



HOUSEHOLD INTEGRATED ECONOMIC SURVEY (HIES) (2013-14)

Government of Pakistan
Statistics Division
Pakistan Bureau of Statistics
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PREFACE

The Household Integrated Economic Survey - HIES was started in 1963 and has continued since with some breaks. In 1990 the questionnaire was revised in order to address the requirements of new system of National Accounts. The surveys were conducted during 1990, 1992-93, 1993-94 and 1996-97 using the revised questionnaire. The HIES was merged with PIHS in 1998-99, 2001-02 and questionnaire was further improved. It was also split into two modules in order to obtain better quality of information independently from male and female respondents by male and female enumerators respectively. The last round of HIES was conducted in 2011-12.

Field activities of the current round of HIES Survey were started in September 2013 to study both social as well as economic indicators related to the households. This report provides important data on household income, consumption expenditure and consumption pattern at national and provincial level with urban/rural breakdown. The consumption quintiles have been used which is an important and realistic tool of data analysis. I would like to congratulate Mr Ayazuddin, Deputy Director General PBS and the whole PSLM team including field staff who has worked in the field for data collection to successfully complete this gigantic task.

Comments, feedback and suggestions from reader of this report will be welcomed for further improvement of this report.

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May, 2015

ACKNOWLEDGEMENTS

The Household Integrated Survey was started in the year 2004 and planned to be conducted up to 2015 and it provides Economic indicators. This is sixth report of HIES after HIES 2004-05, 2005-06, 2007-08 & 2010-11 and 2011-12 and provides information at National/ Provincial level with urban/ rural breakdown. This report contains the data collected from 17989 household based on 1307 urban & rural Primary sampling units (PSU's). Fieldwork of HIES 2013-14 was started in August 2013 to June 2014.

The completion of the HIES report has been possible because of the enormous hard work and devotion put in by the PSLM management team at headquarters, the Data Processing Centre, PSLM field teams and Sample Design Section of the Pakistan Bureau of Statistics. It is indeed a matter of great pride for the whole organization.

Considering the requirements of the policy makers, planners, researchers and other data users, efforts have been made to improve the report. It is hoped that the data users will find this report useful and any further comments and suggestions for future improvement will be highly appreciated.

(Ayazuddin)
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May, 2015

List of Officers Involved In PSLM Survey 2013-14

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

PLANNING, EXECUTION OF SURVEY AND FINALIZATION OF REPORT: -

- | | |
|----------------------------|---------------------------|
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| ▪ Ms. Rabia Awan | Director |
| ▪ Rana Muhammad Ismail | Chief Statistical Officer |
| ▪ Mr. Saqib Sultan Khawar | Statistical Officer |
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- | | |
|-----------------------|----------|
| ▪ Mr. Mujahid Hussain | Director |
|-----------------------|----------|

CHAPTER 1

1.1 Introduction

This report presents household Income and consumption expenditure data for the year 2013-14. The format of the report is almost the same as of the Household Integrated Economic Survey (HIES) which was conducted during the years 2001-02, 2004-05, 2005-06, 2007-08, 2010-11 and 2011-12. In this report all the variables have also been presented 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 are conducted on alternating years. Before this Survey five rounds of HIES were conducted during 2004-05, 2005-06, 2007-08, 2010-11 and 2011-12.

The current round of the HIES has been conducted covering 17989 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.

Introduction

1.3 Data Collection Methods

The income and consumption data of the HIES Survey 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.

1.4 Questionnaire Design

At both individual and household level, the PSLM Survey collects information on a wide range of topics using an integrated questionnaire. The household income and consumption part of PSLM questionnaire is the same which has been used for the previous rounds since 2001-02 however, some minor improvements have been made for the reference year. The questionnaire comprises a number of different sections, each of which looks at a particular aspect of household behaviour or welfare. The main structure of the PSLM/ HIES questionnaire used for the survey 2013-14 is as under:-

STRUCTURE OF PSLM/HIES QUESTIONNAIRES FOR THE YEAR 2013-14

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: EDUCATION (MALE AND FEMALE BOTH)

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

PART-B: IMMUNISATION (FEMALE ONLY)

PART-C: MALARIA & TUBERCULOSIS (FEMALE ONLY)

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

PART-B: MATERNITY HISTORY (FEMALE ONLY)

PART-C: FAMILY PLANNING (FEMALE ONLY)

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

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

SECTION 5: HOUSING (MALE ONLY)

CONSUMPTION MODULE

SECTION 6: HOUSEHOLD CONSUMPTION EXPENDITURE (MALE ONLY)

SECTION 7: SELECTED DURABLE CONSUMPTION ITEMS OWNED/SOLD BY THE HOUSEHOLD (DURING LAST ONE YEAR)(MALE ONLY)

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

SECTION 9: PART- A: BUILDINGS AND LAND OWNED BY MEMBERS OF THIS HOUSEHOLD (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.

Introduction

1.5 Sample Design of PSLM Survey 2013-14

Objectives:

The data generated through PSLM Survey will be used to assist the government in formulating the poverty reduction strategy in the overall context of MDGs. The indicators will be developed at National/ Provincial level in the following sectors.

1. Education
2. Health
3. Water Supply & Sanitation.
4. Population Welfare
5. Income & Expenditure

Universe:

The universe of this survey consists of all urban and rural areas of all four provinces, AJK and Gilgit Baltistan. FATA and Military restricted areas have been excluded from the scope of the survey.

Sampling Frame:

Pakistan Bureau of statistics PBS has developed its own urban area frame. Each city/town is divided into enumeration blocks. Each enumeration block is comprised of 200-250 households on the average with well-defined boundaries and maps. The list of enumeration blocks as updated from field on the prescribed performance by Quick Count Technique in 2013 for urban and the list of villages/mouzas/dehs or its part (block), updated during House listing in 2011 for conduct of Population Census, are taken as sampling frame. Enumeration blocks and villages are considered as Primary Sampling Units (PSUs) for urban and rural domains respectively. A project to update the rural blocks is currently in hand.

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The numbers of enumeration blocks in urban and mouzas/dehs/villages in rural areas of the country are as under:

NO. OF ENUMERATION BLOCKS AND VILLAGES AS PER SAMPLING FRAME (2014)

NUMBER OF BLOCKS		
PROVINCE	URBAN	RURAL
Punjab	22415	58063
Sindh	20737	16946
KP	2886	16247
Balochistan	1519	8159
FATA	-	3756
Islamabad (AJK)	590	500
Gilgit Baltistan(GB)	404	3601
	146	1086
Total	48697	108358

Stratification Plan:

As the detail of the sampling blocks for urban and rural areas given in the above mentioned table. Accordingly the stratification plan for PSLM survey is explained for urban and rural areas which are as follows.

Urban Areas:

Large sized cities having population five lakes and above have been treated as independent stratum. Each of these cities has further been sub-stratified into low, middle and high income groups. The remaining cities/towns within each administrative division have been grouped together to constitute an independent stratum.

Rural Areas:

The entire rural domain of a district for Khyber Pakhtunkhwa, Punjab, and Sindh provinces has been considered as independent stratum, whereas in Balochistan province administrative division has been treated as stratum.

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Sample Size and its Allocation:

To determine optimum sample size for this survey, 6 indicators namely Literacy rate, Net enrolment rate at primary level, Population 10+ that ever attended school, Contraceptive prevalence of women age 15-49 years, Children age 12-23 months immunized fully and post natal consultation for ever married women aged 15-49 years were taken into consideration. Keeping in view the prevalence of these indicators at different margin of errors, reliability of estimates and field resources available a sample of size 19620 households distributed over 1368 PSUs (567 urban and 801 rural) has been considered sufficient to produce reliable estimates in respect of all four provinces with urban rural breakdown, however data was collected from 1307 PSU'S by covering 17989 household.

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

PROFILE OF THE PSLM SAMPLE 2013-14

PROVINCE	Fixed for Survey 2013-14			Covered During Survey 2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
PSUs:						
Punjab	282	287	569	282	287	569
Sindh	123	241	364	123	241	364
KP	115	144	259	115	144	259
Balochistan	47	129	176	36	79	115
Total	567	801	1368	556	751	1307
AJK	40	42	82	40	42	82
Gilgit Baltistan(GB)	32	41	73	32	40	72
Total	72	83	155	72	82	154
Grand Total	639	884	1523	628	833	1461
SSUs/Households						
Punjab	3384	4592	7976	3150	4447	7597
Sindh	1476	3856	5332	1374	3837	5211
KP	1380	2304	3684	1301	2221	3522
Balochistan	564	2064	2628	409	1250	1659
Total	6804	12816	19620	6234	11755	17989
AJK	480	672	1152	422	624	1046
Gilgit Baltistan(GB)	384	656	1040	350	619	969
Total	864	1328	2192	772	1243	2015
Grand Total	7668	14144	21812	7006	12998	20004

Note: - Out of 1368 PSUs, of all four provinces 61 PSUs (11 urban and 50 rural PSUs) of Balochistan were dropped due to bad law and order situation and the remaining 1307 PSUs (556 urban and 751 rural) comprising 17989 households were covered. However results for the AJK and G.B are not given in the report.

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PROFILE OF THE PSLM NATIONAL / PROVINCIAL LEVEL SURVEY 2007-08, 2010-11 AND 2011-12 USED FOR ANALYSIS

PROVINCE	2007-08 PSLM			2010-11 PSLM			2011-12 PSLM		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
PSUs:									
Punjab	240	244	484	256	256	512	260	252	512
Sindh	140	131	271	152	144	296	164	144	308
KP	88	118	206	88	120	208	108	127	235
Balochistan	64	88	152	68	96	164	53	50	103
Overall	532	581	1113	564	616	1180	585	573	1158
HOUSEHOLDS:									
Punjab	2768	3868	6636	2935	4019	6954	2949	3957	6906
Sindh	1672	2093	3765	1802	2296	4098	1898	2301	4199
KP	1049	1888	2937	1041	1913	2954	1267	2009	3276
Balochistan	766	1408	2174	811	1524	2335	629	797	1426
Overall	6255	9257	15512	6589	9752	16341	6743	9064	15807

Sample Design:

A two-stage stratified sample design has been adopted for PSLM survey. For the convenience of our readers the selection procedure is explained which is as follows.

Selection of primary sampling Units (PSUs):

Enumeration blocks in urban and rural domains have been taken as PSUs. In urban and rural domains sample PSUs from each stratum have been selected by PPS method of sampling scheme; using households in each block as MOS.

Selection of Secondary Sampling Units (SSUs):

Households within PSU have been considered as SSUs. 12 and 16 households have been selected from urban/rural domains respectively by systematic sampling scheme with a random start.

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1.6 Objectives and Scope of Analysis

This is the ninth round report of the PSLM's series of surveys to be conducted between 2004-2015. The PSLM/HIES is a large, complex household survey that collects information on a number of different sections. The tabulations presented here comprise the tables at National/ Provincial level with urban and rural breakdown and detailed analytical comparison has been carried out with last round of PSLM/HIES. Majority of the tables have been presented 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 Survey has been 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 if 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 D.P centre had a number of in built consistency checks, in order to reduce measurement error, which alerts the data entry operators of inconsistencies, allowing the operators to immediately correct data entry mistakes. To determine the reliability of the estimates confidence interval and Standard error of important key indicators have also been 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".

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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.

Employment status. Employed persons are divided in the following categories: employer, paid employee, self-employed and own account worker, unpaid family helper, and agricultural labourers (owner cultivator, share-cropper, and contract cultivator). An

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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. 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 unpaid family helpers only.

Unpaid family helper 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

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occupation is recorded. Pakistan Standard Classification of Occupations 1994 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

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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, unpaid-family workers and employees.

Concepts & Definitions

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. They all constitute recurrent cash payments from various types of employment schemes.

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.

Concepts & Definitions

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

Concepts & Definitions

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 are not included.

Concepts & Definitions

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 2013-14 data in comparison with the HIES data 2011-12. 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 % of the total population. For example, the first quintile contains lowest 20 % of the total population and in the second quintile the next better off 20 % of the total population, similarly for the third and fourth quintiles, whereas and the fifth quintile contains the richest 20 % of the total population. The quintile approach provides a better distributional and welfare analysis for the reasons that each quintile contain 20 % of the population with respect to their welfare standard.

Due to prevailing situation at the time of survey in Balochistan 61 areas have been dropped from the overall sample of PSLM 2013-14 and weights have been adjusted accordingly, therefore results of Balochistan may read with caution.

3.2 Household size

The national average household size is 6.35 members, which is slightly lesser than the average household size 6.41 members observed for the year 2011-12. See Table-3.2 A

TABLE 3.2.A AVERAGE HOUSEHOLD SIZE, 2011-12 AND 2013-14

AREA	Average Household Size	
	2011-12	2013-14
Total	6.41	6.35
Urban	6.22	6.09
Rural	6.51	6.49

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

Main Findings

The average household size is desegregated by quintiles. The average household size shows decreasing trend from 1st quintile to the 5th 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. See Table 3.2.B

TABLE 3.2.B AVERAGE HOUSEHOLD SIZE BY QUINTILES AND REGION, 2013-14

AREA	Quintiles					Total
	1 st	2 nd	3 rd	4 th	5 th	
Total	8.17	7.20	6.71	5.85	4.84	6.35
Urban	8.63	7.43	7.07	6.10	4.92	6.09
Rural	8.08	7.12	6.55	5.68	4.73	6.49

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

A further analysis reveals that differences exist in household size between rural and urban areas and among provinces. The differences of household size between rural and urban areas are statistically significant. All provinces have shown decline in household size except Punjab which has slightly increased to 6.14 in 2013-14 from 6.08 in 2011-12. Among provinces Sindh has the lowest household size i.e. 6.13 member per household. See table 3.2.C

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

AREA	2011-12	2013-14
Total	6.41	6.35
Urban	6.22	6.09
Rural	6.51	6.49
Punjab	6.08	6.14
Sindh	6.55	6.13
KP	7.22	7.20
Balochistan	8.53	7.90

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

3.3 Employed persons and other income earners

In this sub-section, the distribution of income earners across the total population is presented which has been disaggregated by employment status. Table 3.3 shows the average number of earner per household have slightly increased both in urban areas (1.78 in 2013-14 from 1.77 in 2011-12) and in rural areas (2.04 in 2013-14 from 2.01 in

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2011-12). It also shows that the numbers of earners in rural areas are higher than in urban areas. The number of earners is further desegregated by provinces. Comparison of the two surveys shows that average number of earners have significantly increase in Khyber Pakhtunkhwa i.e. 2.04 in 2013-14 from 1.63 in 2011-12 whereas it has declined in other three provinces.

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

AREA	2011-12	2013-14
Total	1.93	1.94
Urban	1.77	1.78
Rural	2.01	2.04
Punjab	1.91	1.66
Sindh	2.10	1.96
KP	1.63	2.04
Balochistan	2.19	1.99

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

3.4. Income earners by employment status

In table 3.4 the household earners are disaggregated by employment status. It has been observed that the percentage of employers remains almost same i.e. 0.9 % in HIES 2013-14 and 2011-12. There has been slight increase in percentage of self- employed person and in employee 26.62% in 2013-14 from 25.03% in 2011-12 and 53.51% in 2013-14 from 52.81% in 2011-12 respectively, the same pattern is observed for urban and rural areas. Unpaid family helper has declined to 17.21% in 2013-14 from 19.36% in 2011-12.

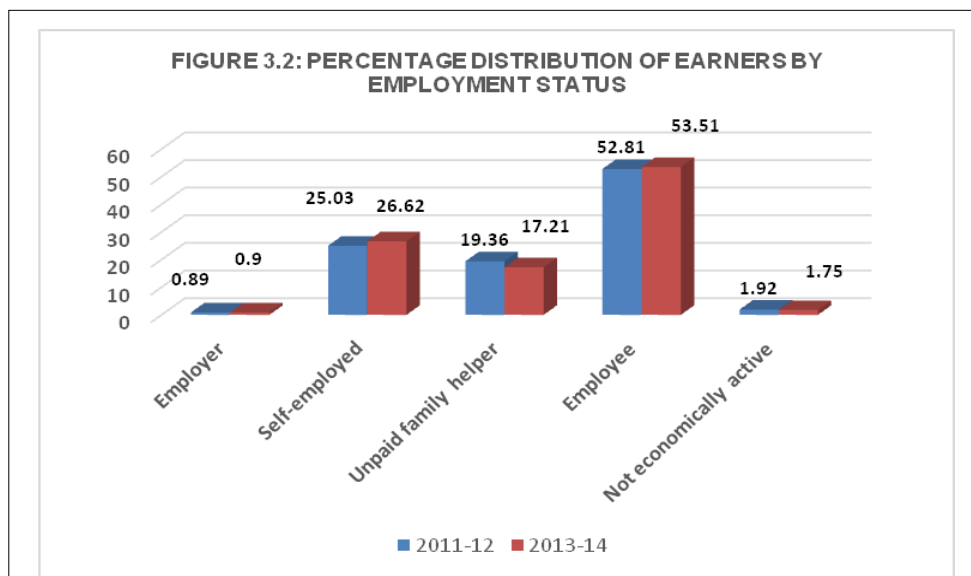
The percentage of unpaid family helper among the 1.94 earner per household is 17.21%.

TABLE 3.4 PERCENTAGE DISTRIBUTIONS OF EARNERS BY EMPLOYMENT STATUS

EMPLOYMENT STATUS	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Employer	1.95	0.39	0.89	1.67	0.52	0.9
Self-employed	18.30	28.15	25.03	18.59	30.65	26.62
Unpaid family helper	8.44	24.42	19.36	7.74	21.96	17.21
Employee	67.95	45.77	52.81	69.32	45.58	53.51
Not economically active	3.35	1.26	1.92	2.67	1.28	1.75

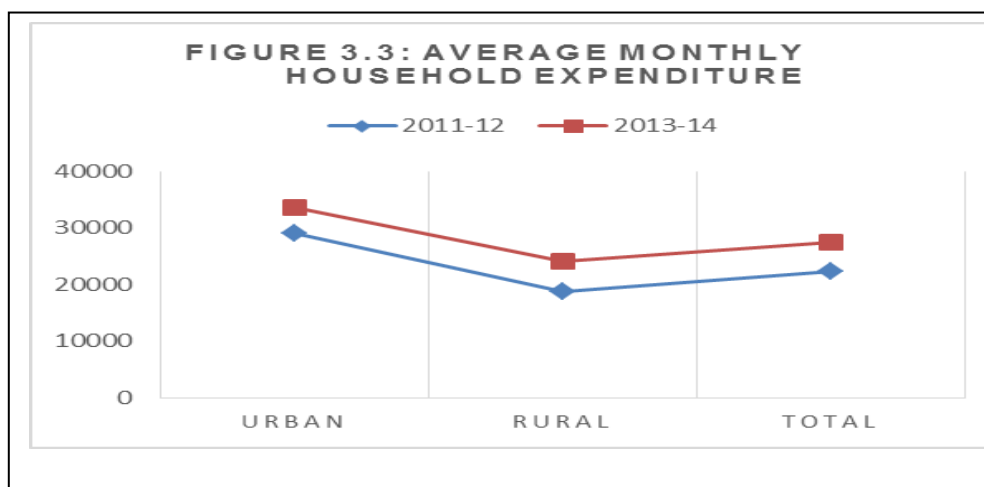
See Table 6 in the main body of report for further disaggregation

Main Findings



3.5 Consumption, Income and Savings

In table 3.5.A, the pattern of consumption expenditure of households is explained among urban and rural areas and also by quintiles. It shows that the level of consumption expenditure in urban areas is much higher as compared to rural areas. Average consumption expenditure of the richest quintile in rural areas is two times higher than the lowest quintile. However the gap in the first and the fifth quintiles is wider in urban areas as compared to rural areas. Consumption expenditures have increased by 23% in 2013-14 as compared to 2011-12.



Main Findings

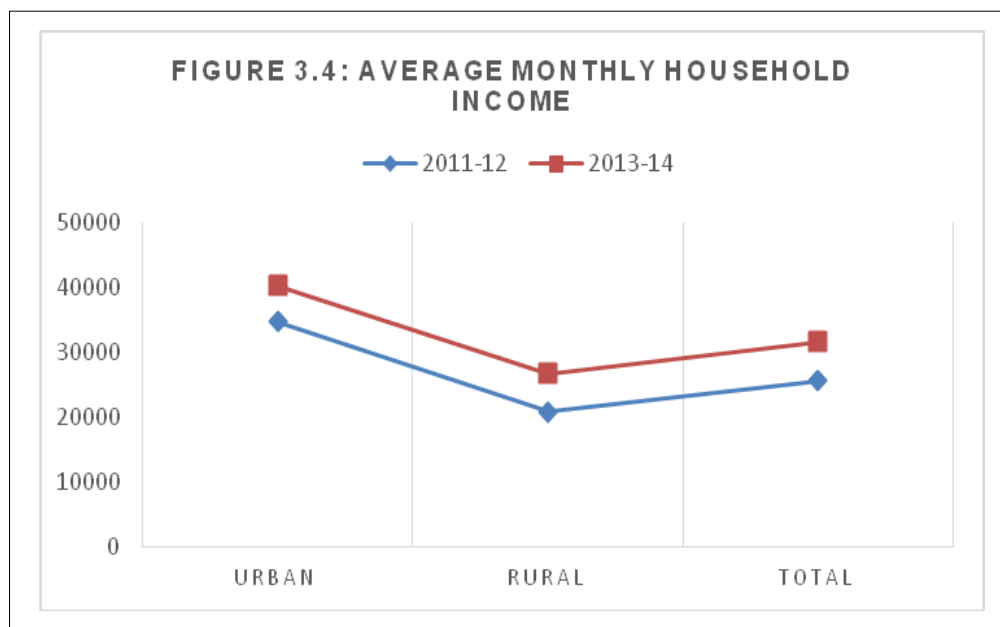
TABLE: 3.5.A AVERAGE MONTHLY HOUSEHOLD CONSUMPTION EXPENDITURE BY QUINTILES & REGION

QUINTILES	AVERAGE MONTHLY CONSUMPTION EXPENDITURE PER HOUSEHOLD					
	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
1 st	13778	13019	13123	17500	15889	16142
2 nd	17413	16137	16412	20616	19769	19975
3 rd	20421	18255	18901	25070	23111	23718
4 th	23084	20939	21741	28215	26153	26987
5 th	40509	27343	34774	46290	37699	42645
TOTAL	28996	18887	22379	33581	24094	27553

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

Table 3.5.B, the analysis of the average household income by quintiles and by urban and rural 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 more than three times as compared to lowest quintile of households in urban areas and rural areas, which are having almost the same income level.

A quintile wise comparison clearly indicates that distribution of income is wider in urban areas as compare to rural areas.



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

QUINTILES	AVERAGE MONTHLY HOUSEHOLD INCOME (RS.)					
	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
1 st	13845	13221	13307	17414	16428	16583
2 nd	17674	16578	16815	21744	20015	20436
3 rd	21307	19342	19928	26228	23273	24188
4 th	26755	23204	24531	29225	29275	29255
5 th	51484	33978	43859	57850	46424	53001
TOTAL	34780	20877	25679	38923	26452	30999

See table -11 in the main body of this report for further desegregation

Table 3.5.C reveals the per capita consumption expenditure in urban/ rural areas and by quintiles. The average individual expenditures for the richest quintile in urban areas are more than four times than the poorest quintile.

On similar lines for rural areas we observe that it is more than four times 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 higher in urban areas than the rural areas for richest quintile.

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

QUINTILES	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
1 ST	1645	1601	1608	2021	1962	1972
2 ND	2239	2213	2219	2764	2769	2768
3 RD	2801	2790	2793	3538	3522	3527
4 TH	3678	3628	3648	4612	4592	4601
5 TH	7973	6033	7182	9371	7917	8768
TOTAL	4663	2900	3490	5493	3700	4327

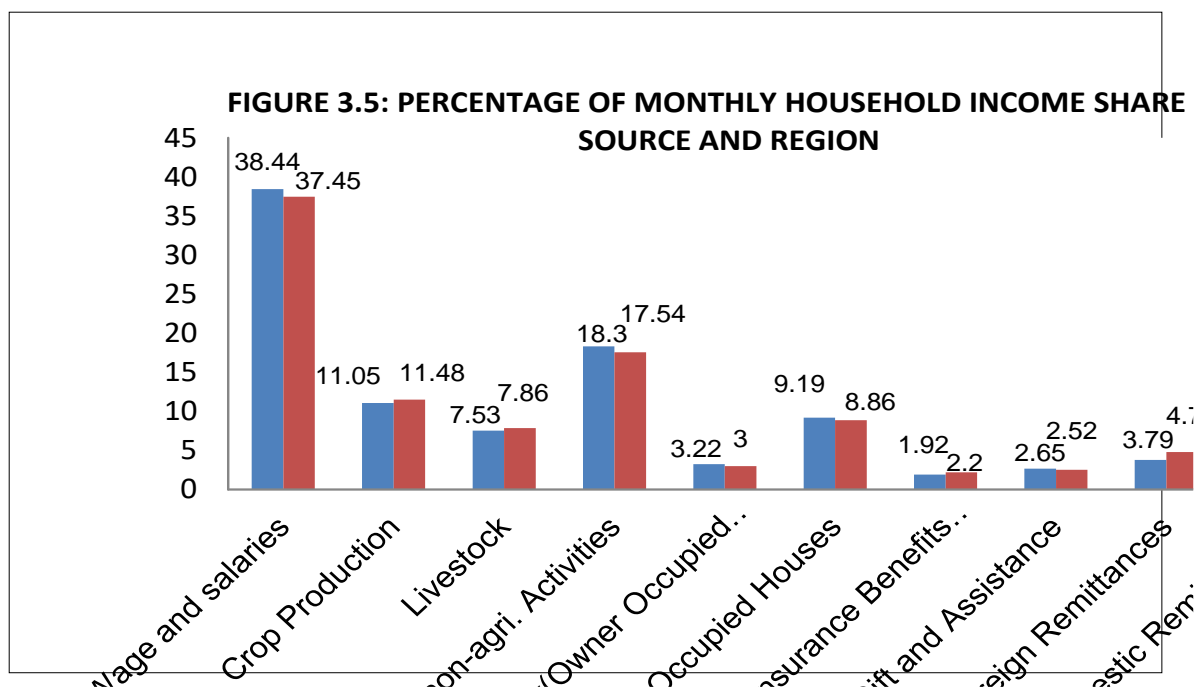
See table -22 in the main body of this report for further desegregation.

3.6 Income sources

While analysing household income and consumption expenditure we need to consider different sources of income of both rich and poor. In table 3.6 the percentage of the income earned from different sources in 2013-14 has been compared with the data of 2011-12. In general, the trend of major income sources towards the total household

Main Findings

income has shown a changing pattern in some of the sources over the period from 2011-12 to 2013-14. If the income sources are analysed, it is observed that wages and salaries have always played significant role towards the total household income i.e. 37.45% and it is also true for urban and rural areas with 46.99% and 29.39% respectively. The second major source of income overall remained the non agricultural activities i.e. business and services sectors, which has decreased to 17.54% in 2013-14 from 18.30% in 2011-12. The third major source of income is Crop production which slightly increased to 11.48 % from 11.05% in 2011-12.



The percentage share of income from foreign remittances has slightly increased to 4.77% in 2013-14 from 3.79% in 2011-12. However this there is a slight decline in the percentage share of income from gift and assistance; to 2.52% in 2013-14 from 2.65% in 2011-12. Further analysis revealed that non-agri activities is the second major source of income with 24.06 % followed by Owner occupied houses with 11.84% in urban areas while in rural areas crop production with 19.00% and livestock with 13.42% are second and third major sources of income respectively.

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

INCOME SOURCES	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Wage and salaries	46.83	31.06	38.44	46.99	29.39	37.45
Crop Production	1.92	19.07	11.05	2.57	19.00	11.48
Livestock	1.00	13.26	7.53	1.28	13.42	7.86
Other non-agri. Activities	25.44	12.03	18.30	24.06	12.04	17.54
Property(Owner Occupied Houses Excluded)	2.98	3.43	3.22	3.48	2.60	3.00
Owner Occupied Houses	12.73	6.07	9.19	11.84	6.34	8.86
Social Insurance Benefits Including Pension	2.31	1.58	1.92	2.63	1.84	2.20
Gift and Assistance	1.43	3.73	2.65	1.22	3.61	2.52
Foreign Remittances	3.55	4.00	3.79	3.49	5.84	4.77
Domestic Remittances	1.80	5.43	3.73	2.16	5.51	3.98
Other Sources	0.02	0.34	0.19	0.27	0.40	0.34

See table -11 in the main body of this report for further desegregation

3.7 Consumption pattern

The consumption expenditure pattern for different commodity groups shows consistent trend from 2011-12 to 2013-14. While the share of food expenditure is relatively high as compared to all other commodity groups at Pakistan level, it has decreased to 43.63 % in 2013-14 from 45.01 % in 2011-12.

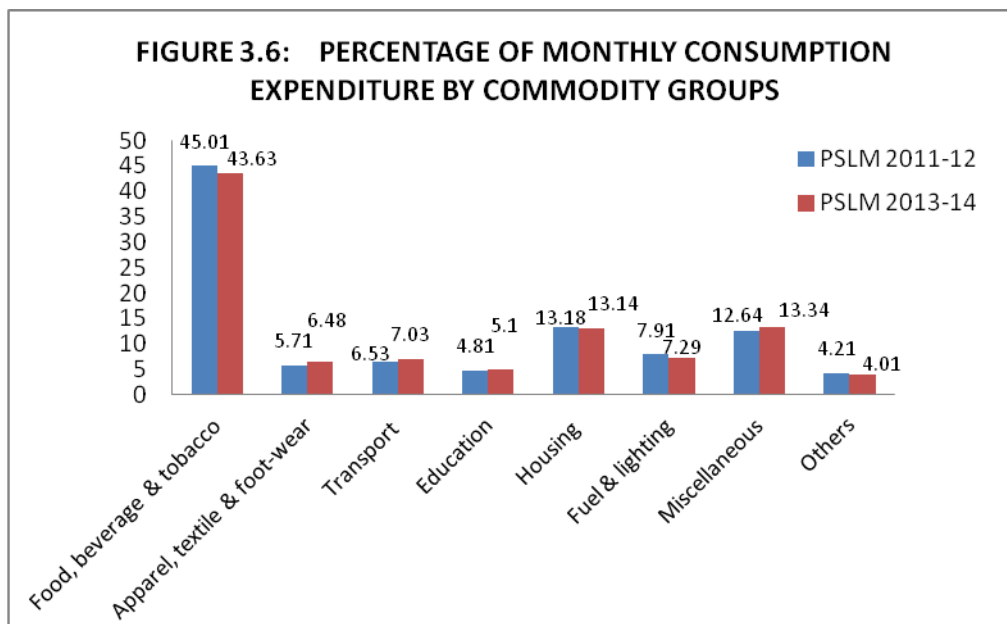
Further analysis reveals that the consumption expenditure in housing, fuel and lightning, recreation and entertainment and cleaning, laundry & personal appearances has shown a decreasing trend as compared to 2011-12 while consumption expenditures on apparel, textile, and footwear, education, transport & communication and other miscellaneous have shown increasing trend as compared to 2011-12. See Table 3.

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

COMMODITY GROUPS	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Food, beverage & tobacco	38.15	50.58	45.01	37.77	48.31	43.63
Apparel, textile & foot-wear	5.11	6.19	5.71	5.89	6.95	6.48
Transport	6.97	6.16	6.53	7.83	6.40	7.03
Cleaning ,laundry & Personal appearance	3.67	3.72	3.70	3.62	3.51	3.56
Recreation & entertainment	0.84	0.24	0.51	0.68	0.26	0.45
Education	6.58	3.37	4.81	6.53	3.95	5.10
Housing	19.68	7.91	13.18	18.92	8.51	13.14
Fuel & lighting	6.89	8.74	7.91	6.68	7.78	7.29
Miscellaneous	12.09	13.09	12.64	12.09	14.33	13.34

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

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Others include Cleaning, laundry & Personal appearance and Recreation & Entertainment.

Table 3.7(B) is representing monthly consumption expenditure according to Classification of Individual Consumption by Purpose (COICOP). This classification is now in line with Pakistan's Consumer Price Index (CPI) as well as the latest UN International Classification.

It is observed that that expenditure on health has increased to 3.43% in 2013-14 from 3.10% in 2011-12 similarly expenditure on education has also increased to 5.10% from 4.80% in 2011-12 and the expenditure on clothing and footwear also increased to 6.48% in 2013-14 from 5.71% in 2011-12. Table 3.7(B)

HIES 2013-14

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

COMMODITY GROUP	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Food, drinks & tobacco	38.15	50.58	45.01	37.76	48.30	43.63
Food & Nonalcoholic Beverages	35.71	48.21	42.62	34.78	45.57	40.77
Alcoholic beverages & Tobacco	0.81	1.32	1.09	0.76	1.37	1.10
Restaurant & Hotels	1.61	1.05	1.30	2.22	1.36	1.74
Clothing & Footwear	5.11	6.19	5.71	5.89	6.95	6.48
Housing (rent & other costs)	26.52	16.65	21.09	25.59	16.28	20.42
Housing	19.63	7.91	13.18	18.92	8.51	13.13
Water, Electricity, Gas & other fuels	6.89	8.74	7.91	6.68	7.77	7.29
Furnishing & Household Equipment Maintenance	8.35	8.95	8.82	8.13	9.44	8.86
Transport & communication	9.30	8.01	8.58	10.28	8.26	9.16
Transport	6.97	6.16	6.52	7.83	6.39	7.03
Communication	2.33	1.85	2.06	2.46	1.87	2.13
Recreation & Culture	0.88	0.27	0.54	0.71	0.29	0.47
Education	6.58	3.36	4.80	6.53	3.95	5.10
Miscellaneous Goods & Services	2.50	2.44	2.47	2.56	2.41	2.48
Health	2.54	3.55	3.10	2.55	4.13	3.43

3.8. Monthly Household Consumption Expenditure on Major Food Items

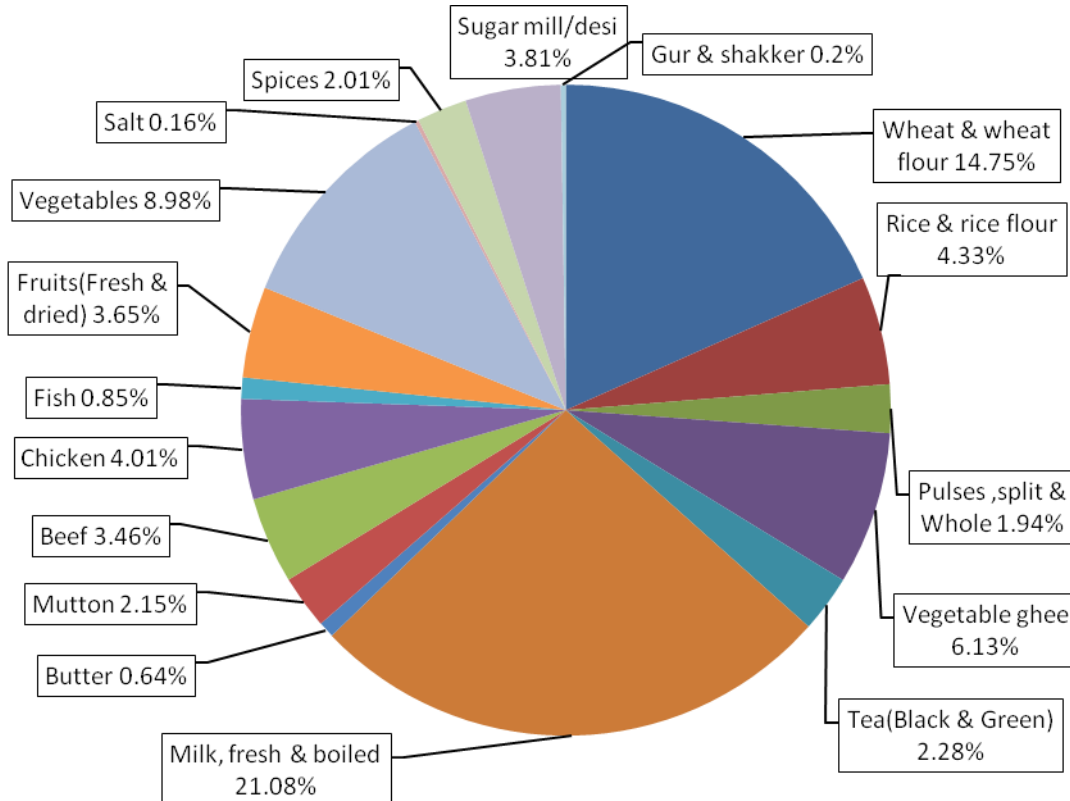
Table 3.8.A shows the percentage share of expenditure on major food items. Out of the total food expenditure 17 food items contributed 80.42%. These items contribute 83.71% in rural areas and 64.36% in urban areas. A comparison of the same 17 food items with the year 2013-14 reveals that the overall expenditure level has gone down slightly in both urban and rural areas. The major share of consumption expenditure on food is incurred on wheat, milk, vegetable ghee, vegetables and sugar which almost share 54.75% out of 80.42%

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TABLE 3.8.A PERCENTAGE OF MONTHLY EXPENDITURE ON 17 MAJOR FOOD ITEMS

FOOD ITEMS	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Wheat & wheat flour	11.22	15.51	13.85	12.31	16.26	14.75
Rice & rice flour	3.84	4.12	4.01	4.16	4.45	4.33
Pulses ,split & Whole	2.29	2.36	2.33	1.92	1.95	1.94
Vegetable ghee	5.73	9.53	8.09	4.48	7.17	6.13
Tea(Black & Green)	2.32	2.45	2.40	2.16	2.36	2.28
Milk, fresh & boiled	19.19	21.44	20.59	19.90	21.82	21.08
Butter	0.35	0.88	0.68	0.31	0.85	0.64
Mutton	2.96	1.71	2.19	2.03	2.23	2.15
Beef	4.05	3.23	3.54	3.55	3.41	3.46
Chicken	4.86	3.34	3.92	4.83	3.50	4.01
Fish	0.92	0.47	0.64	1.21	0.63	0.85
Fruits(Fresh & dried)	3.88	2.62	3.10	4.32	3.22	3.65
Vegetables	7.99	8.96	8.59	8.39	9.35	8.98
Salt	0.15	0.17	0.16	0.15	0.16	0.16
Spices	2.11	1.73	1.87	2.29	1.84	2.01
Sugar mill/desi	4.27	5.76	5.20	3.13	4.23	3.81
Gur & shakker	0.09	0.34	0.25	0.08	0.28	0.20
Total	76.22	84.62	81.41	64.36	83.71	80.42

FIGURE 3.7: MONTHLY EXPENDITURE ON 17 MAJOR FOOD ITEMS



Main Findings

Further desegregation of expenditure on major food items by quintiles shows the consumption pattern among different consumption quintile according to their needs and preferences. Among the food items, the poorest spend 65.63% of the total food expenditure on wheat, milk, vegetable ghee, vegetables and sugar, while the richest spends 58.54% on milk, wheat, vegetables, fruits, mutton, beef, sugar and chicken etc which shows that they have different preferences for consumption expenditures. See Table 3.8.B

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

FOOD ITEMS	QUINTILES					TOTAL
	1 st	2 nd	3 rd	4 th	5 th	
Wheat & wheat flour	22.4	19.3	16.6	14.2	9.4	14.75
Rice & rice flour	4.9	4.9	4.4	4.4	3.8	4.33
Pulses, Split & Whole	2.14	2.17	2.13	2.05	1.59	1.94
Vegetable ghee	9.09	8.08	7.25	6.16	3.56	6.13
Tea(Black & Green)	2.78	2.60	2.44	2.31	1.86	2.28
Milk (fresh & boiled)	17.61	19.14	21.38	22.55	22.02	21.08
Butter	0.25	0.48	0.68	0.73	0.77	0.64
Mutton	0.50	1.04	1.44	1.99	3.74	2.15
Beef	2.38	3.21	3.76	3.87	3.51	3.46
Chicken	3.31	3.45	3.63	4.05	4.69	4.01
Fish	0.70	0.74	0.65	0.75	1.14	0.85
Fruits	1.97	2.53	2.91	3.55	5.22	3.64
Vegetables	11.32	10.46	9.45	8.85	7.30	8.98
Salt	0.19	0.17	0.16	0.16	0.13	0.16
Spices	1.72	1.96	2.06	2.12	2.04	2.01
Sugar mill/desi	5.22	4.53	4.28	3.76	2.77	3.81
Gur & shakker	0.21	0.31	0.25	0.20	0.13	0.20
Total	86.69	85.07	83.47	81.7	73.67	80.42

Per capita monthly consumption in quantity reveals that wheat is significantly less consumed in urban areas as compared to rural areas. See Table 3.8.C

Main Findings

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

FOOD ITEMS	UNIT	2011-12			2013-14		
		URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Wheat & wheat flour	Kg	6.65	8.18	7.67	6.23	7.72	7.20
Rice & rice flour	Kg	0.98	0.96	0.97	1.00	1.07	1.04
Pulses	Kg	0.37	0.36	0.37	0.39	0.35	0.35
Vegetable ghee	Kg	0.59	0.81	0.74	0.55	0.77	0.69
Tea black & green	Grams	79.05	69.95	73.0	76.75	73.42	74.58
Milk (fresh & boiled)	Litre	6.05	6.52	6.36	6.24	6.88	6.66
Butter	Grams	15.69	29.49	24.87	10.96	25.65	20.51
Mutton	Kg	0.11	0.05	0.07	0.07	0.07	0.07
Beef	Kg	0.26	0.19	0.22	0.23	0.22	0.23
Chicken	Kg	0.40	0.23	0.29	0.42	0.26	0.32
Fish	Kg	0.08	0.04	0.05	0.11	0.05	0.07
Fruits	Kg	0.55	0.32	0.40	1.08	0.77	0.88
Vegetables	Kg	4.1	4.12	4.13	4.17	4.24	4.22
Salt	Kg	0.24	0.23	0.23	0.24	0.23	0.23
Sugar (desi & milled)	Kg	1.19	1.32	1.28	1.18	1.35	1.29
Gur & shakker	Kg	0.02	0.07	0.05	0.02	0.06	0.05

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

A further analysis of consumption patterns is presented in table 3.9A, where household consumption expenditure on fuel and lighting is disaggregated into eight 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 the main source of energy apart from electricity is firewood.

TABLE 3.9A HOUSEHOLD EXPENDITURE ON FUEL AND LIGHTING (PERCENTAGE)

FUEL ITEMS	2011-12			2013-14		
	URBAN	RURAL	TOTAL	URBAN	RURAL	TOTAL
Firewood	3.84	26.79	17.84	4.57	27.31	18.05
Kerosene Oil	0.06	0.87	0.55	0.06	0.73	0.46
Charcoal	0.00	0.02	0.01	0.03	0.01	0.02
Coal (hard, soft, peat)	0.02	0.09	0.06	0.00	0.24	0.14
Dung cakes	0.50	7.63	4.85	0.75	8.37	5.27
Gas (piped/cylinder)	19.86	8.45	12.90	21.20	8.93	13.92
Electricity	71.69	41.43	53.48	68.49	40.08	51.64
Others	4.01	14.32	10.30	1.08	11.18	7.07

See table -18 in the main body of this report for further desegregation.

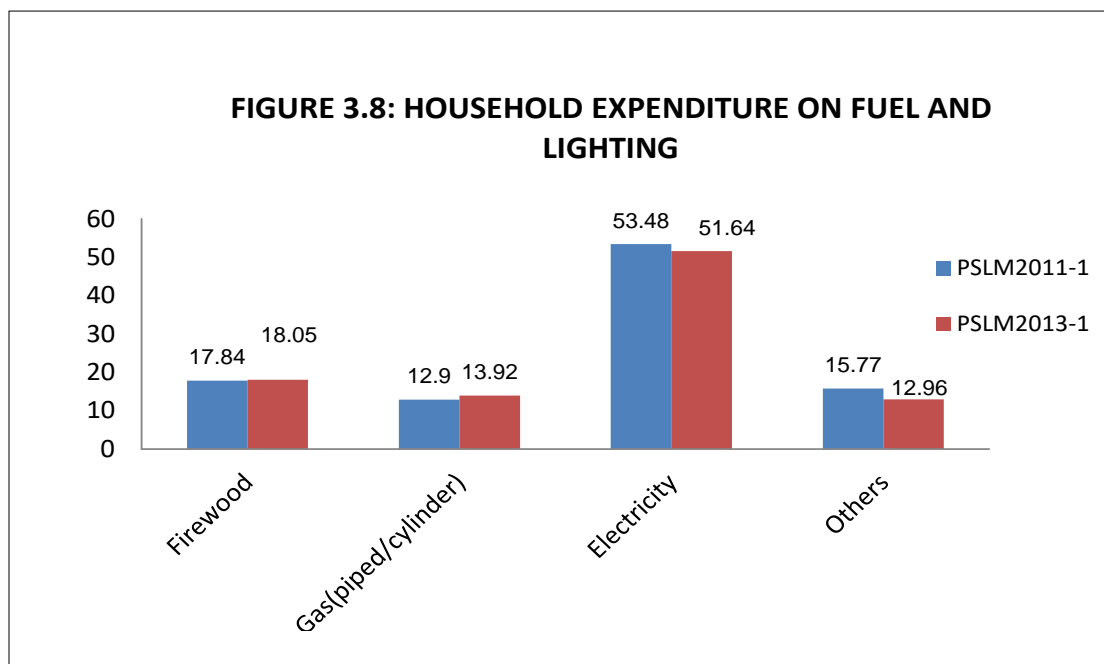
Main Findings

Desegregation 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 (agricultural waste, candles, matches and electric items). See Table 3.9B

TABLE 3.9B PERCENTAGES OF HOUSEHOLD EXPENDITURE ON FUEL & LIGHTING BY QUINTILES, 2013-14

FUEL AND LIGHTING	QUINTILES					
	1 ST	2 ND	3 RD	4 TH	5 TH	TOTAL
Firewood	27.39	26.39	23.83	19.24	9.08	18.05
Kerosene Oil	1.24	0.94	0.49	0.38	0.11	0.46
Charcoal	0.03	0.03	0.00	0.04	0.00	0.02
Coal(hard,soft,peat)	0.26	0.13	0.19	0.17	0.07	0.14
Dung cakes	9.13	7.82	7.33	5.13	2.42	5.27
Gas(piped/cylinder)	4.86	8.72	10.30	14.37	19.65	13.92
Electricity	34.77	41.16	46.11	51.31	62.72	51.64
Others	18.12	11.33	8.76	6.27	2.31	7.07

Data is further disaggregated in Table-18 by items and by provincial and urban/rural breakdown.



Others include kerosene oil, Charcoal, Coal and Dung cakes

Consumption Quintiles

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% to the richest 20%. 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% 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.

HIES 2013-14

Consumption Quintiles

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

Quintiles	1 st	2 ND	3 RD	4 TH	5 TH
Ranges of Per Capita Consumption Expenditure	Up to Rs.2410	Rs. 2411 To Rs.3138	Rs. 3139 To Rs.3975	Rs.3976 To Rs.5465	Rs.5466 and above

The table no 2, 3 & 4 summarise some important information about the households which were covered in PSLM 2013-14 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	QUINTILES					OVERALL
	1 ST	2 nd	3 rd	4 th	5 th	
URBAN AREAS	427	740	1036	1461	2570	6234
Punjab	212	350	486	714	1388	3150
Sindh	85	150	252	306	508	1301
KP	69	154	203	354	594	1374
Balochistan	61	86	95	87	80	409
RURAL AREAS	2611	2712	2427	2276	1729	11755
Punjab	833	822	890	964	938	4447
Sindh	211	465	546	570	429	2221
KP	1221	1057	741	544	274	3837
Balochistan	346	368	250	198	88	1250
OVERALL	3038	3452	3463	3737	4299	17989
Punjab	1045	1172	1376	1678	2326	7597
Sindh	296	615	798	876	937	3522
KP	1290	1211	944	898	868	5211
Balochistan	407	454	345	285	168	1659

Consumption Quintiles

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

REGION AND PROVINCE	1 ST	2 nd	3 rd	4 th	5 th	OVERALL
URBAN AREAS	9.47	14.37	18.63	24.08	33.44	100.00
Punjab	8.88	13.09	17.30	23.23	37.49	100.00
Sindh	9.34	15.29	19.17	26.37	29.84	100.00
KP	8.47	14.99	22.09	23.23	31.21	100.00
Balochistan	19.93	21.71	25.16	16.74	16.47	100.00
RURAL AREAS	25.67	23.03	20.74	17.79	12.77	100.00
Punjab	23.11	19.32	21.30	19.96	16.31	100.00
Sindh	38.26	29.43	17.15	10.69	4.47	100.00
KP	16.95	25.44	23.96	20.40	13.25	100.00
Balochistan	35.12	30.67	17.42	12.43	4.36	100.00
OVERALL	20.00	20.00	20.00	20.00	20.00	100.00
Punjab	18.37	17.24	19.97	21.05	23.37	100.00
Sindh	23.83	22.38	18.15	18.51	17.12	100.00
KP	15.43	23.57	23.62	20.91	16.46	100.00
Balochistan	31.00	28.23	19.52	13.60	7.65	100.00

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

REGION AND PROVINCE	1 ST QUINTILE	2 nd QUINTILE	3 rd QUINTILE	4 th QUINTILE	5 th QUINTILE	OVERALL
URBAN AREAS	8.63	7.43	7.07	6.10	4.92	6.09
Punjab	8.05	7.26	6.87	6.22	5.15	6.08
Sindh	8.71	7.13	6.99	5.81	4.40	5.79
KP	9.23	8.93	7.93	6.87	5.61	6.98
Balochistan	12.79	9.78	8.47	6.57	5.93	8.28
RURAL AREAS	8.08	7.12	6.55	5.68	4.73	6.49
Punjab	7.59	6.67	6.50	5.65	4.75	6.18
Sindh	7.90	6.88	5.73	4.95	4.19	6.52
KP	10.44	8.58	7.40	6.16	4.98	7.25
Balochistan	9.75	7.95	7.14	6.40	4.16	7.76
OVERALL	8.17	7.20	6.71	5.85	4.84	6.35
Punjab	7.66	6.81	6.60	5.85	4.95	6.14
Sindh	8.05	6.97	6.33	5.53	4.37	6.13
KP	10.31	8.62	7.49	6.29	5.18	7.20
Balochistan	10.18	8.27	7.55	6.46	5.04	7.90

Acronyms

ACRONYMS

HIES	Household Integrated Economic Survey
PSLM	Pakistan Social and Living Standards Measurement Survey
PIHS	Pakistan Integrated Household 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
GOP	Government of Pakistan