



Policy Brief

Thinking Policy Together

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Assessing Labour Productivity for Migori County

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Overview of the County

Migori County is a member of the Lake Region Economic Bloc (LREB). The county is a semi-arid county experiencing between 10 and 29 per cent aridity. The county has a total land mass of 2,586 km² and has eight Sub-Counties namely: Awendo, Kuria East, Kuria West, Nyatike, Rongo, Suna East, Suna West, and Uriri.

Key Highlights

The productivity of Migori County is characterized by the following:

- i. The services sector is dominant in the County Gross Value Added (GVA) but the share is declining as the share of agriculture is growing. The industry sector's share is declining and is dominated by manufacturing.
- ii. The quality of labour requires interventions to reduce teenage pregnancy, child poverty rate, and stunting, and increase secondary school enrolment and children immunization.
- iii. The essential infrastructure requires access to improved sanitation and water, internet connectivity, and electricity.
- iv. The agriculture sector is the highest employer. In the services sector, many are in wholesale and retail trade and in manufacturing food products and repair and installation of machinery dominate.
- v. Labour productivity is lowest in agriculture as explained by the dominance of subsistence, low-technology farming systems. Industry labour productivity is highest in mining.

To enhance productivity, there is a need to:

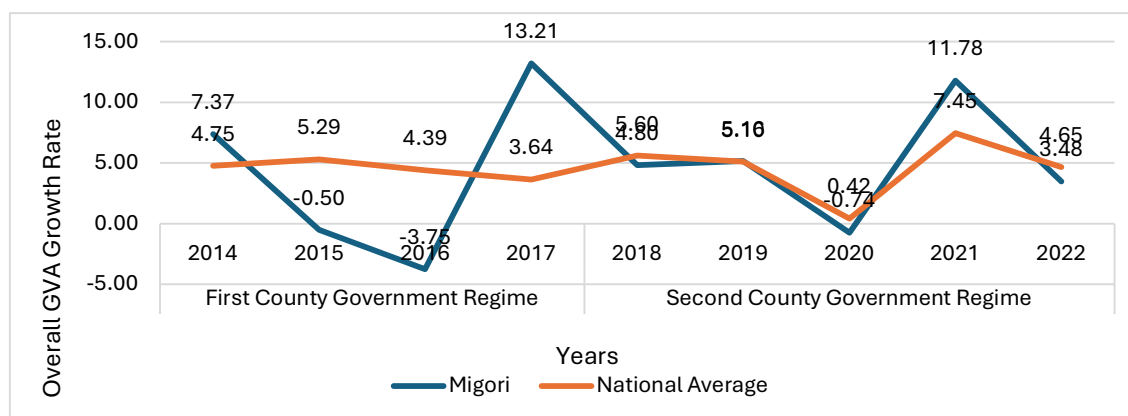
- i. Enhance agriculture productivity by developing the poultry and dairy value chain, promoting emerging apiculture, and improving practices in crop farming including in maize.
- ii. Encourage investments in manufacturing to grow mining and construction sub-sectors and support the implementation of the County Aggregation Industry Park to enhance the productivity of the MSMEs.
- iii. Secure quality of labour with nutritional programmes, creating awareness and supporting teenage mothers to go back to school, encouraging immunization, and increasing secondary enrolment.
- iv. Invest in essential infrastructure to improve access to electricity, internet, and improved sanitation and water.

Migori County Economic Performance

Migori County contributes on average 1.2 percent of the National Gross Value added with an average GVA of Ksh 90,9464 million. The GVA per capita for Migori County is Ksh 81,463.9184 with an average population growth of 2.6 per cent and overall poverty levels at 48 per cent.

Migori County has shown a steady growth in GVA with an average growth rate of 4.54 percent in 2013-2022, which is higher than the national average growth of 4.37 percent. The highest growth rate was in 2017 (Figure 1).

Figure 1: Migori County GVA growth rate

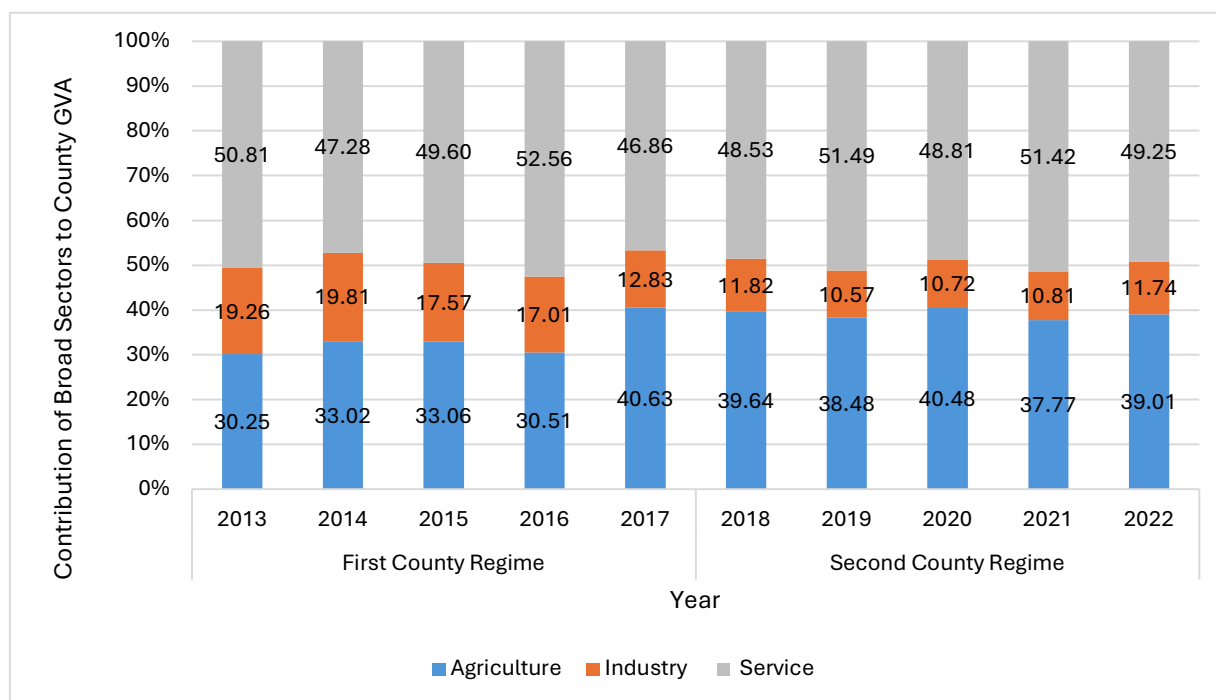


Data source: KNBS 2023-Gross County Product

Sectoral Contribution to County Gross Value Added

The services sector is dominant in Migori County with an average contribution to GVA of 49.66 percent. The agriculture sector is second, contributing an average of 36.29 percent to the GVA while the industry sector contributes about 14.21 percent (Figure 2).

Figure 2: Contribution of broad sectors to Migori County GVA

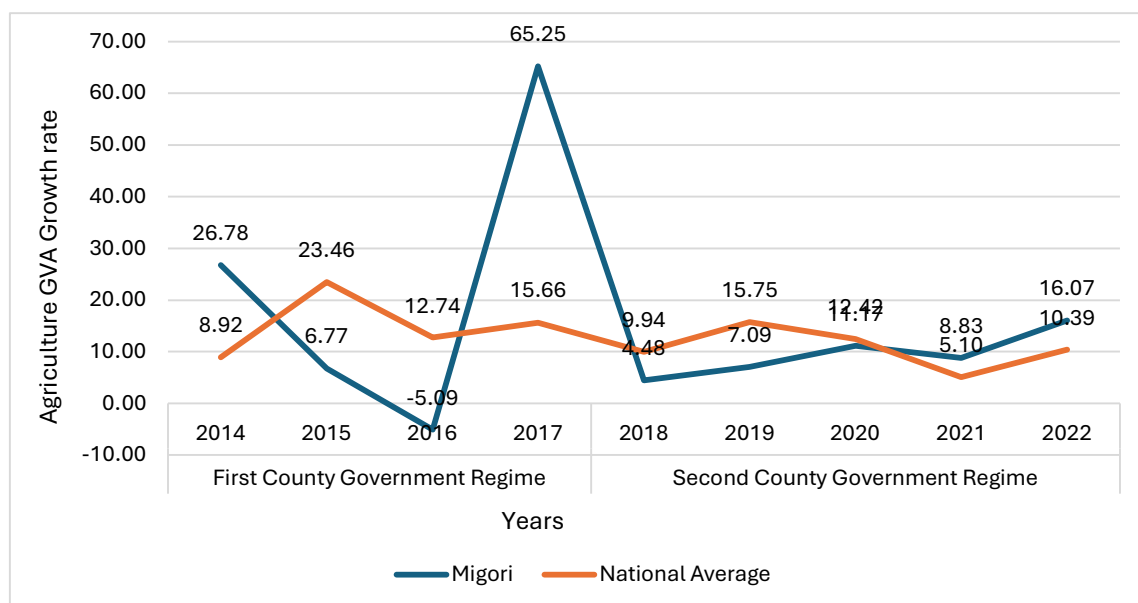


Data source: KNBS 2023-Gross County Product

Agriculture Sector

The average growth rate of agriculture GVA in 2013-2022) is 15.71 percent, which is above the national average of 12.71 percent.

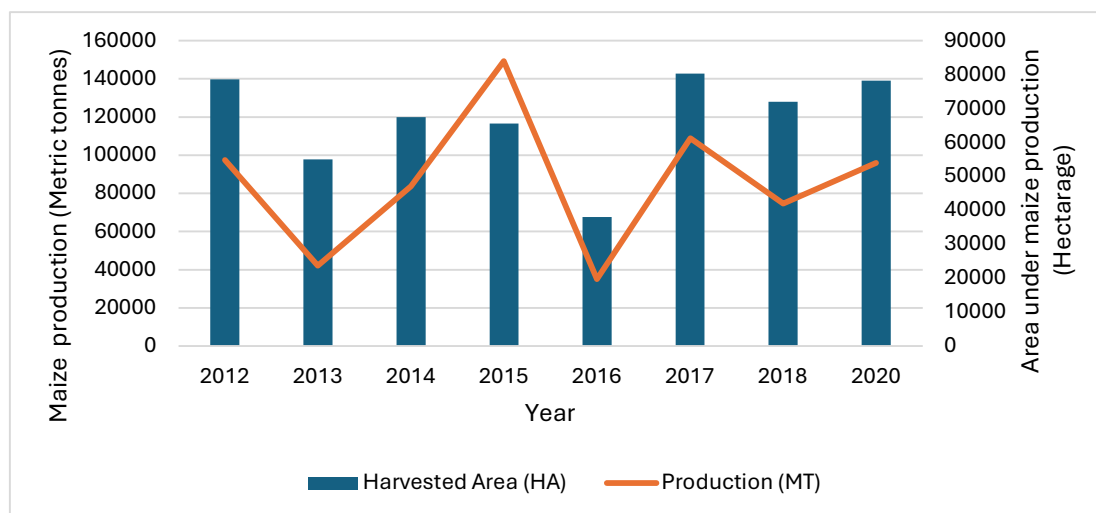
Figure 3 : Migori County agriculture GVA growth rate



Data source: KNBS 2023-Gross County Product

Maize, the main staple food in the country, is also the main food crop produced in Migori County. Maize production and area under production have fluctuated over the years. The lowest maize production (metric tonnes) and area under-harvested maize was in 2016 due to armyworm invasion in the African region (Figure 4).

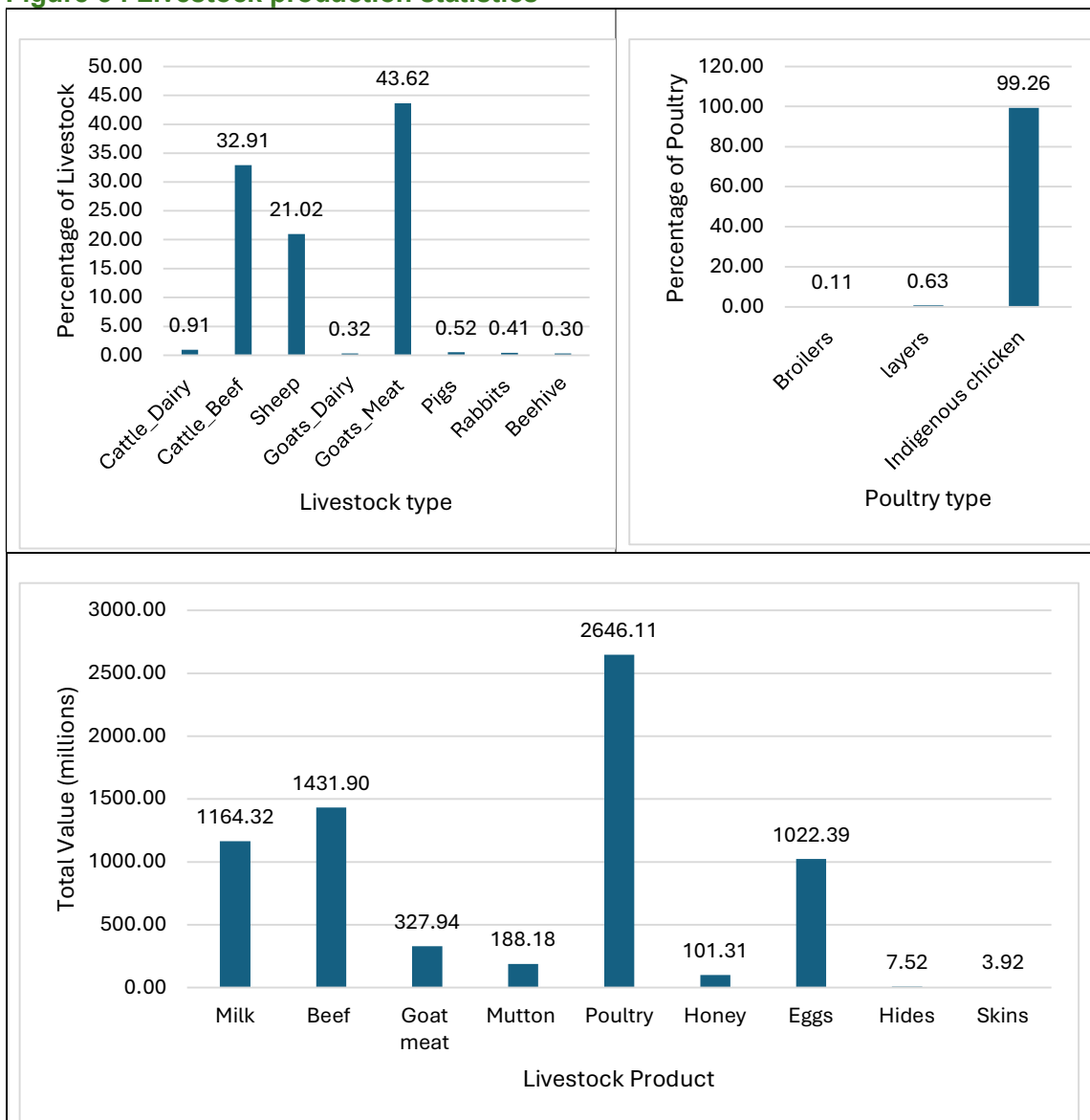
Figure 4: Maize production and area under maize production



Data source: National Information Platform for Food and Nutrition (NIPFN)

Livestock production in Migori County is on a smaller scale. The most common types of livestock in the county are beef cattle and meat goats. The county has the highest number of poultry in the country with the most common type being indigenous chicken. The comparative advantage in poultry production is reflected in the high value of poultry meat (Figure 5).

Figure 5 : Livestock production statistics

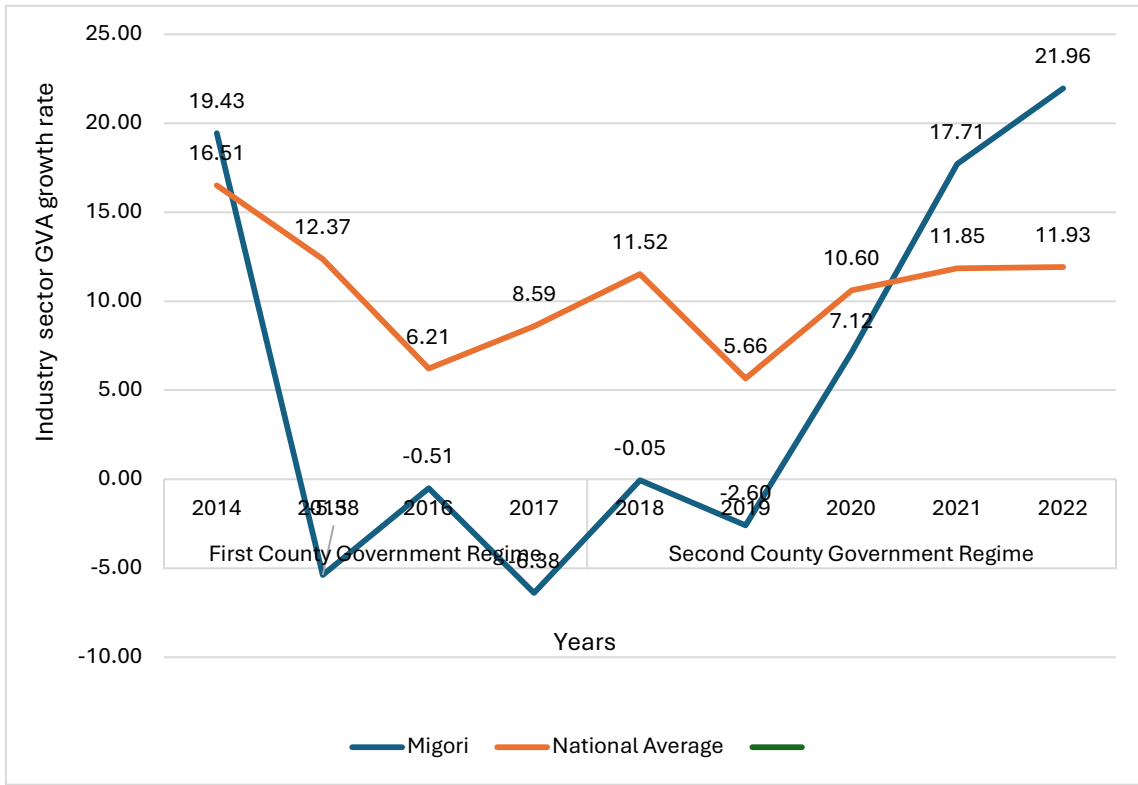


Data source: National Information Platform for Food and Nutrition (NIPFN)

Industry Sector

The average growth rate of the industry sector is 5.70 percent, which is below the national average of 10.58 percent (Figure 6).

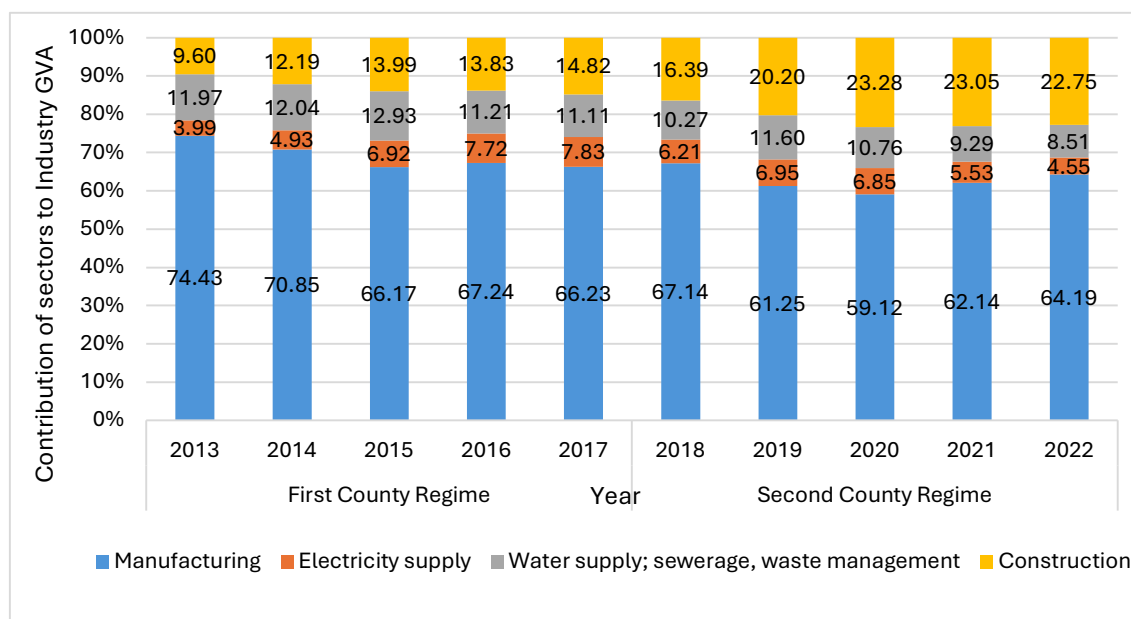
Figure 6: Migori County industry GVA growth rate



Data source: KNBS 2023-Gross County Product

Manufacturing is another important sector in Migori County as it dominates the industry sector as shown in Figure 7.

Figure 7: Contribution of industry sub-sectors to the industry sector GVA

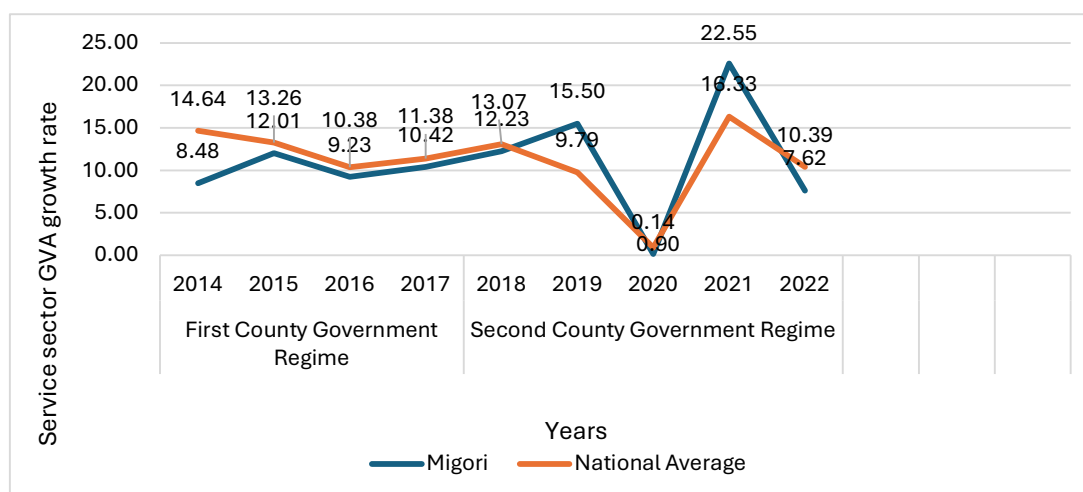


Data source: KNBS 2023-Gross County Product

Services Sector

The average growth rate of the services sector is 9.27 percent, which is below the national average of 11.13 percent (Figure 8).

Figure 7 : Migori County services sector GVA growth rate

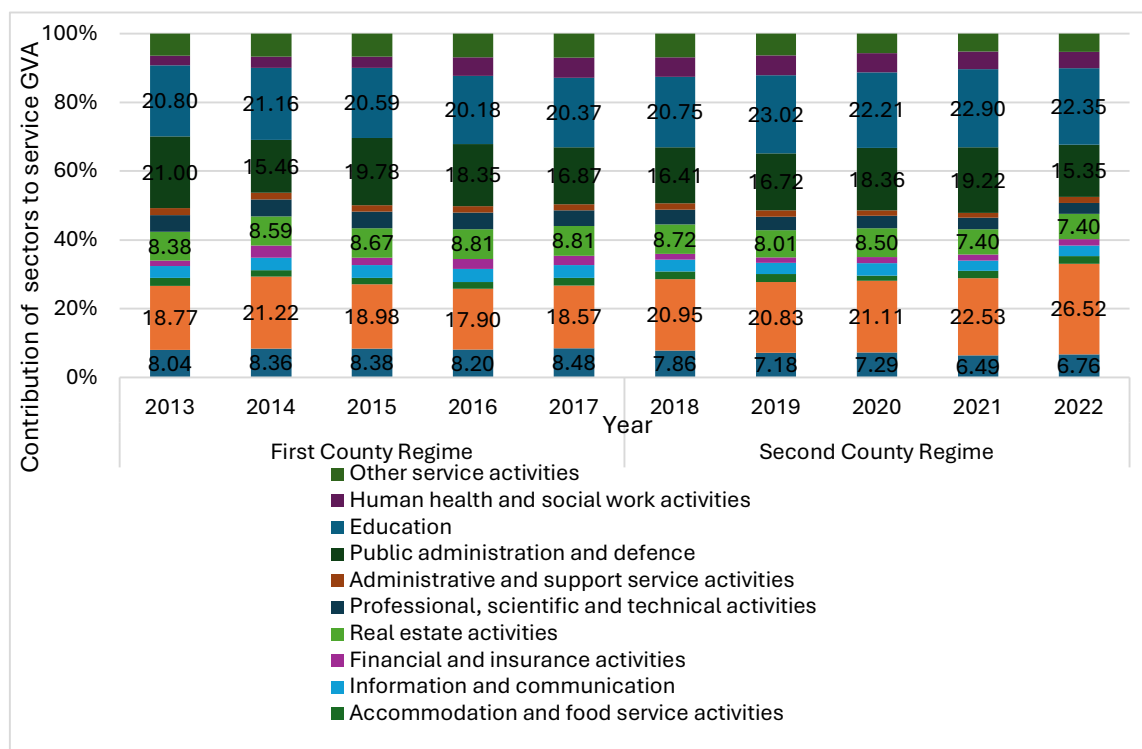


Data source: KNBS 2023-Gross County Product

The education sub-sector dominates the services sector with the highest contribution to service GVA at 21.43 percent (Figure 9). The transport and storage sub-sector is the second

highest contributor to services GVA at 20.74 percent. The public administration and defence sector is third at an average of 17.75 percent.

Figure 9: Contribution of sub-sectors to services sector GVA



Data source: KNBS 2023-Gross County Product

Quantity and Quality of Labour Force in Migori County

Migori County has a total of 567,493 working-age population, which is about 50.83 percent of the total county population (Table 1). Most of the working-age population is youthful (18-34 years) at 53.07 percent.

Table 1: Distribution of the working-age population by age categories

Working age population	Male	Female	Total	Percentage of total working age population (%)

15-17	43,387	43,347	86,734	15.28
18 -24	68,440	80,342	148,782	26.22
25-34	68,354	84,059	152,413	26.86
35-64	86,219	93,345	179,564	31.64
Total	266,400	301,093	567,493	

Data source: KNBS (2019), Kenya Population and Health Census - KPHC 2019

Most of the population in Migori sub-counties are persons in the working age categories (Table 2). Rongo has the highest percentage of working-age persons at 52.89 percent.

Table 2: Sub-county land area distribution of working age population by age category

Sub- County	Total population	Working age population categories				Working age population (15-64) as a percentage of the total sub-county population
		15-17	18 –24	25 –34	35-64	
Awendo	117,287	9,238 (15.23)	15,177 (25.02)	16,473 (27.16)	19,771 (32.59)	60,659 (51.72)
Kuria East	96,863	7,651 (16.69)	12,571 (27.43)	11,226 (24.49)	14,382 (31.38)	45,830 (47.31)
Kuria West	208,507	16,190 (15.38)	29,105 (27.66)	28,405 (26.99)	31,533 (29.96)	105,233 (50.47)
Nyatike	176,153	13,475 (15.13)	22,788 (25.59)	23,913 (26.86)	28,868 (32.42)	89,044 (50.55)
Rongo	124,586	9,675 (14.68)	17,578 (26.67)	18,308 (27.78)	20,336 (30.86)	65,897 (52.89)
Suna East	122,671	9,622	16,352	17,497	20,777	64,248

		(14.98)	(25.45)	(27.23)	(32.34)	(52.37)
Suna West	128,889	9,718 (14.58)	17,804 (26.72)	18,897 (28.36)	20,221 (30.34)	66,640 (51.70)
Uriri	141,445	11,165 (15.96)	17,407 (24.89)	17,694 (25.30)	23,676 (33.85)	69,942 (49.45)

Data source: KNBS (2019), Kenya Population and Health Census - KPHC 2019

Migori County performed well for most of the socio-economic indicators that affect the quality of labour. However, interventions are needed to reduce the percentage of teenage pregnancy and increase and reduce the child poverty rates as shown in Table 3.

Table 3: Human capital indicators

Human capital indicators	County	National average
Literacy rate	87.60	78.41
Pre-primary net enrolment rate (2019)	76.78	67.51
Primary school net enrolment rate (2020)	90.30	77.72
Secondary school net enrolment rate (2020)	63.60	54.18
Average years of schooling (2014)	7.60	7.78
Percentage of children 12 -23 months fully vaccinated (%)	57.20	74.97
Percentage of stunted children	23.50	27.06
Percentage of teenage pregnancy	23.00	15.79
Primary to secondary transition rates (2020)	86.20	86.13
Pupil-teacher ratio (primary school)	32.00	28.28
Food poverty headcount (%)	30.70	33.63
Child poverty headcount (%)	50.00	42.67

Data source: KNBS (2022), Kenya Demographic and Health Survey - KDHS 2022; KNBS (2019), Kenya Population and Health Census - KPHC 2019; Ministry of Education (2020); 2021 Basic Education Statistical Booklet; KNBS 2021-Kenya Poverty Report

Most of the essential infrastructure and capital indicators that support the production of county output performed below the national average as shown in Table 4. Hence, interventions to improve the indicators and enable the country to increase output are needed.

Table 4: Essential infrastructure and capital indicators

Essential infrastructure indicators	County	National average
Percentage of households with access to electricity (2019 Census)	23.30	38.52
Distribution of population using the internet (2019 Census)	14.30	18.69
Rural Road Access Index (2018)	85.04	63.72
Access to improved sanitation (2018)	38.00	59.04
Access to improved water (2018)	60.90	65.33
Financial inclusion level (2021)	75.50	81.01
The proportion of primary schools with internet	22.80	27.65
Proportion of secondary schools with functional internet	21.80	35.13
Percentage of households by housing material composite-finished materials(adequate) (2019)	32.53	51.71
Percentage of households using bank usage (overall)	32.50	38.18
Percentage of households using mobile money	74.00	78.58

Data sources: KRB 2018, KPHC 2019, FinAccess 2021, KIHBS 2015/16

County Employment Statistics

The employment-to-population ratio is at 63.22 percent. Most of those working are youthful (18-34 years) at about 34.18 percent while those 35-64 are at 27.58 percent. The percentage

of the employed by gender is 33.99 percent for males and 37.62 percent for females. The unemployment rate is at 5.70 percent and slightly higher for the youth (18-34 years) at 3.85 percent and those 35-64 years at 1.66 percent. The percentage of persons between 5-17 years old working is 5.40 per cent indicating that the county has low levels of child labour. The inactivity rates are higher for the youth category (15-24 years) at 25.21per cent as they are pursuing schooling while it is low for the persons of prime age (25-64 years) at 4.93 per cent.

Table 2: Migori County employment statistics

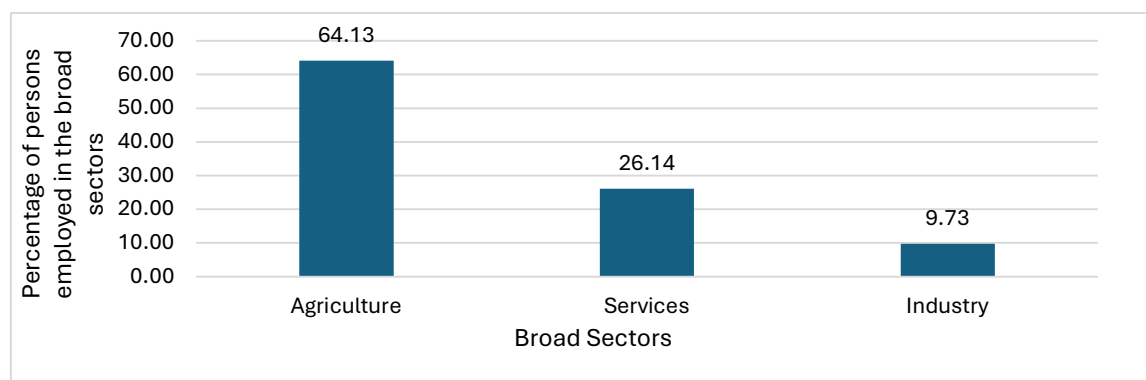
Employment statistics	Youth	Non-youth
Employment to population ratio (%)	34.18	27.58
Unemployment rate	3.85	1.66
Percentage of persons 5–17 years old working	5.40	-
Inactivity rate	25.21	4.93

Data source: Data Source: KNBS (2019), Kenya Population and Health Census - KPHC 2019

Sectoral Employment

The agriculture sector is the highest employer in Migori County at 64.13 percent followed by the services sector at 26.14 percent. The industry sector is third at 9.73 percent (Figure 10)

Figure 10: Percentage of persons employed in the broad sectors

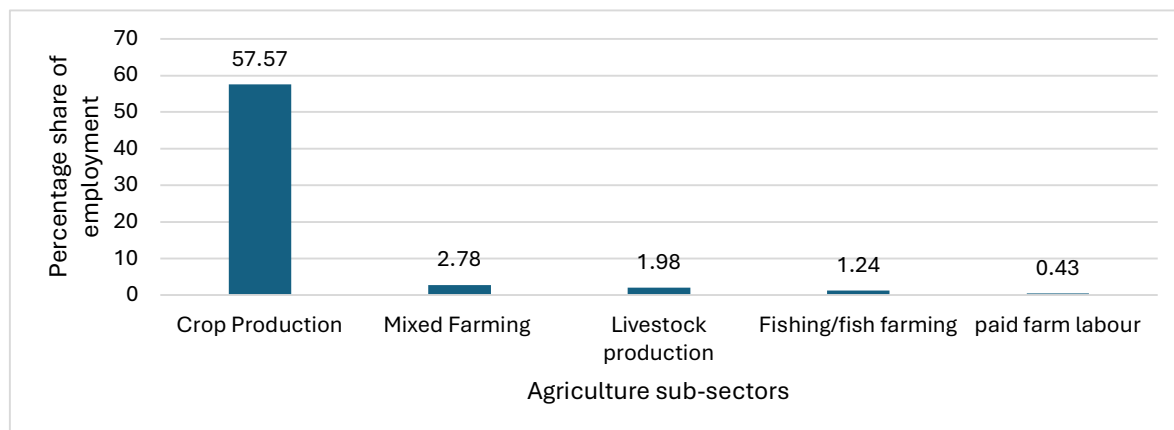


Data Source: KNBS 2021- Kenya Continuous Household Survey

Agriculture Sector

In agriculture, the majority are those practicing crop production as shown in Figure 11.

Figure 11: Percentage share of employment in agriculture sub-sectors

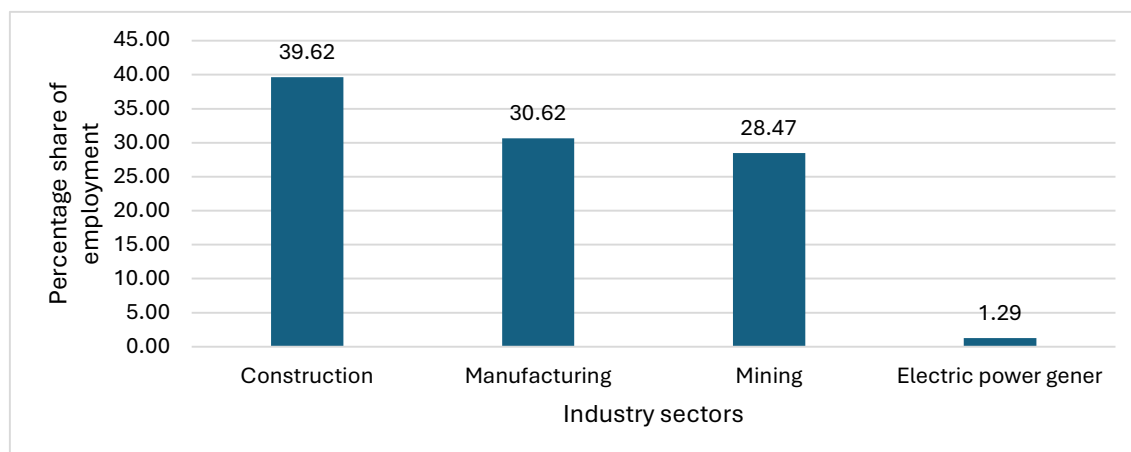


Data source: KNBS 2021- Kenya Continuous Household Survey

Industry Sector

The majority of those working in the industry sector are in construction (Figure 12). Mining is mainly quarrying of stones.

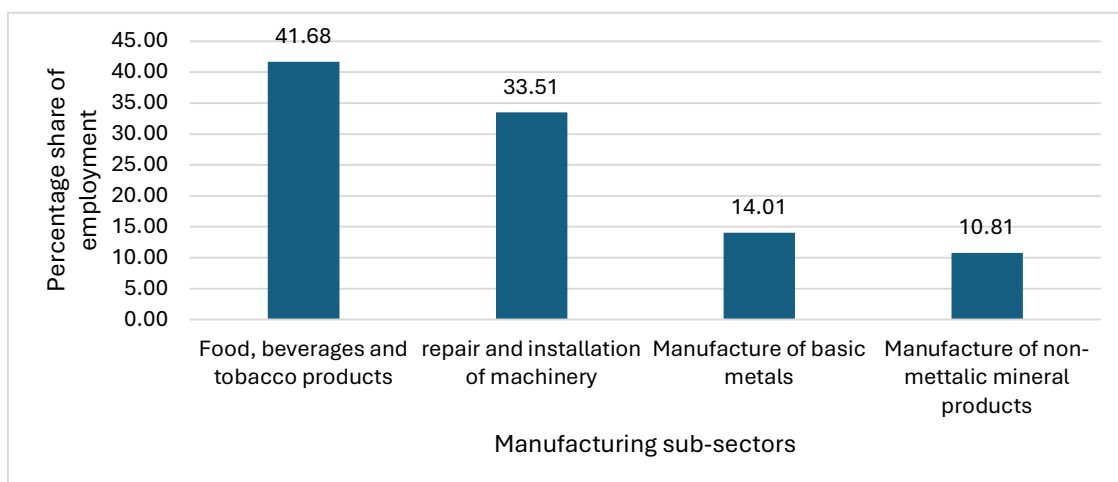
Figure 12: Percentage share of employment in the industry sub-sectors



Data source: KNBS 2021- Kenya Continuous Household Survey

A disaggregation of employment in manufacturing shows that the majority of those employed in the sector work in low-technology manufacturing sub-sectors such as the manufacture of food products and repairs industries (Figure 13).

Figure 13: Percentage share of employment in manufacturing sub-sectors

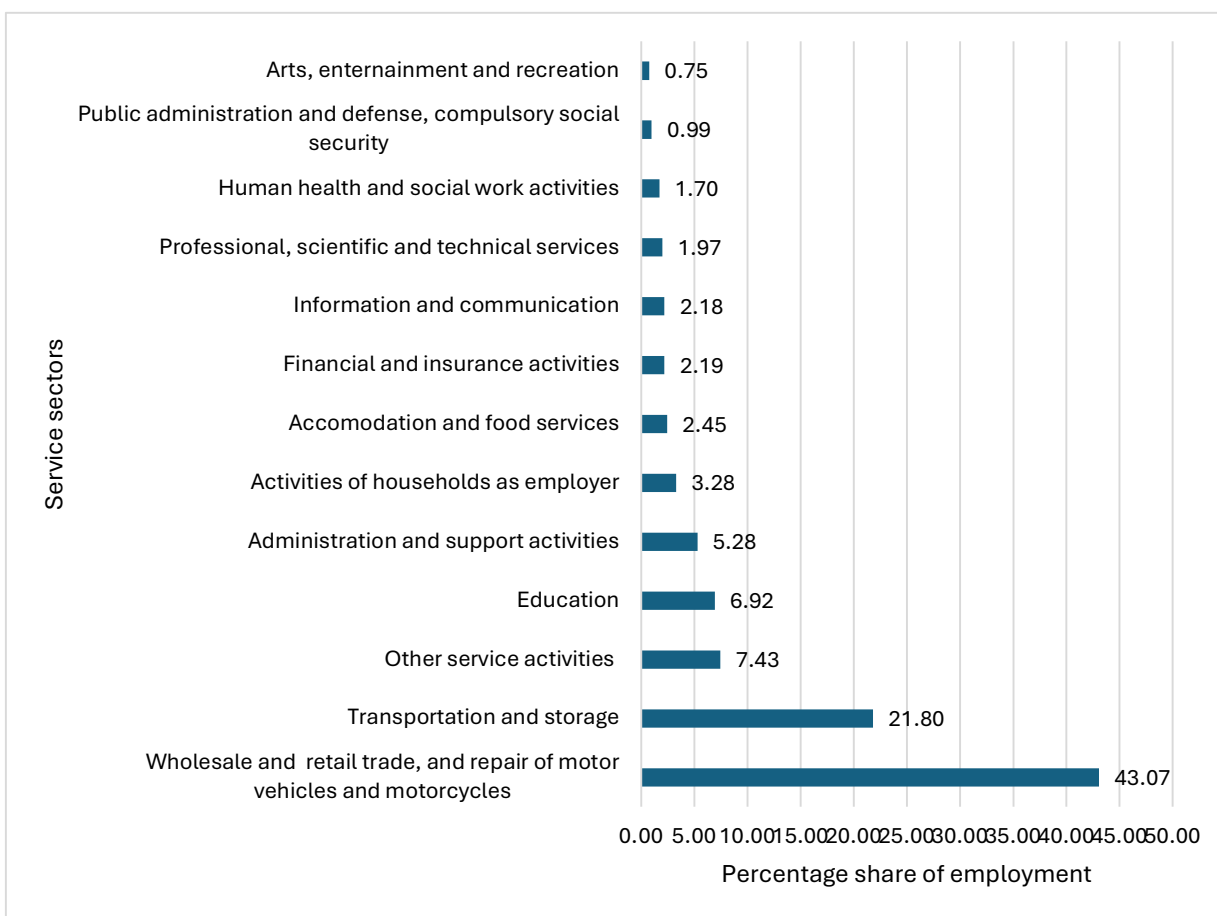


Data source: KNBS 2021- Kenya Continuous Household Survey

Services Sector

The majority of those working in the services sector are in wholesale and retail trade. This sector represents the intermediate steps in the distribution of merchandise between producers and consumers of goods. Despite the higher share of employment in the service sector, the output of the sector remains low with the sector having high levels of informality as shown in Figure 14.

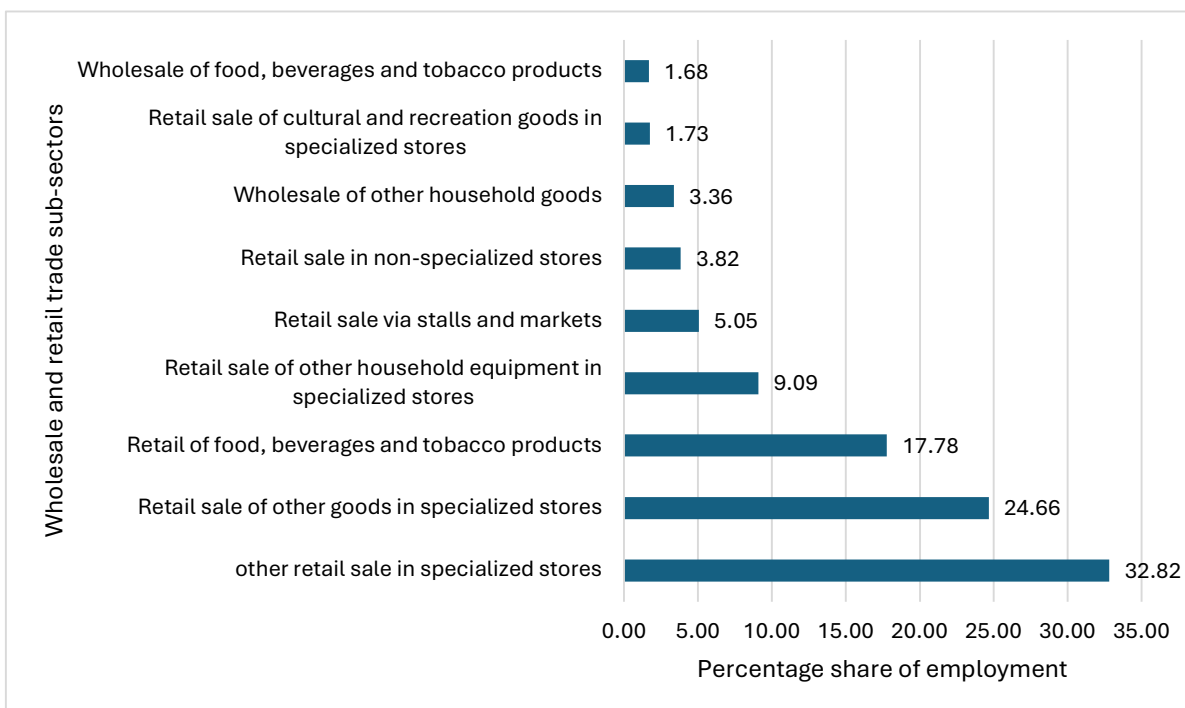
Figure 14: Percentage share of employment in the services sector



Data source: KNBS 2021- Kenya Continuous Household Survey

In the wholesale and retail trade sub-sector, the majority work in other retail sales in specialized stores (Figure 15).

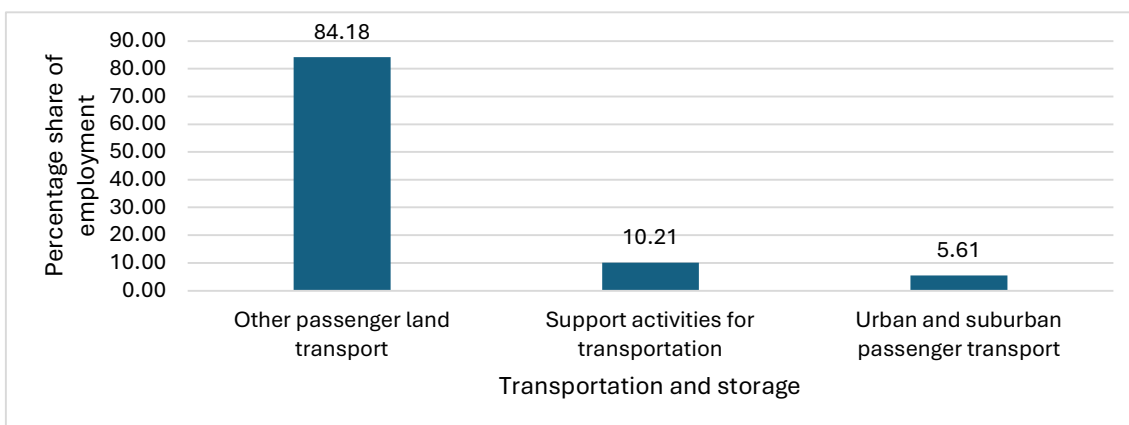
Figure 15: Percentage of persons employed in the wholesale and retail trade and repair of motor vehicle sub-sectors



Data source: KNBS 2021- Kenya Continuous Household Survey

In the transportation and storage sector, the majority of those employed are in other passenger land transport (Figure 16).

Figure 16: Percentage share of employment in the transport and storage sub-sectors

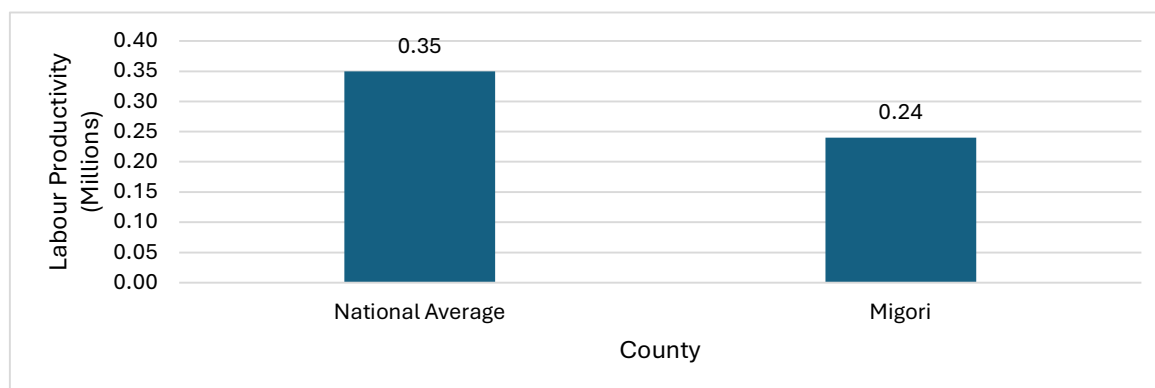


Data source: KNBS 2021- Kenya Continuous Household Survey

Labour Productivity

Labour productivity¹ for Migori County is below the national average labour productivity (Figure 17).

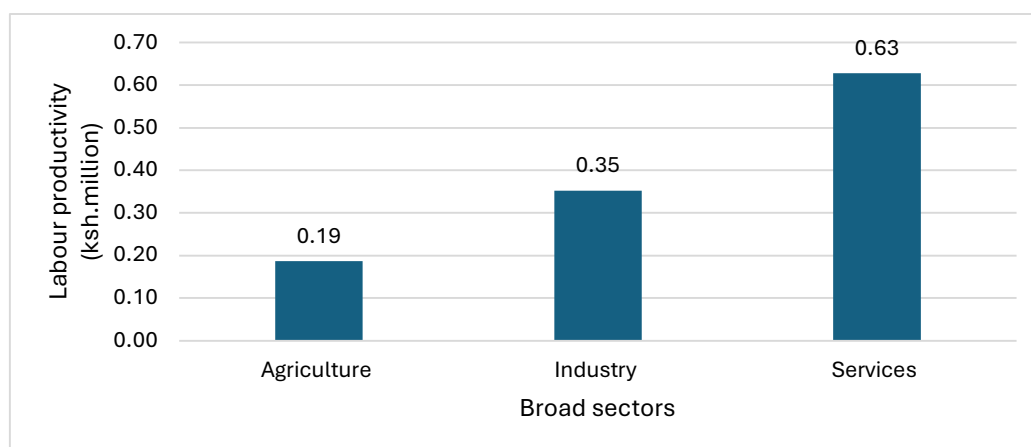
Figure 17: Labour productivity ratios (millions)



Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

The services sector had the highest productivity followed by the industry sector while the agriculture sector had the least labour productivity among the broad sectors (Figure 18).

Figure 18: Labour productivity by sectors



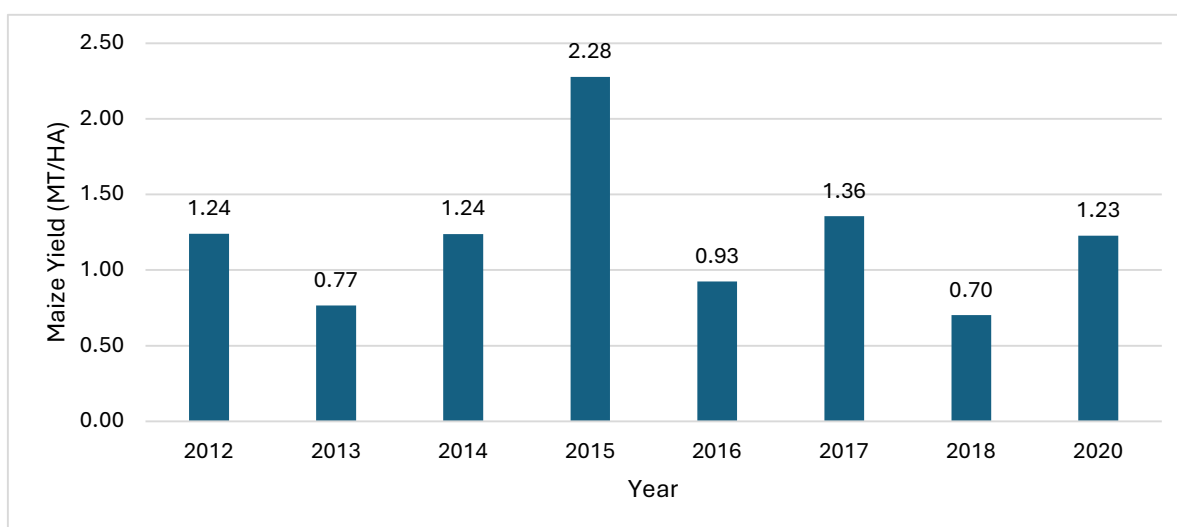
Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

Agriculture Sector

In Agriculture, maize productivity has fluctuated over the years, the highest being in 2015 but on average has been low with an average of 1.22 MT/HA (Figure 19).

¹ The measure used is the apparent labour productivity measured as gross value added per person employed.

Figure 19: Maize yield (MT/HA)

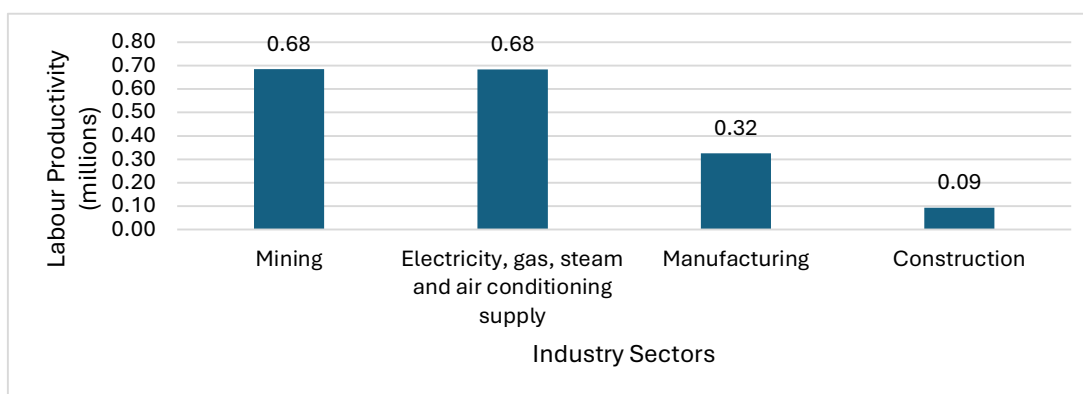


Data source: National Information Platform for Food and Nutrition (NIPFN)

Industry Sector

Mining and electricity, gas, steam and air conditioning supply sectors had the highest labour productivity in the industry sector (Figure 20).

Figure 20: Labour productivity by industry sub-sectors

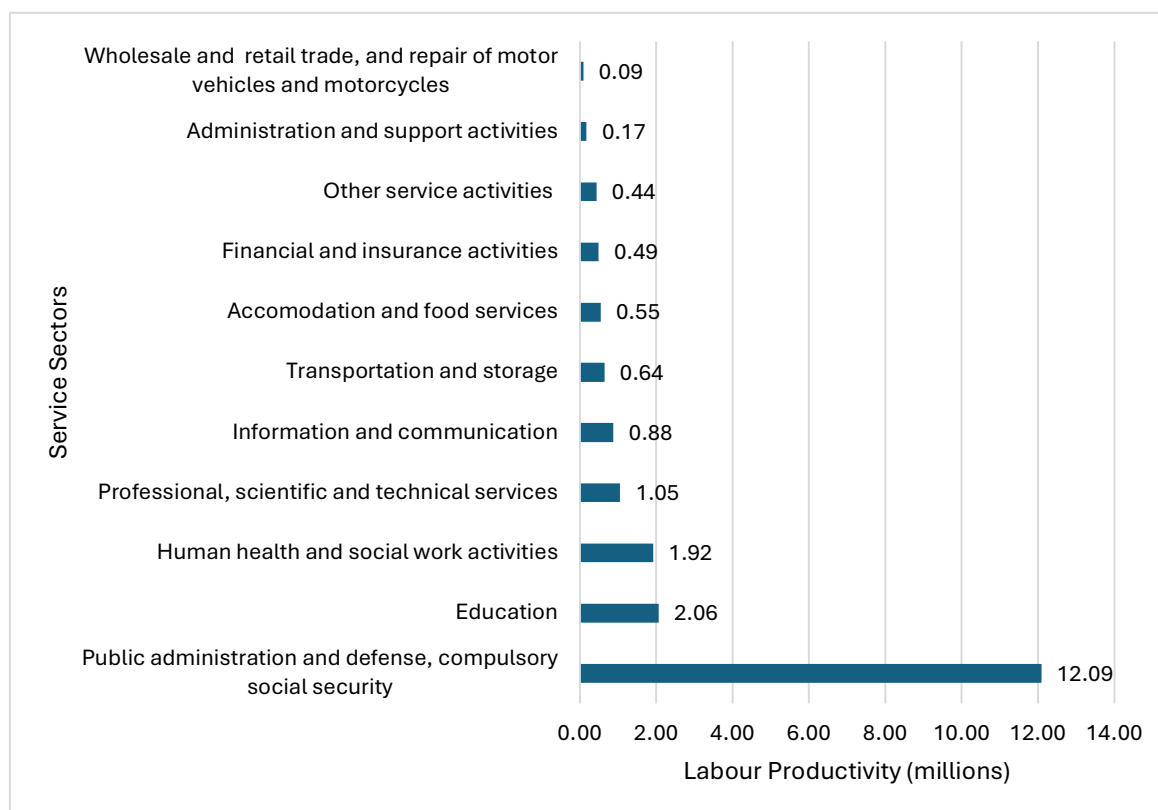


Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

Services Sector

The public administration and defence sector which is a non-market service has the highest labour productivity while among the market services, the transport and storage sub-sector has the highest labour productivity. The wholesale and retail trade sector which had the highest employment in the services sector had the lowest labour productivity as shown in Figure 21.

Figure 21: Labour productivity in services sectors



Data Source: Author's computation using KNBS 2023-Gross County Product and KNBS 2021- Kenya Continuous Household Survey

Key Messages

- i. The services sector is dominant in the County Gross Value Added (GVA) but it has been declining as the share of agriculture is growing. The industry sector has declined over time and has the lowest contribution, but manufacturing remains dominant. Maize production is fluctuating while the county has potential in poultry and dairy farming.
- ii. The indicators of quality of labour are below the national average. However, interventions are needed to reduce the percentage of teenage pregnancies and

increase and reduce the child poverty rate and stunting. Also to encourage secondary school enrolment and children immunization.

- iii. Most of the essential infrastructure and capital indicators that support the production of county output performed below the national average. However, a lot of investment is required in improved sanitation and water, internet connectivity, and electricity.
- iv. Agriculture has the highest share of employment despite a lower share of County GVA when compared to the services sector. This indicates a low transfer of labour from agriculture to the other sectors. The majority of those working in the service sector are in wholesale and retail trade, the output of the sector remains low with the sector having high levels of informality. The majority of those employed in the manufacturing sector work in food products and repair and installation of machinery.
- v. Labour productivity is below the national average labour productivity. Labour productivity in the agriculture sector is the lowest, which can be explained by the dominance of subsistence, low-technology farming systems. Although maize has potential, it is yet to be exploited fully. Industry labour productivity is highest in mining.

Policy Recommendations

- (i) Enhance agriculture productivity by developing the poultry and dairy value chain; promote emerging apiculture; and improve practices in crop farming to enhance productivity including in maize.
- (ii) Encourage investments in manufacturing to support mining and construction. Support the County Aggregation Industry Park to enhance the productivity of the MSMEs.
- (iii) Secure quality of labour with nutritional programmes to reduce child and food poverty and stunting. Of priority should also be reducing teenage pregnancies through creating awareness and supporting teenage mothers to continue with education and encourage immunization and secondary enrolment to facilitate upgrading the skills development.
- (iv) Create an enabling environment for private sector growth by investing in essential infrastructure to improve access to electricity and the internet. Also, access to improved sanitation and water.

Acknowledgment

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