Assessing Labour Productivity for Wajir County

By Cecilia Naeku and Esther Irungu

Overview of the County

Wajir County is a member of the Frontier Counties Development Council (FCDC). It is arid, experiencing between 85 and100 per cent aridity. Wajir County covers an area of 55840.6 km² and has eight Sub-Counties namely: Buna, Eldas, Habaswein, Tarbaj, Wajir East, Wajir North, Wajir South, and Wajir West.

Key Highlights

The productivity of Wajir County is characterised by the following:

(i) The services sector dominates county gross value addition with public administration as the largest sub-sector. Agriculture sector share has declined over time and the county has potential for maize production, poultry, and dairy farming. Livestock production dominates with goats for meat.

(ii) The quality of labour is low with significant effort required to increase literacy rates, enrolment in school and nutrition levels and to address low immunization levels, reduce teenage pregnancies, child poverty and food poverty.

(iii) The essential infrastructure and capital are below the national average with a lot of investments required in expanding access to electricity, improved water and sanitation, rural roads, and internet connectivity.

(iv) With an elevated level of persons 5-17 years working, this hinders early attainment of formal skills that are needed for alternative livelihoods and industrial transformation.

(v) The agriculture sector employs most of the workforce is in livestock production. Services sector labour engagement is in the wholesale and retail sector where most are in retail trade in non-specialised stores sub-sector.

(vi) Labour productivity is higher than the national average. Services sector has the highest productivity while agriculture sector has the lowest. In industry sector, the highest productivity is in construction sub-sector while in services sector, the public administration sub-sector has the highest.

To enhance productivity:

(i) Build climate resilience in agriculture by increasing uptake of weather-based insurance scheme for livestock production, create awareness on use of information provided by the drought early warning systems, and establish county livestock enterprise fund to finance restocking after drought episodes.

(ii) Integrate agriculture activities to relevant values chains. This including poultry value chain while retaining the rearing of indigenous chicken, dairy value chain and leather value chain. Further, unlock potential for apiculture.

(iii) Diversify services sector by leveraging on tourism resources.

(iv) Create an enabling environment by providing for access to electricity, improved water and sanitation, rural roads, and internet connectivity.

(v) Encourage participation in the Adult and Continuing Education programme support programmes currently being implemented by NACONEK such as mobile schools, school feeding programmes and low-cost boarding schools to enhance labour quality.

(vi) Create awareness on children immunisation and put in place nutritional sensitive social protection interventions to ensure future labour quality is secured.

Wajir County Economic Performance

Wajir County contributes on average 0.5 per cent of the National Gross Value added with an average GVA of Ksh 37,8319 million. The GVA per capita for Wajir County is Ksh. 48,427 with average population growth 3.7 and overall poverty levels at 66.3 per cent. Wajir County has shown a steady growth in GVA with an average growth rate of 5.28 per cent in 2013-2022, which is higher than the national average growth of 4.37 per cent as shown in Figure 1. The highest growth rate was in 2015 and lowest in 2014.
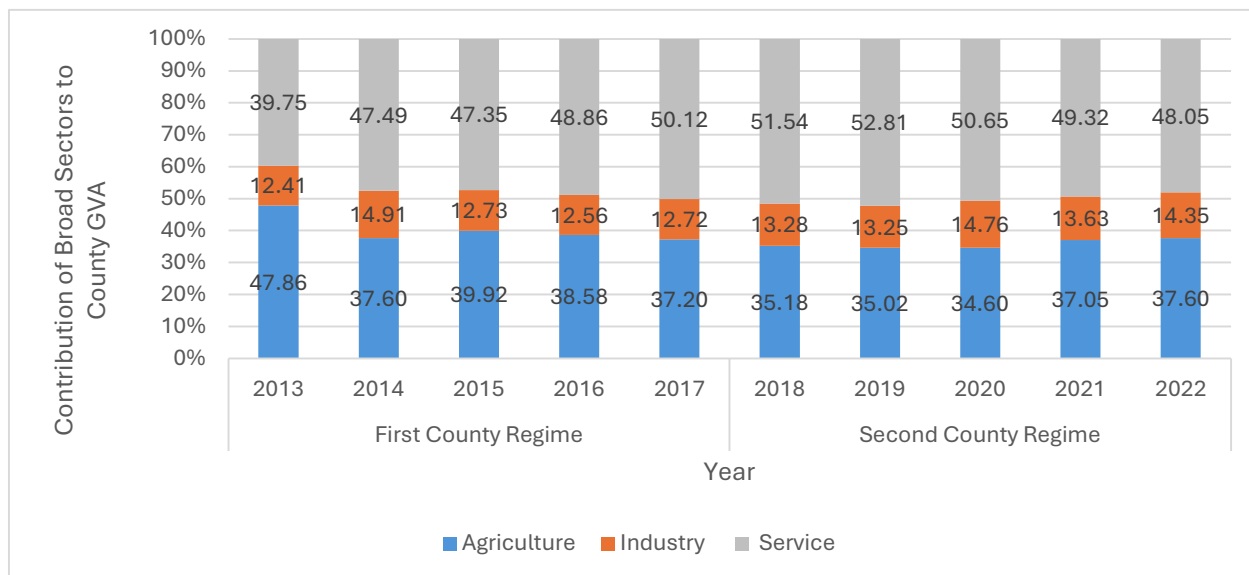
Figure 1: Wajir County GVA growth rate
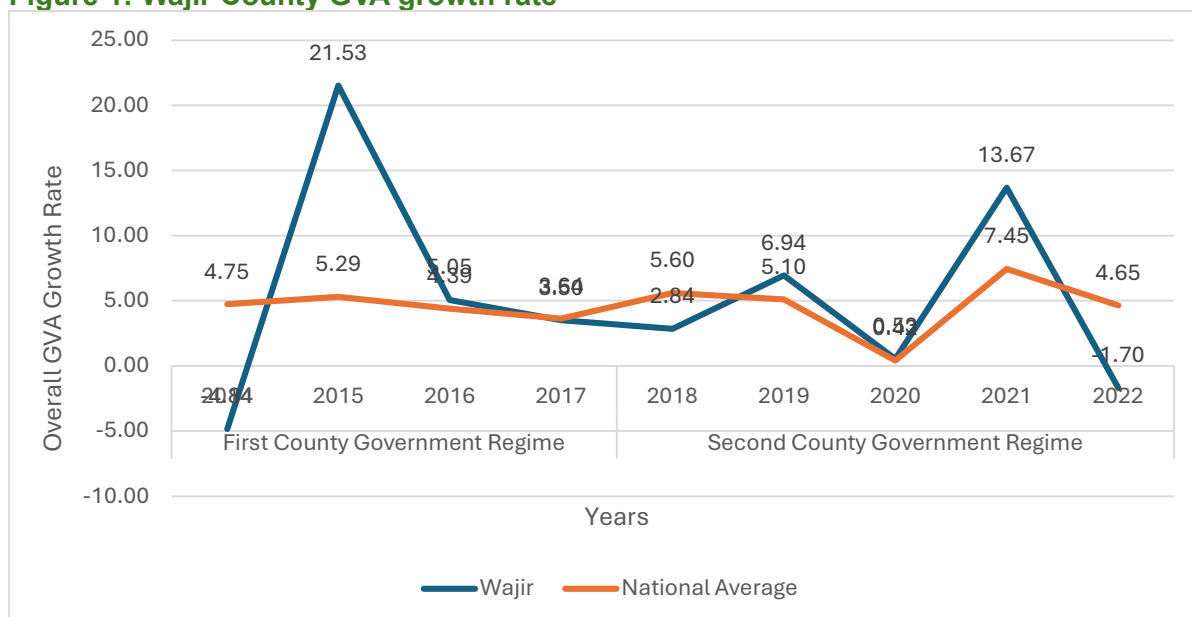
Data Source: KNBS 2023-Gross County Product

Sectoral Analysis of GVA

The services sector is dominant in Wajir County with an average contribution to GVA of 48.59 per cent. The agriculture sector is second, contributing an average of 38.06 per cent to the GVA while industry sector contributes about 13.46 per cent as shown in Figure 2.

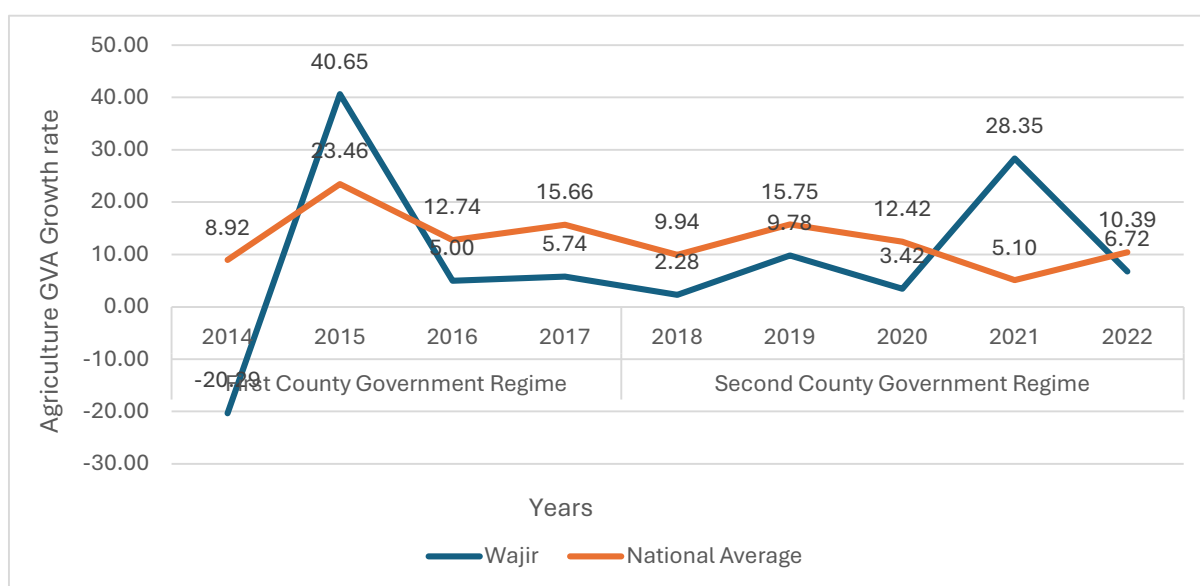**Figure 2: Contribution of broad sectors to Wajir County GVA**

Data Source: KNBS 2023-Gross County Product

Agriculture Sector

The average growth rate for agriculture GVA for the period 2013-2022 is 9.07 per cent, which is below the national average of 12.71 per cent as shown in Figure 3.
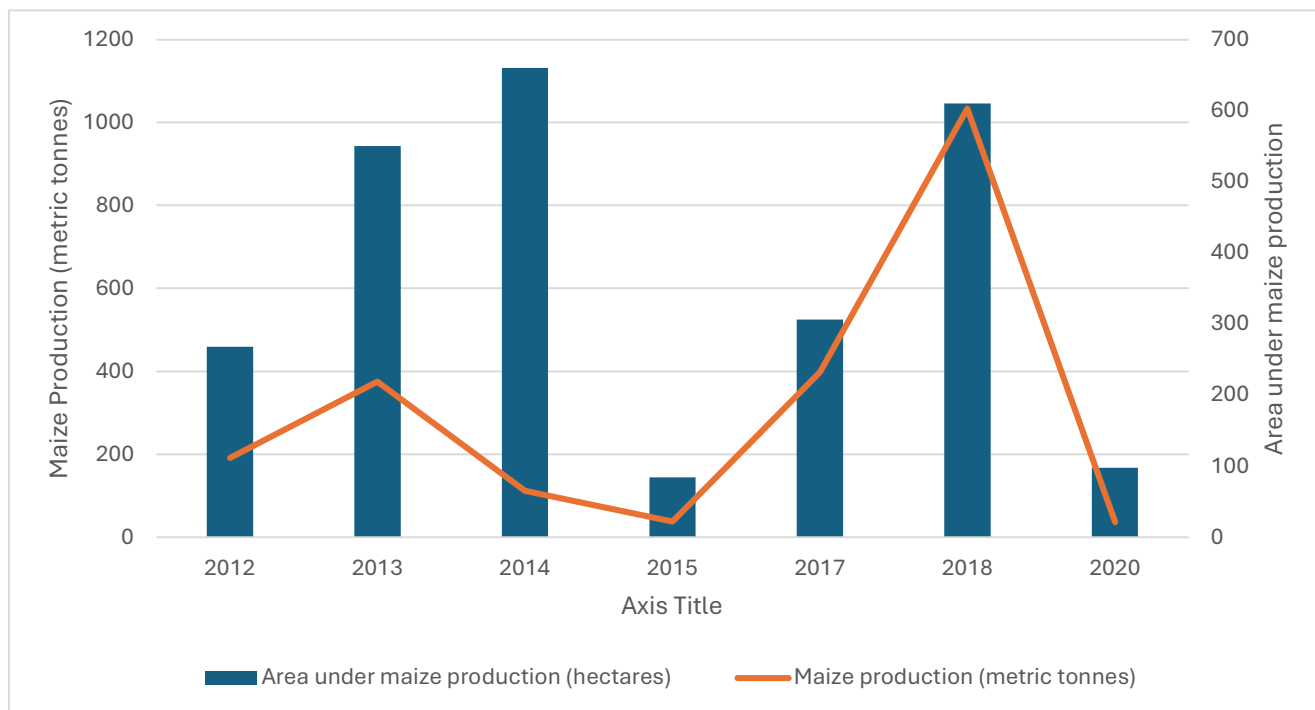
Figure 3: Wajir County agriculture GVA growth rate

Data Source: KNBS 2023-Gross County Product

The high aridity in Wajir County limits rainfed crop production, this is reflected in the low maize production even in years such as 2013 and 24 when the area under maize production was high (Figure 4).

Figure 4: Maize production and area of maize harvested

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

Wajir county has a comparative advantage in livestock production, the county has one of the highest numbers of beef cattle, sheep, and meat goats in the country. Meat goats are the most popular livestock kept, while poultry farming is comparatively low with indigenous chicken as the popular product. Milk has the highest value in the county. Although Wajir County has significant livestock resources there are no marketed value for hides and skins, as livestock production is yet to be fully integrated into the leather value chain. Additionally, climate change through frequent and severe droughts is also inhibiting the realization of full potential in livestock production (Figure 5).
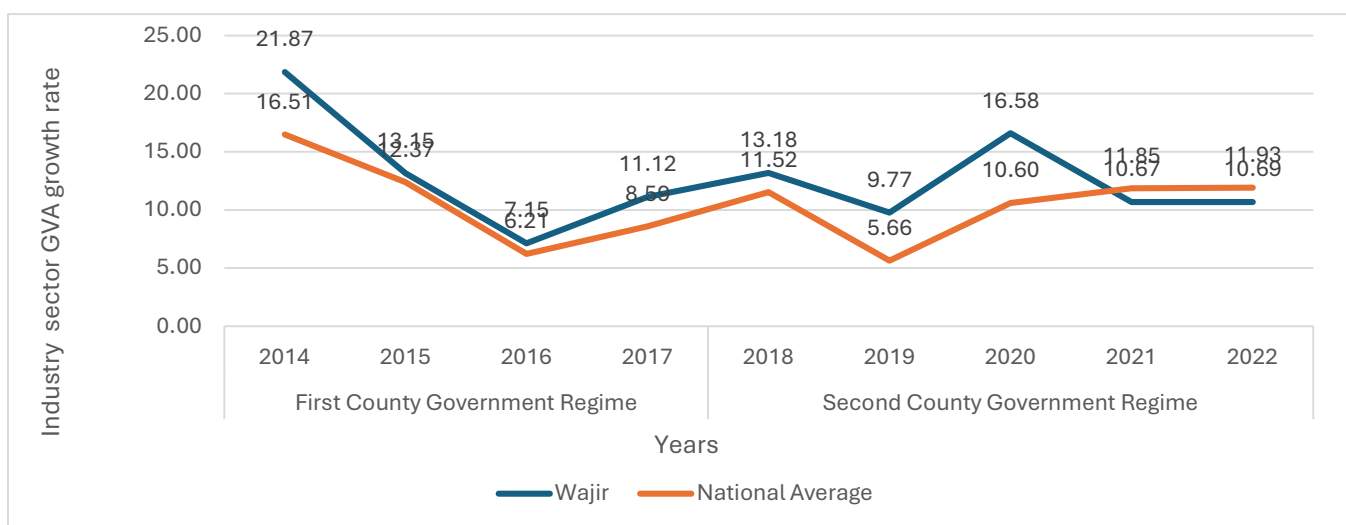
Figure 5: Livestock production statistics
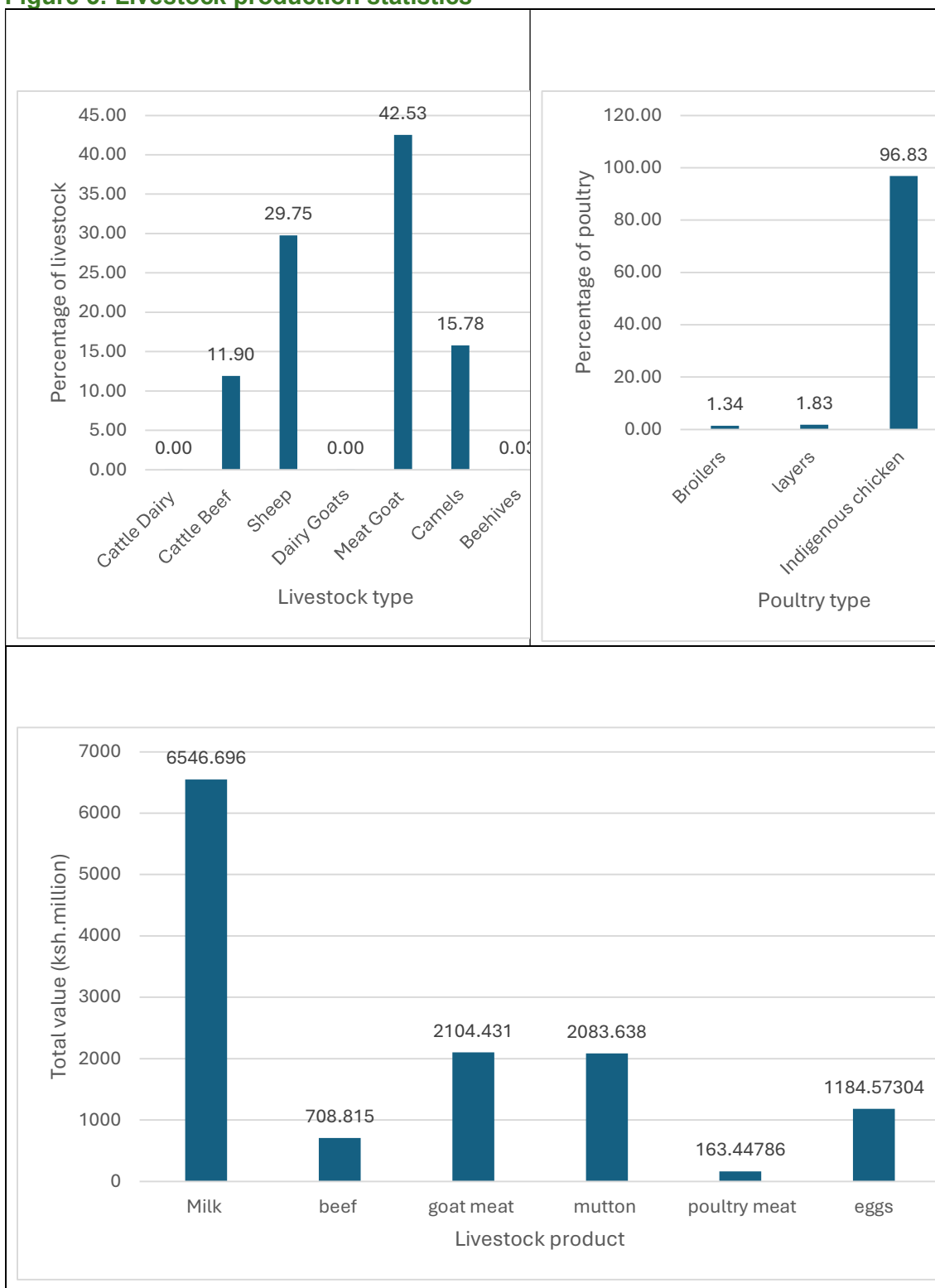
Data source: National Information Platform for Food and Nutrition (NIPFN)

Industry Sector

The average growth rate of industry sector for Wajir County is 12.69 per cent, which is above the national average of 10.58 per cent as shown in Figure 6.

Figure 6: Wajir County industry GVA growth rate

Data Source: KNBS 2023-Gross County Product

Construction sub-sector dominates the industry sector as shown in Figure 7. This can be attributed to increased urbanization and investments in essential infrastructure which have been historically lower in the county. Devolution has also played a significant role in infrastructural developments through the allocation of resources to county roads and establishment of county headquarters.

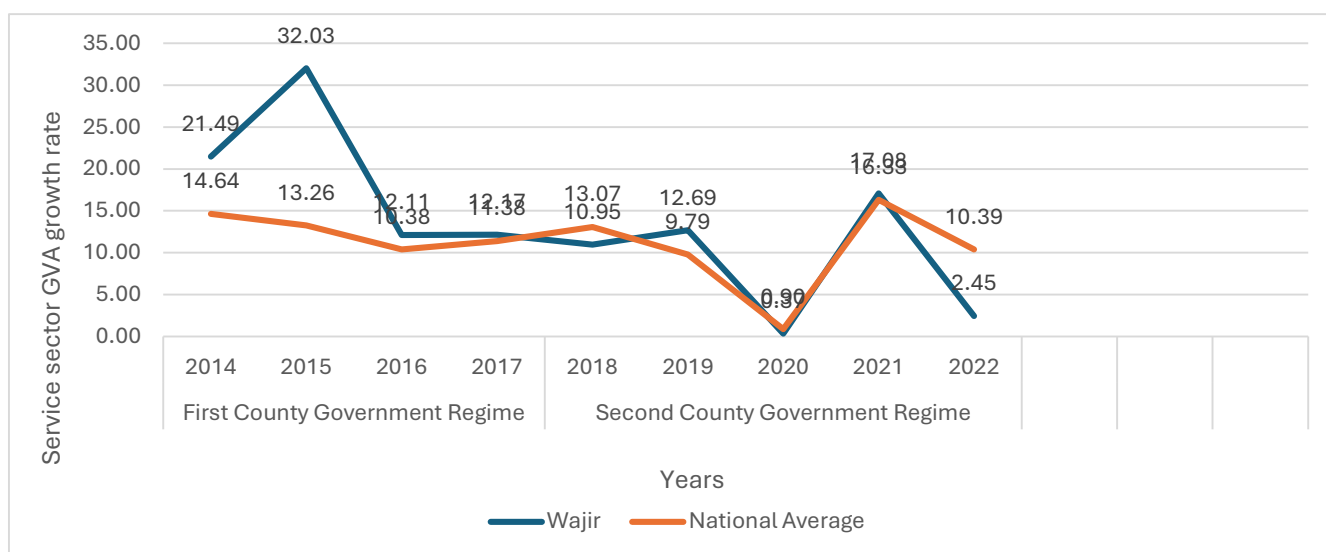**Figure 7: Contribution of industry sub-sectors to industry GVA**
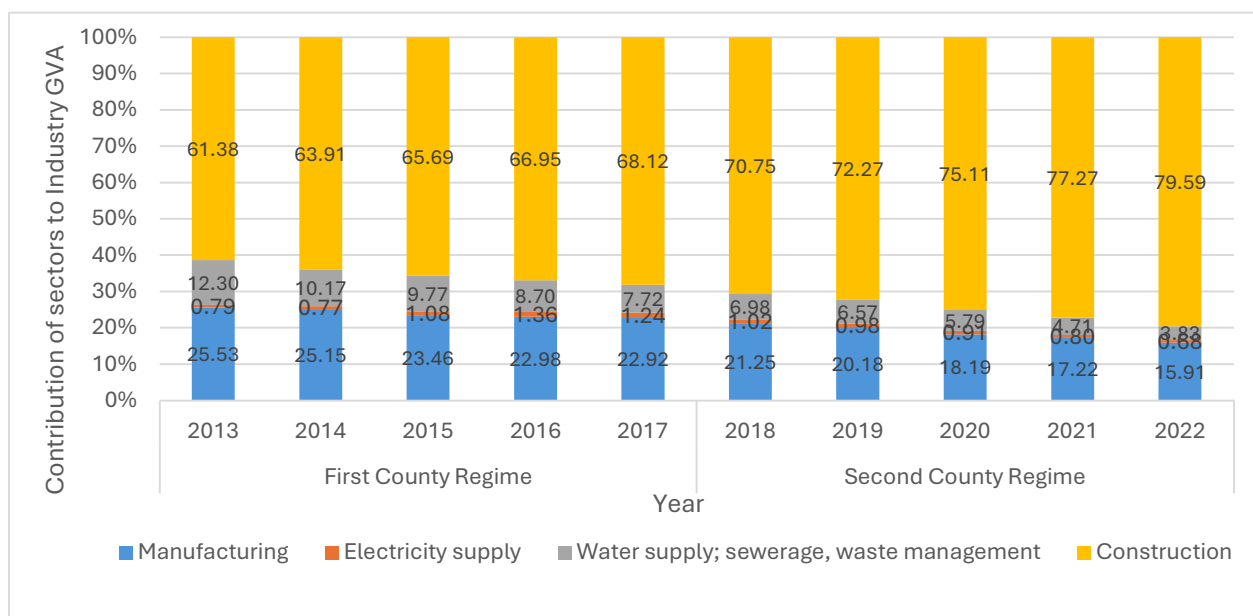
Data Source: KNBS 2023-Gross County Product

Services Sector

The average growth rate of services sector is 7.17 per cent, which is below the national average of 11.13 per cent as shown in Figure 8.

Figure 8: Wajir County services sector GVA growth rate

Data Source: KNBS 2023-Gross County Product

The public administration and defence sub-sector, a non-market service, dominates the services sector with the highest contribution to service GVA at 47.79 per cent. The transport and storage sub-sector is the second highest contributor to services sector GVA at 13.86 per cent. The education sector is third at an average of 9.61 per cent as observed in Figure 9.

Figure 9: Contribution of sub-sectors to services sector GVA
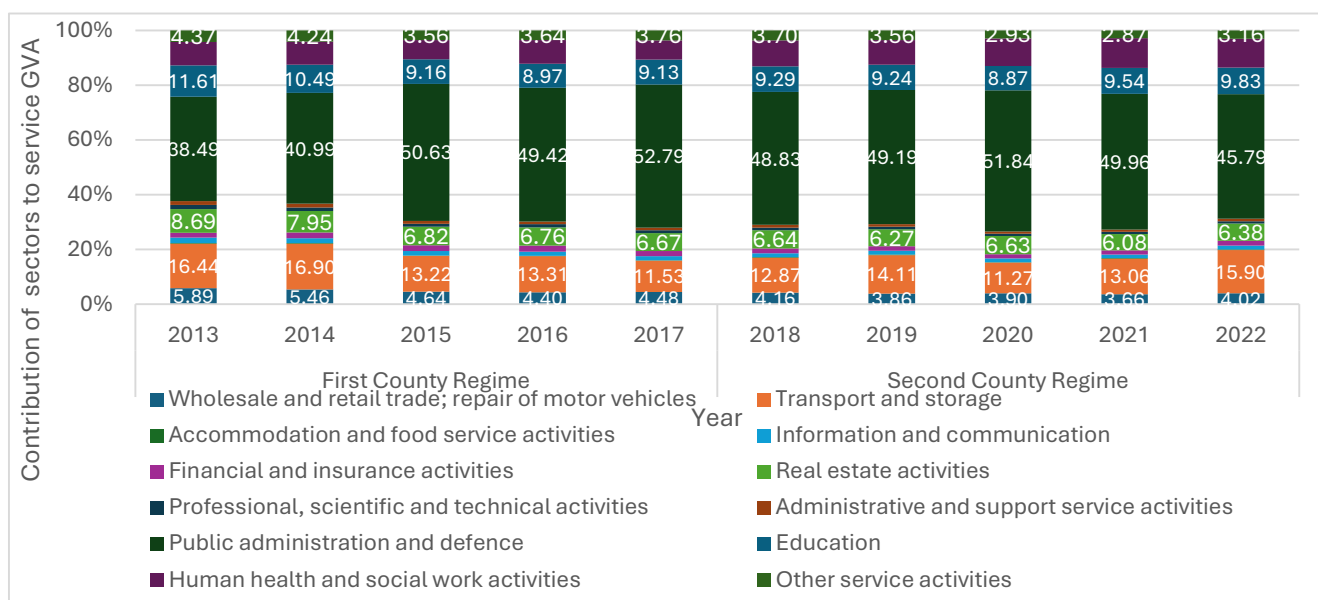
Data Source: KNBS 2023-Gross County Product

Quantity and Quality of Labour Force for Wajir County

Wajir County has a total of 376,933 working-age population, which is less than half of the total county population at about 48.25 per cent. This indicates relatively lower

quantity of labour. Most of the working-age population is youthful (18-34 years) at 53.33 per cent as shown in Table 1.

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

Working age population	Male	Female	Total	Percentage of Total Working age population (%)
15-17	39,563	27,661	67,224	17.83
18 –24	51,032	46,191	97,223	25.79
25-34	50,975	52,817	103,792	27.54
35-64	61,594	47,100	108,694	28.84
Total	203,164	173,769	376,933	

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

Most of the population in Wajir sub-counties are persons in the working age categories. Wajir South has the highest percentage of working-age persons at 51.87 per cent as observed in Table 2.

Table 2: Sub-County 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	
Buna	49,884	4,285 (17.50)	7,264 (29.67)	6,450 (26.35)	6,480 (26.47)	24,479 (49.07)
Eldas	89,097	6,971 (16.73)	9,957 (23.90)	11,798 (28.32)	12,940 (31.06)	41,666 (46.76)
Habaswein	174,118	13,906 (16.18)	21,972 (25.57)	24,639 (28.68)	25,407 (29.57)	85,924 (49.35)
Tarbaj	56,632	4,601 (18.46)	6,668 (26.75)	6,932 (27.81)	6,723 (26.97)	24,924 (44.01)
Wajir East	110,651	10,316 (18.39)	14,283 (25.46)	15,174 (27.05)	16,318 (29.09)	56,091 (50.69)
Wajir North	62,199	4,934 (17.37)	7,354 (25.89)	8,184 (28.81)	7,938 (27.94)	28,410 (45.68)
Wajir South	116,811	10,204 (16.84)	15,414 (25.44)	17,187 (28.37)	17,783 (29.35)	60,588 (51.87)
Wajir West	121,822	12,007 (21.89)	14,311 (26.09)	13,428 (24.48)	15,105 (27.54)	54,851 (45.03)

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

In Wajir County majority of socioeconomic indicators that affect the quality of labour have a lower performance compared to the national average as reported in Table 3. Interventions are required to improve literacy rates and health indicators that will improve the quality of labour.

Table 3: Human capital indicators

Human capital indicators	County	National average
Literacy rate	35.80	78.41
Pre-primary net enrolment rate (2019)	9.15	67.51
Primary school net enrolment rate (2020)	24.60	77.72
Secondary school net enrolment rate (2020)	14.50	54.18
Average years of schooling (2014)	5.70	7.78
Percentage of children 12 -23 months fully vaccinated (%)	49.50	74.97
Percentage of stunted children	12.4	19.75
Percentage of teenage pregnancy	10.80	15.79
Primary to secondary transition rates (2020)	83.40	86.13
Pupil-teacher ratio (primary school)	44.00	28.28
Food poverty head count (%)	40.10	33.63
Child poverty head count (%)	66.50	42.67

Source: KNBS (2022), Kenya Demographic and Health Surbey - 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

For Wajir County majority of the essential infrastructure and capital indicators that support production of county output have lower performance compared to the national averages as shown in Table 4. There is a need for interventions to improve the quality and quantity of essential infrastructure to enable the county to exploit its latent resources.

Table 4: Essential infrastructure and other resources indicators

Essential infrastructure indicators	County	National average
Percentage of households with access to electricity (2019 Census	14.10	38.52
Distribution of population using the Internet (2019 census)	8.30	18.69
Rural Access Index (2018)	1.62	63.72
Access to improved sanitation (2018)	6.00	59.04
Access to improved water (2018)	44.70	65.33
Financial inclusion level (2021)	86.50	81.01
The proportion of primary schools with Internet	23.75	27.65
Proportion of secondary schools with functional internet	17.90	35.13
Percentage of households by housing material composite-finished materials(adequate) (2019)	20.43	51.71
Percentage of households using bank usage(overall)	10.40	38.18
Percentage of Households using mobile money	85.90	78.58

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

County Employment Statistics

Employment to population ratio is at 48.23 per cent. Most of those working is the youthful working population 18-34 years at about 25.89 per cent while those 35-64 years are at 15.91 per cent. There is little disparity in employment by gender as percentage of the male employed is 37.22 per cent while female are 37.19 per cent. The unemployment rate is high at 30.00 per cent with unemployment being slightly higher for the youth (18-34 years) at 16.24 per cent and those between 35-64 years at 8.86 per cent as indicated in Table 5.

There is a high percentage of persons 5–17 years old working at 43.65 per cent. The cultural practices may explain this as children and teenagers in pastoral communities play a key role in livestock production in grazing the livestock. Although this is critical in

helping them attain indigenous knowledge that is critical for the sustenance of pastoralism it is at the expense of early attainment of formal skills that are needed for alternative livelihoods and industrial transformation of counties. Climate change through frequent drought that force communities to migrate in search of resources could also be contributing. Incidences of insecurity which disrupt learning activities is also a cause of the high out of school children who are engaged in economic activities.

Inactivity rate for the youth category is 12.83 per cent while for the non-youth is 7.62 per cent. The higher inactivity rates for persons of prime age is of concern as it indicates lower labour utilization.

Table 5: Wajir County employment statistics

Employment statistics	Youth	Non youth
Employment to population ratio (%)	25.89	15.91
Unemployment rate	16.24	8.86
Percentage of persons 5–17 years old working	43.65	-
Inactivity rate	12.83	7.62

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

Figure 10: Reasons for inactivity
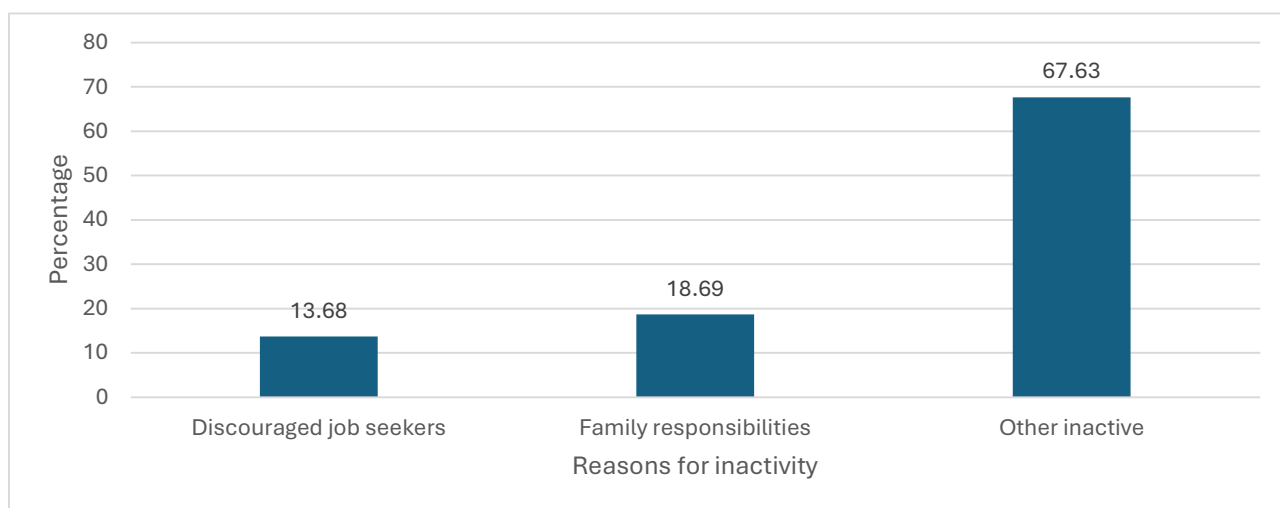
Data Source: KNBS 2021- Kenya Continuous Household Survey

Sectoral Employment

The agriculture sector is the highest employer in Wajir County at 60.36 per cent followed by the services sector at 36.42 per cent. The industry sector is third at 20.50 per cent as shown in Figure 11.

**Figure 11: Percentage of persons employed in the broad sectors**
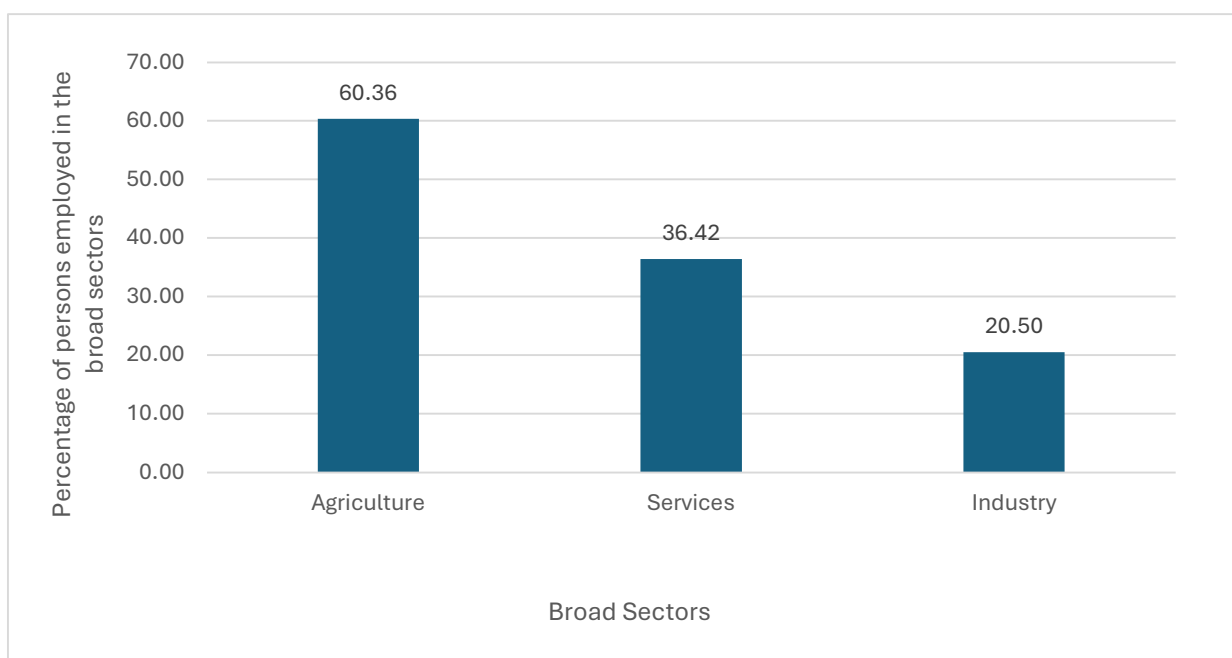
Data Source: KNBS 2021- Kenya Continuous Household Survey

Agriculture Sector Employment

Livestock production dominates employment in the agriculture sector. This reflects the comparative advantage of the county in livestock production (Figure 12).

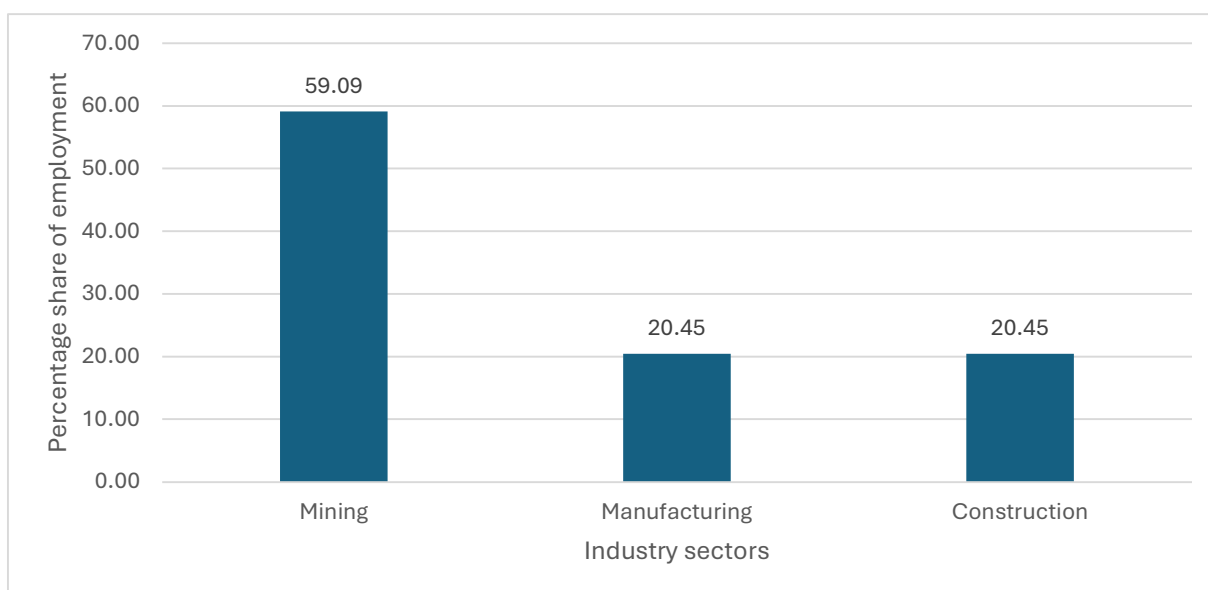**Figure 12: Percentage share of employment in agriculture sub-sectors**
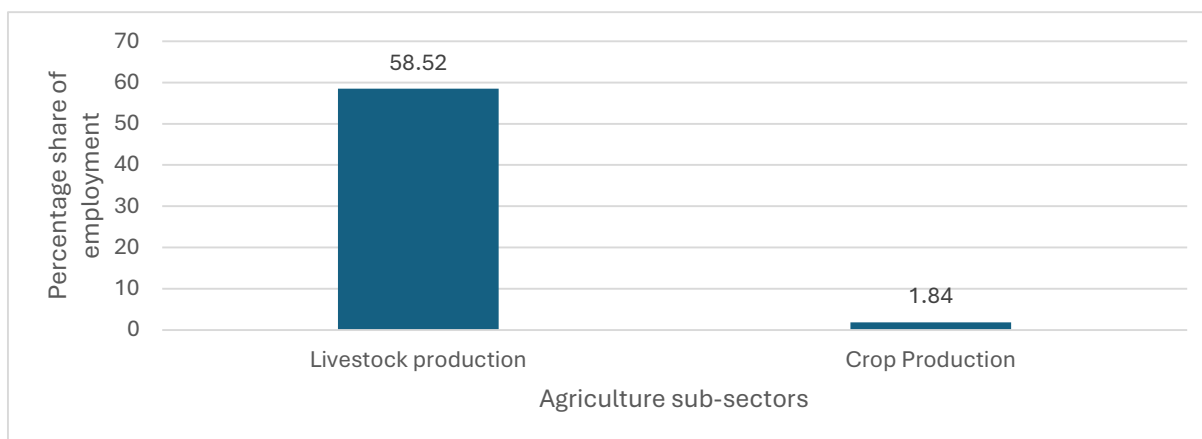
Data Source: KNBS 2021- Kenya Continuous Household Survey

Industry sector Employment

The majority of those working in the industry sector are in mining, quarrying of stones as observed in Figure 13.

Figure 13: Percentage share of employment in the industry sectors

Data Source: KNBS 2021- Kenya Continuous Household Survey

Services Sector Employment

The majority of those working in the services sector are in wholesale and retail trade (Figure 14) which is dominated by the informal sector.
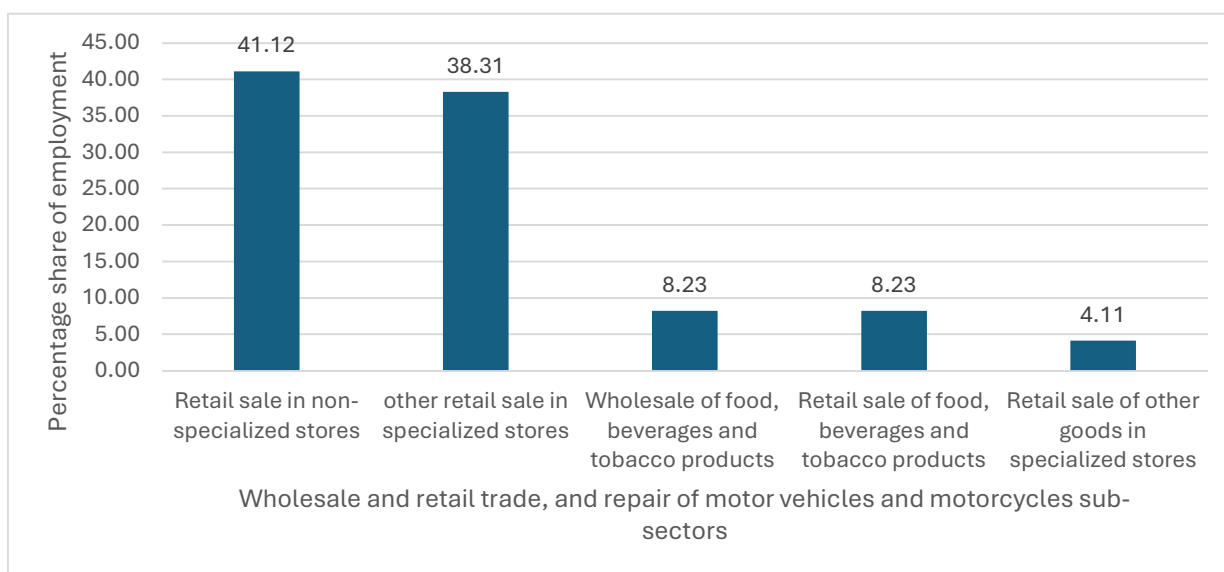
Figure 14: Percentage share of employment in the service sector
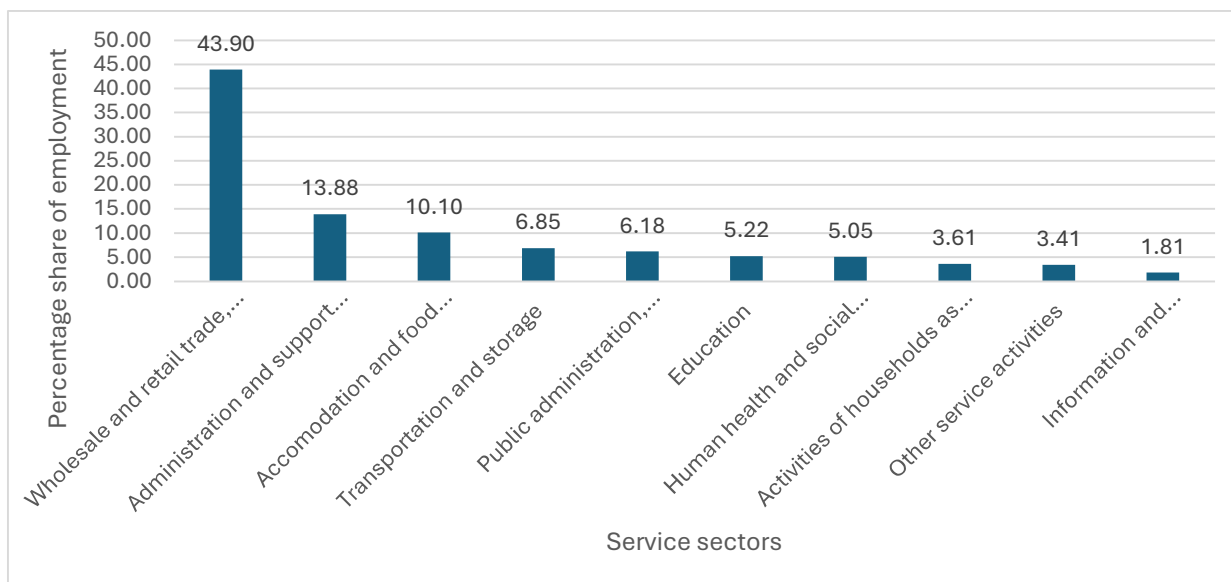
Data Source: KNBS 2021- Kenya Continuous Household Survey

In the wholesale and retail trade, the majority work in retail in non-specialized stores as indicated in Figure 15.

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

Data Source: KNBS 2021- Kenya Continuous Household Survey

In the administration and support services sub-sector, the majority of those employed are in office administrative, office support, and other business support activities as shown in Figure 16.

Figure 16: Percentage share of employment in administration and support services sub-sectors
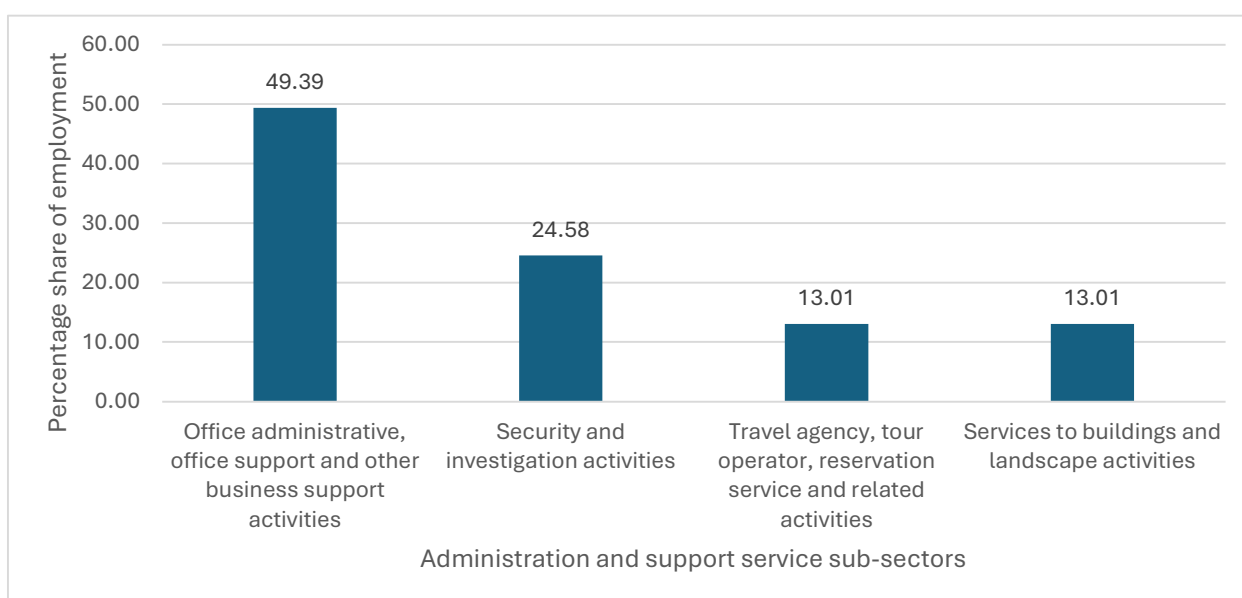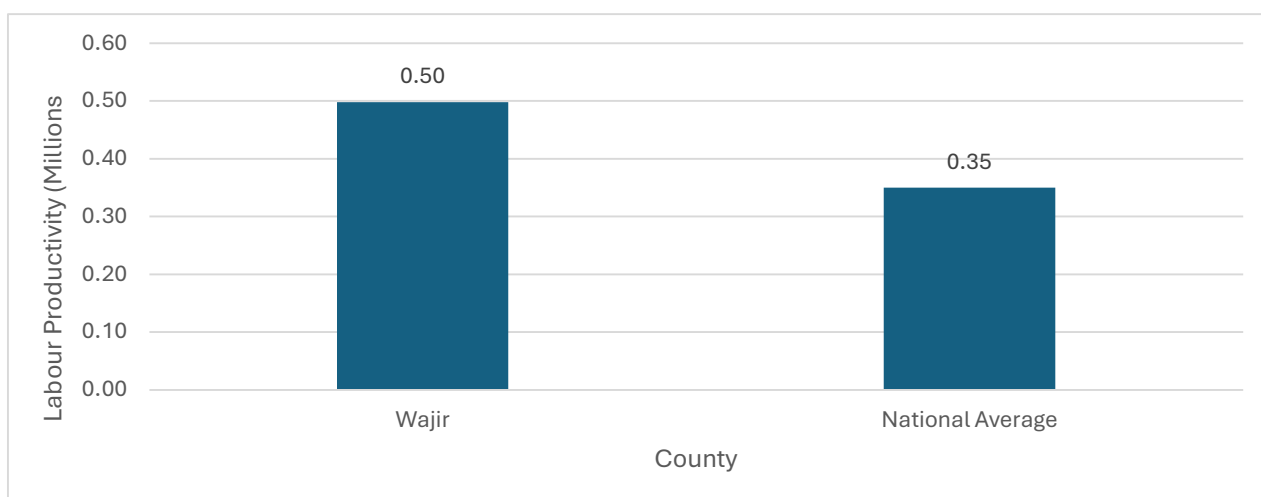

Data Source: KNBS 2021- Kenya Continuous Household Survey

Labour Productivity

Labour productivity for Wajir County is 0.50 per cent which is above the national average of 0.35 per cent as shown in Figure 17.
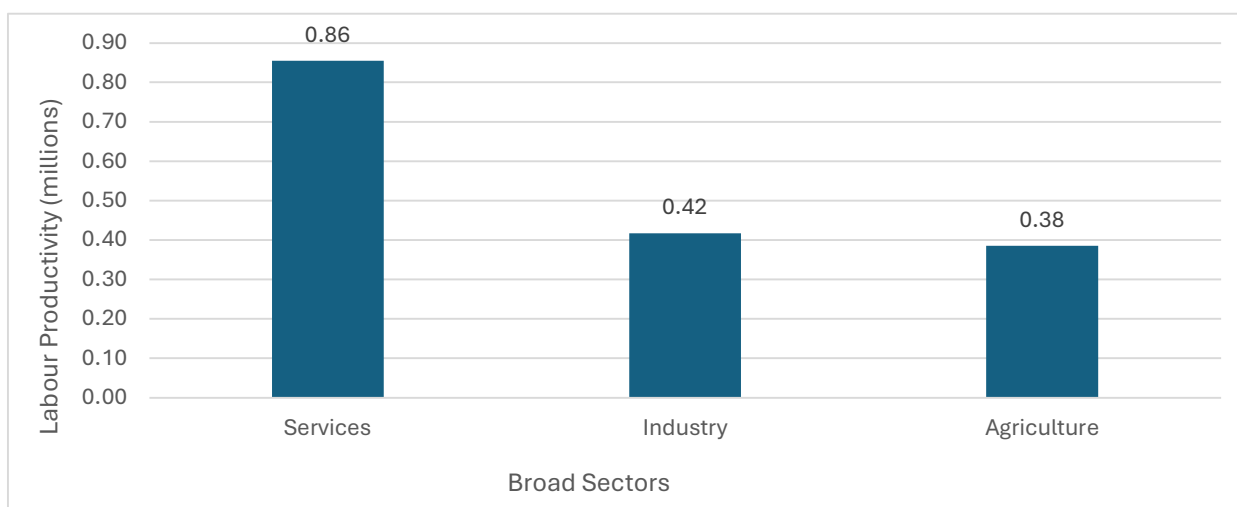
Figure 17: Labour productivity ratios (millions)

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 at 0.86 per cent, followed by the industry sector at 0.42 per cent, and thirdly the agriculture sector at 0.38 per cent as observed in Figure 18.

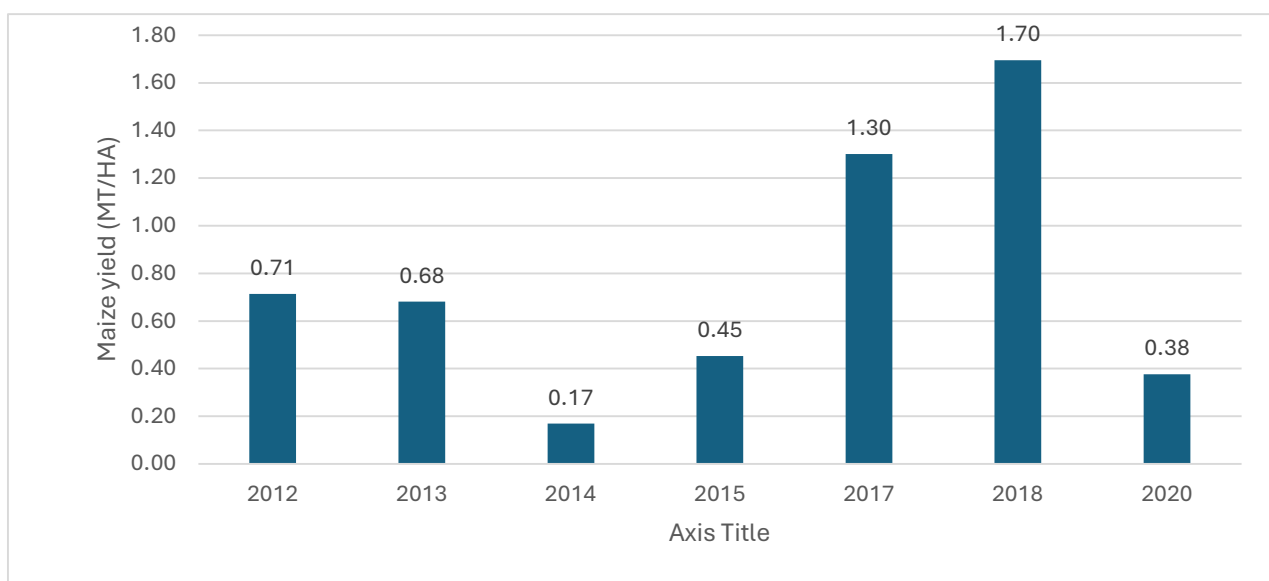**Figure 18: Labour productivity by sectors**

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

Agriculture Productivity

In agriculture maize yield is extremely low in Wajir County at an average of 0.77 MT/HA. This is attributed to dependence on rainfed agriculture in the face of high aridity level and episodic drought shocks. The 2014 drought episode contributed to the lowest maize yield in 2015 as shown in Figure 19.
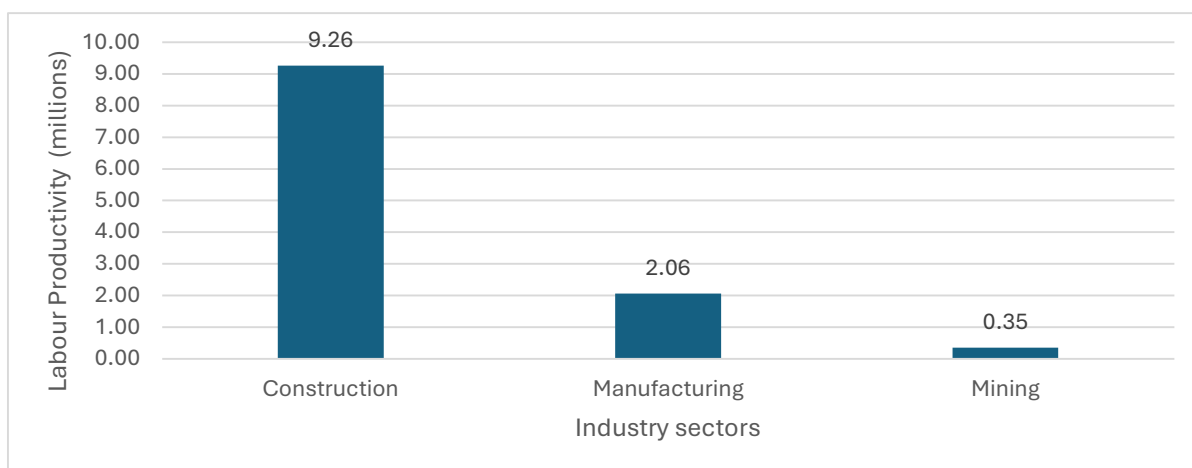
Figure 19: Maize yield (MT/HA)

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

Industry Sector Labour Productivity

The construction and manufacturing sub-sectors had the highest labour productivity in the industry sector as shown in Figure 20.

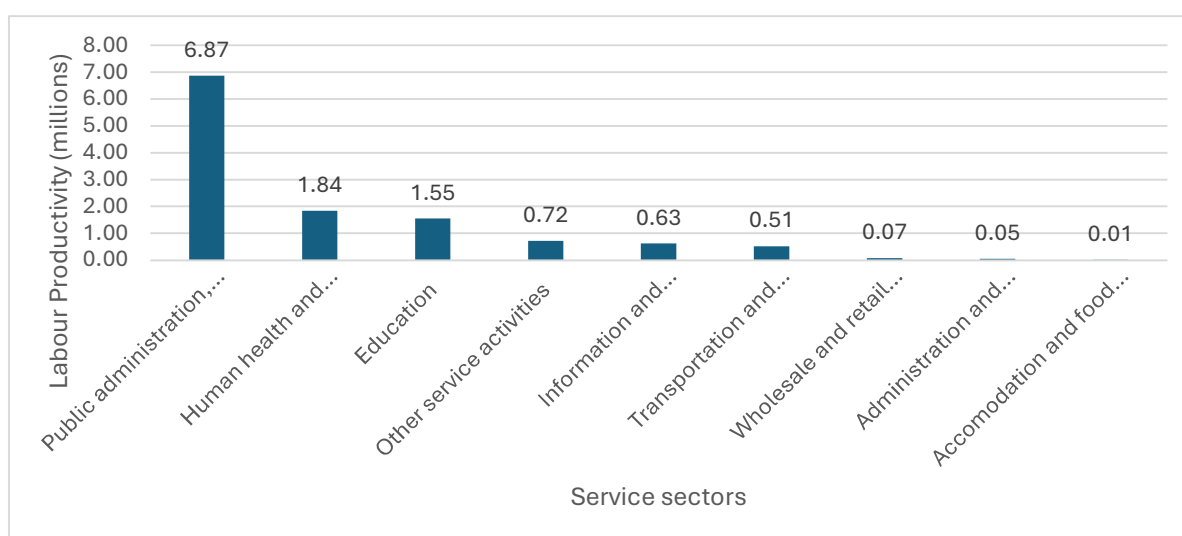**Figure 20: Labour productivity by industry sectors**

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

Services Sector Labour Productivity

The public administration and defence sub-sector has higher labour productivity when compared with other sectors within the services sector. The wholesale and retail trade sector which had the highest employment in the services sector had the lowest labour productivity as observed in Figure 21.

Figure 21: Labour productivity in the 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 has a dominant share of GVA while industrial sector remains below 15 per cent. Agriculture sector share has declined over time but there is potential for increasing maize production to levels witnessed in 2018. Livestock production dominates with goat for meat, but it is milk that is the major output. Poultry meat is small although there is sizable value for eggs. In industry sector, construction sub-sector takes a largest share of GVA while in services sector, public administration and defence is almost 50 per cent of the GVA.

(ii) Most of the indicators of quality of labour are below the national average. Significant efforts are required to increase literacy rates, enrolment in school, and nutrition levels. Furthermore, immunization rates are low, and teenage pregnancies are high. Child poverty and food poverty are remarkably high.

(iii) Most of the indicators of essential infrastructure and capital are below the national average. A lot of effort is required in access to electricity, improved water, and sanitation, rural roads, and internet connectivity.

(iv) There is an elevated level of persons 5-17 years working which denies them opportunity to go to school. The high out of school children who are engaged in economic activities hinders early attainment of formal skills that are needed for alternative livelihoods and industrial transformation of counties. Further, the level of inactivity among the non-youth is high.

(v) The agriculture sector employs most of the workforce is in livestock production. Services sector is second with a considerable number engaged in wholesale and retail sub-sector where they mainly engage in retail trade in non-specialised stores.

(vi) Labour productivity is higher than the national average. Services sector has the highest productivity while agriculture has the lowest. In agriculture sector, the potential for maize is yet to be exploited. In industry sector, the highest

productivity is in construction sector. In services sector, the public administration has the highest.

Policy Recommendations

(i) To enhance productivity of agriculture, build climate resilience in the livestock sub-sector by increasing uptake of weather-based insurance scheme for livestock production through promoting use of asset backed insurance and subsidizing premiums for disadvantaged pastoralists. Also create awareness on use of information provided by the drought early warning systems to encourage commercial offtake of livestock. The county also to consider establishing county livestock enterprise fund that will finance pastoralists to restock after drought episodes to accelerate recovery.

(ii) Further is integrating the agriculture activities to relevant values chains. This including poultry value chain while retaining the indigenous chicken, dairy value chain and leather value chain. In addition, Kenya Meat Commission should promote their market for meat. Further, unlock potential for apiculture.

(iii) Diversify services sector by leveraging on tourism resources.

(iv) Create an enabling environment that attracts investments to expand the opportunities for job creation. This including providing for access to electricity, improved water, and sanitation, rural roads, and internet connectivity. Also provide financial support to business established by vulnerable groups such as women and youth are in the informal sector.

(v) To improve the quality of labour, encourage participation in the Adult and Continuing Education programme to improve the quality of the current labour force. This can be done through increasing awareness campaigns on the benefits of adult learning targeting out-of-school youth and adults in the county. Further is investing in mobile adult learning centres that target nomadic pastoralists who move during droughts and increasing the number of facilities and trainers. Moreover, to ensure children are enrolled in schools, support programmes currently being implemented by NACONEK such as mobile schools, school feeding programmes and low-cost boarding schools.

(vi) In addition, it is necessary to create awareness on children immunisation, and have nutritional sensitive social protection intervention to ensure future labour quality is secured.

Acknowledgement

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