

ANNUAL HOUSEHOLD SURVEY 2014/15

(MAJOR FINDINGS)



Government of Nepal
National Planning Commission Secretariat
Central Bureau of Statistics
2016



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*Empowered lives.
Resilient nations.*

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PREFACE

It is my pleasure to present the major findings of the Annual Household Survey (AHS) 2014/15. AHS is a nationwide household survey, which was started in 2012/13 with the vision of gathering information mainly on household consumption and current labour force annually. The design of the survey questionnaire has followed the concepts and definitions adopted in Nepal Living Standard Survey (NLSS) and Nepal Labour Force Survey (NLFS) especially to capture household consumption aggregates and the current labour force related information respectively.

In the process of producing this survey report, many people and organizations have made known and unknown contributions by providing precious support at the various stages of the survey process. I would like to thank all of them who have contributed directly and indirectly to the survey.

Firstly, I would like to extend my sincere gratitude to all the respondents who spared their time and cooperated with us by providing their intimate information. I am equally thankful to the members of the technical committee of the survey who have provided their invaluable inputs for the survey. In addition, I appreciate Dr. Rudra Suwal, Deputy Director General of CBS for bearing the main responsibility of this survey. The whole AHS operation was successfully conducted by the Household Survey Section under the leadership of Directors Mr. Dilli Raj Joshi and Mr. Devendra Lal Karanjit. I would also like to thank Statistics Officers Mr. Chet Bahadur Roka, Mr. Prithvi Vijay Raj Sijapati, Mr. Ana Raj Tiwari, Computer Officer Mr. Pushpa Raj Poudel, and Statistics Assistant Mr. Santosh Koirala. Similarly, my appreciation goes to all the members of data collection teams and other personnel from CBS who contributed to the survey.

I would like to express my sincere thanks to Prof. Dr. Vikash Raj Satyal, national consultant, for his effort in writing this report. My acknowledgement also goes to the World Food Programme for their technical support for food security analysis in this AHS as part of the European Union supported Nepal Food Security Monitoring System (NeKSAP) project.

In particular, I express gratitude to Strengthening National Planning and Monitoring Capacity (SNPMC) project of National Planning Commission/UNDP for providing financial and technical support for the survey. My special thanks goes to Mr. Deependra Kaji Thapa, Statistics Development Officer of SNPMC project, for his sincere involvement in overall coordination and making the report consistent. It is my pleasure to express heartfelt thanks to Ms. Motikala Subba Dewan for final editing of this report.

Finally, I hope that this report will be useful for all the users and I would like to request the users to provide us with their valuable suggestions if any.

August 2016, Kathmandu, Nepal

Suman Raj Aryal
Director General
Central Bureau of Statistics

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ABBREVIATIONS

AHS	Annual Household Survey
CBS	Central Bureau of Statistics
COICOP	Classification of Individual Consumption by Purpose
CSPro	Census and Survey Processing System
DDS	Dietary Diversity Score
EAs	Enumeration Areas
FCS	Food Consumption Score
GDP	Gross Domestic Product
GER	Gross Enrolment Rate
ICT	Information and Communication Technology
ILO	International Labour Organization
Kg	Kilogram
NLFS	Nepal Labour Force Survey
NLSS	Nepal Living Standards Survey
NPCS	National Planning Commission Secretariat
NSIC	Nepal Standard Industrial Classification
NSOC	Nepal Standard Occupational Classification
ODF	Open Defecation Free
PSUs	Primary Sampling Units
Rs.	Nepalese Rupees
SDGs	Sustainable Development Goals
SNA	System of National Accounts
SNPMC	Strengthening National Planning and Monitoring Capacity
SSU	Secondary Sampling Unit
USUs	Ultimate Sampling Units
PCHC	Per capita Household Consumption
PCHCQ	Per capita Household Consumption Quintiles
UNDP	United Nations Development Programme

EXECUTIVE SUMMARY

Survey methods

1. Annual Household Survey 2014/15 (AHS III) is the third of its kind. AHS is conducted to provide estimations of some major socio-economic indicators on an annual basis, which would not be possible with other periodic surveys like Nepal Labour Force Surveys (NLFS) and Nepal Living Standard Surveys (NLSS) which are undertaken at longer intervals. The survey basically aims to provide estimates of consumption and labour force for Nepal by sex, urban-rural area and consumption quintiles/deciles. Although the major thrust of AHS is on consumption and employment situations, other sectors like education, housing and demographic characteristics are also included.
2. This survey (AHS III) has used sampling frame of the National Population Census 2011 that has provided the list of wards with the number of households. It has enumerated a total of 288 sample Primary Sampling Unit (PSU) (143 in urban and 145 in rural). The total sample household was 4,320 (2,145 from urban PSU and 2,175 from rural PSU).

Consumption

3. Nepalese households in 2014/15 spend on average Rs. 292,312 in a year for goods and services of which more than half (56.9%) goes for food. They spend 11.6 percent for rent and 18.1 percent for non-food (other) which includes medical, social security, cultural expenditure, etc. The average household consumption has increased about 3.3 percent this year compared to AHS II of 2013/14 where the average spending was Rs. 282,896.
4. The annual consumption of rural households in 2014/15 is Rs. 2,31,785. Urban households consume about 1.8 times higher than rural households. In consumption groups, the annual consumption of the richest 10 percent households is 5.9 times higher than that of the poorest 10 percent households.
5. In per capita consumption, individual Nepalese on average spend Rs. 64,941 (Rs. 100,323 in urban and Rs. 49,414 in rural). On food, the per capita consumption is Rs. 33,090 and on non-food, it is Rs. 24,430. Among the food expenditure, the largest share is spent for 'grain and cereals' (29.5%) followed by 'meat and fish' (17.4%) and vegetables (12.3%). In non-food, largest spending goes for education (13.3%) followed by medical (12.9%) and 'cultural and others' (12.8%). However, non-food (others) has the largest per capita share of 52.8 percent in total non-food consumption that accumulates different non-food consumptions like personal care, communication, social and financial services, house rent, etc.
6. The per capita consumption of the richest decile households is 11.3 times higher than that of the poorest decile. The poorest decile group spends about 20.2 percent of their total non-food expenditure in medication and 5.7 percent in education, whereas the richest decile groups spend 9.0 percent on medication and 17.2 percent in education.
7. The mean Food Consumption Score (FCS) of sampled households is 66.5. The proportion of households with inadequate food consumption (a score below or equal to 42 FCS) is 15.5 percent. The mean Dietary Diversity Score (DDS) is 6.4 in Nepal. The DDS in rural areas is 6.1 while it is 6.8 in urban areas, indicating that urban households have access to more diverse foods than the rural households. Almost 10.5 percent of sampled households have poor dietary diversity, characterized by consumption of 4 or less food groups in the past 7 days.

Employment

8. Among people aged 15 years and above, 82.7 percent are economically active. Around 80 percent are employed, 2.7 percent unemployed and 17.2 percent are out of the labour force. Among the out of a labour force population, more than one-third (34.8%) are attending schools, 28.1 percent are old, sick or disabled, 26.5 percent are involved in household works and the remaining 4.0 percent are living on pension, remittance or house rent. Household work is mainly a female activity. Among inactive female labour force, 38.7 percent are engaged in household works whereas only 4.6 percent males are engaged in household works.

9. Among the employed of age 15 years and above, 66.1 percent work for 40 hours or more in a week. An employed person on an average works 54.6 hours on a weekly which is 1.9 hours more than last year figure of AHS II. Average weekly spending in economic work is 41 hours and non-economic work is 13.6 hours. A female on an average works 8.9 hours more than male per week. The gender difference is more visible in working hours, especially in economic works. While female work 16.3 more hours than male in non-economic works, in economic works they spend 7.4 less hours than male. Female spend 10 more hours in rural areas and 6.3 more hours in urban area compared to male.
10. The overall unemployment rate of 15 years and above population stands at 3.1 percent, which is lower than the last year. More than one-fifth (22.3%) labour force are underutilized that comprises of unemployed 3.1 percent, time related under-employed 10.7 percent, skill mismatched 4.5 percent and inadequate earnings 4.0 percent. The unemployment rate for female is lower (2.9%) than for male (3.4%). About 20 percent female and 13.7 percent male are outside labour force. More than half (53.6%) of the males are outside labour force for going to school compared to female (24.3%) for the same reason. Also, among those outside labour force by sex, 38.7 percent female and 4.6 percent male are engaged in household chores.
11. The largest proportion of employed according to NSIC classification is on 'agriculture, forestry and fishing' (69.4%), which is 45.2 percent in urban and in 78.6 percent rural. By NSOC occupational classification, nearly two thirds (63.9%) are engaged in 'skilled agriculture and forestry' followed by 'elementary occupation' (11.2%). In NSOC skilled agriculture and forestry occupation, 74.5 percent female and 51.8 percent male are engaged in which 72.1 percent rural and 42.1 percent urban are occupied.
12. Among the employed population, 57.9 percent spend their working time in self-employed agriculture, whereas 14.8 percent spend their time in wage non-agriculture. Agriculture in the current situation can be considered more female dependent activity as 67.6 percent employed female spend their time for agriculture related works (wage & self-employed agriculture together) compared to 54.1 percent male. The difference in the working pattern between sexes is observed clearly in paid and unpaid works. In 'wage non-agriculture' only 6.7 percent females are involved compared to 24.0 percent male, whereas 64.3 percent females are involved in 'self-employed agriculture' compared to only 50.3 percent males. By type of occupation, male dominates managerial and professional categories. There are about three times more male managers than female and about two times male in professional fields than female.
13. Among youths of age 15-24, about 67.2 percent are employed, 28.3 percent are outside labour force and the remaining 4.5 percent are unemployed. Almost 41.7 percent youths are currently not in any educational institute and are employed, whereas about 25.6 percent youths are in school and also employed. Most critical youths are those who are not in school and also not employed. There are about 11.4 percent such youth. Among youth who are employed, 66.8 percent work in 'Skilled agricultural and forestry' and about 8.7 percent are occupied in 'craft related trades'.
14. The labour force participation rate of children of age 5-14, is about 31.9 percent (employed children). The proportion of children who are not in school but are employed stands at 4.5 percent. Almost 89.9 percent of male and 88.2 percent of female children are attending school. There are about 25.4 percent male children compared to about 39.6 percent female children who are working as well as attending school. Meantime, 64.5 percent male and 58.6 percent female children are not working and going to school.

Education

15. The literacy rate of the population of age 5 years and above is 65.6 percent. The male literacy rate is 75.1 percent and the female literacy is 57.3 percent. The literacy rate for the population of 6 years and above is estimated to be 66.6 percent, while the adult literacy rate of 15 years and above population is 63.7 percent, which is higher than the rate found in AHS II where it was 61.6 percent. The adult literacy rates for urban and rural areas in the survey are found to be 74.4 percent and 58.6 percent respectively.

16. Almost one-third (33.4%) of the population are currently attending school, 36.5 percent had attended schools in the past and 28.1 percent had never attended school. Significant variation is observed in the population of 'never attended school' by urban-rural and by sex. The proportion of the population who never attended school is almost two times for female as compared to male (18.5% male and 36.7% female) and also the proportion of the rural population who are never been to school is quite higher than urban (20.3% urban and 31.7% rural). The GER of primary, lower secondary and secondary level of schooling are 125.0, 91.6 and 78.1 percent respectively.

Housing and household facilities

17. About 87 percent of the households live in their own house. The proportion of households who live in their own house is 95.2 percent in rural and 71.2 percent in urban areas. One in every ten (10.7%) households resides in rented houses. The average number of rooms per house is 4.5.
18. Nepalese houses are mostly having outer walls that are mud bonded bricks/stone (40.6%), which is mostly predominant in rural areas (51.5%). The majority of the houses of Nepal are constructed with mud bonded foundation (41.4%), which is also a rural feature (51.6%). More than one third (35.1%) house in Nepal has galvanized/corrugated iron sheet roofs, and about one fourth (24.7%) are having concrete roofing. Concrete roofing, which is considered a stronger and safer type of roofing is found more than four times in urban (49.6%) houses than in rural (12.3%) houses.
19. Less than half of the populations are found using piped drinking water supply (46.7%). About half of the households (44.7%) are using flush toilets with connection to septic tank. 22.0 percent (10.4% urban and 27.8% rural) households have no toilet. There is no toilet facility observed in 51.9 percent of the poorest quintile groups and 2.6 percent of the richest quintile groups. Nearly one-fourth (27.7%) households currently have access to sewage facilities.
20. Electricity has become the prime source of lighting for Nepalese households as 80.0 percent of the households are using electricity. Firewood is still a major source of cooking fuel in Nepal as more than half (59.3%) are using it. LPG gas is currently the second most used cooking fuel in Nepal (25.8%).
21. More than 85 percent of the households have access to mobile phone (92.0% urban and 82.2% rural). Line telephones are used by only 8.8 percent households. Cable TV is used by 35.0 percent households. Although, internet and emails are the easiest communication media to get worldwide information, only 9.4 percent households use the internet (17.3% urban and 5.4% rural).

Demography

22. The average household size of Nepal is 4.5 (4.1 in urban and 4.7 in rural). Nearly half (47.3%) of the household heads are in the age group 30 to 49 years and 27.9 percent households are headed by female members.
23. Population of Nepal is comprised of 47.4 percent males and 52.6 percent females. About 46 percent population belongs the age group 15 to 44 years. The sex ratios of Nepal is 90 (95 in urban and 88 in rural). The dependency ratio of Nepal is 71.8.

CHAPTER I: INTRODUCTION AND METHODOLOGY

1.1 Background

Nepal has shown progress in socio-demographic indicators in the past decades but the economic growth has been very slow. Slow Gross Domestic Product (GDP) growth coupled with persistent inequalities, high youth unemployment rate and gender gaps for most socio-economic indicators have been a challenge for the government. Therefore, there has been a demand for frequent information to monitor the changes undergoing in the socio-economic situation of the country. Central Bureau of Statistics (CBS), besides conducting periodic censuses and surveys, decided to provide socio-economic information on an annual basis by conducting Annual Household Surveys (AHS). AHS is a recent endeavor of the CBS which focuses primarily on data related to household consumption and employment. It provides data that are useful for updating the estimates of the expenditure side of GDP, employment indicators and other socio-economic indicators as well. This Annual Household Survey 2014/15 (AHS III) is third of its kind.

1.2 Objectives of the survey

The general objective of the survey is to provide data required to monitor annual changes in employment, consumption and other socio-economic indicators of Nepal. The specific objectives of the survey are:

- to measure the changes in the structure and the level of consumption expenditure of Nepalese households,
- to collect data required to measure annual changes in the indicators of employment, unemployment and underemployment, and
- to provide other socio-economic information useful for economic planning and annual budgeting.

1.3 Scope of the survey

The scope of the survey, based on the objectives above, covers topics such as consumption expenditure, employment and unemployment, time use in economic, non-economic and extended economic activities, housing and household facilities, demography, literacy and educational attainment.

1.4 Survey approach

Annual household surveys, by nature, are smaller in terms of its sample size, domains of analysis and scope of the questionnaire. AHS III has used structured questionnaire aimed at collecting data on household consumption, food security, employment and other socio-economic indicators. The survey followed a two stage sampling design with stratifications of the households in urban and rural area.

This survey has attempted to follow concepts and definitions as per international recommendations. For the purpose of exhaustive coverage, consumption of own account production, purchase from the market and received from other sources have been captured under the part of household consumption. System of National Accounts (1993 SNA) and Classification of Individual Consumption by Purpose (COICOP) have been followed to classify goods and services. Similarly, the International Labour Organization (ILO) recommendations were followed to capture formal, informal and extended economic activities of individuals.

1.5 Sampling

1.5.1 Sample frame

A complete list of wards with number of the households provided by the ward/Enumeration Area (EA) level household data of the National Population Census 2011 was used as the sampling frame for the survey. In 2015, 72 new municipalities were formed, which on adding to the existing 58 municipalities become a total of 130 municipalities. In order to avoid extremity of the size of wards, some big wards were segregated into blocks or enumeration areas (EAs). The sampling frame contained 4,861 EAs in urban and 36,181 EAs in rural areas making a total of 41,042 EAs in Nepal.

It was expected to take 300 primary sampling units (PSUs) for AHS III. But as within the survey period, major earthquake and its aftershocks affected several districts, 12 PSUs were not enumerated. Hence, AHS III covered a total of 288 sample PSUs (143 PSUs in urban and 145 PSUs in rural areas). The total sample household was 4,320 (2,145 from urban and 2,175 from rural) taking 15 households from each selected PSUs. In AHS II the sample size was 3,000 households.

1.5.2 Sampling procedure

The survey aimed to provide estimates for Nepal as well as urban and rural area, and accordingly, the population was stratified into urban and rural area. Wards or sub-wards (EAs) were the primary sampling units (PSUs). The numbers of PSUs to be selected were 150 from rural and 150 from urban area making a total of 300 PSUs. The sample size was determined on the basis of the sampling variance of previous surveys. PSUs were selected on the basis of probability proportional to the size (PPS), the measure of the size being the number of households in each ward. Selected PSUs were spread over 65 districts.

Households were the ultimate sampling units (USUs) and were selected with equal probability on the basis of two-stage systematic random sampling technique. Fifteen (15) households were selected from each PSUs. Altogether 4320 households were selected for the interview.

In a nutshell, procedures followed to select sample households were:

- selection of PSUs based on PPS from the frame,
- listing of households in the selected PSU, and
- selection of USUs from the updated list of households in the selected PSU.

1.5.3 Statistical unit

A statistical unit or a unit of enumeration of the survey is the basic entity for which the data are gathered. The unit of enumeration basically is a household. So, a household becomes a statistical unit for the analysis of housing, consumption, etc., whereas an individual becomes so for the analysis of demographic and economic activities.

Household

The definition of a household for the survey is primarily adopted from the guidance laid down by the United Nations in the “Principles and Recommendations for the Population and Housing Census Rev. 2 (UN 2008)”. According to the guidelines, the concept of household is based on the *“arrangements made by persons, individually or in groups, for providing themselves with food or other essentials for living”*. A household may consist of one person or a group of two or more persons. The persons in the group may pool their incomes, may have a common budget or may constitute a combination of persons both related and unrelated.

Households and individuals were listed in the place of their usual place of residence. An individual usually residing for more than six months in a place is considered as a member of the household, though he or she may be temporarily absent. Institutional households, such as barracks of military and police, orphanage, old age homes, jails were outside the coverage of the survey. Foreign nationals residing in hotels and lodges were also excluded.

1.6 Survey instruments

Survey questionnaire

The contents of the questionnaire are basically guided by the objectives of the survey. The questionnaire mainly contained household information and individual information. Part 1 of the questionnaire included individual level information using roster and covered questions on demographic characteristics, migration, literacy/education, etc. Parts 2, 3 and 4 covered household level information that consisted of housing, food and non-food consumption expenditure while part 5 included individual information on economic activities. The English translation of the questionnaire is given in Annex I.

1.7 Field work

1.7.1 Listing schedule

Listing schedule was administered during the field work of the listing operation. The purpose was to facilitate selection of households from the updated list. The listing schedule contained information on identification of household such as PSU code (ward/sub ward), urban/rural, district, name of the household head, number of household members, random start, etc.

1.7.2 Survey period/reference period

A survey was conducted in 10 months from September 2014 to July 2015. Different PSUs of strata were enumerated at different months. Demographic information was collected as of the date of the survey. The reference period of food consumption was a week (last seven days) prior to the date of enumeration. The data of last 7 days was annualized. Non-food consumption and consumer durables refer to the last 12 months from the date of the survey. Questions on *time use* in economic and non-economic activities of the last seven days were asked for all household members of age 5 years and above.

1.8 Data analysis

A centralized data processing system was used for this survey. As in the past a need to maintain a careful control over data entry and verification of all coding was difficult to resolve at the field level, so the centralized system was adopted. For preliminary work, Census and Survey Processing System (CSPRO) package was used for data entry and management. Most of the further data analysis and tabulation was done using STATA package.

1.9 Limitations of the survey

Impact of the earthquake

During the survey period, major earthquakes and its aftershocks stunned the country. As an effect, the survey work had to be ceased at few predetermined areas. The survey work could not be completed in 12 PSUs.

Smaller sample size

The sample size as such in AHSs is relatively small compared with other similar surveys like NLSS and NLFS. AHS III has a sample size of 4,320 households, which is larger than AHS II that had 3,000 sample households.

Increment in urban area

In 2015, 72 new municipalities were formed, which on adding to the existing 58 municipalities become a total of 130 municipalities. Hence, in the disaggregated indicators (urban vs. rural) of AHS III, this increase in urban area could produce some impact and is to be noted by the users while comparing the findings of AHS II with that of AHS III.

Some older definition persists

In the survey most labour and employment related terms carries the older concept and definitions adopted earlier by the ILO and used in NLSS 2008 or earlier surveys. Since then, many existing definitions have been modified and some new definitions have been coined by the ILO. For example, this survey has adopted the definition of employed person as a person who had worked for an hour or longer in the last one week of the survey. The ILO¹ has now modified the definition of employed as a person who did not only do hours work preceding a week of the survey but also was paid or got profit from the work.

Similarly, the Nepal Standard Industrial Classification (NSIC) and Nepal Standard Occupational Classification (NSOC) used in the survey carries older or altered definitions and code number that does not go with those used in NLFS or NLSS. For example, in AHS III, NSIC code #10, signifies 'Industrial production of food processing related activities' and NSIC #11 signifies 'Beverage production related activities' but in NLFS and NLSS, has a single code NSIC #15 which signifies 'Manufacturing of food and beverage production'.

¹ ILO, 19th ICLS, Geneva 2013

Narrow scope of survey and analytical prospective

The current and the preceding AHSs have used narrowed scope and analytical perspective that need to be broadened to capture many constitutional, social and economic changes occurring in the country as well as to encompass changes in the international arena. The country is highly influenced by foreign employment, by absentee population and remittance in the recent past. The gender gap in development is a demanding issue for sustainable development and so are the issues of poverty, child education and out of school children. Meantime, the country has also entered in provincial governance system. Indicators to measure such more demanding issues are left uncovered in the survey.

The government annually needs to assess and monitor Sustainable Development Goals (SDGs) indicators, which annually conducted a survey like this could reflect and an estimate to a larger extent. The analytical perspective of the survey could also be revised to estimate some more demanding indicators along with the use of some empirical models.

1.10 Outline of the report

The report of Annual Household Survey 2014/15 (refer as AHS III) is presented in seven chapters. Chapter I, which is the introductory part, includes an introduction and methodology. This section covers the background and scope of the survey and sampling methodology, field work, data processing and limitation of the survey. Chapter II presents the findings related to household consumption expenditure and chapter III provides information about employment related findings. Chapter IV states about literacy and education and chapter V covers housing and housing facilities. The demographic characteristics of the survey sample are introduced in Chapter VI. Chapter VII is newly added section in AHS III that intended to extract major conclusions of the survey.

Each chapter starts with an introductory sub-section that gives a general introduction of that chapter along with few useful definitions and remarks, which are used in that chapter. After an introduction, discussion of findings is made with interpretation of tables and figures.

CHAPTER II: HOUSEHOLD CONSUMPTION EXPENDITURE

2.1 Introduction

Consumption data are used to study levels, trends and patterns of consumption of the population or sub-population of the country. It is widely used to measure poverty and to trace the changes undergone in the status of poverty. Data on final consumption expenditure are used for national accounting purpose and also, to assess the macroeconomic situation of an economy. The survey captures details of household consumption expenditures on food, non-food and 'other nonfood' items such as imputed rent of owner occupied dwellings, expenditure on financial services, decorations and minor repairs and maintenance, repair and maintenance of durables, expenses on management of household disposals, expenditures related to administrative services, etc. Some basic concepts and definitions related to household consumption expenditure is described below that will help to understand the terms used in the survey.

Household consumption expenditure includes consumption of goods and services made available through own production, purchase from the market and received in kind for pay or as gifts, etc. It excludes capital expenditures such as those on fixed assets e.g. construction of housing units or on valuables. Expenditure on rentals is treated as final consumption. Classification of Individual Consumption by Purpose (COICOP) is followed in order to classify the household consumption expenditures. Major headings of the classification are as follows:

1. Food, beverage and tobacco
2. Clothing and footwear
3. Housing, water, electricity and other fuels
4. Furnishing, household equipment and routine maintenance of the house
5. Health services
6. Transport services
7. Leisure, entertainment and culture
8. Education
9. Hotels, cafes and restaurants services
10. Personal care, personal effects, communication, social services, financial services, etc.

In the survey, it was attempted to get the quantity and value of goods and services consumed in 7 days before the survey. Some of infrequent expenditures of nonfood items have been collected for 12 months before the survey. Computation of the consumption aggregates involves several procedures depending upon type of items, the reference period, and the way data were collected. Expenditure on food items collected for last 7 days are annualized and then converted into per capita consumption, by dividing household consumption by household size. In order to assess the level, pattern and variation of socio-economic characteristics, data were tabulated in various ways.

Consumption quintiles and deciles are prepared on the basis of per capita household consumption (PCHC). Per capita consumption is derived after dividing *household consumption* by *household size*. Per capita household consumption quintiles (PCHCQ) are derived by sorting per capita annual household consumption in ascending order and then dividing the number of households into five equal (quintiles) or ten equal (deciles) parts. Many demographic, employment and consumption indicators are produced by quintiles and deciles in order to analyze variation and the inequalities.

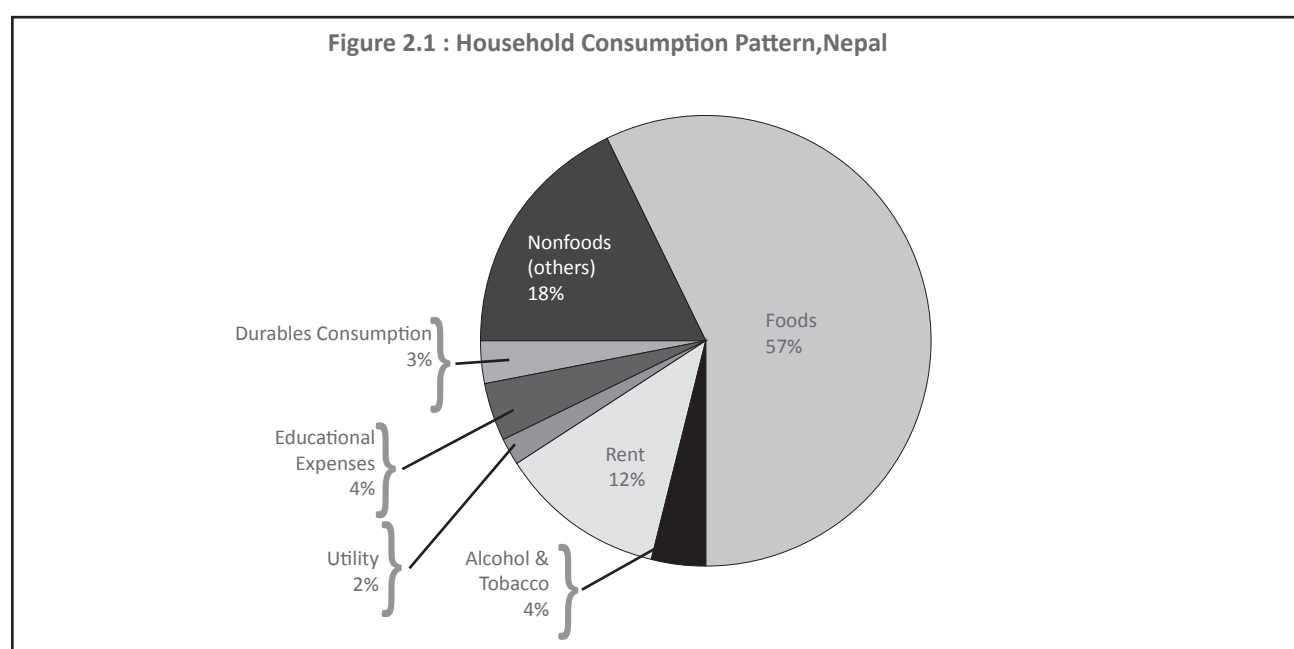
Food security at the household level in AHS III (2014/2015) mostly focuses on the access dimension of household food security through two key measures, which include adequacy of food consumption and diversity of diet consumed by the households.

Adequacy of food consumption is measured by the Food Consumption Score (FCS) which combines the elements of “quantity” and “quality” of food consumed by the household members. The FCS measures food diversity (the types of food consumed), food frequency (the number of days each food group is consumed over a reference period of seven days), and the relative nutritional importance of different food groups by assigning weights to each food group². The FCS uses standardized and calibrated thresholds that divide households into three groups: poor food consumption, borderline food consumption, and acceptable food consumption. The poor and borderline food consumption groups are combined and categorized as having inadequate food consumption.

Diversity of diet consumed is captured by the Dietary Diversity Score (DDS) that takes into account the number of food groups (out of a total of eight) that a household consumes over a reference period of seven days. A diverse diet will ensure that household members are eating food with adequate macro as well as micronutrients³.

2.2 Household consumption expenditure

General consumption pattern



The annual average consumption of a Nepalese household in 2014/15 is Rs. 2,92,312 (Table 2.1). It is observed that out of the total household consumption, 56.9 percent goes for *food*, followed by rent (11.6%), education (3.9%), alcohol and tobacco (3.9%), durables (3.3%), utilities (2.4%) and the remaining 18.1 percent for nonfood others⁴ (Figure 2.1). The current consumption pattern shows a very little shift from the last year, with *food* remaining the highest consumption item in both surveys (Table 2.1).

Rural urban variation

The average household consumption of urban and rural households stands at Rs. 4,13,510 and Rs. 2,31,785 respectively. This shows urban households consume about 1.8 times higher than the rural households (Table 2.1). This ratio of urban to rural household consumption was 2.1 in 2013/14 (AHS II). Food is the major expenditure item in both urban and rural areas and its' share is 62.0 percent in rural and 46.7 percent in urban areas.

2 WFP, 2008. “Food Consumption Analysis” WFP VAM Technical Guidance Sheet, World Food Programme, Rome.
http://documents.wfp.org/stellent/groups/public/documents/manual_guide_proced/wfp197216.pdf

3 Swindale, A. and Bilinsky, P. 2006. Household Dietary Diversity Score (HDDS) for Measurement of Household Food Access: Indicator Guide, Ver.2, Food and Nutrition Technical Assistance, USAID.
http://www.fantaproject.org/sites/default/files/resources/HDDS_v2_Sep06_0.pdf

4 Nonfood (others) includes health, personal services, administrative services, etc.

Followed by *food*, consumption for *nonfood (others)*, which represents health, personal services, administrative services, etc. is the other major expenditure item. The expenditure on *nonfood (others)* is 18.1 percent for Nepal, with 17.6 percent in rural and 19.0 percent in urban areas.

If we compare the household consumption pattern of the urban and rural areas in AHS III and AHS II, the consumption pattern for food and non-food shows interesting changes. In AHS III, 46.7 percent of urban and 62.0 percent of rural household consumption is used for food; these figures were 39.5 percent and 60.5 percent respectively in AHS II. This may indicate a higher incremental trend in the annual change of food consumption in urban compared to that in rural.

Consumption by decile and quintile groups

By consumption deciles, the gap between the poorest (1st decile) and the richest (10th decile) is quite wide. The ratio of the richest decile group to the poorest is 5.9 times when comparing their average household consumption (Table 2.1). In 2013/14 this ratio was 6.3.

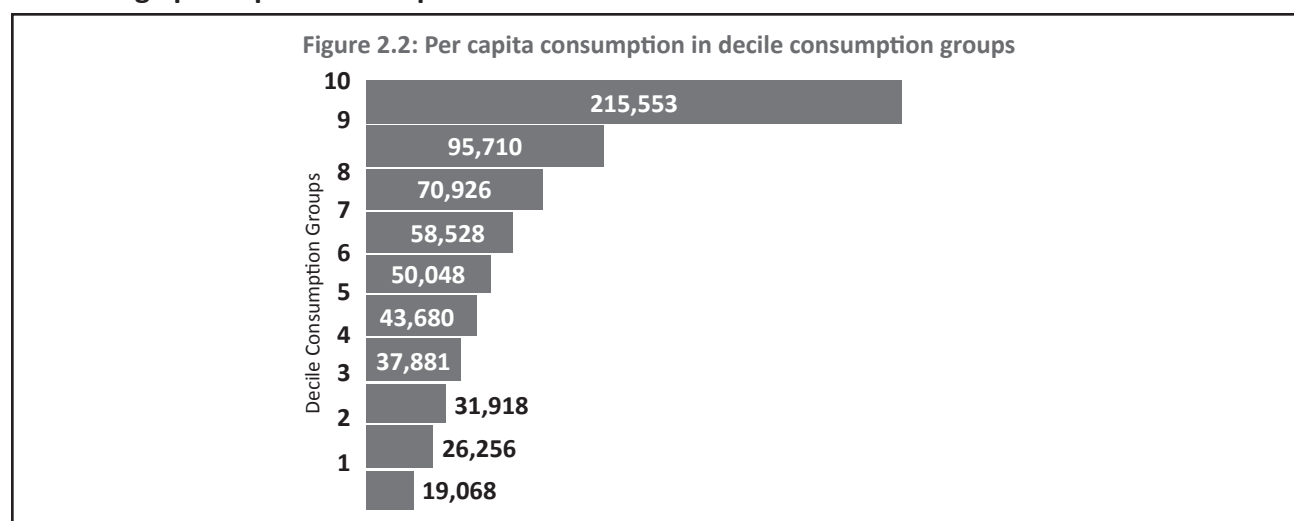
Nevertheless, if we look at the pattern of percentage consumption among consumption quintile groups in AHS II and AHS III, very small change is observed. By the consumption quintile groups, the average household consumption is 3.9 times larger in the richest 20 percent household than in the poorest 20 percent.

Total nominal household consumption

In nominal terms, Nepalese households consume a total of Rs. 1,622.0 billion annually in the reference year 2014/15. The shares of the urban and rural households are Rs. 764.2 billion and Rs. 857.8 billion respectively. (Table 2.2)

The inequality found in urban area is alarmingly high compared to rural. The survey shows that in urban areas, the total household consumption of the richest 10 percent household is about 94 times higher than that of the poorest 10 percent household, which is only around 3 times in rural area (Table 2.2). The ratio of the total consumption between the richest to the poorest decile of urban households in terms of total consumption was even higher in 2013/14.

2.3 Average per capita consumption



The nominal per capita consumption of Nepal in 2014/15 is Rs. 64,941 (Rs. 100,323 for urban and Rs. 49,414 for rural households), (Table 2.3). Substantial variation in per capita consumption is noted among the households of different quintiles and deciles. The per capita consumption of households of the fifth quintile is (Rs. 155,628), which is 7.2 times higher than the per capita consumption of the first quintile (Rs. 22,653). This

ratio was about 7.5 in AHS II. Also, the per-capita consumption of the richest (10th) decile group is Rs. 215,553 and that of the poorest decile is Rs 19,068 and the ratio of the richest to the poorest decile is 11.3 (Figure 2.2). This ratio was 10.9 in AHS II.

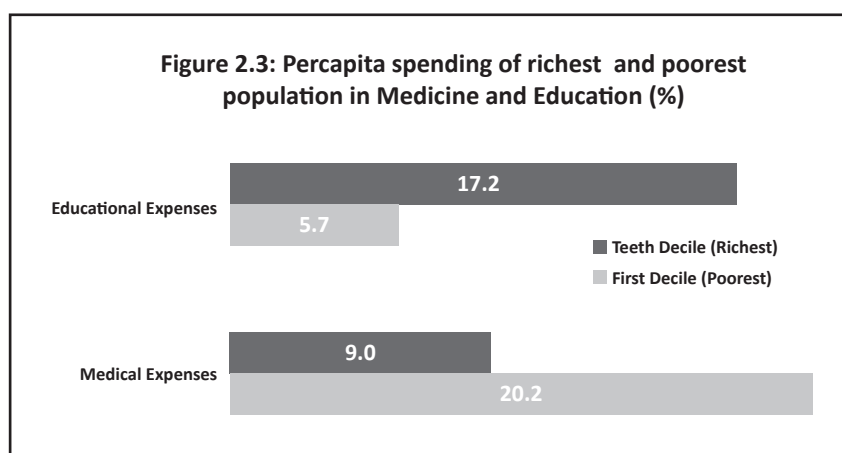
Per capita consumption expenditure on food

Per capita consumption expenditure on *food* that comprises 13 different food groups including alcoholic beverage and tobacco is Rs. 33,090, which across urban and rural areas are Rs. 38,474 and Rs. 30,728 respectively. The highest expenditure on food items of Nepalese in 2014/15 is *grain and cereals* (29.5%) followed by *meat and fish* (17.4%) and *vegetables* (12.3%) (Table 2.4).

A Nepalese individual with an average spends Rs. 9,778 on grains and cereals, which does not vary much across urban and rural area (Table 2.4). Per capita expenditure on *meat and fish* is Rs. 5,770, which is slightly higher in the urban area (Rs. 6,454) as compared to the rural (Rs. 5,470). Per capita expenditure of urban individuals is higher than rural area for all categories except grain and cereals. The per capita expenditure on *fruit* is Rs. 1,269, which is remarkably higher in urban (Rs. 2,064) than in rural (Rs. 919). Also, per capita expenditure on *alcohol* is high in both urban and rural areas with Rs. 3,744 in urban and Rs. 1,493 in rural, whereas the national average is (Rs. 2,180)⁵. The proportion of per capita consumption of alcohol in urban and rural in AHS III is 9.7 percent and 4.9 percent respectively, which has been slightly decreased compared to AHS II. In AHS II proportion of per capita consumption of alcohol in urban and rural was 13.1 percent and 6.1 percent respectively.

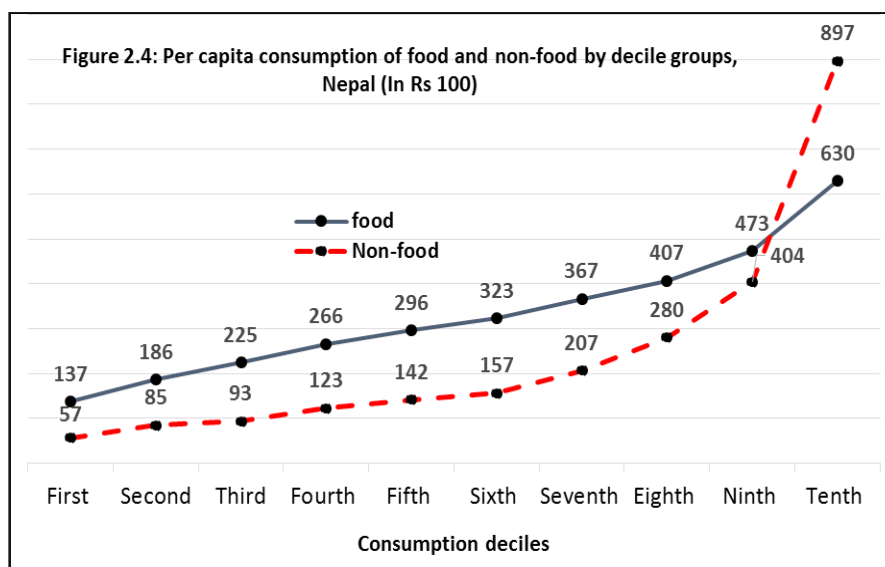
Per capita consumption expenditure on nonfood categories

Per capita consumption expenditure on nonfood categories for Nepal is Rs. 24,430, which is Rs. 38,347 for urban and Rs. 18,323 for rural area (Table 2.5). On nonfood expenditure Nepalese spend highest for Education (13.9%) followed by Medical (12.9%) and Cultural and other (12.8%). More than half (52.8%) of the non-food expenditure goes to 'Nonfood other' items that comprises of accumulated expenditure on house rent, luxury goods, etc.



The figures vary substantially across urban/rural and across expenditure deciles. Education and medication are considered as two most important aspects for the socio-economic development of a family. If we compare the spending on these two important nonfood items by the richest and the poorest decile groups, some interesting pattern of consumption can be observed. The survey shows that the poorest decile group spends 20.2 percent of their total nonfood expenditure in medical expenditure and 5.7 percent in education, whereas the richest decile group spends 9.0 percent in medical expenditure and 17.2 percent in education (Table 2.5 and Figure 2.3).

⁵ Comparison of the averages across urban rural should be done with caution as the value refers to the current price of the locality and not adjusted for the spatial variation.



When we examine the per capita expenditure for food and nonfood among decile groups we can observe some interesting trends. The difference in the per capita consumption of food and nonfood is small for 1st to 4th deciles that shows bulging after 4th deciles to 9th decile. In the richest deciles the consumption pattern suddenly reverses with very high consumption shown for nonfood than for food (Figure 2.4). When we further examine the pattern of this figure with the nonfood consumption items (Table 3.5) and observe, which nonfood items show a sudden increment while passing from 9th to 10th decile we find items like *educational expenditure*, *insurance*, and *nonfood (other)* show sudden upward jump. These are the nonfood items that made large increment in nonfood expenditure of the 10th decile group.

2.4 Household food security

The World Food Summit of 1996 defined food security as a state “when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life”⁶. Commonly, the concept of food security is defined as including both physical and economic access to food that meets people’s dietary needs as well as their food preferences.

Per capita food consumption

A Nepalese individual, on average, consumes 44.13 kg of fine rice and 89.60 kg of coarse rice per year. The per capita fine rice consumption is higher in urban (61.36 kg) as compared to rural area (36.57 kg), while coarse rice consumption is lesser in urban (67.81 kg) than in rural area (90.53 kg) (Table 2.6). The per capita fine rice consumption has been increased with the increase in wealth quintile, while consumption of coarse rice is decreased with the increase in wealth quintiles. Table 2.6 also shows per capita food consumption of other major food items by urban and rural area and wealth quintiles.

Adequacy of food consumption

According to the survey, the mean Food Consumption Score (FCS) of sampled households is 66.5 out of the maximum possible value of 112 (which represents an ideal scenario where all 8 food groups are consumed each day). This score is higher than the globally accepted standard of 42 for acceptable food consumption. The FCS measured in the NLSS III (2010/11) survey was 62.8, so the AHS-3 results represent an improving trend in food consumption by Nepali households. The mean FCS in urban areas is 74.1 while for rural areas it is 62.8, which illustrates the geographical disparity associated with the food security situation in Nepal (Table 2.7).

6 Monitoring Progress since World Food Summit. <http://www.fao.org/WFS/>

Based on the FCS, the percent of sampled households with inadequate food consumption (a score below or equal to 42) is 15.5 percent, out of which 10.9 percent has borderline food consumption (a score between 28.5 and 42) and 4.6 percent has poor food consumption (a score below or equal to 28). The percent of households consuming an inadequate diet has decreased by 4.5 percentage points since the last NLSS 2010/11 survey. Almost 19.4 percent of rural households have inadequate food consumption compared to 7.7 percent of urban households, representing a significant difference of 11.7 percentage points. The difference in rural and urban households in the last NLSS III 2010/11 survey was also similar, at 13 percentage points, which highlights the ever present variation in food security attributed to geography that has been persistent over the past 5 years (Table 2.8).

Over the period of 7 days preceding the survey, households, on average, were found to consume staple foods, such as cereals, tubers or root crops, all 7 days. Likewise, pulses were consumed 5.9 days, meat/fish/eggs 2.9 days, and milk and other dairy products 6.2 days, whereas fruits and vegetables were consumed 3.6 and 6.6 days, respectively. Households categorized as having inadequate food consumption based on the FCS had consumed pulses 3.4 days, meat/fish/eggs 1.5 days, and milk and other dairy products 1.7 days; in sharp contrast, households with adequate food consumption consumed pulses 6.1 days, meat/fish/eggs 3.1 days, and milk and other dairy products 6.3 days (Table 2.9).

Diversity of the diet consumed by households

The Dietary Diversity Score (DDS) is a measure of the number of food groups (out of a total of 8) that are consumed by the households in the past 7 days preceding the survey. According to the survey, the mean DDS is 6.4 in Nepal. The DDS in rural areas is 6.1 while it is 6.8 in urban areas, indicating that urban households have access to more diverse foods than the rural households. In the NLSS III survey, conducted in 2010/2011, the DDS in Nepal was 6.5 (urban 7.1 and rural 6.4). This shows that even though the food consumption measured by the FCS has improved over the past 5 years, the dietary diversity has remained more or less the same. Significant differences are observed in the DDS between households having adequate and inadequate food consumption measured by the FCS. The DDS for households with inadequate food consumption is 4.4 compared to 6.7 for households with adequate food consumption (Table 2.10).

Almost 10.5 percent of sampled households have poor dietary diversity, characterized by consumption of 4 or less food groups in the past 7 days. 4.7 percent of urban households have poor dietary diversity compared to 13.5 percent of rural households (Table 2.11).

Households with poor diet diversity are generally consuming less pulses, meat, vegetables, fruits and milk/dairy products. The consumption of the main staple foods (e.g., rice, maize, wheat, and tubers) as well as oils and sugar, however, are the same between households with poor dietary diversity (4 or less food groups) and acceptable dietary diversity (5 or more food groups) (Table 2.12).

Box 2.1: Summary Statistics of Consumption Expenditure (in Rs.), 2013/14 and 2014/15

	Household Consumption Expenditure		Per Capita Food Consumption		Per Capita Non-food Consumption	
	AHS II	AHS III	AHS II	AHS III	AHS II	AHS III
	(2013/14)	(2014/15)	(2013/14)	(2014/15)	(2013/14)	(2014/15)
Urban/Rural						
Urban	488,986	413,510	39,495	38,474	47,428	38,347
Rural	233,673	231,785	29,266	30,728	19,602	18,323
Consumption Quintiles						
First Quintile (Poorest)	129,352	138,324	16,255	16,175	6,251	7,097
Second Quintile	169,490	170,457	22,827	24,544	10,202	10,824
Third Quintile	205,908	221,989	28,549	30,934	14,502	14,902
Fourth Quintile	257,434	266,932	36,196	38,696	26,156	24,312
Fifth Quintile (Richest)	535,739	538,798	51,304	55,117	64,737	65,036
Consumption Deciles						
First Decile (Poorest)	111,442	120,238	13,939	13,712	5,043	5,718
Second Decile	146,810	155,382	18,585	18,650	7,465	8,483
Third Decile	161,205	161,701	21,475	22,492	8,974	9,332
Fourth Decile	177,353	178,605	24,167	26,595	11,418	12,316
Fifth Decile	199,854	214,855	27,214	29,571	12,816	14,150
Sixth Decile	211,342	228,609	29,880	32,297	16,181	15,654
Seventh Decile	230,868	251,831	34,376	36,701	22,982	20,663
Eighth Decile	283,519	280,936	37,998	40,706	29,300	27,988
Ninth Decile	352,496	347,763	44,945	47,265	40,291	40,418
Tenth Decile (Richest)	702,901	712,639	57,641	62,971	89,098	89,657
Nepal	282,896	292,312	31,008	33,090	24,341	24,430

Table 2.1: Nominal Average Household Consumption Expenditure (in Rs.) and Consumption Pattern by Categories

	Household Consumption	Foods	Alcohol and Tobacco	Rent	Utility	Educational Expenses	Durables Consumption	Non-foods (others)	Total
	(Rs.)								
Urban/Rural									
Urban	413,510	46.7	2.8	17.8	2.9	5.5	5.3	19	100
Rural	231,785	62	4.4	8.4	2.1	3.1	2.3	17.6	100
Consumption Quintiles									
First Quintile (Poorest)	138,324	66.8	4.6	8.1	1.6	1.8	0.7	16.5	100
Second Quintile	170,457	65.7	4.5	8.3	2	2.5	1	16.1	100
Third Quintile	221,989	62	4.2	9.2	2.3	3.4	1.7	17.1	100
Fourth Quintile	266,932	56.8	4.1	11.6	2.6	4.4	2.9	17.7	100
Fifth Quintile (Richest)	538,798	41.6	2.5	17.6	3	6	7.9	21.4	100
Consumption Deciles									
First Decile (Poorest)	120,238	67.6	4.3	8.3	1.4	1.5	0.6	16.1	100
Second Decile	155,382	66	4.9	7.8	1.8	2	0.7	16.8	100
Third Decile	161,701	65.9	4.6	8	1.9	2.4	1	16.1	100
Fourth Decile	178,605	65.5	4.3	8.7	2	2.5	1.1	16	100
Fifth Decile	214,855	63.3	4.5	8.7	2.3	3.4	1.6	16.3	100
Sixth Decile	228,609	60.8	4	9.7	2.3	3.5	1.8	18	100
Seventh Decile	251,831	58.5	4.6	10.6	2.6	4.2	2.4	17.1	100
Eighth Decile	280,936	55.2	3.7	12.4	2.6	4.6	3.3	18.2	100
Ninth Decile	347,763	48.8	3	14.7	3	5.6	4.5	20.4	100
Tenth Decile (Richest)	712,639	34.9	2	20.1	3	6.5	11.1	22.4	100
Nepal AHS III (2014/15)	292,312	56.9	3.9	11.6	2.4	3.9	3.3	18.1	100
Nepal AHS II (2013/14)	282896	56.5	3.5	10.6	2.5	4	3.4	19.5	100

Table 2.2: Nominal Total Household Consumption (Amount in Billion Rs.)

	Urban		Rural		Total	
	Amount	Percent	Amount	Percent	Amount	Percent
Consumption Quintiles						
First Quintile (Poorest)	14.6	1.9	98.5	11.5	113.2	7
Second Quintile	34.5	4.5	139.8	16.3	174.4	10.7
Third Quintile	58.7	7.7	175.6	20.5	234.3	14.4
Fourth Quintile	108.9	14.2	214.1	25	322.9	19.9
Fifth Quintile (Richest)	547.5	71.6	229.7	26.8	777.3	47.9
Consumption Deciles						
First Decile (Poorest)	4.5	0.6	43.3	5	47.8	2.9
Second Decile	10.2	1.3	55.2	6.4	65.4	4
Third Decile	13.4	1.8	66.3	7.7	79.7	4.9
Fourth Decile	21.1	2.8	73.5	8.6	94.6	5.8
Fifth Decile	19.9	2.6	89.2	10.4	109.1	6.7
Sixth Decile	38.7	5.1	86.4	10.1	125.2	7.7
Seventh Decile	41.4	5.4	105.2	12.3	146.6	9
Eighth Decile	67.5	8.8	108.9	12.7	176.3	10.9
Ninth Decile	127.6	16.7	111.4	13	239	14.7
Tenth Decile (Richest)	419.9	54.9	118.3	13.8	538.2	33.2
Nepal	764.2	100	857.8	100	1622	100

Table 2.3: Nominal Average Per Capita Consumption by Quintile/Decile (Rs.)

	Urban	Rural	Total
Consumption Quintiles			
First Quintile (Poorest)	23,973	22,470	22,653
Second Quintile	35,372	34,785	34,900
Third Quintile	47,767	46,572	46,865
Fourth Quintile	65,990	64,069	64,704
Fifth Quintile (Richest)	173,674	124,738	155,628
Consumption Deciles			
First Decile (Poorest)	19,606	19,014	19,068
Second Decile	26,559	26,201	26,256
Third Decile	31,945	31,912	31,918
Fourth Decile	37,953	37,861	37,881
Fifth Decile	43,823	43,648	43,680
Sixth Decile	50,089	50,030	50,048
Seventh Decile	58,398	58,580	58,528
Eighth Decile	71,712	70,447	70,926
Ninth Decile	96,732	94,566	95,710
Tenth Decile(Richest)	229,017	178,334	215,553
Nepal	100,323	49,414	64,941

Table 2.4: Average per Capita Food Consumption Distribution by Categories (in Rs.)

	Grains and Cereals	Meat and Fish	Eggs and Milk Products	Oil and Ghee	Fruits	Vege-tables	Sugar and Sweets	Spices	Tea/ Coffee	Non-alcoholic Beverages	Alcoholic Beverages	Tobacco and related Products	Restaurant Meals and Other	Total
Urban/Rural														
Urban	9,648	6,454	3,748	2,495	2,064	4,720	1,151	1,388	324	577	3,744	1,487	673	38,474
Rural	9,835	5,470	2,508	2,294	919	3,774	797	1,274	206	140	1,493	1,341	675	30,728
Consumption Quintiles														
First Quintile (Poorest)	7,275	1,857	834	1,124	166	2,144	357	838	78	13	478	586	426	16,175
Second Quintile	8,982	3,689	1,734	1,769	510	3,302	673	1,129	159	84	945	980	587	24,544
Third Quintile	10,104	5,107	2,649	2,250	957	3,952	857	1,266	229	155	1,459	1,291	657	30,934
Fourth Quintile	10,819	7,108	3,482	2,836	1,514	4,682	1,115	1,491	291	230	2,389	1,895	843	38,696
Fifth Quintile (Richest)	11,711	11,095	5,733	3,799	3,197	6,236	1,522	1,822	453	885	5,629	2,177	859	55,117
Consumption Deciles														
First Decile (Poorest)	6,467	1,416	622	989	95	1,868	288	751	53	3	368	463	329	13,712
Second Decile	8,088	2,299	1,046	1,260	238	2,421	426	926	103	24	588	710	523	18,650
Third Decile	8,368	3,570	1,368	1,641	454	2,949	596	1,056	131	88	823	874	574	22,492
Fourth Decile	9,596	3,808	2,099	1,897	565	3,655	751	1,203	188	80	1,067	1,086	601	26,595
Fifth Decile	10,009	4,665	2,551	2,099	934	3,877	785	1,213	207	114	1,251	1,251	616	29,571
Sixth Decile	10,199	5,548	2,747	2,401	981	4,027	930	1,318	250	197	1,668	1,332	698	32,297
Seventh Decile	10,699	6,306	3,220	2,696	1,397	4,501	1,031	1,416	282	242	2,163	1,893	855	36,701
Eighth Decile	10,940	7,916	3,747	2,978	1,631	4,863	1,199	1,567	299	219	2,618	1,897	832	40,706
Ninth Decile	11,233	9,493	4,953	3,478	2,511	5,409	1,329	1,665	376	473	3,747	1,727	871	47,265
Tenth Decile (Richest)	12,188	12,697	6,514	4,119	3,884	7,063	1,715	1,980	530	1,296	7,511	2,628	847	62,971
Total	9,778	5,770	2,886	2,356	1,269	4,063	905	1,309	242	273	2,180	1,386	674	33,090
Nepal (%)	29.5	17.4	8.7	7.1	3.8	12.3	2.7	4.0	0.7	0.8	6.6	4.2	2.0	100

Table 2.5: Average Per Capita Nonfood Consumption Distribution by Categories (in Rs.)

	Medical Expenses	Educational Expenses	Jewelry and Watches	Social Security	Insurance	Admini- stration Charges	Cultural and Others	Meals Abroad	Banking Services Charges	Nonfoods (others)	Total
Urban/Rural											
Urban	4,430	6,686	1,632	240	703	178	3,521	42	150	20,764	38,347
Rural	2,592	1,943	778	141	194	191	2,956	25	51	9,452	18,323
Consumption Quintiles											
First Quintile (Poorest)	1,285	448	115	48	14	12	1,372	0	10	3,791	7,097
Second Quintile	1,877	927	277	63	68	17	1,852	26	22	5,694	10,824
Third Quintile	2,287	1,716	549	89	142	194	1,796	5	30	8,095	14,902
Fourth Quintile	3,176	3,202	1,165	202	294	257	4,169	14	59	11,774	24,312
Fifth Quintile (Richest)	7,140	10,658	3,088	454	1,228	457	6,455	106	285	35,166	65,036
Consumption Deciles											
First Decile (Poorest)	1,157	328	54	32	20	2	1,003	0	7	3,116	5,718
Second Decile	1,414	570	177	64	8	22	1,743	1	14	4,470	8,483
Third Decile	1,431	839	212	46	64	13	1,417	10	22	5,278	9,332
Fourth Decile	2,323	1,015	342	81	71	21	2,287	42	22	6,110	12,316
Fifth Decile	2,169	1,572	537	91	99	303	2,198	8	40	7,132	14,150
Sixth Decile	2,404	1,859	561	88	184	85	1,394	1	20	9,057	15,654
Seventh Decile	3,114	2,779	1,033	205	212	91	3,104	5	31	10,090	20,663
Eighth Decile	3,239	3,628	1,299	200	376	423	5,242	23	87	13,471	27,988
Ninth Decile	6,191	5,883	1,928	253	452	184	5,107	54	81	20,284	40,418
Tenth Decile (Richest)	8,088	15,435	4,248	654	2,004	729	7,802	157	489	50,050	89,657
Total	3,152	3,390	1,039	171	349	187	3,128	30	81	12,902	24,430
Nepal (%)	12.9	13.9	4.3	0.7	1.4	0.8	12.8	0.1	0.3	52.8	100.0

Table 2.6: Average Per Capita Food Consumption (Kg per year)

	Urban	Rural	First Quintile (Poorest)	Second Quintile	Third Quintile	Fourth Quintile	Fifth Quintile (Richest)	Total
Fine rice	61.36	36.57	13.18	23.93	38.73	52.78	92.06	44.13
Coarse rice	67.81	90.52	103.66	94.71	87.45	75.36	56.79	83.60
Beaten, flattened rice	6.31	6.08	2.32	4.59	6.45	7.96	9.46	6.15
Maize	3.25	10.08	8.71	10.22	9.05	6.34	5.68	8.00
Maize flour	4.98	21.35	39.09	14.35	14.55	8.07	5.70	16.35
Wheat, Wheat flour	26.57	27.58	29.38	30.60	28.69	25.24	22.46	27.28
Millet	3.54	8.94	7.41	14.36	3.90	5.90	4.90	7.29
Buckwheat	0.13	0.03	0.02	0.07	0.04	0.00	0.19	0.06
Barley	0.01	0.15	0.01	0.24	0.22	0.00	0.07	0.11
Black Gram (<i>Mas</i>)	3.68	3.46	1.64	2.95	3.47	4.26	5.31	3.53
Lentil (<i>Musuro</i>)	7.24	5.35	3.46	4.87	6.06	6.92	8.33	5.93
Red Gram	2.59	1.37	0.58	1.13	2.06	1.98	2.94	1.74
Horse Gram (<i>Chana</i>)	0.64	0.53	0.14	0.37	0.58	0.75	0.96	0.56
Beans	1.37	1.30	0.48	0.71	2.95	1.31	1.16	1.32
Soybean	1.12	1.83	1.15	1.66	1.69	1.59	1.98	1.61
Mutton (Goat)	3.45	3.62	0.78	1.75	2.74	4.53	8.03	3.56
Mutton (Sheep)	0.05	0.12	0.08	0.08	0.16	0.05	0.12	0.10
Buff	1.72	3.15	1.02	2.84	2.39	3.66	3.65	2.71
Chicken	9.30	6.64	2.50	4.87	6.83	10.23	12.83	7.45
Pork	1.14	1.32	0.57	1.15	1.31	2.03	1.26	1.26
Fish	3.16	2.99	2.73	2.14	2.07	3.54	4.72	3.04
Egg	2.34	1.00	0.28	0.62	0.99	1.49	3.67	1.41
Milk	50.50	82.75	15.60	32.48	38.77	49.51	228.26	72.91

Table 2.7: Mean Food Consumption Score (FCS) in the AHS III and NLSS III Surveys

	Food Consumption Score (AHS III, 2014/2015)	Food Consumption Score (NLSS III, 2010/2011)
Urban	74.1	73.8
Rural	62.8	59.9
Nepal	66.5	62.8

Table 2.8: Percent of poor, borderline, inadequate and acceptable households based on the food consumption score (FCS) in the AHS III and NLSS III surveys

	Poor food consumption		Borderline food consumption		Acceptable food consumption		Inadequate food consumption (poor and borderline)	
	AHS III	NLSS III	AHS III	NLSS III	AHS III	NLSS III	AHS III	NLSS III
Urban	1.5	4.0	6.2	6.0	92.3	90.0	7.7	10.0
Rural	6.1	10.0	13.3	13.0	80.6	77.0	19.4	23.0
Nepal	4.6	8.0	10.9	12.0	84.5	80.0	15.5	20.0

Table 2.9: Mean number of days the 8 food groups were consumed over the last 7 days preceding the survey

	Cereals, tubers and root crops (e.g., rice, maize, potato)	Pulses (e.g., beans, peas, lentils, and nuts)	Vegetables	Meat, fish, and eggs	Fruits	Milk and other dairy products	Ghee, oil, and butter	Sugar, honey, and sweets
Urban/Rural								
Urban	7.0	6.2	6.8	3.4	4.0	6.2	7.0	6.8
Rural	7.0	5.7	6.4	2.7	3.4	6.2	6.9	6.8
Adequacy of food consumption								
Adequate food consumption	7.0	6.1	6.7	3.1	3.7	6.3	6.9	6.8
Inadequate food consumption	7.0	3.4	5.8	1.5	2.2	1.7	7.0	6.5
Nepal	7.0	5.9	6.6	2.9	3.6	6.2	6.9	6.8

Table 2.10: Mean dietary diversity score (DDS) in the AHS III and NLSS III

Household characteristics	Dietary Diversity Score(AHS III, 2014/2015)	Dietary Diversity Score (NLSS III, 2010/2011)
Urban	6.8	7.0
Rural	6.1	6.3
Inadequate food consumption	4.4	5.0
Adequate food consumption	6.7	6.8
Nepal	6.4	6.5

Table 2.11: Percent of households with poor dietary diversity based on the DDS in the AHS III and NLSS III

Household characteristics	Poor dietary diversity (AHS III, 2014/2015)	Poor dietary diversity (NLSS III, 2010/2011)
Urban	4.7	5.0
Rural	13.5	10.0
Nepal	10.5	9.0

Table 2.12: Mean number of days the 8 food groups were consumed over the last 7 days preceding the survey by the DDS, AHS III

Household characteristics	Cereals, tubers, and root crops, (e.g., rice, maize, potato)	Pulses (e.g., beans, peas, lentils, and nuts)	Vegetables	Meat, fish, and eggs	Fruits	Milk and dairy products	Ghee, oil, and butter	Sugar, honey, and sweets
Acceptable dietary diversity	7.0	5.9	6.6	3.0	3.6	6.2	6.9	6.8
Poor dietary diversity	7.0	5.2	5.9	2.1	2.1	5.6	7.0	6.6
Nepal	7.0	5.9	6.6	2.9	3.6	6.2	6.9	6.8

CHAPTER III: EMPLOYMENT STATUS

3.1 Introduction

Concepts of labour force, employment, and unemployment

Employment and Labour force situation reflects the working capability of a country. Information on the current labour force situation is one of the focus areas of AHSs. AHS III has collected data on current activities that include the status of the labour force, employment, unemployment and underutilization of all household members aged 5 years and above. The labour force data is analyzed by different age groups. The survey followed concepts and classifications recommended by the ILO and the System of National Accounts 1993 (SNA 1993). Different types of activities of all household members were asked for the reference period of 7 days prior to the date of the interview. Some basic labour force related concepts used in the survey are described below.

Work, for the survey purpose, is defined as activities performed for pay or profit, in own agricultural or non-agricultural activities or as informal extended economic activities. If a person engaged in the above activities for at least an hour in a week was considered employed. For the survey purpose, economic activities were classified as follows:

1. Agricultural work performed for the wage in cash or in kind;
2. Non-agricultural work performed for the wage in cash or in kind;
3. Own agricultural work such as planting, weeding, crop caring, harvesting, storing, livestock keeping, etc.;
4. Own account retail trade, transportation, tuition, coaching and other personal services;
5. Food processing except for own consumption;
6. Sewing, knitting and craft works;
7. Own account construction and repair works;
8. Fetching water;
9. Firewood collection;
10. Other household economic activities.

Non-economic and household chore includes activities such as cooking and serving food for the household; cleaning utensils/house, own laundry; minor house repairs; caring sick/old/infirm; child care; and other voluntary and community services.

Currently employed condition is defined when a person was found employed for at least an hour in the last seven days before the date of the survey.

Currently unemployed condition is defined when a person was found not having worked even for an hour in the last seven days before the date of the interview but seeking a job.

Labour force implies population economically active or with the status of employed or unemployed (seeking a job).

(Currently) outside of the labour force is considered a situation when a person was found who was not employed and not seeking a job. Persons of old age, sick, students, or engaged only in household chores were also considered currently outside of the labour force.

Labour underutilization rate is the ratio of the population who were unemployed, underemployed, earn less as compared to their skill or if their job does not match with their skill over total labour.

Youth are defined as the population falling in the age interval between 15-24 years.

Economic activity of children here denotes all activities of children of age 5-14 years. Thus, it will cover statistics on their educational participation, employment generation and out of the labour force situation.

Child labour according to the ILO, is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. However, not all work done by

children is child labour. According to the ILO child labour situation refers to work, that is mentally, physically, socially or morally dangerous and harmful to children; and interferes with their schooling by depriving them of the opportunity to attend school or obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work ⁷. In this survey children ‘not in school and employed’ refers to such child labour situation.

Industry refers to an economic activity of an establishment in which a person is engaged in *work* during the reference period. A person can be employed as a paid employee or self-employed. The survey has provided employment rates disaggregated by sections of the industrial classification. For that purpose, Nepal Standard Industrial Classification (NSIC) is prepared to classify economic activities prevalent in Nepal following International Standard Industrial Classification of All Economic Activities (ISIC Rev 4) 2008. NSIC contains 21 sections, 88 divisions, 235 groups and 419 classes of economic activities as follows:

Nepal Standard Industrial Classification of all Economic Activities, Nepal		
S. N.	Sections	Description
01	A	Agriculture, forestry, and fishing
02	B	Mining and quarrying
03	C	Manufacturing
04	D	Electricity, gas, steam, and air conditioning supply
05	E	Water supply; sewerage, waste management, and remediation activities
06	F	Construction
07	G	Wholesale and retail trade; repair of motor vehicles and motorcycles
08	H	Transportation and storage
09	I	Accommodation and food service activities
10	J	Information and communication
11	K	Financial and insurance activities
12	L	Real estate activities
13	M	Professional, scientific, and technical activities
14	N	Administrative and support service activities
15	O	Public administration and defense; compulsory social security
16	P	Education
17	Q	Human health and social work activities
18	R	Arts, entertainment, and recreation
19	S	Other service activities
20	T	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use
21	U	Activities of extraterritorial organizations and bodies

Occupation refers to a type of work done by a person during the reference period, irrespective of place of work or industrial activity and the status of employment. For the survey purpose, jobs prevalent in Nepal have been classified according to Nepal Standard Classification of Occupations (NSOC) which is prepared on the basis of the International Standard Classification of Occupation (Revision 4). NSOC provides classifications at three digit levels. A major division of the classification of NSOC is as follows:

⁷ “What is child labour”, ILO website: <http://www.ilo.org/ipec/facts/lang--en/index.htm>

Code	NSOC occupational classification
0	Armed forces
1	Managers
2	Professionals
3	Technicians and associate professionals
4	Clerical support workers
5	Service and sales workers
6	Skilled agricultural and forestry
7	Craft and related trades workers
8	Plant and machine operators
9	Elementary occupations ^a

^a Elementary occupations includes simple and routine tasks which mainly require the use of hand-held tools and often some physical effort such as selling goods in streets and public places, or from door to door; providing various street services; cleaning, washing, pressing; taking care of apartment houses; washing windows and other glass surfaces of buildings; delivering messages or goods; carrying luggage; door keeping and property watching, etc.

3.2 Labour force of the population of age 10 years and above

According to the survey, 77.2 percent of the total populations of age 10 years and above are in the labour force. The labour force participation rates vary substantially by urban and rural area. The rate observed in urban and rural areas is 66.2 percent and 82.2 percent respectively. But, by sex variation is found less as 78.7 percent male and 75.9 percent female are observed in the labour force.

Among literates, 82.8 percent are in the labour force compared to 74.5 percent illiterates. In the age group 10-14 years participation rate is the lowest at 47.5 percent, shows a gradual increase up to age group 50-54 years and declines after this age group to reach 67.7 percent for age group 60 years and above. By consumption quintiles the rate is higher in the lower quintiles (first to third quintiles) that declines with upper quintiles (Table 3.1). There is no change observed in the national rate between ASH III and AHS II (Box 3.1).

It is found that, in the 7 days interval before the survey, among the 10 years and above population nearly three fourth (74.7%) are employed, a small proportion unemployed (2.6%) and the remaining (22.7%) are outside the labour force (Table 3.2). Almost no change in this employment situation is observed in AHS III and AHS II. The employed rate in the survey varies between urban (62.1%) and rural (80.4%), and among literates (71.6%) and illiterates (81.2%). Between the sexes, the difference is very low.

By consumption quintiles, it is noticeable that the employment rate is higher for the poorest quintile (80.2%) compared to the richest quintile (62.7%). Meantime, a large portion of the richest group is found outside the labour force (33.4%) compared to the poorest group (17.6%). The higher proportion of the richest group found outside the labour force may indicate mismatch of higher education obtained by the richest group and the job not according to their education (Table 3.2).

When asked to the employed population how many hours per week they worked, it is found that 60.4 percent worked for 40 hours or more (Table 3.3). This rate has increased from AHS II. If we consider more than 40 hours work as 'highest satisfactory working level'⁸, we can observe that 68.5 percent male enjoys such level compared to 53.2 percent female. Also, 67.0 percent urban enjoys such level compared to 58.1 percent rural and by literacy 58.0 percent literate enjoys such level compared to 64.8 percent illiterates (Table 3.3).

When considering the distribution of total working hours by employed person of 10 years and above in different activities (Table 3.4), the survey shows that about 57.9 percent are self-employed in agricultural activities and 11.0 percent in self-employed non-agricultural activities. If we consider the two self-employed categories of agriculture and non-agriculture as *entrepreneurs*, we can find about 68.9 percent such population in the survey. Remarkable variation in the engagement of rural-urban employed is found for self-employed in agriculture verses non-agriculture activities. In rural area, 64.3 percent of employment is in self-employed agriculture while only 7.1 percent is in self-employed non agriculture. This situation is just opposite in urban

⁸ Based on the ILO convention of weekly 40 hours for general working situation: C047 - Forty-Hour Week Convention, 1935 (No. 47)

area where 39.8 percent employed are in self-agriculture and 64.3 percent are engaged in self-employed non-agriculture. It may indicate the high dependency of rural population on self-agriculture than the urban population. The engagement of 10-14 years population in self-agriculture is very high (71.5). Similarly, high dependency on self-agriculture can be observed in the female population (64.7%).

3.3 Labour force of the population of age 15 years and above

The total labour force participation rate of people aged 15 years and above is 82.7 percent, which is slightly lower than in AHS II and lower than that in NLFS II 2008 but is higher than that found in NLSS III 2010/11 (Table 3.5). Among the total engaged labour force, the survey shows that 80.1 percent are employed, 2.7 percent unemployed and 17.2 percent are out of the labour force. In this age group, the labour force participation rates vary substantially across male-female and urban-rural domain. The labour force participation rate of male is 86.3 percent and female is 79.8 percent. Also, it is seen that among male, 83.3 percent are employed and 13.7 percent are out of the labour force, whereas among female 77.5 percent are employed and 20.1 percent are out of the labour force. These figures show a better employment situation for male than for female. Similarly, better employment situation is seen for rural population (85.5% employed) compared to urban (68.6% employed). Among the urban more than one fourth (27.0%) are outside the labour force. Only small difference in the labour participation rate is observed between illiterate (82.9%) and literate (78.5%) groups.

Among the 17.2 percent who are out of the labour force, reasons for their inactiveness were asked. Among such inactive population more than one-third (34.8%) are attending schools, 28.1 percent reported to be old, sick or disabled, 4.0 percent living on pension, remittance or house rent, and 26.5 percent population are involved in household works (Table 3.6). Such household work is mainly seen as female oriented activity as we find about 38.7 percent female are in this category compared to only 5 percent male.

3.3.1 Hours worked (15 years and above)

Among the employed of age 15 years and above, 66.1 percent reported to have worked for 40 hours or more during the week before the survey (Table 3.7). Such saturated working hour was enjoyed by a lesser proportion of population in AHS II (57.8% in AHS II). Also in the survey, 21.0 percent employed are found working 20-39 hours and 12.3 percent are found working 1-19 hours. Among the employed, we can find more concentration of male towards higher working hours than of female. Similarly, the urban area has a higher proportion of the population with more working hours than rural.

An employed person, on an average, is engaged 54.6 hours per week in all works in which for economic works they spend 41.0 hours and on non-economic works 13.6 hours (Table 3.8). The gender difference is more visible during average working hours, especially in economic works. Female works an average of 8.9 hours per week more than male in Nepal (10 hours in rural and 6.3 hours in urban). While female works 16.3 more hours than male in non-economic works, they are engaged 7.4 hours less than male in economic works. This should be due to the reason that most female's work is unpaid work such as household chores and agriculture works.

3.3.2 Unemployment

An overall unemployment rate of 15 years and above population stands at 3.1 percent, which is lower than in AHS II (Table 3.9). The unemployment rate varies substantially across urban and rural area, 5.9 percent in urban against 2.0 percent in rural. This urban-rural difference was much wider in AHS II⁹. The unemployment rate is found higher among literate (4.0%), in 20-24 age group (6.8%) and in the richest quintile (5.7%).

3.3.3 Labour underutilization

Unemployment is an issue which draws attention of social scientists, economists, and politicians and also of international organizations. The *one hour criterion* defining employment has led to the recording of lower unemployment rates and has complicated the interpretation of employment and unemployment mostly in developing countries. There has been a gap between the magnitude of social problems and efforts to curb

⁹ Unemployment rate in AHS II was 9.1% in urban and 2.7% in rural (Table 3.11, AHS 2013/14)

them. Therefore, the implications of unemployment were widely studied and it was suggested to address the problem in a broader term of labour underutilization. Accordingly, International Conference of Labour Statisticians, 2008 provided *a room document* with guidance on using the concepts and estimates of labour underutilization. Labour underutilization is a more comprehensive measure than the unemployment rate. In addition to the measurement of unemployment, it was recommended by the conference to use NLFS data on under employment, work-related income and matching of educational attainment with occupation to assess the forms of labour underutilization. In summary, there are four components of labour underutilization:

- a) Unemployment
- b) Involuntary part time work (time related underemployment)
- c) Inadequate earnings
- d) Skill mismatch

These categories are mutually exclusive.

Altogether, the magnitude of labour underutilized in the survey is estimated at 22.3 percent, which comprises an unemployment rate of 3.1 percent, the time related underemployment rate of 10.7 percent, a skill mismatch rate of 4.5 percent and rate of inadequate earnings of 4.0 percent (Table 3.10). The labour underutilization rate is found higher in urban (26.3%) than in the rural (20.8%) area. Naturally, literate population reported to be more underutilized than illiterate, 25.9 percent against 16.3 percent. The rate varies slightly among the labour force population of all quintiles. A new measure of 'Employed others' is calculated in this report using the method shown in the footnote of Table 3.10 which was not calculated in AHS II. It signifies the complementary event of the total underutilized labour force from the total labour force. It is found that 22.3 percent of the labour force is underutilized and 77.7 percent is employed others.

3.3.4 Employed population by industry

Using the industrial classification NSIC, employed persons were asked among the 21 NSIC classes which industrial class they were engaged in. The largest proportion of employed in this classification fall under 'agriculture, forestry and fishing' (69.4%, Table 3.11). The industrial distribution of the employed is varying by urban-rural and by sex. It is interesting to observe that the gender discrepancy for agriculture, forestry and fishing is quite remarkable in urban-rural and in whole Nepal. Agriculture is mainly a rural activity with 78.6 percent rural engagement contrary to about 45.2 percent urban engagement. Also, in urban area, almost two times more females are engaged in agriculture than male. Although female participation in agriculture in rural is very high and exceeds male participation, but the gender difference is smaller in rural than in urban.

At the national level, distribution of employed by NSIC classification in AHS III is comparable with AHS II (Table 3.11). In AHS III, 69.4 percent are engaged in agriculture, which is almost similar as in AHS II. In this survey, wholesale and retail trade is the second highest employed industry (6.5%) followed by manufacturing (5.9%). Urban employment is found more diverse by industrial type. Among the employed urban, after agriculture two largest employment industries are wholesale and retail (13.4%), and manufacturing (9.8%). In rural area agriculture shows dominating employment sector with small engagement found in other industries.

3.3.5 Employed population by occupation

According to the NSOC occupational classification among the employed of age 15 years and above, nearly two thirds (63.9%) have jobs in 'skilled agriculture and forestry' during the reference period (Table 3.12). The second most engaged occupation is 'elementary occupation' (11.2%) followed by 'craft and related trades work' (9.1%). In urban area skilled agriculture service has the largest employment (42.1%) followed by craft and related (12.7%). In rural area skilled agriculture occupies a dominating role (72.1%) followed by elementary occupation (10.7%).

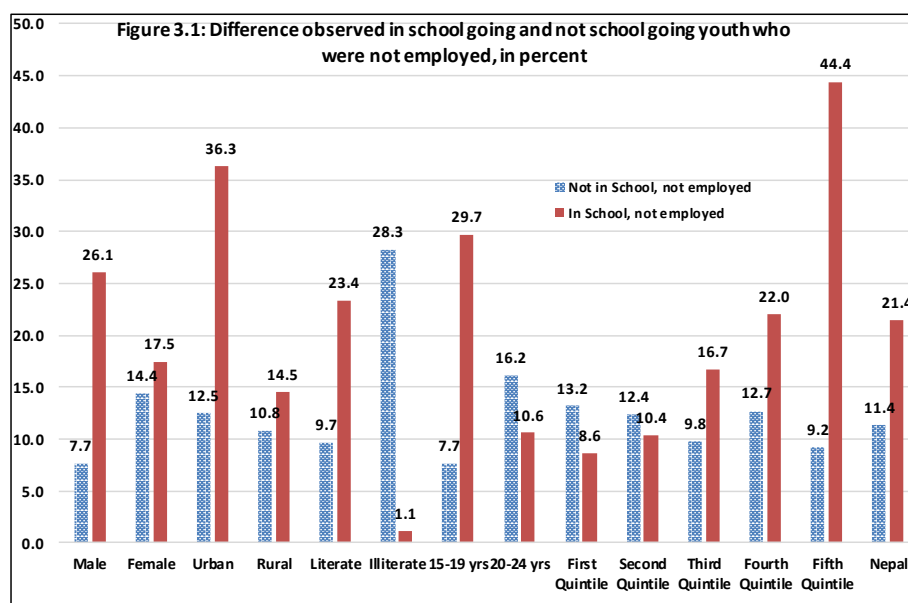
3.4 Youth employment

The youth populations of age 15-24 are considered the most energetic work force of a society. In the present context of the huge volume of youth migration from rural to urban and from country to out-of-country, has made the economic demography of youth an important analytical issue. Among the youth population, 67.2

percent are found employed, 28.3 percent are outside the labour force and the remaining 4.5 percent are unemployed. The unemployment rate among youth has slightly declined in AHS III compared to AHS II. Also, there is a little increment in the out of labour force seen in AHS III compared to AHS II (Table 3.13). This may be due to the improvement in the educational condition of youth in the recent time that has brought more skill mismatch among youths. Among female youth, employment is little higher (68.0%) compared to male (66.3%). Also, rural youths are found largely employed (74.6%) than urban (51.2%). Similarly, the illiterates are more employed (70.6%) than literates (66.9%) and youth of poor quintile are more employed. These features of employment distribution exhibit a contradictory cause and effect relationship than the normal belief however, definition of employment adopted in the survey should be kept in mind while making interpretation.

While youth population that represents the population of age 15-24 years should be attending higher education (plus 2 and Bachelor levels), it is observed in the survey that only 21.4 percent are attending some schools (educational institutes) and not employed while a very large proportion of these youth are not in school and employed (41.7%, Table 3.14). Meantime, another large proportion of youth are found employed as well as going to school (25.6%).

The most critical youth cohorts are those who are not in school and also not employed. That is doing nothing youths. These youth populations could indicate a challenge to the society. These are the vulnerable youth likely to fall in social ills or crime. They are also the viable foreign migrants. They need further attention of researchers and policy makers and need further investigation to understand and address the cause of such problem. The survey shows that 11.4 percent youth falls in this category of doing nothing (Table 3.14). Notable is the fact that this category of youth has increased in the current survey from the previous survey (9.6% in AHS II). A comparative analysis of such 'doing nothing' youths with 'well off' youths who can be defined as 'going to school and not employed', may show social inequality in a better way. Figure 3.1 shows the inequality among such two contrasting groups by other socio-economic categories where dotted bar indicates youths who do not go to school and do not work. Here, we can observe the dotted bar prominently higher for illiterates that is going up to about 28.3 percent in contrast to the solid bar at 1.1 percent. Similar contrast can be observed in the age group 20-24 years, for the poorest and second poorest groups. These findings could indicate to which population group policy intervention is demanded.



Among the employed youth, 46.5 percent work for 40 hours or more on average in a week, 28.6 percent work for 20-39 hours and one fourth (25.0%) work for less than 20 hours (Table 3.15).

When asked about the type of occupation of the employed youth more than two third (66.8%) are engaged in skilled agricultural activities (Table 3.16). Elementary occupation is the second most engaged occupation (14.3%) followed by a craft and related trades services and sales (8.7%).

3.5 Economic activity of children

Among the children of age 5-14 years, about one third (31.9%) are found employed, about two third (65.3%) are outside the labour force and a small proportion (2.8%) are unemployed. The percent of employed children has slightly increased in AHS III (31.9%) compared to AHS II (29.4%) (Table 3.17). It is observed that 61.7 percent children are 'in school and not employed', 27.4 percent are 'in school and employed', 6.4 percent are 'not in school and not employed', and 4.5 percent are 'not in school and employed' (Table 3.18).

Among the school going children, we find two categories- not employed and employed children. It may be useful to look at the difference in these two categories of children by age groups. It is observed that in children of age 5-9 years, 74.2 percent children 'goes to school and not employed' but in 10-14 age group the proportion is 51.5 percent (Table 3.18). Meantime, as 39.5 percent children of age 10-14 are found employed as well as attending school this rate is only about 12.5 percent for younger age children of age 5-9 years. This may indicate that in general as age increases and crosses 9 years they tend to work along with the study. This working and studying tendency of children is observed more in female and in rural children.

Child labour is still a sorrowful part of Nepalese society. Labour force participation of all types cannot be considered child labour (see definition above) and the survey has not precisely collected information on child labour, however, we can get some indication about such condition of children from the survey if we consider 'not in school but employed' children as a child labour. The labour force participation rate of children in this survey as stated above is 31.9 percent¹⁰. Now, the survey shows that 4.5 percent children are 'not in school but are employed' indicates child labour situation (Table 3.18). Such children are found in higher proportion in female than male, in rural than in urban, in illiterate than in literate, in 10-14 age group than in 5-9 age group and higher in poor quintile groups. This rate has also slightly increased in AHS III from AHS II where it was 4.0 percent.

With the children who are found employed, their average weekly hours of involvement and occupation type was also collected in the survey. It is found that 70.7 percent children work less than 20 hours per week, 23.7 percent work between 20-39 hours and 5.6 percent work more than 40 hours (Table 3.19). Among the employed children, 79.7 percent work in 'skilled agriculture and forestry' and 17.9 percent in elementary works (Table 3.20).

3.6 Gender in employment situation

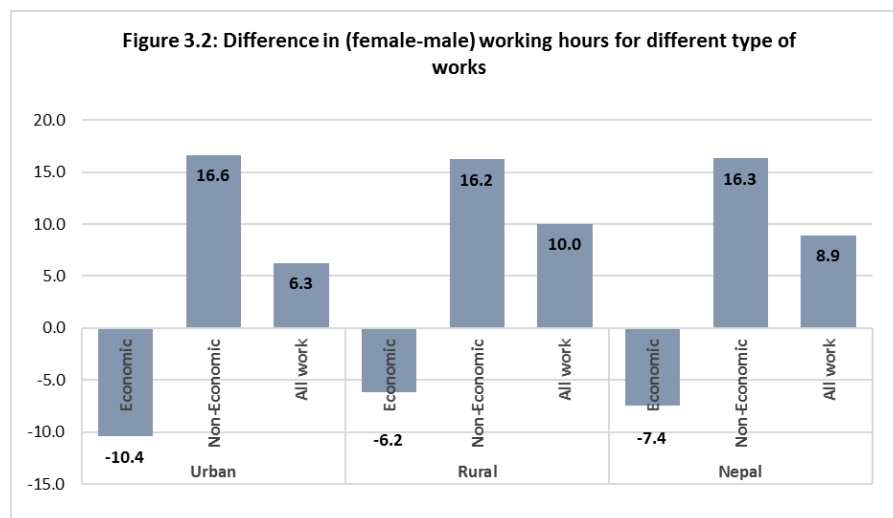
Gender has become one of the most pronounced issues of the current decade. This is the fact that developing country like Nepal has strongly experienced a wider gender gap in socio-economic indicators. This survey also indicates such gender gap.

The total labour participation rate differs by sex. In the survey, the total labour force participation for male is 86.3 percent and for female is 79.8 percent (Table 3.21). The unemployment rate of female age 15 years and above is lower (2.9%) than that for male (3.4%). While analyzing the labour force situation between sexes, variation is observed for employed, unemployed and outside the labour force. The survey shows that about 20.1 percent female are outside the labour force compared to only 13.7 percent male. The survey also revealed that males are outside mostly for going to school (53.6%) compared to females (24.3%). Also, among such outside labour force population, 38.7 percent female are found engaged in household chores compared to only 4.6 percent male.

Among the employed labour force, the distribution for economic and non-economic work shows gender gap at national level as well as in urban and rural areas. At the national level, 21.3 percent female are engaged in non-economic work whereas only 5.0 percent male are engaged in such work. In economic work, 37.5 percent female and 44.9 percent male are engaged. This shows a high inclination to economic work by the male while for non-economic work, more females are involved. Such gender gap is more prominently seen in urban area where 21.8 percent female and 5.2 percent male are engaged in non-economic work. In all work, females are found working on weekly average for 58.8 hours, whereas males work for 49.9 hours that shows females work on average 8.9 more hours weekly than males. However, females are highly engaged in non-economical or

¹⁰ It is estimated from the employment rate of children which was 31.9% in AHS II (Table 3.17, AHS II), in NLFS 2008 this rate was 29.4% and in Multiple Indicator Cluster Survey 2010 this rate was 44.0% (p.14, NMICS in the Mid-and Far-Western Regions, 2008).

unpaid type that includes household chores, self-agriculture works and so on. On average, female work 16.3 more hours in non-economic works than male whereas male are engaged in economic or paid works for 7.4 more hours than female (Table 3.21 and Figure 3.2).



Agriculture in the current situation can be considered highly female dependent activity. In the survey, 67.6 percent female work hour is occupied in agriculture related works (self and wage agriculture) compared to 54.1 percent work hour of male (Table 3.21). In non-agriculture works (self and wage non-agriculture) 14.7 percent female work hour is occupied compared to 38.3 percent work hour of male. Also by NSOC occupational classification, 74.5 percent female and 51.8 percent male are engaged in agriculture related occupation.

By the NSCO occupation type, male dominates in the managerial and professional categories. The survey shows that male managers are about three times more than female managers and the proportion of male who are in professional field are almost two times of female.

The gender gap can also be clearly observed in youth and children's engagement for type of activities. Of the total youth population, more females (14.4%) are not in school and employed than males (7.7%), whereas 17.5 percent female youth are found in school and not employed compared to 26.1 percent male youth. Among children, only 58.6 percent female are school going and not employed compared to 64.5 percent male. There are only 25.4 percent working male students compared to 29.6 percent such female students (Table 3.20).

Box 3.1: Summary statistics of labour situation

	AHS III 2014/15	AHS II 2013/14	NLFS 2008	NLSS III
Labour force participation rate of 10 years and above population				
Nepal	77.2	77.2	68.5	80.1
Urban	66.2	58.9	54.6	66.7
Rural	82.2	81.3	71.1	83.5
Male	78.7	78.8	68.5	80.9
Female	75.9	75.5	68.5	79.4
Unemployment rate of 15 years and above population				
Nepal	3.1	3.6	1.3	2.2
Urban	5.9	9.1	5.0	5.0
Rural	2.0	2.7	0.7	1.7
Male	3.4	3.0	1.6	3.2
Female	2.9	4.2	1.1	1.5
Average hours worked in week by 15 years and above population				
Nepal	54.6	53.6	38.7	-
Male	49.9	47.9	43.1	-
Female	58.8	58.6	34.8	-

Table 3.1: Labour force participation rate (10 years and above)

	Total
Sex	
Male	78.7
Female	75.9
Urban/Rural	
Urban	66.2
Rural	82.2
Literacy	
Literate	74.5
Illiterate	82.8
Age Group	
10-14 yrs.	47.5
15-19 yrs.	66.3
20-24 yrs.	78.6
25-29 yrs.	88.5
30-34 yrs.	91.2
35-39 yrs.	93.7
40-44 yrs.	94.1
45-49 yrs.	93.6
50-54 yrs.	93.2
55-59 yrs.	88.7
60 yrs. and above	67.7
Consumption Quintiles	
First Quintile (Poorest)	82.2
Second Quintile	82.9
Third Quintile	80.0
Fourth Quintile	76.1
Fifth Quintile (Richest)	66.5
Nepal	77.2
AHS II (2013/14)	77.2

Table 3.2: Current activity status of persons 10 years and above (during last 7 days, in %)

	Employed	Unemployed	Outside Labour force	Total
Sex				
Male	75.9	2.9	21.2	100.0
Female	73.6	2.4	24.0	100.0
Urban/Rural				
Urban	62.1	4.1	33.8	100.0
Rural	80.4	2.0	17.7	100.0
Literacy				
Literate	71.6	3.1	25.4	100.0
Illiterate	81.2	1.7	17.1	100.0
Age Group				
10-14 yrs.	45.4	2.4	52.2	100.0
15-19 yrs.	62.6	3.7	33.8	100.0
20-24 yrs.	73.2	5.5	21.3	100.0
25-29 yrs.	83.8	4.7	11.5	100.0
30-34 yrs.	89.1	2.1	8.8	100.0
35-39 yrs.	91.6	2.1	6.2	100.0
40-44 yrs.	92.3	1.9	5.8	100.0
45-49 yrs.	92.3	1.4	6.3	100.0
50-54 yrs.	92.4	0.8	6.8	100.0
55-59 yrs.	88.1	0.6	11.3	100.0
60 yrs. and above	67.0	0.9	32.0	100.0
Consumption Quintiles				
First Quintile (Poorest)	80.2	2.2	17.6	100.0
Second Quintile	80.8	2.3	16.9	100.0
Third Quintile	77.7	2.4	20.0	100.0
Fourth Quintile	73.9	2.2	23.8	100.0
Fifth Quintile (Richest)	62.7	3.9	33.4	100.0
Nepal	74.7	2.6	22.7	100.0
AHS II (2013/14)	74.4	2.9	22.7	100.0

Table 3.3: Percentage distribution of employed individuals aged 10 years and above by number of hours worked (during last 7 days)

	0.0	1-19	20-39	40 and above	Total
Sex					
Male	0.5	15.1	15.8	68.5	100.0
Female	0.5	19.8	26.4	53.2	100.0
Urban/Rural					
Urban	0.6	16.1	16.2	67.0	100.0
Rural	0.5	18.1	23.3	58.1	100.0
Literacy					
Literate	0.5	21.1	20.4	58.0	100.0
Illiterate	0.6	11.2	23.4	64.8	100.0
Age Group					
10-14 yrs.	0.1	67.9	25.5	6.5	100.0
15-19 yrs.	0.6	33.0	32.8	33.6	100.0
20-24 yrs.	0.8	15.7	23.4	60.2	100.0
25-29 yrs.	0.8	10.4	18.4	70.3	100.0
30-34 yrs.	0.2	6.8	15.7	77.4	100.0
35-39 yrs.	0.4	4.7	17.5	77.4	100.0
40-44 yrs.	0.5	4.6	16.0	78.8	100.0
45-49 yrs.	0.6	5.6	15.8	78.0	100.0
50-54 yrs.	0.5	5.7	19.0	74.7	100.0
55-59 yrs.	0.6	8.4	18.5	72.5	100.0
60 yrs. and above	0.5	17.9	27.1	54.4	100.0
Consumption Quintiles					
First Quintile (Poorest)	0.4	19.1	22.3	58.2	100.0
Second Quintile	0.7	19.1	21.7	58.5	100.0
Third Quintile	0.5	16.3	24.2	59.0	100.0
Fourth Quintile	0.4	19.1	20.7	59.8	100.0
Fifth Quintile (Richest)	0.5	14.2	18.0	67.3	100.0
Nepal	0.5	17.6	21.4	60.4	100.0
AHS II (2013/14)	0.7	18.4	23.0	57.8	100.0

Table 3.4: Percentage distribution of total working hours in different activities by employed individuals, 10 years and above

	Waged Agri.	Waged Non Agri.	Self Employed Agri.	Self Employed Non Agri.	Food Processing	Handicrafts and Tailoring	Minor construction	Fetching Water	Firewood collection	Other extended activities
Sex										
Male	3.8	24.0	50.3	14.3	0.8	0.5	1.2	1.1	3.4	0.7
Female	2.9	6.7	64.7	8.0	3.0	1.0	0.4	2.4	9.9	1.1
Urban/Rural										
Urban	2.0	27.2	39.8	22.1	1.6	0.7	0.6	1.1	4.3	0.6
Rural	3.8	10.4	64.3	7.1	2.1	0.8	0.8	2.0	7.7	1.0
Literacy										
Literate	1.9	18.2	54.0	13.8	1.7	0.9	0.9	1.9	5.7	0.9
Illiterate	5.9	8.5	65.1	5.7	2.5	0.5	0.6	1.5	9.0	0.8
Age Group										
10-14 yrs.	1.0	1.6	71.5	3.2	1.6	0.0	0.7	6.0	12.5	1.8
15-19 yrs.	3.2	9.9	63.6	5.7	2.6	1.2	0.8	2.6	9.5	0.8
20-24 yrs.	2.3	21.2	53.9	9.1	2.2	1.6	0.9	1.7	6.1	1.0
25-44 yrs.	4.3	20.1	49.0	15.0	2.0	0.8	0.6	1.1	6.6	0.5
45 yrs. and above	3.2	11.8	64.3	10.9	1.7	0.4	1.0	1.1	4.5	1.1
Consumption Quintiles										
First Quintile (Poorest)	8.1	10.4	59.6	5.0	2.3	0.5	0.5	2.4	10.4	0.9
Second Quintile	3.4	10.9	65.5	5.1	2.3	0.7	1.0	2.2	8.0	0.9
Third Quintile	2.1	12.7	63.5	7.6	1.8	1.0	0.7	2.2	7.7	0.8
Fourth Quintile	2.1	15.0	59.4	11.8	1.9	0.8	1.2	1.5	5.4	0.9
Fifth Quintile (Richest)	1.1	25.9	39.6	26.6	1.4	0.8	0.4	0.6	2.6	1.0
Nepal	3.3	14.8	57.9	11.0	1.9	0.7	0.8	1.8	6.8	0.9
AHS II (2013/14)	3.0	14.5	57.2	11.7	2.0	0.6	1.0	1.8	8.1	0.1

Table 3.5: Labour force participation rates of the population aged 15 years and above and the current activity status

	Total participation rate	Percentage distribution of labour force by current activity status			
		Employed	Unemployed	Outside Labour force	Total
Sex					
Male	86.3	83.3	3.0	13.7	100.0
Female	79.8	77.5	2.4	20.1	100.0
Urban/Rural					
Urban	73.0	68.6	4.4	27.0	100.0
Rural	87.3	85.5	1.9	12.6	100.0
Literacy					
Literate	81.8	78.5	3.3	18.2	100.0
Illiterate	84.4	82.9	1.5	15.5	100.0
Age Group					
15-19 yrs.	66.3	62.6	3.7	33.8	100.0
20-24 yrs.	78.6	73.2	5.5	21.3	100.0
25-29 yrs.	88.5	83.8	4.7	11.5	100.0
30-34 yrs.	91.2	89.1	2.1	8.8	100.0
35-39 yrs.	93.7	91.6	2.1	6.2	100.0
40-44 yrs.	94.1	92.3	1.9	5.8	100.0
45-49 yrs.	93.6	92.3	1.4	6.3	100.0
50-54 yrs.	93.2	92.4	0.8	6.8	100.0
55-59 yrs.	88.7	88.1	0.6	11.3	100.0
60 yrs. and above	67.7	67.0	0.9	32.0	100.0
Consumption Quintiles					
First Quintile (Poorest)	88.1	86.1	2.2	11.8	100.0
Second Quintile	88.7	86.6	2.2	11.2	100.0
Third Quintile	86.1	83.9	2.3	13.8	100.0
Fourth Quintile	82.0	79.7	2.3	18.0	100.0
Fifth Quintile (Richest)	71.9	67.8	4.1	28.0	100.0
Nepal	82.7	80.1	2.7	17.2	100.0
AHS II (2013/14)	82.9	79.8	3.0	17.1	100.0
NLSS-III (2010)	80.1	78.3	1.8	19.9	100.0
NLFS-II (2008)	83.4	81.7	2.1	16.3	100.0

Table 3.6: Percentage distribution of persons out of labour force persons aged 15 years and above by reason of being inactive

	Attending school	Household works	Old age, sickness, disable	House rent, pension, remittance	Others	Total
Urban/Rural						
Urban	36.7	31.0	20.5	6.6	5.2	100.0
Rural	32.9	22.0	35.9	1.3	8.0	100.0
Age Group						
15-19 yrs.	84.2	10.3	2.0	0.1	3.4	100.0
20-24 yrs.	44.6	35.7	6.8	0.6	12.2	100.0
25-44 yrs.	4.3	67.0	11.0	7.4	10.3	100.0
45 yrs. and above	0.0	15.4	72.3	7.3	5.0	100.0
Sex						
Male	53.6	4.6	30.7	5.0	6.0	100.0
Female	24.3	38.7	26.7	3.4	6.9	100.0
Nepal	34.8	26.5	28.1	4.0	6.6	100.0
AHS II (2013/14)	36.1	26.8	27.1	4.7	5.3	100.0

Table 3.7: Employed persons, 15 years and above by hours worked in a week (in %)

	0 hour	1 – 19 hours	20 – 39 hour	40 or more hours	Total
Sex					
Male	0.5	9.2	15.2	75	100
Female	0.6	15.1	26.1	58.3	100
Urban/Rural					
Urban	0.6	13.4	16.2	69.8	100
Rural	0.5	11.9	22.8	64.7	100
Literacy					
Literate	0.6	13.6	19.8	66.1	100
Illiterate	0.6	10.2	23.1	66.2	100
Age Group					
10-14 yrs.	0.6	33	32.8	33.6	100
15-19 yrs.	0.8	15.7	23.4	60.2	100
20-24 yrs.	0.8	10.4	18.4	70.3	100
25-29 yrs.	0.2	6.8	15.7	77.4	100
30-34 yrs.	0.4	4.7	17.5	77.4	100
35-39 yrs.	0.5	4.6	16	78.8	100
40-44 yrs.	0.6	5.6	15.8	78	100
45-49 yrs.	0.5	5.7	19	74.7	100
50-54 yrs.	0.6	8.4	18.5	72.5	100
55-59 yrs.	0.5	17.9	27.1	54.4	100
60 yrs. and above	0.6	33	32.8	33.6	100
Consumption Quintiles					
First Quintile (Poorest)	0.5	11.6	20.9	67	100
Second Quintile	0.8	12.2	21.5	65.5	100
Third Quintile	0.5	10.9	23.6	64.9	100
Fourth Quintile	0.4	14.2	21.1	64.3	100
Fifth Quintile (Richest)	0.6	12.5	17.8	69.1	100
Nepal	0.6	12.3	21	66.1	100
AHS II (2013/14)	0.7	18.4	23	57.8	100

Table 3.8: Average hours spent per week by employed persons aged 15 years and above by type of work

		Economic works	Non-Economic works	All work
Urban	Male	47.5	5.2	52.7
	Female	37.2	21.8	59
	Gender gap (female-male)	-10.4	16.6	6.3
Rural	Male	43.8	4.9	48.7
	Female	37.6	21.1	58.7
	Gender gap (female-male)	-6.2	16.2	10
All	Male	44.9	5	49.9
	Female	37.5	21.3	58.8
Nepal	Both	41	13.6	54.6
	Gender gap (female-male)	-7.4	16.3	8.9
AHS II (2013/14)	Both	47.5	5.2	52.7

Table 3.9: Unemployment rates

	Total
Sex	
Male	3.4
Female	2.9
Urban/Rural	
Urban	5.9
Rural	2.0
Literacy	
Literate	4.0
Illiterate	1.8
Age Group	
15-19 yrs.	5.5
20-24 yrs.	6.8
25-29 yrs.	5.3
30-34 yrs.	2.3
35-39 yrs.	2.2
40-44 yrs.	1.9
45-49 yrs.	1.4
50-54 yrs.	0.9
55-59 yrs.	0.7
60 yrs. and above	1.0
Consumption Quintiles	
First Quintile (Poorest)	2.3
Second Quintile	2.3
Third Quintile	2.6
Fourth Quintile	2.8
Fifth Quintile (Richest)	5.7
Nepal	3.1
AHS II (2013/14)	3.6

Table 3.10: Labour underutilization rates of persons aged 15 years and above (in %)

	Underutilized labour force					Employed Others ^a	Total
	Unemployed	Time Related Under Employment	Skill Mismatch	Inadequate Earnings	Total underutilized		
Sex							
Male	3.4	9.8	5.6	5.3	24.1	75.9	100.0
Female	2.9	11.4	3.5	2.9	20.8	79.2	100.0
Urban/Rural							
Urban	5.9	9.2	7.5	3.6	26.3	73.7	100.0
Rural	2.0	11.3	3.3	4.2	20.8	79.2	100.0
Literacy							
Literate	4.0	11.2	7.1	3.7	25.9	74.1	100.0
Illiterate	1.8	9.8	0.0	4.7	16.3	83.7	100.0
Age Group							
15-19 yrs.	5.5	13.1	9.3	4.2	32.1	67.9	100.0
20-24 yrs.	6.8	14.9	7.4	3.3	32.5	67.5	100.0
25-44 yrs.	3.0	10.3	4.4	5.0	22.8	77.2	100.0
45 and over	1.0	8.5	1.4	3.0	14.0	86.0	100.0
Consumption Quintiles							
First Quintile (Poorest)	2.3	10.5	1.7	6.9	21.4	78.6	100.0
Second Quintile	2.3	11.4	3.6	5.0	22.4	77.6	100.0
Third Quintile	2.6	11.5	4.3	3.0	21.3	78.7	100.0
Fourth Quintile	2.8	11.7	4.5	3.5	22.4	77.6	100.0
Fifth Quintile (Richest)	5.7	8.2	8.0	2.2	24.1	75.9	100.0
Nepal	3.1	10.7	4.5	4.0	22.3	77.7	100.0

^aIn previous survey AHS II, 'employed others' was not calculated, however it is the complementary event of the rest categories of underutilization which is calculated in % term as, employed others = 100% - (total underutilized LF).

Table 3.11: Employed person 15 years and above by industry and by urban and rural (in %)

NSIC classification	Total			Urban			Rural		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Agriculture, forestry, and fishing	56.4	80.9	69.4	31.4	59.4	45.2	67.0	88.2	78.6
Mining and quarrying	0.9	0.2	0.5	0.9	0.6	0.8	0.8	0.1	0.4
Manufacturing	8.2	3.8	5.9	12.1	7.5	9.8	6.6	2.6	4.4
Electricity, gas, steam, and air	0.1	0.0	0.1	0.4	0.0	0.2	0.0	0.0	0.0
Water supply, sewerage, and waste materials	0.2	0.2	0.2	0.5	0.4	0.4	0.2	0.2	0.2
Construction	9.3	1.5	5.1	10.6	2.6	6.6	8.7	1.1	4.5
Wholesale and retail trade; repair of motor vehicle and motorcycles	8.2	5.0	6.5	15.7	11.0	13.4	5.0	2.9	3.9
Transportation and storage	2.9	0.0	1.4	5.6	0.1	2.9	1.7	0.0	0.8
Accommodation and food service	1.9	1.2	1.5	4.2	2.5	3.4	0.9	0.7	0.8
Information and communication	0.5	0.1	0.3	1.2	0.4	0.8	0.3	0.0	0.1
Financial and insurance activities	0.7	0.5	0.6	1.8	1.5	1.7	0.3	0.1	0.2
Real estate activities	0.1	0.0	0.1	0.3	0.0	0.2	0.1	0.0	0.0
Professional, scientific, and technical activities	0.6	0.1	0.4	1.2	0.3	0.7	0.4	0.1	0.2
Administrative and support services	1.3	0.4	0.8	2.3	1.0	1.7	0.9	0.1	0.5
Public administration and defence	1.1	0.1	0.6	2.0	0.4	1.2	0.7	0.1	0.4
Education	3.7	2.2	2.9	4.5	4.7	4.6	3.3	1.4	2.2
Human health and social work act	1.0	0.7	0.8	1.7	1.7	1.7	0.7	0.3	0.5
Arts, entertainment, and recreation	0.2	0.1	0.1	0.6	0.2	0.4	0.1	0.0	0.0
Other service activities	0.9	0.3	0.6	1.5	0.6	1.0	0.7	0.2	0.4
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	1.4	2.6	2.0	1.4	4.8	3.1	1.4	1.8	1.6
Activities of extraterritorial organizations and bodies	0.1	0.0	0.1	0.3	0.1	0.2	0.0	0.0	0.0
Industry not stated	0.2	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 3.12: Employed persons 15 years and above by NSOC occupation (in %)

	0	1	2	3	4	5	6	7	8	9
	Armed forces	Managers	Professionals	Technicians and associate professionals	Clerical support workers	Service and sales workers	Skilled agricultural, forestry	Craft and related trades workers	Plant and machine operators	Elementary occupations
Sex										
Male	0.3	3.6	4.2	2.3	1.4	7.5	51.8	14.6	2.9	11.3
Female	0.0	1.2	2.0	0.7	0.8	5.2	74.5	4.1	0.2	11.1
Urban/Rural										
Urban	0.2	5.2	5.3	4.0	2.6	12.6	42.1	12.7	3.0	12.3
Rural	0.1	1.2	2.2	0.5	0.5	3.9	72.1	7.7	0.9	10.7
Literacy										
Literate	0.2	3.3	4.9	2.3	1.7	8.2	56.7	10.6	2.2	9.8
Illiterate	0.0	0.7	0.0	0.0	0.0	3.1	75.8	6.5	0.3	13.4
Age Group										
15-19 yrs.	0.0	0.4	0.1	0.2	0.2	3.1	72.0	7.0	1.3	15.8
20-24 yrs.	0.2	0.9	3.1	2.1	1.4	5.9	61.1	10.6	1.9	12.6
25-29 yrs.	0.3	2.9	5.3	2.2	2.5	7.5	54.9	9.8	1.8	12.8
30-34 yrs.	0.4	2.5	5.2	2.3	1.4	8.5	54.6	11.0	2.2	11.7
35-39 yrs.	0.2	3.8	2.7	2.3	0.9	8.3	56.7	11.8	1.5	11.6
40-44 yrs.	0.1	3.5	4.2	1.6	1.0	6.5	61.6	9.3	2.3	9.8
45-49 yrs.	0.1	3.2	3.5	1.2	0.9	6.8	63.1	10.5	1.3	9.4
50-54 yrs.	0.0	3.4	3.3	1.3	0.6	5.5	69.0	7.5	0.9	8.5
55-59 yrs.	0.3	1.9	3.9	0.7	1.2	5.9	72.6	6.7	0.7	5.9
60 yrs. and above	0.0	1.6	0.5	0.4	0.3	5.1	77.4	5.4	0.5	8.6
Quintiles										
First Quintile (Poorest)	0.0	0.7	0.6	0.1	0.0	1.9	69.6	9.2	1.1	16.7
Second Quintile	0.0	1.2	1.0	0.3	0.2	2.2	72.3	8.7	0.3	13.6
Third Quintile	0.3	1.2	1.9	0.7	0.5	4.3	70.8	9.1	1.5	9.8
Fourth Quintile	0.2	1.2	3.1	1.2	1.1	7.4	64.2	9.7	1.8	9.8
Fifth Quintile (Richest)	0.3	7.3	8.7	4.9	3.4	15.3	42.5	8.5	2.7	6.5
Nepal	0.2	2.3	3.1	1.5	1.0	6.3	63.9	9.1	1.5	11.2

Table 3.13: Youth by status of employment and out of labour force (in %)

	Employed	Unemployed	Outside Labour force	Total
Sex				
Male	66.3	5.6	28.2	100.0
Female	68.0	3.5	28.5	100.0
Urban/Rural				
Urban	51.2	5.6	43.2	100.0
Rural	74.6	3.9	21.4	100.0
Literacy				
Literate	66.9	4.3	28.8	100.0
Illiterate	70.6	6.1	23.3	100.0
Age Group				
15-19 yrs.	62.6	3.7	33.8	100.0
20-24 yrs.	73.2	5.5	21.3	100.0
Consumption Quintiles				
First Quintile (Poorest)	78.2	3.4	18.4	100.0
Second Quintile	77.0	4.8	18.1	100.0
Third Quintile	73.5	4.3	22.2	100.0
Fourth Quintile	65.2	3.9	30.8	100.0
Fifth Quintile (Richest)	46.4	5.7	47.9	100.0
Nepal	67.2	4.5	28.3	100.0
AHS II (2013/14)	68.3	5.1	26.6	100.0

Table 3.14: Youth by status of school attendance and employment (in %)

	Not in School and not employed	In School and not employed	Not in School and employed	In School and employed	Total
Sex					
Male	7.7	26.1	41.5	24.8	100.0
Female	14.4	17.5	41.9	26.2	100.0
Urban/Rural					
Urban	12.5	36.3	34.4	16.8	100.0
Rural	10.8	14.5	45.1	29.6	100.0
Literacy					
Literate	9.7	23.4	38.9	28.0	100.0
Illiterate	28.3	1.1	70.2	0.4	100.0
Age Group					
15-19 yrs.	7.7	29.7	28.5	34.2	100.0
20-24 yrs.	16.2	10.6	58.9	14.4	100.0
Consumption Quintiles					
First Quintile (Poorest)	13.2	8.6	59.2	19.0	100.0
Second Quintile	12.4	10.4	52.4	24.8	100.0
Third Quintile	9.8	16.7	44.0	29.5	100.0
Fourth Quintile	12.7	22.0	36.2	29.0	100.0
Fifth Quintile (Richest)	9.2	44.4	22.0	24.4	100.0
Nepal	11.4	21.4	41.7	25.6	100.0

Table 3.15: Employed youth by hours worked (in %)

	1-19	20-39	40 and above	Total
Sex				
Male	20.7	24.9	54.3	100.0
Female	28.4	31.5	40.0	100.0
Urban/Rural				
Urban	25.4	19.4	55.2	100.0
Rural	24.8	31.5	43.7	100.0
Literacy				
Literate	26.1	29.1	44.8	100.0
Illiterate	14.1	23.2	62.7	100.0
Age Group				
15-19 yrs.	33.2	33.0	33.8	100.0
20-24 yrs.	15.8	23.6	60.6	100.0
Consumption Quintiles				
First Quintile (Poorest)	22.0	27.9	50.2	100.0
Second Quintile	24.4	31.1	44.6	100.0
Third Quintile	24.6	31.5	43.8	100.0
Fourth Quintile	27.8	26.8	45.4	100.0
Fifth Quintile (Richest)	26.5	24.0	49.5	100.0
Nepal	25.0	28.6	46.5	100.0
AHS II (2013/14)	25.2	30.1	44.7	100.0

Table 3.16: Employed youth 15-24 years by occupation (in %)

	Armed forces	Managers	Professionals	Technicians and associate profession	Clerical support workers	Service and sales workers	Skilled agricultural, forestry a	Craft and related trades workers	Plant and machine operators, and	Elementary occupations	Total
Sex											
Male	0.2	0.9	1.4	1.3	0.4	6.5	58.3	13.4	3.3	14.3	100.0
Female	0.0	0.4	1.6	1.0	1.0	2.7	73.8	4.9	0.2	14.3	100.0
Urban/Rural											
Urban	0.2	1.4	3.5	2.6	2.1	11.6	45.1	14.6	3.3	15.6	100.0
Rural	0.1	0.4	0.9	0.6	0.3	2.2	73.8	6.8	1.1	13.9	100.0
Literacy											
Literate	0.1	0.6	1.7	1.2	0.8	4.7	66.4	8.9	1.7	13.8	100.0
Illiterate	0.0	0.5	0.0	0.0	0.0	1.9	70.8	7.0	0.3	19.5	100.0
Age Group											
15-19 yrs.	0.0	0.4	0.1	0.2	0.2	3.1	72.0	7.0	1.3	15.8	100.0
20-24 yrs.	0.2	0.9	3.1	2.1	1.4	5.9	61.1	10.6	1.9	12.6	100.0
Consumption Quintiles											
First Quintile (Poorest)	0.0	0.2	0.4	0.3	0.1	1.3	72.5	8.5	2.3	14.4	100.0
Second Quintile	0.0	0.2	0.5	0.3	0.0	1.3	71.3	9.5	0.4	16.5	100.0
Third Quintile	0.0	0.0	0.2	0.6	0.2	2.9	73.0	7.8	1.1	14.1	100.0
Fourth Quintile	0.4	0.3	2.1	1.1	0.9	5.6	65.1	8.6	2.1	13.9	100.0
Fifth Quintile (Richest)	0.2	3.0	5.5	4.1	3.2	13.7	46.5	9.4	2.5	11.8	100.0
Nepal	0.1	0.6	1.5	1.1	0.7	4.4	66.8	8.7	1.6	14.3	100.0

Table 3.17: Children by status of employment

	Employed	Unemployed	Outside Labour force	Total
Sex				
Male	28.8	2.6	68.6	100.0
Female	35.3	3.0	61.6	100.0
Urban/Rural				
Urban	14.7	2.4	82.9	100.0
Rural	38.6	2.9	58.5	100.0
Literacy				
Literate	36.8	2.2	61.1	100.0
Illiterate	19.8	4.4	75.8	100.0
Age Group				
5-9 yrs.	15.3	3.3	81.4	100.0
10-14 yrs.	45.4	2.4	52.2	100.0
Consumption Quintiles				
First Quintile (Poorest)	38.6	3.4	58.0	100.0
Second Quintile	38.7	3.2	58.2	100.0
Third Quintile	32.9	2.8	64.3	100.0
Fourth Quintile	28.1	2.3	69.7	100.0
Fifth Quintile (Richest)	11.4	1.8	86.8	100.0
Nepal	31.9	2.8	65.3	100.0
AHS II (2013/14)	29.4	1.9	68.6	100.0

Table 3.18: Children by their engagement status (in %)

	In School		Not in School		Total
	Not employed	Employed	Not employed	Employed	
Sex					
Male	64.5	25.4	6.6	3.5	100.0
Female	58.6	29.6	6.1	5.7	100.0
Urban/Rural					
Urban	81	12.1	4.3	2.6	100.0
Rural	54.2	33.3	7.2	5.3	100.0
Literacy					
Literate	61.7	34.8	1.6	2.0	100.0
Illiterate	61.8	8.9	18.4	10.9	100.0
Age Group					
5-9 yrs.	74.2	12.5	10.5	2.9	100.0
10-14 yrs.	51.5	39.5	3.1	5.9	100.0
Consumption Quintiles					
First Quintile (Poorest)	50.0	30.4	11.4	8.2	100.0
Second Quintile	53.7	33	7.7	5.7	100.0
Third Quintile	61.4	29.9	5.7	3	100.0
Fourth Quintile	70.0	25.8	1.9	2.3	100.0
Fifth Quintile (Richest)	87.0	10.6	1.6	0.8	100.0
Nepal	61.7	27.4	6.4	4.5	100.0
AHS II (2013/14)	66.2	25.5	4.3	4.0	100.0

Table 3.19: Distribution of average working hour by children (in %)

	0	1-19	20-39	40 and above	Total
Sex					
Male	0.0	73.3	20.1	6.6	100.0
Female	0.1	68.3	26.9	4.8	100.0
Urban/Rural					
Urban	0.4	75.4	17.8	6.4	100.0
Rural	0.0	69.9	24.5	5.5	100.0
Literacy					
Literate	0.0	72.5	23.2	4.3	100.0
Illiterate	0.3	62.3	25.7	11.7	100.0
Age Group					
5-9 yrs.	0.2	80.5	16.9	2.4	100.0
10-14 yrs.	0.0	67.9	25.5	6.5	100.0
Consumption Quintiles					
First Quintile (Poorest)	0.0	66.9	27.9	5.2	100.0
Second Quintile	0.2	70.4	21.5	8.0	100.0
Third Quintile	0.0	72.1	25.4	2.5	100.0
Fourth Quintile	0.0	76.0	16.8	7.2	100.0
Fifth Quintile (Richest)	0.0	72.0	24.8	3.2	100.0
Nepal	0.1	70.6	23.7	5.6	100.0

Table 3.20: Percentage distribution of employed children 5-14 years by occupation (In %)

	Managers	Clerical support workers	Service and sales workers	Skilled agricultural, forestry a	Craft and related trades workers	Elementary occupations	Other	Total
Sex								
Male	0.1	0.1	1.9	83.6	0.9	13.1	0.2	100.0
Female	0.0	0.0	1.2	76.1	0.3	22.2	0.2	100.0
Urban/Rural								
Urban	0.5	0.3	5.0	71.6	0.9	20.1	1.5	100.0
Rural	0.0	0.0	1.0	80.9	0.6	17.6	0.0	100.0
Literacy								
Literate	0.1	0.1	1.3	81.5	0.6	16.5	0.1	100.0
Illiterate	0.0	0.0	2.5	71.2	0.8	24.6	0.8	100.0
Age Group								
5-9 yrs.	0.0	0.0	1.4	78.7	0.5	18.7	0.7	100.0
10-14 yrs.	0.1	0.1	1.6	79.9	0.6	17.7	0.1	100.0
Consumption Quintiles								
First Quintile (Poorest)	0.0	0.0	0.5	75.4	0.9	23.2	0.0	100.0
Second Quintile	0.0	0.0	1.3	80.1	0.4	17.5	0.7	100.0
Third Quintile	0.0	0.0	2.0	85.3	0.2	12.5	0.0	100.0
Fourth Quintile	0.0	0.0	0.3	81.7	1.2	16.7	0.0	100.0
Fifth Quintile (Richest)	1.3	0.9	11.4	72.8	0.0	13.6	0.0	100.0
Nepal	0.1	0.0	1.5	79.7	0.6	17.9	0.2	100.0

Table 3.21: Gender situation in employment

	Female	Male
Unemployment rate	2.9	3.4
Total participation rate, 15 years and above population	79.8	86.3
Labour Force Situation, 15 years and above population		
Employed Labour Force	77.5	83.3
Unemployed Labour Force	2.4	3.0
Outside Labour Force	20.1	13.7
Reason for outside Labour Force		
Attending school	24.3	53.6
Household works	38.7	4.6
Old age, sickness, disable	26.7	30.7
House rent, pension, remittance	3.4	5.0
Average weekly work hours by work type, among employed (in hours)		
Nepal		
Economic works	37.5	44.9
Non-Economic works	21.3	5.0
All work	58.8	49.9
Urban		
Economic works	37.2	47.5
Non-Economic works	21.8	5.2
All work	59.0	52.7
Rural		
Economic works	37.6	43.8
Non-Economic works	21.1	4.9
All work	58.7	48.7
Percent of total working hours spend on:		
Agriculture (Wage +self).	67.6	54.1
Non Agriculture (Wage + self).	14.7	38.3
By NSOC type of occupation		
Manager	1.2	3.6
Professional	2.0	4.2
Agriculture	74.5	51.8
Elementary occupation	11.1	11.3
Youth employment status		
Not in school and not employed	14.4	7.7
In school and not employed	17.5	26.1
Not in school and employed	41.9	41.5
In school and employed	26.2	24.8
Employment status of Children		
Not in School and not employed	6.1	6.6
In School and not employed	58.6	64.5
Not in School and employed	5.7	3.5
In School and employed	29.6	25.4

CHAPTER IV: LITERACY AND EDUCATIONAL ATTAINMENT

4.1 Introduction

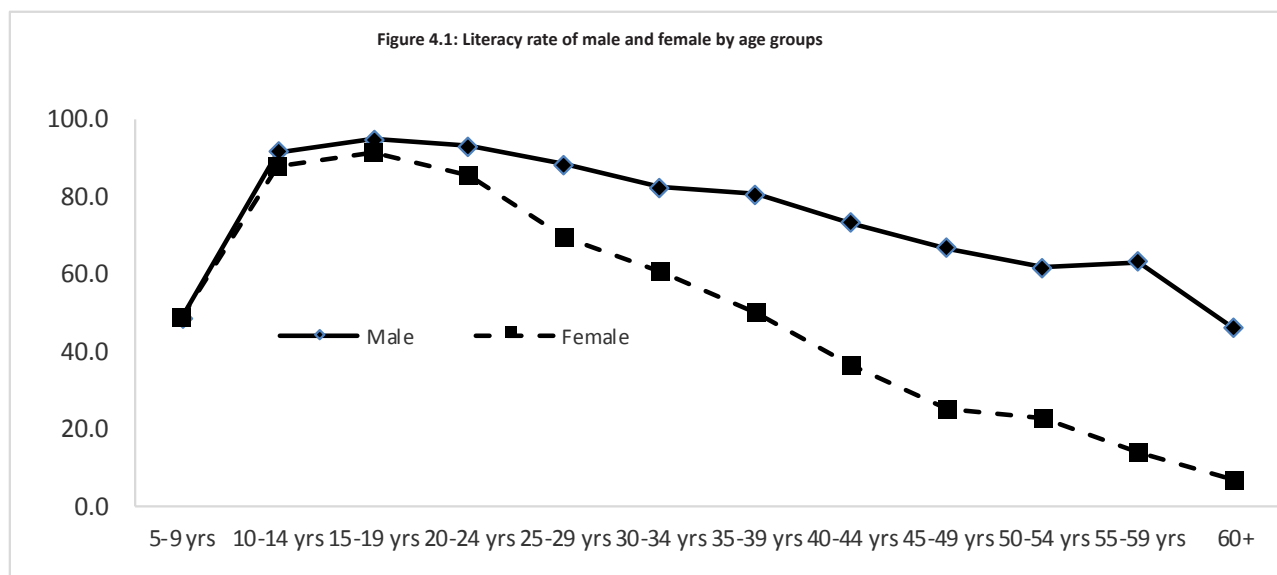
Education and welfare are interrelated. Like other socio-economic surveys, AHS included education and literacy related questions, the purpose of which is to analyze household consumption expenditure by literacy status and educational attainment. This chapter includes discussion of the survey finding of literacy related indicators of 5 years and above, 6 years and above as well as 15 years and above population.

A child after having completed grade one is normally able to read and write which is a prerequisite to be considered as *literate*. With kindergarten schools introduced in modern days, children become fairly literate before been upgraded to Grade 1. So, literacy and educational status were assessed of persons of age 5 years and above from the sample households.

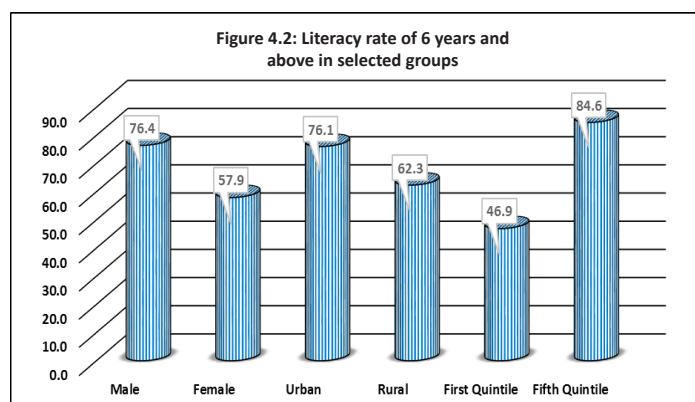
4.2 Literacy rate (5 years and above)

According to the survey, literacy rate of the population of age 5 years and above stands at 65.6 percent (Table 4.1). There is still a big gap in the literacy between sexes. The male literacy rate is 75.1 percent and the female literacy is 57.3 percent. Also, the urban-rural gap is found substantially wider with the literacy rate of 75.1 percent in urban and 61.4 percent in rural areas (Table 4.2). The literacy rate for the poorest consumption quintile is about half (45.7%) compared to the richest quintile group (84.0%).

The literacy rate by age is found highest in the age group 15-19 years (93.0%), and the age groups 10-14 years and 20-24 years group showed the second and third highest literacy rate. The rate is shown declining after 19 years with increasing age attending a minimum (26.6%) for the age group 60 years and above. Also, the male female difference gets more and wider after 19 years. (Figure 4.1)



4.3 Literacy rate (6 years and above)



The literacy rate for the population of 6 years and above is estimated to be 66.6 percent (Table 4.2), which is slightly higher than the rate for the population of age 5 years and above. For 6 years and above population the literacy rates for urban and rural are 76.1 and 62.3 percent respectively. The rates increase with the higher quintiles. Among the population of the first quintile, 46.9 percent are found to be literate, which is 84.6 percent for the fifth quintile.

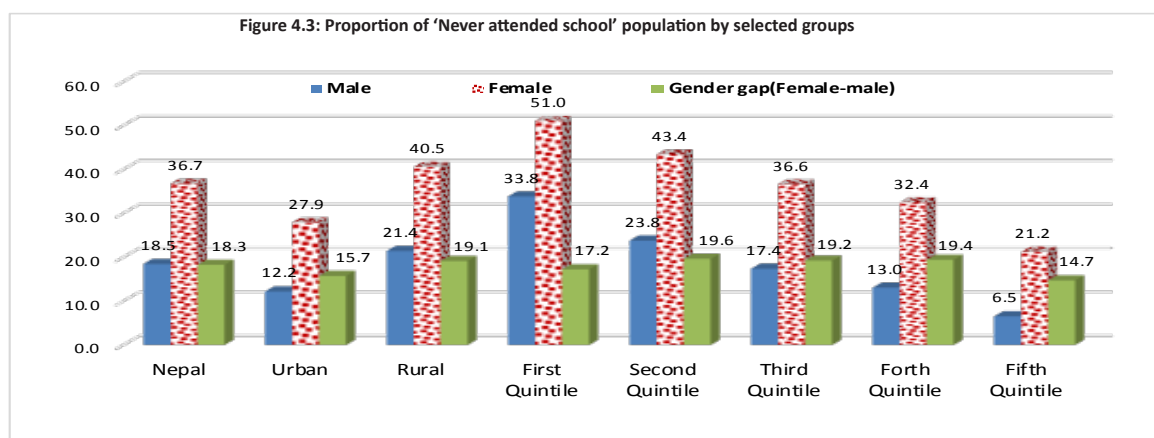
4.4 Adult literacy rate (15 years and above)

The overall adult literacy rate of 15 and above population is 63.7 percent (Table 4.2) which is higher than the rate found in AHS II (61.6% in AHS II). The adult literacy rates for urban and rural areas are 74.4 percent and 58.6 percent respectively. Gender variation exists in the adult literacy rate too. The rates for adult males and females are found 76.2 percent and 53.3 percent respectively.

4.5 School attendance situation

According to the survey, 33.4 percent of the populations are reported to be currently attending school, 36.5 percent had attended school in the past and 28.1 percent had never attended school. About 2 percent of the populations have attended non-formal education program (Table 4.3). The survey shows that 23.7% children of age 5 years never attended school, which is very large proportion that might have observed as 'pre-schooling' is less practiced in rural and mountain area of Nepal.

High variation among the poorest to richest quintile of those who never attended school can be observed in the survey (Table 4.4).



The gender gap in 'never attended school' is quite distinctly seen in this population by urban-rural and at different consumption groups (Table 4.4). If we plot the difference between female and male 'never attended school' population in all sections of society more females than males are found 'never attended school'. Almost two times female belonged in the group 'never attended school' compared to male in Nepal showing a difference or gap of about 18 percent. Such gap is more prominent in rural and second to fourth quintiles. (Figure 4.3)

4.6 Gross Enrollment Rate (GER)

Gross Enrollment Rate is defined as the ratio of students enrolled in school at a given level of education irrespective of their age to the total number of children in the age group eligible for that level of education. The specified age groups are 6-10 years for primary, 11-13 years for lower secondary, 14-15 years for secondary level, and 16-17 years for higher secondary.

According to the survey, overall GER of primary, lower secondary and secondary level of schooling are 125.0 percent, 91.6 percent and 78.1 percent respectively (Table 4.5). The rates vary across gender and urban-rural areas. GER of male is higher than that of female in primary and secondary level. But the ratio is almost same for lower secondary level. GER in all three levels of schools for the first quintile are lower than that of the upper quintiles, which indicate late enrollment in schools and high drop outs in the first quintile.

Comparing the GER with previous surveys we can find an improvement over time. For example the GER at the primary level is 120.5 in NLSS III that has increased to 124.9 in AHS II and now 125.0 in AHS III (Box 4.1). However, GER for lower secondary and secondary were found higher in AHS II.

Box 4.1: Summary statistics of literacy

	AHS III (2014/15)	AHS II (2013/14)	NLSS III (2010/11)	Census 2011
Literacy rate of 6 years and above population				
Nepal	66.6	63.8	60.9	66.6
Male	76.4	72.7	72.2	76.0
Female	57.9	56.1	51.4	57.8
Urban	76.1	81.0	76.9	82.2 ^a
Rural	62.3	60.1	56.9	62.5
<i>Consumption Quintiles</i>				
First Quintile (Poorest)	46.9	38.8	45.3	
Second Quintile	58.7	56.6	52.6	
Third Quintile	67.0	63.2	57.9	
Fourth Quintile	73.3	71.2	66.3	
Fifth Quintile (Richest)	84.6	85.6	79.3	
Gross Enrolment Rate				
Primary	125.0	124.9	120.5	
Lower secondary	91.6	97.4	87.3	
Secondary	78.1	81.7	73.6	

^a Literacy rate of urban rural in Census 2011 is for 5 years and above population

Table 4.1: Literacy rates of the population, 5 years and above by age groups

	Urban			Rural			Nepal		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
5-9 yrs.	60.2	56.3	58.4	43.8	45.8	44.7	48.6	48.8	48.7
10-14 yrs.	96.3	91.8	94.3	89.8	86.8	88.3	91.7	88.0	89.9
15-19 yrs.	97.4	94.9	96.3	93.6	90.1	91.7	94.8	91.3	93.0
20-24 yrs.	94.2	90.3	91.9	92.7	83.0	87.0	93.2	85.6	88.7
25-29 yrs.	93.4	82.8	87.0	85.4	62.5	71.2	88.3	69.6	76.8
30-34 yrs.	88.4	78.2	82.6	79.0	51.6	62.7	82.5	60.8	69.8
35-39 yrs.	90.8	68.3	77.7	75.0	40.9	54.6	80.5	50.0	62.5
40-44 yrs.	87.3	54.6	69.7	65.8	28.5	43.7	73.3	36.3	52.0
45-49 yrs.	78.8	40.9	60.7	60.7	19.0	37.8	66.8	25.1	44.8
50-54 yrs.	70.3	38.3	53.4	58.7	15.7	39.0	61.8	22.9	43.2
55-59 yrs.	69.2	29.6	48.7	60.8	6.9	34.7	63.1	13.9	38.8
60 yrs. and above	58.8	14.3	36.7	40.8	3.5	22.4	46.1	6.7	26.6
All	83.3	67.4	75.1	71.2	52.9	61.4	75.1	57.3	65.6

Table 4.2: Literacy rates of the population in different age groups

	Literacy Rates 5 years and older			6 years and older			Adult literacy (15 years and older)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Urban/Rural									
Urban	83.3	67.4	75.1	84.6	68.1	76.1	84.6	65.5	74.4
Rural	71.2	52.9	61.4	72.6	53.5	62.3	72.1	47.8	58.6
Consumption Quintiles									
First Quintile (Poorest)	54.3	38.4	45.7	56	39	46.9	55.2	30.2	41.6
Second Quintile	66.7	50.1	57.8	68	50.8	58.7	65.7	42.1	52.6
Third Quintile	76.1	57.2	65.9	77.7	57.9	67	76.7	52.8	63.2
Fourth Quintile	82.7	63.2	72.4	84	63.8	73.3	82.4	59.2	69.6
Fifth Quintile (Richest)	92.3	76.2	84	93.1	76.6	84.6	92.9	74.7	83.3
Nepal	75.1	57.3	65.6	76.4	57.9	66.6	76.2	53.3	63.7

Table 4.3: School attendance status by age, Nepal (in %)

	Never Attended School	Attended school in the past	Currently in School	Attending non-formal education	Total
Urban					
5 yrs.	14.0	0.0	86.0	0.0	100.0
6-10 yrs.	5.2	1.2	93.5	0.1	100.0
11-13 yrs.	3.5	2.2	94.2	0.1	100.0
14-15 yrs.	2.4	9.1	88.5	0.0	100.0
16-17 yrs.	2.0	20.8	77.1	0.2	100.0
18-23 yrs.	6.6	49.3	43.9	0.2	100.0
24 yrs. and over	31.8	62.3	3.0	2.9	100.0
Urban Total	20.3	43.9	34.1	1.7	100.0
Rural					
5 yrs.	28.4	0.6	71.0	0.0	100.0
6-10 yrs.	9.1	2.2	88.8	0.0	100.0
11-13 yrs.	5.7	4.4	89.8	0.1	100.0
14-15 yrs.	5.2	12.3	82.3	0.2	100.0
16-17 yrs.	5.3	28.3	66.4	0.0	100.0
18-23 yrs.	10.3	57.9	31.6	0.1	100.0
24 yrs. and over	51.6	43.4	1.3	3.6	100.0
Rural Total	31.7	33.2	33.1	2.0	100.0
Nepal					
5 yrs.	23.7	0.4	75.9	0.0	100.0
6-10 yrs.	8.0	1.9	90.1	0.0	100.0
11-13 yrs.	5.0	3.8	91.0	0.1	100.0
14-15 yrs.	4.4	11.5	84.0	0.1	100.0
16-17 yrs.	4.4	26.2	69.3	0.0	100.0
18-23 yrs.	9.1	55.0	35.8	0.2	100.0
24 and over	45.2	49.5	1.8	3.4	100.0
Nepal Total	28.1	36.5	33.4	1.9	100.0

Table 4.4: School attendance of 15 years and above population by sex (in %)

	Never Attended School	Attended school in the past	Currently in School	Attending non-formal education	Total
Male					
<i>Urban/Rural</i>					
Urban	12.2	47.8	38.6	1.5	100.0
Rural	21.4	40.9	36.0	1.6	100.0
<i>Consumption Quintiles</i>					
First Quintile (Poorest)	33.8	30.8	34.4	0.9	100.0
Second Quintile	23.8	38.8	35.9	1.4	100.0
Third Quintile	17.4	43.9	37.1	1.6	100.0
Fourth Quintile	13.0	47.2	37.4	2.4	100.0
Fifth Quintile (Richest)	6.5	52.9	39.1	1.5	100.0
Male Total	18.5	43.1	36.8	1.6	100.0
Female					
<i>Urban/Rural</i>					
Urban	27.9	40.2	30.0	1.9	100.0
Rural	40.5	26.6	30.6	2.3	100.0
<i>Consumption Quintiles</i>					
First Quintile (Poorest)	51.0	16.0	31.9	1.0	100.0
Second Quintile	43.4	24.2	30.0	2.3	100.0
Third Quintile	36.6	30.5	30.9	2.1	100.0
Fourth Quintile	32.4	34.7	29.8	3.0	100.0
Fifth Quintile (Richest)	21.2	47.0	29.3	2.5	100.0
Female Total	36.7	30.7	30.4	2.2	100.0
Nepal					
<i>Urban/Rural</i>					
Urban	20.3	43.9	34.1	1.7	100.0
Rural	31.7	33.2	33.1	2.0	100.0
<i>Consumption Quintiles</i>					
First Quintile (Poorest)	43.0	22.9	33.1	1.0	100.0
Second Quintile	34.3	31.0	32.7	1.9	100.0
Third Quintile	27.7	36.7	33.7	1.9	100.0
Fourth Quintile	23.3	40.6	33.4	2.7	100.0
Fifth Quintile (Richest)	14.1	49.9	34.1	2.0	100.0
Nepal Total	28.1	36.5	33.4	1.9	100.0

Table 4.5: Gross Enrolment Rates by level of schooling

	Primary	Lower Secondary	Secondary
Sex			
Male	128.1	89.1	79.5
Female	121.6	94.2	76.6
Urban/Rural			
Urban	128.6	91.1	82.8
Rural	123.6	91.7	76.3
Consumption Quintiles			
First Quintile (Poorest)	116.7	69.8	52.0
Second Quintile	120.7	86.8	69.4
Third Quintile	135.1	93.1	85.0
Fourth Quintile	130.5	115.6	80.3
Fifth Quintile (Richest)	129.1	99.8	107.7
Nepal	125.0	91.6	78.1

CHAPTER V: HOUSING AND HOUSEHOLD FACILITIES

5.1 Introduction

A house or a dwelling unit is an independent free-standing structure comprising one or more rooms or space, covered by a roof and usually enclosed within walls or dividing walls that extend from the foundation to the roof. It is designed for residential, agricultural, commercial, industrial, or cultural purposes, as well as for the provision of services. But in many instances a housing structure may not be alike defined above and may consist of roof only with a raw support. In many countries, people are found sheltered in the garage, animal-shed, tents, temples, public buildings, ruined structure, etc. Therefore, wellbeing of a household depends upon the quality and quantity of housing facilities.

Housing facilities in this survey also assessed information of the usual livelihood amenities and facilities that includes: amenities, source of drinking water, availability of pipe water supply, expenditure on water, such as bottle water and tanker supply (except for irrigation), sewage management, toilet facility, source of lighting, types of fuels used for cooking and related expenditure, etc. The survey results have indicated notable progress in housing condition of Nepalese households, both in urban and rural area in terms of the type, quality and facilities over the past years.

Some basic terms used in the survey are described below.

Occupancy status refers to the ownership of the house used for residential purpose. In the survey, housing occupants are broadly categorized into owner, renter, provided rent-free, squatters and others.

One of the measures of the quality of housing is **density of occupancy**, or the number of persons per unit area. Average number of rooms per household, which indicates the degree of crowding in a housing unit, is used to indicate the density of occupancy.

In the survey, information about the **housing materials** was collected regarding the foundation, walls and roof of a house. They are considered an indicator of the standard of living. Also, the information is useful for risk assessment of housing and planning as well. They are especially useful information in the context of earthquake and its aftermath construction plans.

5.2 Occupancy status

According to the survey, 87.2 percent of the households live in their own houses. This own house holding proportion has increased in this survey from AHS II, however this statistics is found fluctuation from about 89.7 percent in NLSS III to 85.3 percent in a census 2011 (Box 5.1). The percentage of households residing in their own houses in 2014/15 account for 95.2 percent in rural and 71.2 percent in urban areas. Around 11 percent of the households reside in rented houses, which is 25.8 percent in urban and 3.2 percent in rural areas. Around 1.6 percent of the households reside in the houses provided free of cost, and also a small proportion (0.2%) lives in squatters. It is interesting to observe that 97.2 percent households of the poorest quintile live in own house, whereas 25.0 percent of the richest quintile household live in a rented house (Table 5.1).

5.3 Number of rooms

Average number of rooms per household is 4.5 (both urban and rural area) (Table 5.2). This density of occupancy indicator is found more constant in different current surveys (Box 5.1). Number of rooms includes bedroom, dining room, kitchen, toilet/bathroom, business room, a room used for multiple purpose and others. Temporary shades and huts used for other than residential purposes are not considered as a room. The nineteen percentage of the households reported to have 1 or 2 rooms, 37.5 percent had 3 or 4 rooms, and 27.6 percent had 5 or 6 rooms, 11.9 percent had 7 or 8 rooms and 4.4 percent had 9 or more (Table 5.3). This shows that more than 65 percent live in 3 to 6 room house.

5.4 Housing materials: Outer wall, foundation and roof

Nepalese houses are mostly having outer walls that is mud bonded bricks or stone (40.6%) which is mostly

predominant in rural areas (51.5%) (Table 5.4). Urban houses are mostly having cement bonded brick/stone walls (63.0% in urban) that over the nation exits about one third (33.4%) of the houses. 16.7 percent of houses have walls of bamboo/leaves which is also more common among rural dwellers (20.3%).

The majority of the houses of Nepal are constructed with mud bonded foundation (41.4%) which is a rural feature (51.6%) (Table 5.5). 35.4 percent houses have either pillar bounded or cement bonded foundation which is a predominating urban feature. If we combine the pillar bonded and cement bonded foundation as they are the strongest foundation, 69.7 percent of the houses of top 20 percent (richest quintile) are made of such strong foundation while only 9.9 percent of the lowest quintile live in such houses. Meantime, rural housing have mud bonded foundation (51.6%) followed by wooden pillar foundation (24.5%).

By the construction material of the roof, more than one third (35.1%) house in Nepal has galvanized/corrugated iron sheet roofs, and about one fourth (24.7%) are having concrete roofing (Table 5.6). Concrete roofing, the stronger and safer type of roofing than other types of roof, is found more than four times in urban (49.6%) than in rural (12.3%). At the national level households also have tile roofs (17.8%) and roofs of straw/thatch (13.5%) which are more prevalent in rural area.

5.5 Household facilities

Besides housing, information about household facilities such as access to drinking water facility, toilet facility, sewage facility, sources of lighting, fuel used for cooking and other facilities of household are collected. Similarly, data on monthly household expenditure on these facilities that are important to capture total household consumption expenditure were also collected.

5.5.1 Access to drinking water supply

Access to safe drinking water supply is an important indicator of quality of life. In 2014/15, less than half of the population uses piped water supply (46.7%) (Table 5.7). The proportion of population with access to piped water supply is 54.9 percent in urban and 42.6 percent in rural areas. More than double households of the richest quintile are using piped water than the household of the poorest quintile (67.1% richest and 31.5% poorest). More than one third (35.5%) are using hand pump/tube well that declines with increasing quintiles.

5.5.2 Toilet facility

When the country is heading towards '*Open Defecation Free (ODF)*' it is observed that 22.0 percent populations still have no toilet. About half of the sample households (44.7%) are reported using flush toilets with connection to septic tank (Table 5.8). 10.4 percent urban and 27.8 percent rural households have no toilet. The variation of the population having no toilet is quite distinct among consumption quintiles. There is no toilet facility in 51.9 percent of the poorest quintiles, 33.3 percent of the second, 24.7 percent of the third, 12.9 percent of the fourth and 2.6 percent of the richest quintile (Figure 5.1). It indicates, association of prosperity with availability of toilet facility.

5.5.3 Sewage facility

About three fourth households (72.3%) do not have access to sewage facilities (Table 5.9). Such households are 49.8 percent in urban and 83.5 percent in rural areas. The proportion of households with access to underground drainage facility is only about 7.6 percent (18.9% in urban and 2.0% in rural areas). There is almost no sewage facility available for the households of poorest quintiles.

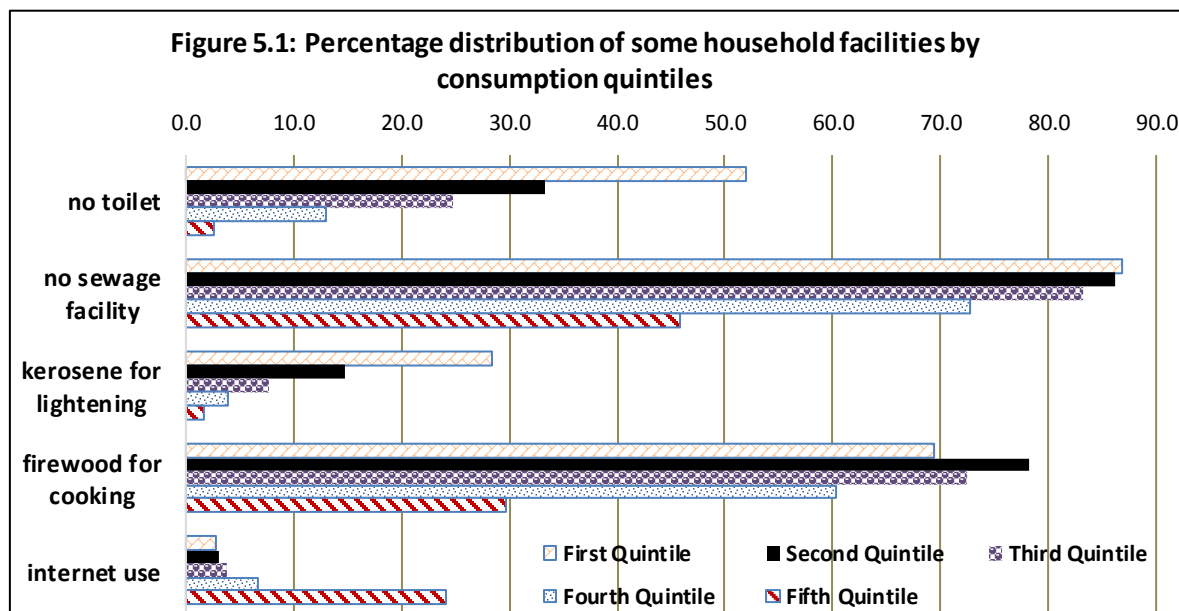
5.5.4 Lighting

Electricity is the prime source of lighting for Nepalese households as 80.0 percent of the households reported electricity as the main source of lighting (Table 5.10). The percentage of households using electricity as the main source of lighting is (93.5%) in urban and (73.2%) in rural. Solar energy is not gaining popularity as in AHS II about 12 percent households were using solar which is now shown as 10.3 percent. However, solar power is observed more popular in lower quintiles and rural households which should be due to the governmental subsidies to these cohorts. Kerosene and other lightening sources together are still used by about 9.7 percent

household mostly of the poorest quintiles and in the rural area. Kerosene is used by 20.2 percent poorest quintile households compared to only 1.0% richest quintile (Figure 5.1).

5.5.5 Cooking Fuel

Firewood is still a major source of fuel in Nepal for cooking as more than half (59.3%) are using it (Table 5.11). However, the use of firewood is in a declining trend as seen in the AHS II and NLSS II and Census 2011 (Box 5.1). By quintile groups firewood is still used for cooking by more than 70 percent households in the first three quintiles (Figure 5.1). Use of LPG gas has exponentially increased in the past decade especially in urban areas. It is found as the second most used cooking source in Nepal (25.8%) and the topmost cooking source in urban area (58.5%). For obvious reasons, LPG gas is more used by richer quintiles than the poorest with the ratio (64:1).



5.5.6 Other household facilities

Questions related to some communication facilities used by the households were asked in the survey. A remarkable progress has been reported on the use of mobile (cell) phones as 85.9 percent of the households have at least one cell phone in their household (Table 5.12). Most of the urban households (92.0%) as well as rural households (82.8%) possess mobile phones. Land-line telephones are used by 8.8 percent households and 35.0 percent households use Television. Although the Internet and emails are the easiest communication media to get worldwide information only about 9.4 percent household uses the Internet. Among the households 17.3 percent urban uses Internet, whereas only 5.4 percent rural uses it. By quintile group Internet is used by less than 4 percent of the first three quintile groups and 24.1 percent of the richest quintile group (Table 5.12 and Figure 5.1).

Box 5.1: Summary Statistics of Some Household Facilities

Household facilities	Facilities	Region	AHS III	AHS II	NLSS III	Census 2011
Occupancy status	Self-owned	Nepal	87.2	83.7	89.7	85.3
		Urban	71.2	54.2	69.2	
		Rural	95.2	90.8	95.0	
	In rent	Nepal	10.7	13.4	7.8	12.8
		Urban	25.8	42.1	26.5	
		Rural	3.2	6.6	2.8	
Average number of rooms		Nepal	4.5	4.7	4.6	
Outer walls	Cement bonded bricks/ stones	Nepal	33.4	33.9	26.1	28.7
	Mud bonded bricks/ stones	Nepal	40.6	39.8	48.1	41.4
Foundation	Pillar bonded	Nepal	22.3	24.7	13.0	9.9
	Mod bonded	Nepal	41.4	41.5	48.7	44.2
Material of roof	Concrete/ cement	Nepal	24.7	26.5	20.3	
	Galvanized iron	Nepal	35.1	31.8	28.4	28.0
	Tiles/ slate	Nepal	17.8	19.9	29.9	26.7
	Straw/ thatch	Nepal	13.5	13.5	18.1	19.0
Drinking water	Piped water		46.7	51.6	44.5	47.8
	Hand pump/ Tube-well		35.5	35.9	-	35.0
Toilet facility	Flush toilet	Nepal	50.3	51.4	42	
		Urban	68.5	81		
		Rural	41.2	44.4		
	No toilet	Nepal	22	25.7	44.0	38.2
		Urban	10.4	0.2		
		Rural	27.8	0.6		
Source of lightening	Electricity	Nepal	80	77.6	69.9	67.3
		Urban	93.5	97.2	95.7	
		Rural	73.2	72.9	63.0	
fuel for cooking	Firewood	Nepal	59.3	53.8	64.4	64
		Urban	33	17.2	30.3	
		Rural	72.5	62.6	73.5	
	Cylinder gas	Nepal	25.8	28.7	17.7	21
		Urban	58.5	78.3	58.8	
		Rural	9.4	16.8	6.8	
Communication	Telephone	Nepal	8.8	8.4		7.7
	Mobile phone	Nepal	85.9	86.4		64.6
	Cable TV	Nepal	35	35		19.3
	Email/ Internet	Nepal	9.4	11.6		3.3

Table 5.1: Percentage Distribution of Households by Occupancy Status

	Owner	Rental	Provided free of cost	Squatting	Other	Total
Urban/Rural						
Urban	71.2	25.8	2.5	0.1	0.4	100.0
Rural	95.2	3.2	1.1	0.2	0.3	100.0
Consumption Quintiles						
First Quintile (Poorest)	97.2	1.2	0.9	0.4	0.3	100.0
Second Quintile	95.9	2.7	1.1	0.1	0.3	100.0
Third Quintile	92.5	5.7	1.1	0.5	0.2	100.0
Fourth Quintile	86.1	11.3	2.1	0.1	0.4	100.0
Fifth Quintile (Richest)	72.4	25.0	2.2	0.0	0.5	100.0
Nepal	87.2	10.7	1.6	0.2	0.3	100.0

Table 5.2: Average Number of Rooms

	Total
Urban/Rural	
Urban	4.5
Rural	4.5
Consumption Quintiles	
First Quintile (Poorest)	3.4
Second Quintile	4.0
Third Quintile	4.5
Fourth Quintile	4.8
Fifth Quintile (Richest)	5.1
Nepal	4.5

Table 5.3: Number of Rooms

	1 or 2	3 or 4	5 or 6	7 or 8	9 or more	Total
Urban/Rural						
Urban	21.1	35.8	26.0	11.5	5.7	100.0
Rural	17.2	38.4	28.4	12.1	3.8	100.0
Consumption Quintiles						
First Quintile (Poorest)	33.6	44.9	15.9	4.4	1.3	100.0
Second Quintile	21.6	44.3	24.6	7.3	2.2	100.0
Third Quintile	16.4	38.3	30.6	11.7	2.9	100.0
Fourth Quintile	12.9	34.5	32.9	15.6	4.2	100.0
Fifth Quintile (Richest)	14.1	30.6	29.9	16.4	9.1	100.0
Nepal	18.5	37.5	27.6	11.9	4.4	100.0

Table 5.4: Percentage Distribution of Households by Construction Material of Outer Walls

	Cement bonded brick/stone	Mud bonded brick/stones	Wood	Bamboo/leaves	Unbaked bricks	Other material	Total
Urban/Rural							
Urban	63.0	18.9	4.0	9.7	0.8	3.6	100.0
Rural	18.6	51.5	6.8	20.3	1.3	1.5	100.0
Consumption Quintiles							
First Quintile (Poorest)	7.6	45.9	7.6	33.3	2.2	3.3	100.0
Second Quintile	11.1	52.9	9.8	22.0	1.0	3.2	100.0
Third Quintile	21.7	45.7	6.6	21.4	1.6	3.0	100.0
Fourth Quintile	38.3	41.3	5.1	12.8	1.3	1.2	100.0
Fifth Quintile (Richest)	68.3	24.6	2.3	3.4	0.0	1.3	100.0
Nepal	33.4	40.6	5.9	16.7	1.1	2.2	100.0

Table 5.5: Percentage distribution of households by foundation of the dwelling

	Pillar bonded	Cement bonded	Mud bonded	Wooden pillar	Other	Total
Urban/Rural						
Urban	47.0	17.9	20.9	11.7	2.6	100.0
Rural	9.9	10.7	51.6	24.5	3.2	100.0
Consumption Quintiles						
First Quintile (Poorest)	4.1	5.8	46.3	37.0	6.8	100.0
Second Quintile	3.3	9.8	54.5	27.9	4.5	100.0
Third Quintile	12.5	12.4	47.4	24.7	3.0	100.0
Fourth Quintile	21.1	18.5	42.1	16.3	1.9	100.0
Fifth Quintile (Richest)	54.1	15.6	24.3	5.4	0.5	100.0
Nepal	22.3	13.1	41.4	20.3	3.0	100.0

Table 5.6: Percentage distribution of households by construction material of roof

	Concrete/cement	Galvanized iron	Wood/planks	Tiles/slate	Straw/thatch	Earth/mud	Other	Total
Urban/Rural								
Urban	49.6	29.5	0.1	12.8	4.6	0.2	3.2	100.0
Rural	12.3	37.9	1.2	20.2	17.9	1.1	9.3	100.0
Consumption Quintiles								
First Quintile (Poorest)	5.1	21.3	0.9	29.9	32.2	0.3	10.4	100.0
Second Quintile	6.5	31.0	1.4	28.5	20.8	1.4	10.4	100.0
Third Quintile	15.2	40.1	1.1	21.4	13.1	1.8	7.3	100.0
Fourth Quintile	24.7	46.5	0.8	13.0	7.1	0.6	7.4	100.0
Fifth Quintile (Richest)	55.8	32.6	0.2	4.6	3.3	0.1	3.2	100.0
Nepal	24.7	35.1	0.8	17.8	13.5	0.8	7.3	100.0

Table 5.7: Percentage distribution of households by source of drinking water

	Piped water	Covered well	Hand pump/ Tube well	Open well	Spring water	River	Other source	Total
Urban/Rural								
Urban	54.9	2.9	32.4	3.8	3.7	0.3	2.1	100.0
Rural	42.6	1.9	37.1	6.5	9.9	1.3	0.6	100.0
Consumption Quintiles								
First Quintile (Poorest)	31.5	0.7	49.9	8.9	6.5	1.6	0.9	100.0
Second Quintile	40.1	1.9	38.8	6.3	10.8	1.7	0.5	100.0
Third Quintile	37.3	2.5	40.6	8.3	10.0	1.1	0.3	100.0
Fourth Quintile	46.5	2.2	36.3	5.1	8.6	0.7	0.6	100.0
Fifth Quintile (Richest)	67.1	3.3	20.8	1.8	4.2	0.2	2.6	100.0
Nepal	46.7	2.3	35.5	5.6	7.8	1.0	1.1	100.0

Table 5.8: Percentage distribution of households by type of toilet facility

	Flush (public drainage)	Flush (septic tank)	Ordinary toilet	Communal toilet	No toilet	Total
Urban/Rural						
Urban	13.4	55.1	20.7	0.4	10.4	100.0
Rural	1.7	39.5	30.2	0.8	27.8	100.0
Consumption Quintiles						
First Quintile (Poorest)	0.2	21.7	25.1	1.1	51.9	100.0
Second Quintile	0.3	29.6	35.9	0.9	33.3	100.0
Third Quintile	1.1	40.7	32.8	0.7	24.7	100.0
Fourth Quintile	3.6	53.8	29.0	0.6	12.9	100.0
Fifth Quintile (Richest)	17.3	63.7	16.0	0.3	2.6	100.0
Nepal	5.6	44.7	27.0	0.7	22.0	100.0

Table 5.9: Percentage distribution of households by sanitation management facility

	Underground drain	Open drain	Soak pit	No facilities	Total
Urban/Rural					
Urban	18.9	16.1	15.2	49.8	100.0
Rural	2.0	8.9	5.6	83.5	100.0
Consumption Quintiles					
First Quintile (Poorest)	0.2	8.5	4.4	86.9	100.0
Second Quintile	0.9	7.4	5.5	86.1	100.0
Third Quintile	1.9	8.8	6.1	83.2	100.0
Fourth Quintile	4.1	13.7	9.5	72.8	100.0
Fifth Quintile (Richest)	23.7	15.5	15.1	45.8	100.0
Nepal	7.6	11.3	8.8	72.3	100.0

Table 5.10: Percentage distribution of households by main source of lighting

	Electricity	Solar	Biogas	Kerosene	Other	Total
Urban/Rural						
Urban	93.5	2.4	0.0	3.0	1.1	100.0
Rural	73.2	14.2	0.2	8.3	4.1	100.0
Consumption Quintiles						
First Quintile (Poorest)	55.2	16.2	0.2	20.2	8.2	100.0
Second Quintile	69.7	15.4	0.3	9.9	4.7	100.0
Third Quintile	81.0	11.3	0.0	5.3	2.4	100.0
Fourth Quintile	88.2	7.9	0.0	2.2	1.8	100.0
Fifth Quintile (Richest)	93.7	4.5	0.1	1.0	0.7	100.0
Nepal	80.0	10.3	0.1	6.5	3.1	100.0

Table 5.11: Percentage distribution of households by main fuel used for cooking

	Firewood	Cow dung	Leaves (rubbish, straw, thatch)	Cylinder gas	Kerosene	Bio-gas	Other	Total
Urban/Rural								
Urban	33.0	4.4	0.7	58.5	0.2	2.9	0.4	100.0
Rural	72.5	11.4	3.3	9.4	0.0	3.2	0.2	100.0
Consumption Quintiles								
First Quintile (Poorest)	69.5	17.5	11.1	0.8	0.0	0.9	0.2	100.0
Second Quintile	78.3	13.2	2.4	4.5	0.1	1.4	0.1	100.0
Third Quintile	72.6	10.8	1.5	11.5	0.0	3.5	0.1	100.0
Fourth Quintile	60.4	6.9	0.2	27.9	0.0	4.4	0.2	100.0
Fifth Quintile (Richest)	29.6	1.9	0.1	63.8	0.1	4.1	0.5	100.0
Nepal	59.3	9.0	2.4	25.8	0.1	3.1	0.2	100.0

Table 5.12: Percentage distribution of households with access to various facilities

	Telephone	Mobile phone	Cable TV	Email/ Internet
Urban/Rural				
Urban	16.5	92.0	57.6	17.3
Rural	4.9	82.8	23.7	5.4
Consumption Quintiles				
First Quintile (Poorest)	3.2	66.2	5.5	2.8
Second Quintile	3.2	77.5	13.7	3.0
Third Quintile	4.2	88.5	24.3	3.8
Fourth Quintile	4.4	92.3	40.9	6.6
Fifth Quintile (Richest)	22.9	95.7	69.6	24.1
Nepal	8.8	85.9	35.0	9.4

CHAPTER VI: DEMOGRAPHIC CHARACTERISTICS

6.1 Introduction

Demographic characteristics are interlinked with other socio-economic characteristics like household consumption, employment, literacy status, and household facilities. The demographic situation of Nepal has been changing rapidly in the last decade, especially from the rapid migration from rural to urban and from country to out of the country. Most of such migrants are youth¹¹. All such migrations have changed demographic indicators like the age, sex structure, fertility, and mortality pattern of the population. Apparently, increasing volume of net remittance has supported Nepalese economy to maintain balance of payments (BOP) although the social cost of the skewed age distribution of the population is still to be assessed. In this section, the changing demographic pattern along by locality, sex, and age are analyzed.

Household and population applied in the survey are similar to the one used in the population and housing census 2011 of Nepal. A household and members of the household are identified on the basis of the concept of usual place of residence. A person residing in a place for more than six months or intending to stay for more than six months is considered to be a usual member of the household. A person reported to be temporarily absent during the survey period is also a member of the household.

Household head, in Nepalese society is usually a senior member respected by other members of the household. For the survey purpose, a household head is considered to be a person who looks after and usually, makes decision in household affairs.

Sex ratio is a ratio of males per hundred females.

Dependency ratio used for this survey is the conventional definition used by NLSS III and some other surveys in Nepal. It is the ratio of the sum of younger population in the age group 0-14 and those older populations 60 years and above with the population of the productive age group 15-59 years.

6.2 Household size

The average household size in the survey is 4.5 in Nepal (4.1 in urban and 4.7 in rural). The household size in the poorest consumption group is about two times than that in the richest (Table 6.1). The size of household is reducing over the years (Box 6.1).

When analyzing the data by the number of person per household, the proportion of nuclear household with 1-2 persons is still lower in Nepal (17.2%) (Table 6.2). The model household size is observed at 3-4 persons (38.9%) and 28.8 percent households have 5-6 family size. Urban household shows smaller family size with 43.7 percent household having household size of 3-4 persons. Although the model household figure flattens for rural still the pattern is consistent as in urban. The poorer quintile household has a larger family size relative to the richer quintiles.

6.3 Household head

Nearly, half (47.3%) of the household heads are in the age group of 30 to 49 years and this pattern is seen unaltered for urban or rural households (Table 6.3). It shows the family decision making is more in the hands of young generation.

By consumption quintiles, the poorer quintiles show more mature age family heads than in the richer quintiles. For example, in the first quintile only 10.5 percent household is headed by 20-29 age group, which is 14.6 percent in the fifth quintile, whereas 21.7 percent household is headed by 60 years of above in the first quintile which is 16.8 percent in fifth quintile. This indicates that poorer households are headed by mature age members (Table 6.3).

Different surveys in the past showed that an increasing number of households are headed by females. The trend must be an aftermath of the migration trend of male and head of households. 27.9 percent of the

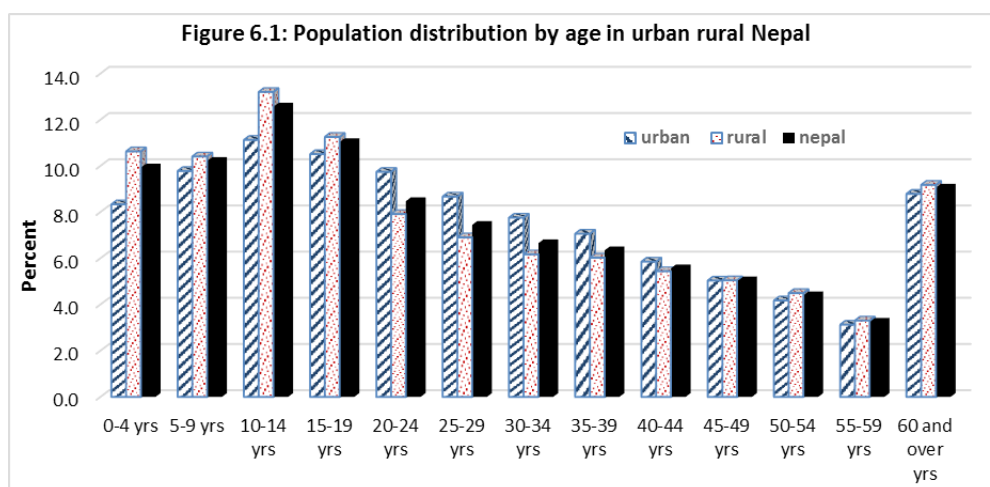
¹¹ Absentee population of age 15-29 years was 37% and of age 30-44 years was 28% in NLSS III (Table 8.4 NLSS III, 2011, CBS). Also, one in every four households reported that at least one member of their household is absent or living out of the country in 2011 (Major Highlights, National Report NPHC 2011, CBS)

households in the survey are headed by female members (Table 6.4). According to the census of 2011, there were 25.7 percent households headed by a female (Box 6.1). In the survey, female household heads are found quite higher in urban (32.2%) than in rural (25.8%). Upper quintiles have more female heads than in the lower quintiles. One out of five households (19.3%) in the first quintile and one out of three households (33.3%) in the fifth quintile are headed by females. The reason probably could be that the higher quintiles have more males working abroad.

6.4 Population Composition

6.4.1 Age distribution

According to the survey, the population of Nepal is comprised of 47.4 percent males and 52.6 percent females. Looking at the productive age population between 15-44 years about 46 percent population belongs to this productive age group. There are 20.1 percent population below 10 years and 9.1 percent population above 60 years. (Table 6.5)



The urban rural variation is quite distinct at all age groups but is especially seen in lower age groups. The mode exists at 10-14 age group where 12.6 percent population at the national level is seen with 11.1 percent in urban and 13.2 percent in rural (Figure 6.1, Table 6.5).

By broad age groups of 0-14 years, 15-59 years and 60 years and above, the population is distributed approximately in the ratio of 11:19:3¹² (Table 6.6). The distribution is more concentrated for the central age group in female and more scattered for male.

6.4.2 Sex ratio

The sex ratio of the country stands at 90 that indicates 90 males per 100 females (Table 6.8). The sex ratios for urban and rural area are 95 and 88 respectively. The continued outmigration of male youths has further imbalanced the sex composition of the country. The sex ratio is above 100 till the age of 14 years. But, the ratio tends to decline from the age of 15 years until it reaches 49 years. The sex composition of the population by age 25-29 years is the most skewed as there are only 69 males per 100 females. The ratio takes a turn again after the age of 50 years. It may indicate an insignificant migration trend of male after age of 50 years or it may be due to the returnee after that age. Sex ratios by age groups are almost similar in both urban and rural areas.

The sex ratio of the households of different consumption quintiles indicates the changing socio-economic conditions of Nepalese population. In the broad age group, sex ratio varies significantly by age categories 0-14 years, 15-49 year and 60 years and above in both urban and rural as well across the consumption quintiles. Youth tend to leave home for education or job even at an earlier age. The ratio of children or under 15 years

¹² When multiplied by 3, the ratio are (33%) for 0-14 years, (58%) for 15-59 years, and (9%) for 60 years and above.

of age is just 109. Sex ratios of the children under 15 years in all quintile are above 100. Interestingly, the ratio of the old age (60 years and above) is below 100 and higher in the first and fifth quintile. By consumption quintiles, the sex ratio in the first quintile is 91 against 94 of the fifth (richest) quintile (Table 6.9).

6.4.3 Dependency ratio

The overall dependency ratio of Nepal is 71.8, which indicates that there are about 72 persons who depend upon 100 persons of the productive age (Table 6.10). The ratio is lower in urban (61.4) than in rural (76.8). The ratio varies substantially by consumption quintiles. The ratio in the first quintile is 107.0, which indicates higher dependency among poor people compared to 44.7 in the fifth quintile.

The national level dependency ratio is lowering by year. It was 74 in AHS II and 84.2 in NLSS III (Box 6.1). This indicates a growth in the productive age population in recent years.

Box 6.1: Summary Statistics of Demographic Situation

		AHS III	AHS II	NLSS III (2011/12)	Census 2011
Indicator	Region				
Household size	Nepal	4.5	4.5	4.88	4.9
	Urban	4.1	4	4.4	
	Rural	4.7	4.7	5.0	
Female household percent	Nepal	27.9	26.6	26.6	25.7
	Urban	32.2	29.8	27.1	28.1
	Rural	25.8	25.9	26.5	25.2
Sex ratio	Nepal	90	89	85.6	94.2
	Urban	95	96	90.0	104.0
	Rural	88	88	84.6	92.3
Dependency ratio	Nepal	71.8	74	84.4	75.6
	Urban	61.4	53.6	58.8	
	Rural	76.8	78.9	91.7	

Table 6.1: Average Household Size by Categories

	Average household size
Urban/Rural	
Urban	4.1
Rural	4.7
Consumption Quintiles	
First Quintile (Poorest)	6.1
Second Quintile	4.9
Third Quintile	4.7
Fourth Quintile	4.1
Fifth Quintile (Richest)	3.5
Nepal	4.5

Table 6.2: Percentage Distribution of Households by Household Size

	1-2 persons	3-4 persons	5-6 persons	7-8 persons	9 or more persons	Total
Urban/Rural						
Urban	20.5	43.7	25.3	7.4	3.2	100.0
Rural	15.5	36.5	30.5	12.1	5.5	100.0
Consumption Quintiles						
First Quintile (Poorest)	3.9	20.5	40.4	22.6	12.7	100.0
Second Quintile	9.9	34.9	38.0	11.9	5.2	100.0
Third Quintile	12.7	39.7	30.3	12.3	5.0	100.0
Fourth Quintile	18.6	46.0	25.0	7.5	2.8	100.0
Fifth Quintile (Richest)	31.9	45.5	17.6	3.9	1.2	100.0
Nepal	17.2	38.9	28.8	10.5	4.7	100.0

Table 6.3: Age Distribution of Household Head

	<20	20-29	30-39	40-49	50-59	60 and above	Total
Urban/Rural							
Urban	1.4	16.4	25.1	22.7	16.3	18.1	100.0
Rural	0.9	11.3	23.2	23.9	20.2	20.6	100.0
Consumption Quintiles							
First Quintile (Poorest)	0.4	10.5	24.4	25.9	17.0	21.7	100.0
Second Quintile	0.9	12.8	25.3	23.5	17.5	20.0	100.0
Third Quintile	0.8	14.0	24.1	23.3	17.5	20.2	100.0
Fourth Quintile	0.5	12.2	24.2	19.0	22.8	21.3	100.0
Fifth Quintile (Richest)	2.1	14.6	21.9	26.0	18.5	16.8	100.0
Nepal	1.1	13.0	23.8	23.5	18.9	19.8	100.0

Table 6.4: Percentage of Female-headed Households

	Total
Urban/Rural	
Urban	32.2
Rural	25.8
Consumption Quintiles	
First Quintile (Poorest)	19.3
Second Quintile	24.2
Third Quintile	29.9
Fourth Quintile	28.8
Fifth Quintile (Richest)	33.3
Nepal	27.9

Table 6.5: Percentage Distribution of Population by Age Groups and Sex

	Within Urban			Within Rural			Within Nepal		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4 yrs.	4.3	4.1	8.3	5.4	5.2	10.6	5.1	4.9	9.9
5-9 yrs.	5.3	4.5	9.8	5.5	4.9	10.4	5.5	4.8	10.2
10-14 yrs.	6.2	5.0	11.1	6.7	6.5	13.2	6.5	6.1	12.6
15-19 yrs.	5.9	4.6	10.5	5.1	6.1	11.3	5.4	5.7	11.0
20-24 yrs.	4.0	5.7	9.7	3.3	4.6	7.9	3.5	5.0	8.5
25-29 yrs.	3.4	5.2	8.7	2.6	4.3	6.9	2.9	4.6	7.4
30-34 yrs.	3.4	4.4	7.8	2.5	3.7	6.2	2.8	3.9	6.7
35-39 yrs.	3.0	4.1	7.1	2.4	3.6	6.0	2.6	3.8	6.3
40-44 yrs.	2.7	3.2	5.9	2.2	3.2	5.4	2.4	3.2	5.6
45-49 yrs.	2.6	2.4	5.0	2.3	2.8	5.0	2.4	2.7	5.0
50-54 yrs.	2.0	2.2	4.2	2.4	2.1	4.5	2.3	2.1	4.4
55-59 yrs.	1.5	1.6	3.1	1.7	1.6	3.3	1.6	1.6	3.3
60 yrs. and above	4.4	4.4	8.8	4.6	4.5	9.2	4.6	4.5	9.1
Nepal	48.6	51.4	100.0	46.9	53.1	100.0	47.4	52.6	100.0

Table 6.6: Population Distribution by Broad Age Groups

	0-14 yrs.	15-59 yrs.	60 yrs. and above	Total
Male				
Urban	32.4	58.5	9.1	100.0
Rural	37.6	52.5	9.9	100.0
Total	36.0	54.4	9.7	100.0
Female				
Urban	26.3	65.2	8.5	100.0
Rural	31.3	60.2	8.5	100.0
Total	29.8	61.7	8.5	100.0
Total				
Urban	29.2	62.0	8.8	100.0
Rural	34.2	56.6	9.2	100.0
Total	32.7	58.2	9.1	100.0

Table 6.7: Percentage Distribution of Population by Age Groups and by Sex

	Male	Female	Total
Urban/Rural			
Urban	14.8	15.7	30.5
Rural	32.6	36.9	69.5
Age Group			
0-4 yrs.	5.1	4.9	9.9
5-9 yrs.	5.5	4.8	10.2
10-14 yrs.	6.5	6.1	12.6
15-19 yrs.	5.4	5.7	11.0
20-24 yrs.	3.5	5.0	8.5
25-29 yrs.	2.9	4.6	7.4
30-34 yrs.	2.8	3.9	6.7
35-39 yrs.	2.6	3.8	6.3
40-44 yrs.	2.4	3.2	5.6
45-49 yrs.	2.4	2.7	5.0
50-54 yrs.	2.3	2.1	4.4
55-59 yrs.	1.6	1.6	3.3
60 yrs. and above	4.6	4.5	9.1
Nepal	47.4	52.6	100.0

Table 6.8: Sex Ratio by Age Groups

	Urban	Rural	Total
0-4 yrs.	106	104	105
5-9 yrs.	118	114	115
10-14 yrs.	125	102	108
15-19 yrs.	127	84	95
20-24 yrs.	70	71	71
25-29 yrs.	65	62	63
30-34 yrs.	77	68	71
35-39 yrs.	72	67	69
40-44 yrs.	86	69	74
45-49 yrs.	109	82	90
50-54 yrs.	89	118	109
55-59 yrs.	93	107	103
60 yrs. and above	101	102	102
Nepal	95	88	90

Table 6.9: Sex Ratio by Broad Age Groups

	0-14 yrs.	15-59 yrs.	60 yrs. and above	Total
Urban/Rural				
Urban	117	85	101	95
Rural	106	77	102	88
Consumption Quintiles				
First Quintile (Poorest)	102	81	100	91
Second Quintile	105	77	100	88
Third Quintile	109	75	97	87
Fourth Quintile	123	77	102	91
Fifth Quintile (Richest)	113	87	110	94
Nepal	109	79	102	90

Table 6.10: Dependency Ratios

	Nepal
Urban/Rural	
Urban	61.4
Rural	76.8
Consumption Quintiles	
First Quintile (Poorest)	107.0
Second Quintile	84.3
Third Quintile	72.9
Fourth Quintile	62.4
Fifth Quintile (Richest)	44.7
Nepal	71.8

CHAPTER VII: DISCUSSION AND CONCLUSION

This chapter furthermore elaborates some of the important findings related to consumption and the labour force. Some conclusions are drawn below based on the findings of the survey 2014/15 (AHS III) presented in the previous chapters. These conclusions mostly show deductions of notable changes between this survey and the previous survey of 2013/14 (AHS II). The term survey in the following section denotes mainly these two AHSs. However, some inferences are also drawn from other previous surveys and census, which are duly mentioned. Thus, discussions are made largely based on the notable changes observed in the two household surveys in reference to the socio-economic characteristics such as male female, urban rural, and consumption groups.

7.1 Discussion

Consumption pattern

Nepalese households on average consume goods and services worth Rs. 292,312 annually, which was an increase of 3.3 percent from the last year. The pattern of the consumption items was nearly unaltered this year compared to last year with 56.9 percent expenditure going for food items.

The urban rural difference in the total consumption has narrowed this year than in the previous survey. Despite substantially increase in urban areas in this survey, increasing trend of rural consumption shows a narrowing gap in urban and rural consumption. It was found that the urban households are consuming about 1.8 times higher than the rural households, which was 2.1 times higher last year. Moreover, narrowing gap among households of different consumption deciles is also observed in the survey. The richest (10th decile consumption) group is consuming 5.9 times more than the poorest (1st decile consumption) group, which is also wide difference but the difference is narrowed from last year where the ratio was 6.3. These findings indicate a trend of lowering social disparity and a more equitable social structure.

Comparing urban-rural food and non-food consumption pattern in AHS III and AHS II, the pattern is seen little altered with a big jump in non-food consumption of the rural households. In rural household non-food consumption is increased about 15 percent from the previous survey, whereas in food consumption, less than 2 percent increment is found.

The survey also shows economic inequalities in urban area than in rural as well as increased urban poverty. These facts can be deduced when analyzing the total household consumptions among different consumption decile groups of urban and rural households in AHS II and AHS III. AHS III shows that in an urban area the richest 10 percent households consume about 94 times higher than the poorest 10 percent households. This difference in rural however, is only about 3 times. Meantime, this richest to poorest ratio in urban area was even higher in AHS II than found in this survey.

Education and medication are considered as two most important aspects for the socio-economic development of a family. Interest may arise what is the nature of expenditure on these two important items among the poorest and the richest consumption groups. The expenditure pattern of these two items among the consumption decile groups shows some interesting characteristics that could be used by policy makers. The survey shows that the poorest decile group spends 6 percent of their total expenditure on education, whereas on medication they spend about 21 percent. Meantime, the richest decile groups spend only about 9 percent on medication, whereas as high as 17 percent on education. Also, it is seen from average household consumption that the poorest decile group spends Rs. 1804 on family education in a year, which was Rs. 7815 in the richest consumption decile¹³. As a very large chunk of expenditure of the poor is seen diverted for basic medical facilities and very low expenditure flowing for education, government should provide medical insurance policy and some medical subsidies to the most deprived communities making them healthy and capable to send their children to schools.

¹³ Based on Table 2.1, and calculated from the percentage expenditure multiplied by total household consumption for education by these two consumption groups.

The mean Food Consumption Score (FCS) of sampled households is 66.5. The mean FCS in urban areas is 74.1 while for rural areas it is 62.8, which illustrates the geographical disparity associated with the food security situation in Nepal. The proportion of households with inadequate food consumption (a score below or equal to 42 FCS) is 15.5 percent. The mean DDS is 6.4 in Nepal. The DDS in rural areas is 6.1 while it is 6.8 in urban areas, indicating that urban households have access to more diverse foods than the rural households. Almost 10.5 percent of sampled households have poor dietary diversity, characterized by consumption of 4 or less food groups in the past 7 days.

Employment status

In the current survey, the definition used for employment is the traditional one that signifies a person has worked for at least one hour in the week preceding the survey. Obviously, such lenient definition makes the employment rate higher. This definition has been now modified by the ILO that defines employment as 'a work with payment or profit' but is not used in this survey. Such traditional definition used in the survey has presented the country with a very small unemployment rate, which is lower than even highly industrialized countries. With these prevailing concepts used in the current survey, we can find nearly three fourth (75%) populations, which are employed, a small proportion unemployed (3%) and the remaining 'outside the labour force'. Almost no change in this distribution of employment situation can be observed in AHS III from AHS II.

The employment rate is found higher in rural than in urban and higher in illiterates than literates. The survey shows that employment is about 20 percent higher in rural than in urban and about 10 percent higher among illiterates than in literates, and the poorest quintile groups are about 20 percent more employed than the richest quintile groups. Notably a large portion of the richest group is found outside the labour force (33%) compared to the poorest group (18%). The higher proportion of the richest group is seen 'outside the labour force' could be mainly due to the mismatch of their higher education and job not according to their educational level.

Among the employed persons, large proportion is doing work for 40 hours or more in a week, which could be considered saturated 'work hours' by international standards. It is observed in the survey that about 60 percent employed are engaged for more than 40 hours work. This saturation work hours are enjoyed by 29 percent male and 26 percent female. The proportion of the population employed for 40 hours or more work has increased in this survey compared to AHS II. The findings show that although employment rate is seen higher for some poor decile groups or female but less proportion of such groups are occupied in with saturated working hours. This additional information should be kept in mind by socio-economic groups while making employment analysis from this survey.

Entrepreneurs can be considered for those who are self-employed. There are two categories of such self-employed observed in the survey: those in the agriculture sector and those in non-agriculture sector. It is quite encouraging to observe that every 7 in 10 employed are such entrepreneurs (69%) in the country. Examining the distribution of entrepreneurs by agriculture and non-agriculture sector, we found in rural areas there are 9 times more self-employed in agriculture than in non-agriculture, whereas in urban areas there are only 2 times more self-employed in agriculture. Also, we found most of self-employed in agriculture are of the age group 10-14 years (72%) and more than half are from poor households and female. Similarly, high dependency on self-agriculture can be observed among female population (65%). Such figure indicates another interesting finding of the survey that self-agriculture is almost a rural and female oriented activity where the more young age population is engaged mostly from poor households.

'Out of the labour force' indicates workless state. About one fifth population is in such workless status. Some are in such status for reasonable causes such as for 'going to school' or due to old age. But the survey shows that more than one fourth (27%) workless status is due to their engagement in household chores, which is almost unpaid work where mostly young aged females are engaged. Among workless, about 39 percent females are engaged in household chores, whereas only 5 percent males are doing such work. Also among the workless 67 percent people of age 25-44 are engaged in household chores. This shows a strong association of such domestic chore with female population and with middle age population of age 25-44 years.

Economic works, which signify mainly paid works, show the significant gender difference. Out of total working hours, female is engaged about 9 hours more than male per week and this difference is more prominent in

rural than in urban Nepal. Further, when it comes to economic versus non-economic type of works the gender difference shows inverted feature. Female is engaged in non-economic work about 16 hours more than male, whereas in economic works female is engaged about 7 hours less than male. This shows female works more than male in total but female works such as household chores and agricultural are unpaid works.

The unemployment rate is lowering by years. The unemployment rate varies substantially across urban and rural areas. About three times more urban are unemployed than rural. But this urban-rural difference has slightly narrowed this year than in the previous year.

Youth Employment

Youth population is the most energetic work force of a society. In the present context of the huge volume of youth migration from rural to urban and from country to foreign employment has made the economic demography of youth an important analytical issue. More youths are now in the labour force than the previous year. The unemployment rate has slightly declined for youths but some increment in the rate of 'out of the labour force' is observed from the previous year. This may be due to the improvement in the educational condition of youth over the years making more skill mismatches.

While the 15-24 years aged youths should be attending higher education (plus 2 and University levels), the survey shows that only about 22 percent are in school and not employed. There are two groups of youth that need special attention by the policy makers. Youths 'not in school and employed' need attention for the cause that has compelled them for not attending higher education or skill development trainings. About 41 percent youths were found in such category, which is quite large. The other category of youths is more critical who are 'not in school and not employed' and these youths are doing nothing. Such youth population could be the most vulnerable population to fall in social ills and crime or they are likely to become foreign migrants but in both cases nation will be at a loss as the nation needs such active labour force. The survey shows an existence of about 11 percent such doing nothing youth population. This category of youth has increased in the current survey from the previous survey where they were less than 10 percent. A comparative analysis of such 'doing nothing' youths with 'well off' youths who are 'going to school and not employed' could show the social inequality in a better way. We can study the difference in these two groups of youth by socio-economic categories and if this 'doing nothing' group exceeds 'well off' category it should draw attention for policy intervention. For illiterates the ratio is about 24:1¹⁴. Similarly, this ratio is about 3:2 for the poorest quintile group (compared to the richest) as well as for the youth between ages 20-24 years (compared to 15 to 19 years). This shows such inverted condition among youth is attached with illiterates, very poor and of age 20-24. Also, female youth is at the border-line. These findings could indicate the need of proper policy intervention for these socio-economic categories of youth.

Employment of children

What is true about youth is also true about children employment. Among the children of age 5-14, about one third are employed in which female exceeds male and rural exceeds urban. It is decent that about 90 percent children are found in schools but among the school going children about half are also working. Also, in this school going age when education is compulsory, 6.4 percent children are 'not going to school and not employed'.

Some indication of school dropout can also be observed in the survey. While about 87 percent children of age 5-9 are attaining school only 81 percent children of age 10-14 goes to school. This shows a dropout of about 6 percent. Further, if we observe the dropouts by only 'going to school' and by 'going to school as well as employed' then we can find a sharp drop out after the age 9 especially among those who are employed. This indicates the major cause of such decline in school going must be the poor family economy.

Gender gap in employment

Gender has become the most pronounced and addressed issue of the current decade, worldwide as well as in Nepal. The fact is that in developing country like Nepal wide gender gaps in socio-economic indicators are strongly experienced. This survey also indicates such gender gap.

¹⁴ Here a ratio of 24:1 indicates there are 24 times more illiterate youth who 'do nothing' against 'well off' youths.

The unemployment rate of female of age 15 years and above is slightly lower than that for male but more females are 'outside the labour force' compared to males. Males are outside mostly to attend school, whereas females are outside mainly to do household chores. About double male populations are outside the labour force to attain school than female who are outside and about 6 times more female are outside labour force to be engaged in household chore than male.

The gender role in unpaid (non-economic work) in urban is clearly visible. In urban area, about 4 times more females are engaged in such unpaid work than males. However, such gender difference is insignificant in rural.

Agriculture in the current situation can be considered highly female dependent activity. In the survey about 81 percent females are occupied in agriculture related works compared to about 54 percent males. This female dependency on agriculture is seen in both urban and rural areas. However, rural agriculture is extremely female dependent compared to urban agriculture. This indicates, agriculture is strongly associated with female and it is more so in rural. Such situation could be the result of large male migration flow from rural to urban or to foreign employment.

By occupation type and level, male dominates in the managerial and professional categories. There are about three times more male managers than female and about double male are in professional field than female.

Literacy and educational attainment

The overall adult literacy rate of 15 years and above population is 63.7 percent, which is about 2 percent higher than the rate found in AHS II. The gender variation exists in the adult literacy rate too. The adult literacy rate of males is about 21 percent higher than that of females.

Housing and household facilities

The survey shows that a large number of households have their own houses (87%) and it is in increasing trend. However, this statistics of self-owned house shows fluctuation from about 90 percent in a census 2011 to 85 percent in NLSS III. This must be the result of the varying sampling frames used by different surveys.

Access to safe drinking water supply is an important indicator of quality of life. However, 'safe drinking water for all' seems far away as the governments' facility has not reached to even larger proportion of urban dwellers. The survey shows that less than half of the total populations are using piped water supply and among urban, only about 55 percent are using such facility.

Large number of households are still deprived of safe toilets and sanitation facilities. When the country is heading towards 'Open Defecation Free (ODF)' areas, it is observed that 22 percent household still have no toilet. About 10 percent urban and 28 percent rural households have no toilet.

While 80 percent households are using electricity for lighting, 10 percent are using solar energy. Solar energy which is promoted by the government is not gaining popularity as propagated. The rate of solar energy users has declined from last year. However, solar power is observed more popular among lower quintile groups and rural households, which should be the impact of governmental subsidies to these cohorts.

Firewood is still a major source of fuel in Nepal for cooking as more than half households especially among rural are using it. But the good news is that the trend shows a decline in the use of firewood when we compare the user's proportion with AHS II, NLSS II and Census 2011. By quintile groups firewood is still used by more than 70 percent households in the first three quintiles, which is a very high rate and need attention of the policy makers. The use of LPG gas has exponentially increased in the past decade, especially in urban areas.

Households are rapidly adopting modern technologies. A remarkable progress is seen in the use of mobile (cell) phones. About 86 percent households have at least one cell phone in their household. The line telephones, which are cheaper than mobile, are in very low use. The less popularity of the line telephone must be the shortage of line connections even in urban areas. Although the internet and emails are the easiest communication media to get worldwide information, only about 9 percent households are using internet. Among the households, 17 percent urban uses internet facilities, whereas only 5 percent rural is using it. The high cost and unavailability of internet service in most part of the country seems the hurdle in its use. As ICT

could be an important and easy means for remote education, medication, rural business, and communication this sector needs prioritize attention of the policy makers with the countrywide network development.

Demographic characteristics

The average family size of Nepali household is slowly reducing over years with current size of 4.5 persons. The household size in NLSS III was 4.88 and in Census 2011 it was 4.9. As reducing of the family size to a certain level is a good indicator for the country those groups working in family planning must be encouraged by such findings. However, the household size is found to vary among different cross-section of the population. Family size is larger among poor households. While the richest quintiles have 3.5 persons in their household the poorest have 6.1 persons. It indicates a need of focused family planning programs to poorer households.

The survey shows that more young people as well as female are becoming household heads. This trend is more visible in urban area and among richer quintiles. It shows that the family decision making is reaching at the hands of the more young generation and to female. The trend must be an aftermath of the large foreign migration, most of whom are male and family heads. However, this fact may also point to increase social insecurities in our communities or show a different security addressing mechanism.

The impact of migration can also be observed in the inversion of the sex ratio of the country. The country is experiencing more female population than male in almost all socio-economic groups. The decline in male population was initiated from the last decade, which this survey shows a further decline. The sex ratio of the country as observed in the survey is 90 that indicates the existence of 90 males per 100 females. The sex composition of the population of age 25-29 years is observed most skewed as there are only 69 males per 100 females. The ratio shows a turn after the age of 50 years when male outnumbered female. It may indicate an insignificant migration trend of male after age 50 or it may be due to the returnee after that age. Sex ratios by age groups are almost similar in both urban and rural areas.

Dependency rate, which is the ratio of 15-59 population to the rest of the population, indicates dependency of the nonproductive age population on the productive age population. Lowering of this rate indicates more economically capable population. The national level dependency ratio is shown lowering by year. The survey shows the dependency rate of about 71 which was 74 in AHS II and 84 in NLSS III. Although, the productive age population is on the rise, which is good, lack of working opportunities and job insecurity, has induced the productive age population to emigrate. NLSS III shows that about 37 percent populations are absentees of which 43 percent are outside Nepal. The policy does need to address the labour drain issue to retain the productive age population in the country.

Box 7.1: Summary Table of Some Major Indicators

Box 7.1.1 : Average Nominal Household Consumption (in Rs) and Pattern of Consumption

	Household Consumption	Foods	Alcohol and Tobacco	Rent	Utility	Educational Expenses	Durables Consumption	Non-foods (others)	Total
Urban/Rural	(Rs.)	Percent distribution							
Urban	413,510	46.7	2.8	17.8	2.9	5.5	5.3	19.0	100.0
Rural	231,785	62.0	4.4	8.4	2.1	3.1	2.3	17.6	100.0
Consumption Quintiles									
First Quintile (Poorest)	138,324	66.8	4.6	8.1	1.6	1.8	0.7	16.5	100.0
Second Quintile	170,457	65.7	4.5	8.3	2.0	2.5	1.0	16.1	100.0
Third Quintile	221,989	62.0	4.2	9.2	2.3	3.4	1.7	17.1	100.0
Fourth Quintile	266,932	56.8	4.1	11.6	2.6	4.4	2.9	17.7	100.0
Fifth Quintile (Richest)	538,798	41.6	2.5	17.6	3.0	6.0	7.9	21.4	100.0
Consumption Deciles									
First Decile (Poorest)	120,238	67.6	4.3	8.3	1.4	1.5	0.6	16.1	100.0
Second Decile	155,382	66.0	4.9	7.8	1.8	2.0	0.7	16.8	100.0
Third Decile	161,701	65.9	4.6	8.0	1.9	2.4	1.0	16.1	100.0
Fourth Decile	178,605	65.5	4.3	8.7	2.0	2.5	1.1	16.0	100.0
Fifth Decile	214,855	63.3	4.5	8.7	2.3	3.4	1.6	16.3	100.0
Sixth Decile	228,609	60.8	4.0	9.7	2.3	3.5	1.8	18.0	100.0
Seventh Decile	251,831	58.5	4.6	10.6	2.6	4.2	2.4	17.1	100.0
Eighth Decile	280,936	55.2	3.7	12.4	2.6	4.6	3.3	18.2	100.0
Ninth Decile	347,763	48.8	3.0	14.7	3.0	5.6	4.5	20.4	100.0
Tenth Decile (Richest)	712,639	34.9	2.0	20.1	3.0	6.5	11.1	22.4	100.0
Nepal AHS III	292,312	56.9	3.9	11.6	2.4	3.9	3.3	18.1	100.0
Nepal AHS II	282,896	56.5	3.5	10.6	2.5	4.0	3.4	19.5	100.0

Box 7.1.2: Percentage Distribution of Employed Population of Age 15 Years and Above by Type of Wage Employment

Employment type	Sex		Urban rural		Quintile groups					Nepal AHS III	Nepal AHS II
	Male	Female	Urban	Rural	First	Second	Third	Fourth	Fifth		
Waged Agriculture	3.8	2.9	2	3.8	8.1	3.4	2.1	2.1	1.1	3.3	3
Waged Non Agriculture	24	6.7	27.2	10.4	10.4	10.9	12.7	15	25.9	14.8	14.5
Self Employed Agriculture	50.3	64.7	39.8	64.3	59.6	65.5	63.5	59.4	39.6	57.9	57.2
Self Employed Non Agriculture	14.3	8	22.1	7.1	5	5.1	7.6	11.8	26.6	11	11.7

Box 7.1.3: Percentage Distribution of Employed Population Age 15 Years and Above by Economic Non-economic Work

	Urban		Rural		Nepal		AHS II	
	Male	Female	Male	Female	Male	Female	Male	Female
Economic works	47.5	37.2	43.8	37.6	44.9	37.5	41	47.5
Non-Economic works	5.2	21.8	4.9	21.1	5.0	21.3	13.6	5.2
All work	52.7	59	48.7	58.7	49.9	58.8	54.6	52.7

Box 7.1.4: Percentage Distribution of Youth Population by Working Status

	Sex		Urban-rural		Quintile groups					Nepal	AHS II
	Male	Female	Urban	Rural	First	Second	Third	Fourth	Fifth		
Not in School and not employed	7.7	14.4	12.5	10.8	13.2	12.4	9.8	12.7	9.2	11.4	9.6
In School and not employed	26.1	17.5	36.3	14.5	8.6	10.4	16.7	22	44.4	21.4	22.1
Not in School and employed	41.5	41.9	34.4	45.1	59.2	52.4	44	36.2	22	41.7	40.4
In School and employed	24.8	26.2	16.8	29.6	19	24.8	29.5	29	24.4	25.6	27.9
Total	100	100	100	100	100	100	100	100	100	100	100.0

Box 7.1.5: Percentage Distribution of Child Population by Working Status

	Sex		Urban-rural		Quintile groups					Nepal	AHS II
	Male	Female	Urban	Rural	First	Second	Third	Fourth	Fifth		
In School Not employed	64.5	58.6	81	54.2	50	53.7	61.4	70.0	87.0	61.7	66.2
In School& employed	25.4	29.6	12.1	33.3	30.4	33	29.9	25.8	10.6	27.4	25.5
Not in School & not employed	6.6	6.1	4.3	7.2	11.4	7.7	5.7	1.9	1.6	6.4	4.3
Not in School & employed	3.5	5.7	2.6	5.3	8.2	5.7	3.0	2.3	0.8	4.5	4
Total	100	100	100	100	100	100	100	100	100	100	100

7.2 Conclusions

The consumption pattern of household shows only a small change, however the consumption capacity has increased 3.3 percent from last year. Rural consumption has also increased narrowing the gap between rural and urban consumption. Last year, urban consumption was 2.1 times more than rural that is now declining to 1.8 times. Also, the survey shows a narrowing gap in consumption of the decile groups. The richest group is consuming 5.9 times more than the poorest group, which is also a wide difference, but the difference was narrowed from that in last year where the ratio was 6.3. These findings indicate a trend of lowering social disparity or a trend towards more equitable social structure.

Although the urban-rural difference in consumption capacity has narrowed with increased rural capacity, rural households have shown a 15 percent increase in non-food consumption and less than 2 percent increment in food consumption. As the magnitude of rural consumption shows an increment with more consumption for non-food items, socio-economic changes in rural lifestyle can be expected. This may indicate, among other changes, an increase in the consumption of luxury goods like TV, mobile sets as well as increase in some basic needs like the use of LPG gas, in educational and medication expenditures, etc. Such changes in rural consumption can also be corroborated from the findings of the enhanced housing and household facilities. All of such changes may be an impact of significant remittance inflow, especially in rural area. In 2015, it was found that the total remittance flow in Nepal was USD 6.6 billion, which was about 29 percent of the GDP¹⁵.

The survey also shows increased economic inequalities in urban area than in rural as well as increased urban poverty from last year. In urban, the richest decile is now consuming about 94 times higher than the poorest. Meantime, such richest to poorest difference in rural consumption is only about 3 times.

The per capita consumption shows some different story than that from the average household consumption. The per-capita consumption of urban is found quite higher than that of rural for almost all food and non-food items. It must be due to the smaller family size of urban households. Also, the food consumption pattern of urban and rural shows structural changes from the last survey. Urban is now spending for fruit about 33 percent more than rural. Alcohol consumption is high in both urban and rural areas, but the consumption has declined from the previous year in both urban and rural.

Most findings of the survey indicate socio-economic changes in the consumption and employment pattern of urban and rural society, which must be influenced by labour migration and remittance flow. The remittance flow should have also increased the consumption capability of rural with increased consumption for nonfood items as well as food items as a factor to narrow down the economic inequality of the rural area. As the remittance flow is huge but not systematized, government and policy makers need to address this issue promptly to channelize the immense capital flow for national development rather than increased consumption of households. On one hand, young labour-drain is a national problem on the other hand, it is an economical opportunity. So a balance between the two should be maintained. The remittance money, which is mostly out-flowing in nonfood consumption, especially in luxury goods can be streamlined for national development that could side by side improve the employment situation inside the country.

Education and medication, which are two most important aspects of the socio-economic development of a family, show some interesting consumption pattern by decile groups that could be used by policy makers. The poorest group is now spending 6 percent on education and 21 percent on medication, whereas the richest groups are spending about 9 percent on medication and 17 percent on education. It indicates the low esteem given for education by poor and high expenditure needed for their medication due to their weak health status. These findings could also open discussion to answer if high investment in family education reduces health problems and if so, it could further suggest policy makers to what extent and to what level of poor households, governmental support or subsidies could be prescribed for say their educational improvement.

The employment situation of the country is not better. Although a very low unemployment rate of 3 percent is shown in the survey, which is little lower than that in the previous year, such low unemployment rate is obtained mainly from the adaptation of the traditional definition of employment in the survey. Such low unemployment rate can also not justify why there is such high labour migration from rural to urban or to

¹⁵ Migration and Remittances Fact book 2016 – the World Bank

abroad. It is estimated that every day more than 1500 labours are fleeing from the country to abroad. Also, notably a large portion of the richest consumption group is found outside the labour force compared to the poorest group, which could be mainly due to the mismatch of their higher education and job not according to their educational level.

If we consider the self-employed status as entrepreneurship it is quite encouraging to observe that every 7 in 10 employed persons are working now as entrepreneurs in the country. Such entrepreneurs in agriculture sector are mostly found of very young age and from rural origin. There are about 72 percent such agriculture entrepreneurs of age 10-14 years and in rural there are 9 times more such agriculture entrepreneurs than non-agriculture entrepreneurs. Also, poor household and female are found to be attracted by such self-agriculture.

The gender gap is seen in an employment situation, especially in paid economic works, which is occupied mostly by male and unpaid non-economic works, which mainly found to fall under the hands of female. It is found that among employed population, females are engaged for 16 average weekly hours more than males in unpaid works and 7 hours less in paid works. Also, in total work female is engaged about 9 hours more than male per week in Nepal. This shows that female works more than male in total but largely female's work is unpaid such as household chore and self-agriculture works.

Youth who represents 15-24 years age group should be either going to educational institute or working. However, a large proportion of youth is observed who are 'doing nothing' that is neither attending an educational institute nor are employed. Only about 22 percent youth is in school and not employed, whereas 11 percent youth are doing nothing. Such category of doing nothing youth is more critical who are 'not in school and not employed' as they could be the most vulnerable population to fall in social ills or crime and if lucky they become foreign migrants, but in both cases nation will be at a loss as the nation need such youths in their active labour force. Notable is that this category of doing nothing youth has increased in the current survey from the previous survey where they were found less than 10 percent than in now.

The survey shows that the literacy rate attends modal value for the age group 15-19 years and declines after 19 years reaching the minimum levels after 60 years. Also, the male female difference in literacy shows larger disparity after the age of 19 years. The narrow gender gap for lower age groups of the male and female population may indicate the effectiveness of the gender focused current education policies. As the education level observed in the survey by age groups also represents a time based scenario. That is, if male female disparity is observed for the age group 35-40 in this survey, it indicates a gender disparity in school entry at around 40 years back. As the educational level is found better in the lower age groups it indicates an effectiveness of overall educational policy at more recent times.

The large numbers of households are still deprived of toilets and sanitation facilities. It is observed that 22 percent households still have no toilets and even urban 10 percent have no toilets. There is almost no sanitation management facility among households of the poorest four quintiles that indicates a pathetic health and sanitation scenario of the country. Use of firewood as fuel is still predominant in rural areas and among the poorest community. Alternative energy sources should be provided and promoted for them. Solar lighting system, which is found gaining popularity among poor rural communities, could be promoted with special subsidy packages.

Households are rapidly adopting modern technologies. A remarkable progress is seen in the use of mobile (cell) phones. About 86 percent of the households have at least one cell phone in their household. However, the use of line telephones, TV/cable TV, and the Internet is very low. Only about 9 percent households are using the Internet. The high cost and unavailability of Internet service in most part of the country seems the biggest hurdle. As ICT could be an important and easy means for remote education, medication, rural business, and communication. This sector needs prioritize attention of the policy makers with the countrywide network development and reduction of its cost.

Gender equality has been a challenge to the government. This survey and many previous surveys show the disparity between sexes in almost all sectors. While more and more females of relatively younger age are becoming head of the household special security provisions need to be conceived. Agriculture, which is considered the backbone of our economy is currently handled mostly by female and most of them are unpaid agricultural workers. Females work more hours than males but are mostly engaged in unpaid works. Large numbers of girl children are out of school, mainly as they have to support household chores. Such female issues need to be addressed properly so that female that comprises more than half of the population could properly benefit.


ANNEXES

**English Translation of the Questionnaire
(Unofficial translation)**

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Annex



नेपाल सरकार
राष्ट्रिय योजना आयोगको सचिवालय

Central bureau of Statistics (CBS)

Annual Household Survey

2015/16

All personal information asked within this questionnaire will be kept confidential according to statistical Act. 2015. This information will be used only for statistical purposes.

Questionnaire

PSU Code	Household ID No.								
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Name of the household head _____ Sex of household head

--	--

Telephone No.

--	--	--	--	--	--	--	--

District _____

Urban/Rural _____

Municipality/V.D.C Name _____

Tole _____ Ward No.

--	--

 /

--	--

Total household members who usually live _____

Household members 5 years or above

--	--

<p>Starting date of interview</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 20%;">Year</td> <td style="width: 20%;">Month</td> <td style="width: 20%;">Date</td> </tr> <tr> <td style="height: 20px;"></td> <td style="height: 20px;"></td> <td style="height: 20px;"></td> </tr> </table> <p>Name of Enumerator _____</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 20%;">Year</td> <td style="width: 20%;">Month</td> <td style="width: 20%;">Date</td> </tr> <tr> <td style="height: 20px;"></td> <td style="height: 20px;"></td> <td style="height: 20px;"></td> </tr> </table> <p>Date of data entry _____</p> <p>Name of supervisor _____ Team No. <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td></tr></table></p>	Year	Month	Date				Year	Month	Date						<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>I hereby certify that data gathered in this questionnaire were obtained/interviewed by me personally and in accordance with instructions.</p> </div> <p>Enumerator Signature _____ Enumerated date _____</p> <p>Supervisor Signature _____ Enumerated date _____</p>
Year	Month	Date													
Year	Month	Date													

Part 1: Personal Information

Section-1 Personal Information

IDENTIFICATION CODE		Only for the members of household age 5 years and above			Only for the members of household age 15 years and above				
(1.12)	Can (Name) read letter?	(1.13)	Can (Name) write letter?	(1.14)	(1.15)	(1.16)	(1.17)	(1.18)	(1.19)
	Yes 1 No 2	Yes 1 No 2	Never attended School Attended Currently attending sch. Informal education	What type of school/college didis attend? Community/Govemme Institutional/Private Technical/Vocational Gurukul/Madasha/Gum Community/Govemme Private college Other	What was the highest class (Name) ...	Has (Name) take any formal technical and vocational education?	How long wasis (Name) attended formal training?	What wasis the main subject (Name) taken training?	
	▶ 1.14	▶ 1.17	▶ 1.17	▶ 1.17	▶ 1.17	Yes 1 No 2	Less than one m 1-3 months 3-5 Months More than 6 mor	(Enumerator: After writing main subject of training, give the appropriate code as specify in annex 6.4)	Training subject Code
01									
02									
03									
04									
05									
06									
07									
08									
09									

Section - 1 Personal Information

Total family size as mentioned in the roster

Respondent ID

(1.00)

IDENTIFICATION CODE		(1.03)	(1.04)	(1.05)	(1.06)	(1.07)	(1.08)	(1.09)	(1.10)	(1.11)
	Male 1 Female 2	How many months did (Name) lived together with this household in last 12 months?	According to the "household" defined in this survey is (Name) household member or not?	Relationship with household head? Spouse Son/daughter in law Daughter/Dau in law Father/Mother Elderly/Other in law	Which place was (Name) born? Same district 1 Other district 2	Which is the birth district of (Name) (While code of the district)	Which is the municipality or V.D.C. ? Municipality 1 V.D.C. 2 Third Country 3	In which country was (Name) born? India China Third Country 3	How many years did (Name) lived in this place?	Main reason why (Name) lived in this district? Agriculture Trade Job Study Marriage Dependent Conflict Other
	Enumerator: While year completed write 0 for less than one month	Enumerator: While usually live with household and write 0 for less than one month	Yes 1 No 2 Other person	1 2 3 4 5 6 7 8 9 10	▶ 1.12	▶ 1.12	▶ 1.10	(While both name and code of the third country)		
01										
02										
03										
04										
05										
06										
07										
08										
09										

Section-2 **Residence and residential expenditure**

(2.00) Respondent ID

(2.01) How many rooms your family occupy? Total room

- a) Sleeping room
- b) living/dining room
- c) Kitchen room
- d) Toilet/bathroom
- e) Business room
- f) Multiplepurpose room
- g) Other

(2.02) Which of the following primary material is used for the construction of outside walls?

- Cement bounded bricks/stone 1 Bam boo/straw 4
- Mud bounded bricks/stone 2 Unbaked bricks 5
- wood 3 Other 6

(2.03) What of the following is the main structure of the foundation of the ho

- Concrete with pillar 1 Wooden pillar 4
- Cement bounded 2 Other 5
- Mud bounded 3

(2.04) What of the following is the main material your roof is constructed of

- Concrete/Cement 1 Straw/thatch 5
- Galvanized iron 2 Mud 6
- Wood/Planks 3 Other 7
- Tile/slate or 4

(2.05) Is this dwelling yours?

- Yes 1
- No 2 (2.10)

(2.06) If you want to buy today a dwelling just like this how much you have to pay?

Rs.

(2.07) If any person want to take this house in rent, how much money would have to pay?

Rs.

(2.08) Have you rented any part of this dwelling unit?

- yes 1 No 2 (2.13)

(2.09) If you have rented, how much did you received as rent in last 12 months

(2.13) Rs.

(2.10) Under which condition your family is currently using this house?

- Rent 1 (2.12)
- House woner or relatives or Free from Employers 2
- Slum 3
- Other 4

(2.11) If someone wanted to rent this dwelling (Only the unit occupied by the household today), how much rent would they have to pay each month?

(2.13) Rs.

(2.12) How much did you pay for rent in last 12 months? (Include both cash and in kind)

Rs.

(2.13) What is the main source of drinking water for this household?

- Tap/pipe 1
- Covered well 2 Spout water 5
- Tubewell/Hand pump 3 River/Stream 6
- Uncovered well/Kuwa 4 Other 7

(2.14) Do you have piped water into your house?

- Yes 1 No 2

(2.15) How much you payed for drinking water in the last 12 months (Write 0 if nothing)

Rs.

Annex 2: - Part 2: Housing and Household Expenditure

(2.16) Have you bought Jar water in the last 12 months?

Yes 1 No 2 ▲ (2.18)

(2.17) How much did you pay for jar water

(Write 0 if nothing

 Rs.

(2.18) ave you bought tanker water in the last 12 months:

Yes 1 No 2 ▲ (2.20)

(2.19) How much did you pay for tanker water

(Write 0 if nothing

 Rs.

(2.20) What type of sewage facility is available for your house?

Underground tank 1 septic tank 3
open drainage 2 none 4

(2.21) How does your household mainly dispose garbage?

Collected by garbage truck 1
Private/com munity collector 2 ▲ (2.23)
Dumped 3
Burned/Buried 4 ▲ (2.23)
Dumped and used for fertilizer 5 ▲ (2.23)
Other 6

(2.22) How much you paid for garbage disposal over the last 12 months?

(Write zero for nothing)

 Rs.

(2.23) What type of toilet is used by your household?

Household flush (connected to municipal sewer) 1
Household flush (connected to septic tank) 2
Household Non-flush 3
Communal Latrine 4
No toilet 5

(2.24) What is the main source of lighting for your household?

Electricity 1 Kerosene 4
Solar 2 Other 5
Biogas 3

(2.25) How much did you spend on electricity over the past 12 months?

(Write 0 if nothing

 Rs.

(2.26) Which of the following facilities your household have used?

Yes 1 a) Telephone
No 2 b) Mobile phone
c) Cabale T.V
d) Email/internet

(2.27) What is the main cooking fuel used by your household?

Firewood 1 Cylinder gas 4
Dung 2 Kerosene 5
Leaves/Straw/Thath 3 Biogas other 6 7

(2.28) Did your household use any firewood over the past 12 months?

Yes 1 No 2 ▲ (2.31)

(2.29) How many bharis/carts/kg firewood did your household use?

Bhari 1 Unit
cart 2 Number
Kilogram 3

Interviewer, complete

1 Bhari/cart=

 K.g

(2.30) How much you payed for each Bhari/cart/kg?

Rs.

(2.31) How many years ago was the house that you are living build?

(Section 3)

 Year

Annex 3:

Part 3: Food Expenditure and Household Production

Section — 3 Food expenditure and Household production

Section — 3 Food expenditure and Home production

(3.00) Respondent ID:

(3.01) Code	(3.02) Which of the items listed below did this household consume in the last 7 days? (Write the appropriate code)	(3.03) How many days these items this household consumed in the last 7 days	(3.04) Specify the quantity and price of the food items that consumed in your household during last 7 days?						(3.05) From Market			(3.06) In kind					
			Yes 1 No 2	Unit code	Quantity	Total Rs.	Unit code	Quantity	Total Rs.	Unit code	Quantity	Total Rs.	Unit code	Quantity	Total Rs.		
110	Food items																
111	Fine Rice																
112	Coarse Rice																
113	Beaten flattened rice																
114	Maize																
115	Maize flour																
116	Wheat, Maize flour																
117	Millet																
118	Fapar																
119	Barley																
120	Other food items (Jumelo etc)																
121	Black gram (Mas Dal)																
122	Lentils (Masuro)																
123	Red gram																
124	Horse gram (Chana)																
125	Other pulses (Green gram, Masuro, etc)																
126	Beans (Dried)																
127	Soybean																
128	Other beans (Rajma, pea)																

(3.01) Code	(3.02) Which of the items listed below did this household consume in the last 7 days? (Write the appropriate code)	(3.03) How many days these items this household consumed in the last 7 days	(3.04) Specify the quantity and price of the food items that consumed in your household during last 7 days?						(3.05) From Market			(3.06) In kind					
			Yes 1 No 2	Unit code	Quantity	Total Rs.	Unit code	Quantity	Total Rs.	Unit code	Quantity	Total Rs.	Unit code	Quantity	Total Rs.		
130	Meat and Fish																
131	Goat meat																
132	Sheep, Yak Meat																
133	Buffalo Meat																
134	Chicken																
135	Pork, Pig Meat																
136	Others (Duck, batial, ostrich)																
137	Fish																
140	Egg and Milk products																
141	Egg																
142	Milk																
143	Condensed milk																
144	Baby milk / Powder Milk																
145	Curd																
146	Paneer (fesh cheese)																
147	Other dairy products (cheese, Ghee, Oil)																
150	Ghee, Oil																
151	Cow buffalo Ghee																
152	Vegetable ghee/oil																

Section — 3 Food expenditure and Home production

(3.01) Code	(3.02) Which of the items listed below this household consumed in the last 7 days? (Write the appropriate code)	(3.03) How many days these items household consumed in the last 7 days	(3.04) Specify the quantity and price of the food items that consumed in your household during last 7 days?						(3.05) From Market			(3.06) In kind		
			Yes 1 No 2	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.		
153	Mustard oil													
154	Sunflower Oil													
155	Soybean Oil													
156	Others Oil (Maize)													
160	Fruits and Nuts													
161	Banana													
162	Citrus Fruits (Orange, Lime, sweet c													
163	Mangoes													
164	Apples													
165	Pineapple													
166	Papaya													
167	Grape													
168	Other fruits (Pomigrarate, Kala, etc)													
169	Dried Fruits (Walnut, Coconut etc)													
170	Vegetables													
171	Potatos													
172	Cauliflower/Cabbage													
173	Tomatoes													
174	Green leafy vegetables													

Section — 3 Food expenditure and Home production

## Code	(3.02) Which of the items listed below this household consumed in the last 7 days? (Write the appropriate code)	(3.03) How many days these items household consumed in the last 7 days	(3.04) Specify the quantity and price of the food items that consumed in your household during last 7 days?						(3.05) From Market			(3.06) In kind		
			Yes 1 No 2	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.		
175	bean Asparagus Green beans													
176	Cucumber													
177	Bottle gourd, pumpkin, snake gourd, sponge gourd													
178	Radish, saigam, Carrot													
179	Onion													
180	root fruits (Pidalu, Tarul, sweet potato)													
181	Brijjal													
182	Chayote													
183	Lady's finger													
184	Bitter gourd													
185	Pea													
186	Pointed gourd													
187	Mushroom													
188	dry foods (Gundruk, masaura)													
189	Other green vegetables													
190	Sugar, Sakhar, Honey, Sweets													
191	Sugar													
192	Brown sugar (Bhelly, Gud et)													
193	Honey													

Section — 3

Food expenditure and Home production

(3.01) Code	(3.02) Which of the items listed below this household consumed in the last 7 days? (Write the appropriate code)	(3.03) How many days these items this household consumed in the last 7 days	(3.04) Specify the quantity and price of the food items that consumed in your household during last 7 days?						(3.05) From Market			(3.06) In kind		
			Yes 1 No 2	Day	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.	
194	Jam, jelly													
195	Ice Cream													
196	Other chocolate, chew gum and sweets													
200	Spices and Condiments													
201	Salt													
202	Spices (Ujra, dhania, black pepper)													
203	Turmeric													
204	Chillies													
205	Ginger													
206	Garlic													
207	Others spices (Jajjal, lang etc)													
210	Tea, Coffee													
211	Tea (dried leaves)													
212	Coffee (ground instant)													
220	Mineral water, fruit juices and													
221	Mineral water													
222	Fruit Juices													
223	Coca-cola, pepsi, etc													
224	Squash drink													

Section — 3

Food expenditure and Home production

(3.01) Code	(3.02) Which of the items listed below this household consumed in the last 7 days? (Write the appropriate code)	(3.03) How many days these items this household consumed in the last 7 days	(3.04) Specify the quantity and price of the food items that consumed in your household in the last 7 days?						(3.05) Food purchases for HH consumption			(3.06) In kind		
			Yes 1 No 2	Day	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.	Quantity	Unit code	Total Rs.	
225	Including Other alcohol Beverage (soda etc)													
230	Alcoholic Beverage													
231	Spirit, Jin, Whiskey, Rum													
232	Wine													
233	Beer													
234	Local alcohol, Malt, Tadi etc)													
240	Tobacco Products													
241	Cigarette													
242	Beet(Nepali cigar)													
243	Tobacco													
244	Other tobacco products													
245	Narcotics													
250	Expenditure on Prepared food items and Restaurant													
251	Meal and breakfast in restaurant													
252	Bread													
253	Biscuits													
254	Noodles													
255	Other prepared food items													
300	Total Expenditure on food during the last 7 days													

Annex 4:

Part 4: Non-food Expenditure and List of Durable Goods

Section — 4 Noon-food expenditures and inventory of durable goods

(4.00) ID Code respondent

4.1 Noon-food expenditures

(4.11) Code	(4.12) Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if household did not	Rs.
	Yes 1 No 2	Rs.
0310	Readymade clothing and apparel	
0311	Clothes, wool, thread for making clothes	
0312	Readymade garments for male, female and children	
0313	Other Clothes (Cap, tie, vest, gloves, socks, hanky	
0314	tailoring expenses, washing, cleaning, repair (wages only)	
0315	School, college dress	
0320	Shoes, slipper	
0321	Male, female and child shoes and slipper	
0322	Shoes repairing and shoeshining expenses (wages only)	
0323	school, college shoes and slipper	
0430	Painting, Repairing and maintenance of the house	
0431	Purchased goods for painting, minor repair and maintenance of the house	
0432	wages of painting, minor repair and maintenance of house	
0450	Fuel	
0452	L.P. gas (Cylinder)	
0453	Kerosene	
0454	Coal and Charcoal	
0510	Furniture, Furnishing and Buy and Repair of the carpet	
0511	Purchased of bed, sofa, cupboard, chair, table etc	
0512	Purchased of carpet and other floor covering items	
0513	Repair expenses of furniture and carpet (Wages only)	
(4.11) code	(4.12) Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if household did not	Rs.
	Yes 1 No 2	Rs.
0520	Purchased and maintenance of textile for household used	
0521	Purchased of quilt, cotton rug, pillow etc	
0522	Repair of quilt, cotton rug, pillow (Wages only)	
0530	Repair and maintenance of household equipments	
0531	Purchasing of durable electrical and non electrical equipment	
0532	Purchasing of minor electrical equipments	
0533	Repair of house use equipment (Wages only)	
0540	Purchased and repair of Kitchen utensils, toilet and bathroom equipments	
0541	Purchased of Kitchen appliance	
0542	Purchased of Toilet items	
0543	Purchased of plumber goods	
0544	Cost of repair and maintenance of toilet/bathroom equipments, and Kitchen utensils	
0550	Purchased and maintenance farming goods	
0551	Purchase of durable farming goods	
0552	Purchased minor farming goods	
0553	expenses of maintenance of farming goods	
0560	Usual Expenses of house cleaning	
0561	Expenses on house cleaning articles	
0562	Wage paid to watchman, driver, servant, gardener etc	
0610	Expenses of Health and medicine related equipment	
0611	Medicine expenses	
0612	Expenses of medicine and contraceptives	

Section — 4 Noon-food expenditures and inventory of durable goods

4.1 Non-food expenditure

(4.11) Code	(4.12) Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if household did not)	Rs.
	Yes 1 No 2	
0613	Ex-penses on durable health related goods	
0620	Health related OPD general services	
0621	Doctor fee (OPD Only)	
0622	Dental service fee (OPD general fee only)	
0623	Lab test fee , for example: blood test, X-ray , etc	
0630	Expenses of hospital, Nursing and other	
0631	Registration fee of hospital, Nursing home, bed and lab	
0632	Traditional medicine and health service (Dhami, Jhakri, etc)	
0633	Other health related expenses (ambulance)	
0710	Expenses of personal vehicle	
0711	purchases of personal car, jeep, van, etc four wheel vehicle	
0712	Purchases of personal two wheel scooter and motorcycle	
0713	Purchases of personal cycle, rickshaw	
0714	Purchases of personal horse, bullock carts etc	
0720	Operating and repairing cost of vehicle	
0721	Paid for Accessories and spare parts	
0722	Fuel and lubricant	
0723	Paid for repairing and services charge only	
0724	Ex-penses on other personal transportation services	
0730	Public transportation service fare	
0732	Domestic road transportation and train fare	
0733	Domestic Air fare	

(4.11) Code	(4.12) Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if household did not)	Rs.
	Yes 1 No 2	
0736	Domestic cable car fare	
0737	School/college transportation cost	
0738	Porter expenses	
0800	Communication cost	
0810	Postal and courier services	
0820	Purchased of Telephone, Mobile, fax etc	
0821	Paid to wages to repairing of telegraph equipments	
0830	Paid to service of telephone, mobile, internet and fax	
0910	Cost of audio, visual, photographic and processed information	
0911	Purchased of radio, T.V., Deck, DVD player etc equipment	
0912	Purchased of camera, video camera etc equipment	
0913	Purchased of computer, printer, calculator etc equipment	
0914	purchased of C.D, D.V.D etc media recorded etc.	
0915	wage Paid to repairing of these equipments	
0920	music and entertainment related durable goods expenses	
0922	music instrument and in-house game materials	
0923	maintenance repairing of musical instruments	
0930	Sports and hobby related expenses	
0931	cost of doll, sport software and other	
0932	purchased of sports, exercise and capsing material	

Section — 4

Non-food expenditures and inventory of durable goods

4.1 Non-food expenditure

(4.11) Code	(4.12) Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if household did not)	Rs.
0933	Natural and artificial garden, purchasing of plants and flowers	
0934	purchased of dog and cat foods and their cage	
0935	Wages paid to veterinary services	
0940	Cost of amusement and cultural services	
0941	Service charge for sports and cultural program (Entry fee and rent)	
0942	Cultural service cost (cinema ticket, cable fee)	
0943	Cost of lottery, casino, bingo	
0950	Books, magazine and stationary	
0955	Purchased of school and college curriculum books	
0951	Purchased of other books	
0952	Cost of magazine (all kinds)	
0953	Cost of post card, greeting card, visiting card	
0954	Purchased stationary goods	
0960	Domestic holiday package	
0961	Domestic travel cost (Without nightstay)	
0962	Domestic travel cost (nightstay)	
1000	Education cost (registration, exam, tuition fee only)	
1010	Pre-primary / primary education	
1020	Middle secondary education	
1030	Higher secondary education	

(4.11) Code	(4.12) Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if higher education: Bachelor, degree and more than above undefined level of technical and vocational training)	Rs.
1040	Higher education: Bachelor, degree and more than above	
1050	undefined level of technical and vocational training	
1120	Hotel and hostel cost	
1121	Hotel cost (excluding tour and food cost)	
1122	Hostel cost	
1210	Cost of personal decorate items	
1211	Cost of Nai, beauty parlor and massage services	
1212	Purchasing cost of electrical equipment which is used in personal decorate	
1213	Purchasing of other decorate items for personal use	
1230	Purchasing and repairing of other personal items	
1231	Acquisition of ornaments and watch	
1232	Acquisition of other personal items	
1233	Wage paid to repairing personal items	
1240	Expenses of Social security	
1241	Assistance for social security (donation to elderly, handicapped, disabled, helpless, poor, disaster victims, etc.)	
1250	Insurance cost	
1251	Premium amount of life insurance	
1252	Premium amount of Non-life insurance	

Section — 4 Noon-food expenditures and inventory of durable goods

4.1 Noon-food expenditures

(4.11) (4.12) Code	Which of the items or services listed below this household bought or received in kind in the past 12 months	(4.13) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(Enumerate: Write code 1, if household purchased or received and write code 2 if household did not)	Rs.
1260	Banking services Expenses	
1262	Fee paid to bank and financial services	
1270	Administrative and legal fee and other expenses	
1271	Registration, renew and recommendation fee	
1272	Legal expenditure	
1273	Non-food expenditure not included to other classification (Excluding cost of birth, death, marriage, etc program, cost paid to Priest, Jolisi, cost of advertisement of	
1280	Expenditure On International visit	
1281	Expenses of food and beverage of international visit	
1282	Hotel and other living expenses of international visit	
1283	Foreign travel expenses (land and water)	
1284	Air fare expenses to & fro, for foreign air vis	
1285	Medical expenses in abroad visit	
1286	Expenses of Medical equipment in abroad visit	
1287	Expenses paid to health services in abroad	
1288	Cinema, pub, theater, recreation expenses, at foreign	
1289	park, exhibition, religious place entrance fee at foreign	
1290	purchase of goods at foreign- clothes, shoes, slipper	
1291	purchase of goods at foreign- TV, camera, computer, mobile	
1292	purchase of goods at foreign-jewelry	
1293	Other expenses at foreign- goods and services	
4100	Total non-food expenditure	

4.2 Consumption of self made goods

(4.21) (4.22) code	Which of the following items produced and consumed yourself during the last 12 months?	(4.23) What is the money value of the purchased or in kind items/services received by this household in the past 12 months
	(If Self produced and consumed, write 1, and 2 for not)	Rs.
001	Dalo, Nanglo, Doko, Namlo, Rope, etc.	
002	andro, Gundri, Sukul, Mudha, Bhakari, Chitro, Broom, etc	
003	Radi, Pakhi, carpet, Hornespun clothes, etc.	
004	Furniture and allied wooden materials	
005	Sickle, Chulesi, Knife, etc.	
006	Tailoring	
007	Shoe making/repairing	
008	Pickle, Gundruk, Masyaura, Titaura, Jam, etc.	
009	Blogas	
010	Minor house repairing	
011	Water fetching	
012	Firewood/Dung collection	
013	Other (C-ommunal constuction, Duna, Tapari, Batti, etc.)	
420	Total	

4.3 Information on Durable Items

(4.31) S.N	(4.32) Which of the items listed below does the household own(at the enumeration day) ? (Write code 1, if household has items and ask question c and write code 2 if household did not have items and ask whether other items have or have not	(4.33) How many (items) does your household own ?	(4.34) how did you get this items ? Buy _____ 1 In kind _____ 2 Wages _____ 3 Dowry, Ansa(share) _____ 4 Others _____ 5 If more than one items, write description of latest received items	(4.35) How many years before did (items) buy or receive in kind ?	(4.36) What was the market value of the this item when you have bought or received ? (if more than one item included total value of all items)	(4.37) If you wanted to sell the (item) today, how much money would you receive ?
001	Big four footed animal(cow, ox, buffalo)					
002	small four footed animal(ram, goat,wild goat)					
003	Furniture (both Wooden, steel)					
004	Radio/ tape/CD player/DVD Player					
005	T.V.					
006	Camera (steel/ movie)					
007	Cycle					
008	Motbrcycle/Scooter					
009	Car etc					
010	Refrigerator					
011	Micro oven					
012	Giger (Gas, electric)					
013	Heater (gas,kerosene, electric)					
014	Electric fan					
015	Air conditioner /Air cooler					
016	Sewing Machine					
017	Washing machine					
018	Water Motor					
019	Vacuum cleaner					
020	Computer/printer					
021	Inverter					
022	Sollar					
023	Golden silver ornaments					
430	Total					

Annex 5:

Part 5: Economic Activities

Section 5 Economic Activities

(5.00) Respondent ID

5 years of age and above only

Now, I am asking about economic activities that you have done in the last 7 days. Some of these activities (Question No. 5.01) are related to economic activities and some of them (Question No. 5.02) are related to household activities.

(5.01) What work (Name) did during the last 7 days ?

Enumerate: The real time spent in worked activities would be Specify in hour during the last 7 days. Write - if not worked

ID CODE	with Salary or Wages		Self employed				Details economic activities					Total hour (A+b+j)
	A Agriculture	B Non-Agriculture	C Agriculture	D Non-Agriculture (Industry, Trade/Business)	E Food Processing	F clothes knitted and crocheted, handcraft	G Construction and minor repair work	H drinking water	I Fire wood/ Dung collection	J Other		
01												
02												
03												
04												
05												
06												
07												
08												
09												
10												
11												
12												

- A. Agricultural activities in Cash or in kind, for example clothes, food, etc as a wages and salary
- B. Non-agriculture activities in Cash or in kind, for example clothes, food, etc as a wages and salary
- C. Self farming, ploughing, harvesting, bird watching in farm, insect killing, sheep/ed, poultry farming
- D. Retail shop, other trade and business in shops or street, bringing goods at market to sale, taxi, tempo driving, tuition, coaching etc
- E. grinding grains, edible oil processing, other food processing (except domestic cooking)
- F. clothes knitting, crocheted and handcraft

- G. construction of houses for self and minor repair works, etc
- H. Fetching water
- I. Firewood collection, dung making
- J. Other home economic activities

5 years of age and above only

(5.02) among the following activities, did (Name) worked for household and community during the last 7 days?

(Enumerate: Fill each activity from left to right serially

(Enumerate: Specify the real hour spent in work during the last 7 days

ID CODE	Cooking for household /feeding	Dish washing, clothes washing, house cleaning	General repairing of house	Household shopping	care taking - sick, disabled, elderly	Child care	Other volunteer and community work	Total hours (A to G)	Write from the Question No. 5.01 (From previous pages)	Gross Total (T1+T2)
	A	B	C	D	E	F	G	T2	T1	T
01										
02										
03										
04										
05										
06										
07										
08										
09										
10										
11										
12										

- F. Baby Feeding, care taking, fetching to school
- G. Other volunteer and community services

5 years of age and above only

IDENTIFICATION CODE	To be asked if in QN 5.01 column T1 has '0' in response, otherwise go to QN 5.06		(5.06)	(5.07)	NSIC CODE
	(5.03)	(5.04)	(5.05)	(5.06)	
01	What was the main type of work (Name) did in the last 7 days?	What is the main good or service produced at the place where (Name) works/ worked ?	What was the main type of work (Name) did in the last 7 days? (Enumerate: Write the post and work which is done in last 7 days, if not worked write the business or job he/she will be returning. Specify if agriculture related, the work is for family or business. Specify if it is skill or un-skill work and if it is in horticulture, farming, vegetable, poultry, livestock, fishery or forestry. (Codes are given in annex 6.5)	What is the main good or service produced at the place where (Name) works/ worked ? (Enumerate: Write name of the good product or office, organization or industry or bank where (Name) worked. Specify public or private sector if it is not farm or shop or business. (Codes are given in the annex 6.6)	
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					

5 years of age and above only

5 years of age and above only			Only for paid workers		
(5.08)	(5.09)	(5.10)	(5.11)	(5.12)	(5.13)
Which major service sector does/ did (Name) is/ was involved in?	In this main job, what is/ was the status of (Name) involvement?	How many paid workers (Name) are/ was where works/ worked?	How/ what basis (Name) is/ was paid?	What is/ was the periodicity of the payment at his/ her main work?	How much did (Name) earned in cash last month from his/ her main work?
Public service Public Corporations Private bank and financial Other Private organized Other Private unregistered Non-government institutions Household Others	1 Salary/ Wages 2 Own business (including regular) 3 Paid worker 4 Own business (including regular) 5 Not Paid worker 6 un-Paid for household 7 Helper 8 Other	1 Not 2 1-4 3 5-9 4 10 or more than 5 un-Paid for household	1 Fixed period payment 2 Lump sum payment 3 4	1 Daily 2 Weekly 3 Monthly 4 Other	▶ Another Person ▶ Another Person
					a Cash Rs. In kind b In kind
01					a b
02					
03					
04					
05					
06					
07					
08					
09					
10					
11					
12					

5 years of age and above only

5 years of age and above only			Semi-employment (Worked less than 40 hours per week)			Unemployment (Didn't work for economic activity)		
(5.15)	(5.16)	(5.17)	(5.18)	(5.19)	(5.20)	(5.21)	(5.22)	(5.23)
How many hours did (Name) work in the last 7 days?	Was (Name) available to do additional work during the last 7 days?	Did (Name) look for additional work during the last 30 days?	Why wasn't or didn't (Name) available or look for work in the last 7 days or 30 days?	Was (Name) available to do work during the last 7 days?	Did (Name) look for work available or look for additional work in the last 30 days?	Why wasn't or didn't (Name) available or look for additional work in the last 7 days or 30 days?	Other reason	Other reason
Enumerate: Copy total hours from 5.01, column 11 (a) If more than 40 or more than 40 hours ▶ Another person (b) If more than 0 hour and less than 40 hours or 0 hour, ask continuously 0 If 0 hour, even if 2 in C6.03 or 2 in C6.05 5.19	Yes 1 No 2 ▶ 5.18	1 Searched 2 ▶ not searched 3 ▶ searched another person 4 ▶ Not searched	1 Student, un-paid training 2 Older, patient, disabled 3 Holiday, household cause 4 In household rent, pension, re 5 Other non self reason ▶ Other person	6 Yes 1 7 No 2 8 ▶ 5.21 9 10 11 12	1 Looked 2 ▶ other person 3 ▶ 5.21 4 Waiting for job/ 5 starting business 6 Off season 7 Didn't find work 8 Other reason	▶ completed		
Total hours								
01								
02								
03								
04								
05								
06								
07								
08								
09								
10								
11								
12								

Annex 6.1: District Codes

District	Code	District	Code	District	Code	District	Code
TAPLEJUNG	1	SINDHULI	20	SYANGJA	39	BARDIYA	58
PANCHTHAR	2	RAMECHHAP	21	KASKI	40	SURKHET	59
ILAM	3	DOLAKHA	22	MANANG	41	DAILEKHA	60
JHAPA	4	SINDHUPALCHOK	23	MUSTANG	42	JAJARKOT	61
MORANG	5	KAVRE	24	MYAGDI	43	DOLPA	62
SUNSARI	6	LALITPUR	25	PARBAT	44	JUMLA	63
DHANKUTA	7	BHAKTAPUR	26	BAGLUNG	45	KALIKOT	64
TEHRATHUM	8	KATHMANDU	27	GULMI	46	MUGU	65
SANKHUWASABHA	9	NUWAKOT	28	PALPA	47	HUMLA	66
BHOJPUR	10	RASUWA	29	NAWALPARASI	48	BAJURA	67
SOLUKHUMBU	11	DHADING	30	RUPANDEHI	49	BAJHANG	68
OKHALDHUNGA	12	MAKWANPUR	31	KAPILBASTU	50	ACHHAM	69
KHOTANG	13	RAUTAHAT	32	ARGHAKHANCHI	51	DOTI	70
UDAYAPUR	14	BARA	33	PYUTHAN	52	KAILALI	71
SAPTARI	15	PARSA	34	ROLPA	53	KANCHANPUR	72
SIRAHA	16	CHITWAN	35	RUKUM	54	DADHELDHURA	73
DHANUSHA	17	GORKHA	36	SALYAN	55	BAITADI	74
MAHOTTARI	18	LAMJUNG	37	DANG	56	DARCHULA	75
SARLAHI	19	TANAHU	38	BANKE	57		

Annex 6.2: Education Codes

Educational level	Code	Educational level	Code	Educational level	Code	Educational level	Code
Nursery/KG/Pre schooling	0	Class 5	5	Class 10	10	Academic degree	15
Class 1	1	Class 6	6	SLC	11	Literate (class less)	16
Class 2	2	Class 7	7	IA/12 class or equivalent	12	Illiterate	17
Class 3	3	Class 8	8	Bachelor	13		
Class 4	4	Class 9	9	Master	14		

Annex 6.3: Unit Codes

Measurement unit	Code	Measurement unit	Code	Measurement unit	Code	Measurement unit	Code
Kilogram	1	Litre	4	<i>Pathi</i>	7	Number/count	10
Gram	2	Millilitre	5	<i>Mana</i>	8	Dozen	11
Man	3	<i>Muri</i>	6	<i>Karuwa</i>	9	Quintal	12

Annex 6.4: Formal Vocational/Occupational Training Classification (related to question number 1.19)

	Code		Code		Code
GENERAL (INCLUDING LITERACY)		LAW		ENGINEERING	
General education (including literacy)	011	Law	081	Engineering (including watch, radio, TV, computer etc. assemble and repairs)	141
TEACHER TRAINING, INCLUDING TRAINING FOR EXTENSION		NATURAL SCIENCES		ARCHITECTURE AND TOWN-PLANNING	
Teacher training for work in adult education.	021	Biology	091	Architecture	151
Other programmes in teacher training	022	Geology	092	Town or community planning	152
Teacher training not included elsewhere	029	Physics	093	Architecture and town-planning n.e.c.	159
FINE AND APPLIED ARTS		Other natural sciences	094	AGRICULTURE, FORESTRY, AND FISHERIES	
Audio-visual (Radio/TV Program) and plastic arts, carving, sculpture	031	Natural science n.e.c.	099	Agriculture, animal husbandry	161
Handicrafts, spinning, weaving	032	MATHEMATICS AND COMPUTER SCIENCE		Forestry and forest products technology	162
Music, Dance	033	Computer science (software development only)	101	Fisheries	163
Drama	034	Mathematics, statistics and actuarial work	102	Animal health and veterinary science	164
Other fine and applied arts (photography, cinematography, music production, printing/publication)	035	HEALTH-RELATED PROGRAMMES		HOME ECONOMICS (DOMESTIC SCIENCE) N.E.C.	
Fine and applied arts n.e.c.	039	Nursing and other medical auxiliary programmes (Traditional birth attendant)	111	Programmes with emphasis on child care	171
HUMANITIES		Medicine, dentistry and surgery (Pathology service)	112	Other home economics programmes	172
A "foreign" or second language and its literature	041	Other health-related programmes	113	Home economics n.e.c.	179
History, archaeology	042	Health n.e.c.	119	TRANSPORT AND COMMUNICATIONS	
Other humanities (interpreter, translator)	043	CONSTRUCTION TRADES		Driving skills and motor vehicle operation	181
Humanities n.e.c.	049	House painting	121	Aircraft operation	182
RELIGION AND THEOLOGY		Carpentry	122	Other transport and communication programmes	183

	Code		Code		Code
Religion and theology	051	Bricklaying	123	Transport and communications n.e.c.	189
SOCIAL AND BEHAVIOURAL SCIENCE		Plumbing	124	SERVICE TRADES	
Economics/banking	061	Electrician	125	Cooking and food preparation	191
Political science	062	Other construction trades	129	Other hotel and restaurant trades	192
Sociology	063	OTHER CRAFT, TRADE AND INDUSTRIAL N.E.C.		Hairdressing, Beauticians work	193
Psychology	064	Metal trades (welding)	131	Police work	194
Geography	065	Mechanic trades (including mechanical repair)	132	Other protective services (Environment)	195
Other social and behavioural sciences (Journalism, information)	066	Furniture making and repair	133	Other service trades (including tourism)	196
Social and behavioural science n.e.c.	069	Shoe making and repair	134	Service trades n.e.c.	199
COMMERCIAL, CLERICAL, BUSINESS AND PUBLIC ADMINISTRATION		Printing and book binding trades	135	MASS COMMUNICATION AND DOCUMENTATION	
Shorthand-typing (secretarial)	071	Mine safety and other mine related	136	Mass communication and documentation	201
Clerical	072	Dressmaking, tailoring	137	OTHER	
Labour studies, including personnel administration	073	Other craft, trade and industrial (repair of electrical/electronic appliances)	138	Physical training	211
Account	074	Trade and industry work n.e.c.	139	Other education n.e.c.	212

Annex 6.5: NSCO (Nepal Standard Classification of Occupation)

(Used for Question number 5.06)

Occupations	NSCO
Officers of Armed Forces	011
Directors and chief executives Armed Forces	021
Other workers of Armed Forces	031
Legislators and other government officers	111
Managing director, General Manager and chief executive officers	112
Economic, Human resource, planning and administrating managers	121
Sales, marketing and development Managers	122

Occupations	NSCO
Agricultural, Fishery and fishery production managers	131
Manufacturing processing mining, construction, industry related managers	132
Information and communication sector managers	133
Education, health, economy, insurance, social welfare service managers	134
Hotel restaurant managers	141
Wholesale and retail business sector managers	142
Other sector such as sport, entertainment cultural center managers	143
Physicists, Chemists , geologist and Related Professionals	211
Mathematicians and Statisticians	212
Life Science Professionals:	213
Civil, Architects, industrial and mining Related Engineers	214
Electrics, electronics, and telecommunication related engineers	215
Housing, urban planning, architect, planning cartographer and designers	216
Medical doctors (general and specialists)	221
Nursing and Gina service related doctors equivalent professionals	222
Traditional medical doctors and related occupation	223
Paramedical doctors	224
Veterinary doctors	225
Other health related professionals such as dental, eye, medicine, public health, pharmaceutical, physiotherapists	226
University and higher education teachers, professors	231
Teachers of vocational education	232
Secondary level teachers	233
Primary and pre-primary teachers	234
Other Teaching Professionals such as special education, music, art, information technology	235
Financial analyst, advisor, and finance expert	241
Public administration, training, policy and management expert, advisors,	242
Sales, marketing, advertisement, public relation expert and professionals	243
Software, system, web designing, application programmer and analysis	251
Database, computer network, developers professionals and producers	252
Legal officers (Lawyers, Judges)	261
Library and museum officers	262
Economist, sociologist, philosophers, psychologists, historians and professionals of religious sectors	263
Writers, journalists, translator, linguistics	264
Actors, painters, musicians, dancers, film producers, song writers, play directors and producers	265
Physical science and engineering technicians	311
Mining, processing construction supervisors	312

Occupations	NSCO
Mining, processing, electricity, gas, machining operators	313
Life science technicians	314
Ship navigators, aero plane pilots, aeronautical technicians	315
Medical, lab, pharmacy technicians	321
Nursing and child birth technicians	322
Traditional cure professionals	323
Veterinary technical assistants and technicians	324
Other health related subordinates such as VHA, dental, ambulance, health record keepers,	325
Account, finance, mathematics, statistics, field related officers and associates	331
Sales agents, insurance representatives	332
Professional agents such as land, housing, job placement, event management etc.	333
Administration, law, medicine secretaries	334
Regulatory bodies of government, police, custom office, quality control etc. officers and associates	335
Legal, social, religion professionals	341
Sport persons, couch, officers	342
Photographers, interior decorators, museum and library support staffs, cultural professionals	343
Information technology related professionals	351
Telecommunication, radio, TV, technicians	352
Ordinary office Clerks	411
Ordinary clerks	412
Secretaries and Keyboard-Operating Clerks/Assistants	413
Cashiers, Tellers and Related Clerks/Office Assistants	421
Client Information Clerks/Office Assistants	422
Numerical Clerks of finance, audit, insurance/Office Assistants	431
Production and record keeping and transport sector clerks	432
Material-Recording and Transport Clerks/Office Assistants	441
Other Office Clerks/Assistants	511
Transport Attendants and Related Workers such as conductor, helper, guide	512
Housekeeping and Restaurant Services Workers	513
Beauticians, hair cut barbers	514
Security guard at house, protective Service Workers and office assistants (peon) supervisor	515
Personal services such as astrologist, palmist, fortune teller	516
Street vendors	521
Shop cashier, ticket checker	522
Fashion and Other Models	523
Nursery/child care service	524

Occupations	NSCO
Private home nurse care service	531
Protective Service Workers such as ambulance, fire brigade, jail service	532
Market-Oriented Gardeners and Crop Growers	541
Market-Oriented Animal Producers and Related Workers	611
Market-Oriented Crop and Animal Producers	612
Market-oriented Forestry Workers	613
Market-oriented Fishery Workers	621
Market-oriented Fishery Workers	622
Subsistence Agriculturalist (crop farming)	631
Subsistence Agriculturalist (animal farming)	632
Subsistence Agriculturalist (both crop and animal farming)	633
Subsistence Agriculturalist (fishery, hunting)	634
Building Frame and Related Trades Workers	711
Building Finishers and Related Trades Workers	712
Painters, Building Structure Cleaners and Related Trades Workers	713
Metal Molders, Welders, Sheet-Metal Workers, Structural-Metal Preparer	721
Blacksmiths, Tool-Makers and Related Trades Workers	722
Machinery , bus, motor, cycle, repair, mechanics	723
Textile, Garment and Related Trades Workers and Wood Traders, Cabinet-Makers and Related Traders Workers	731
Printing, Binding and Paper Products Machine Operators	732
Electrical and Electronic Equipment Mechanics and Fitters	741
Electronic and telecommunication fitting, repair service	742
Food Processing and Related Trades Workers	751
Wood Traders, Cabinet-Makers and Related Traders Workers	752
Readymade garments, shoes, related workers such as sewing, embroidery	753
Fixed machine operator not mentioned elsewhere	754
Metal and Mineral Products Machine Operators	811
Automated-Assembly-Line and Industrial-Robot Operators	812
Chemical-Products Machine Operators	813
Rubber and Plastic Products Machine Operators	814
Textile, Fur and Leather-Products Machine Operators	815
Food and Related Products Machine Operators	816
Wood-Products Machine Operators	817
Other machine operator not mentioned elsewhere	818
Mechanical, electronics, electric part repairing and assemble	821
Locomotive-Engine Drivers and Related Workers	831
Motor Vehicle Drivers	832

Occupations	NSCO
Heavy truck, bus drivers	833
Agricultural and Other Mobile-Plant Operators	834
Ship driving person	835
Domestic and Related Helpers, Cleaners and Launderers	911
Laundry, auto washer	912
Agricultural, Fishery and Related unskilled Labourers	921
Mining and Construction Labourers	931
Manufacturing Labourers	932
Transport Labourers and Freight Handlers	933
Restaurant or private house cook	941
Footpath shopkeeper, or food seller at street	951
Street Vendors and Related Workers	952
Garbage Collectors and Related Labourers	961
Drinking water supplier and transporter	962
Firewood worker	963
Other unskilled worker(postman, porter, electric meter reader,)	964
Household Work	965
Undefined profession	999

Annex 6.6: NSIC (Nepal Standard Industrial Classification)

(Related to Question Number 5.07)

Industries	NSIC
Agriculture livestock, animal husbandry, hunting and related activities	01
Forestry, logging and related service activities	02
Fishing, operation of fish hatcheries and fish farms; service activities incidental to fishing	03
Mining of coal and lignite; extraction of peat	05
Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction	06
Mining of metal ores	07
Other mining and quarrying	08
Mine related activities and services	09
Manufacture of food products	10
Liquor and beverages related	11
Manufacture of tobacco products	12
Manufacture of textiles, carpet, rope	13
Manufacture of wearing apparel; dressing and dyeing of fur	14
Tanning and dressing of leather; manufacture of luggage, handbags, saddler and harness	15
Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of	16

Industries	NSIC
Manufacture of paper and paper products	17
Publishing, printing and reproduction of recorded media	18
Manufacture of coke, refined petroleum products and nuclear fuel	19
Manufacture of chemicals and chemical products	20
Manufacture of drugs and production related	21
Manufacture of rubber and plastics products	22
Manufacture of other non-metallic mineral products	23
Manufacture of basic metals	24
Manufacture of fabricated metal products, except machinery and equipment	25
Manufacture of office, accounting and computing machinery	26
Manufacture of electrical machinery and apparatus n.e.c.	27
Machine and equipment n.e.c.	28
Manufacture of motor vehicles; trailers and semi-trailers	29
Manufacture of other transport equipment	30
Manufacture of furniture; manufacturing n.e.c.	31
Manufacture of other products such as jewelry, sport materials, musical instruments, wheel chair, umbrella, pen, pencil, helmet, button etc	32
Machines and equipment assembling activities	33
Electricity, gas supply, air condition, supply related	35
Drinking water production, purification supply related	36
Drainage related	37
Garbage collection, recycling	38
Pollution infected house, land, water purification	39
Housing and construction	41
Civil engineering related to road, bridge, airport, tunnel, dam, irrigation construction	42
Special construction such as site , wiring, solar fitting, plumbing	43
Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel	44
Wholesale trade and commission trade of motor vehicles and motorcycles	45
Wholesale trade and commission trade, except of motor vehicles and motorcycles	46
Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods	47
Land transportation, electrical transportation like trolley bus, cable car	49
Water transport	50
Air transport	51
Supporting and auxiliary transport activities; activities of travel agencies	52
Post and courier services	53
Hotels and lodging	55
Restaurants an related	56
Book and magazine publication	58

Industries	NSIC
Cinema, video, TV, sound recording, music	59
TV, Radio announcing, program related	60
Telecommunication related	61
Computer programming, advice, and related activities	62
Information technology related such as data processing, web design, portal, news agency,	63
Financial intermediation, except insurance and pension funding	64
Insurance and pension funding, except compulsory social security	65
Activities auxiliary to financial intermediation	66
Real estate activities	68
Legal, audit activities	69
Central or corporate office activities and management advice activities	70
Architect engineering technical examination and analysis related	71
Scientific research and development related	72
Advertisement, market analysis and opinion poll related	73
Other scientific profession related	74
Animal health and veterinary activities	75
House renting, vehicle renting, other machine and equipment renting	77
Manpower related	78
Travel and tourism, tour operator	79
Security guard, private detective,	80
Home/building security, cleaning, maintenance,	81
Office assistant and support activities	82
Public administration, social security related work, police, administration, foreign affair and local central government permission and monitoring authority related	84
Education	85
Human health related as hospital clinic activities	86
Hostel in charge of old age home, orphanage, hostel, nursing home rehabilitation center	87
Social work without residential provision such as elderly, disable - advisory, support	88
Creative art, play, dance, stage related	90
Library, museum and cultural activities	91
Gambling and game of chance related	92
Sport and recreation related	93
Political party, trade union, professional association, religious institute	94
Computer and communication, maintenance	95
Other personal services such as beauty parlor, dry cleaner, marriage bureau	96
Housemaid and labour hiring service	97
Self-done household work and household production	98
INGO and its related institution related activities	99

Annex 6.7: Roster

A	B	C
IDENTIFICATION CODE	According to this survey definition tick (✓) if household members only	Write the name of all persons household before asking the question from 1.01 to 1.04 (Enumerator: Firstly head of the household, After that hasband/ wife of head of household, son/ daughterin law, Daughter/ son in law, Father/mother, Mother in law/father in law, Brother/Sister and grandson/ graddaughter etc . Write the name of the absent member after finished the name of the household member who usually live.
01		
02		
03		
04		
05		
06		
07		
08		
09		
10		
11		
12		

(Footnotes)

- ¹ Elementary occupations includes simple and routine tasks which mainly require the use of hand-held tools and often some physical effort such as selling goods in streets and public places, or from door to door; providing various street services; cleaning, washing, pressing; taking care of apartment houses; washing windows and other glass surfaces of buildings; delivering messages or goods; carrying luggage; door keeping and property watching, etc.
- ² In previous survey AHS II, ‘employed others’ was not calculated, however it is the complementary event of the rest categories of underutilization which is calculated in % term as, employed others = 100% - (total underutilized LF).
- ³ Literacy rate of urban rural in Census 2011 is for 5 years and above population

