology

CBNA Change of Base of National Accounts

PSIC Pakistan Standard Industrial Classification

PSCO Pakistan Standard Classification of Occupations

GOP Government of Pakistan