



UGANDA BUREAU OF STATISTICS



**A Brief on key Indicators released by the Bureau during the Month of
September 2013**

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In the month of September, the Bureau disseminated key findings including:

- A) Revised Annual GDP estimates for FY 2012/13
- B) Inflation for September 2013
- C) The Uganda National Panel Survey 2009/10 - 2011/12
- D) Child Labour Report 2011/12

A. Performance Of The Ugandan Economy For The Fiscal Year 2012/13 – Revised

The revised real GDP at market prices grew by 5.8 percent in FY 2012/13 compared to the June estimated growth of 5.1 percent for the same period. Thus, the growth of the economy accelerated by a revised rate of 2.4 percent during FY 2012/13 compared to a deceleration of 3.2 percent in FY 2011/12. It is worth noting that the June 2013 estimates were using only three quarters of the FY 2012/13. The revised figures are based on data for all the quarters of the FY 2012/13.

Table 1: Revised GDP at Market Prices, Percentage Changes for 2007/08-2012/13

| Year | 2007/08 | 2008/09 | 2010/11 | 2011/12 | 2012/13 |
|----------------------|---------|---------|---------|---------|---------|
| GDP at market prices | 7.3 | 5.9 | 6.6 | 3.4 | 5.8 |

Source: Uganda Bureau of Statistics

The revised Gross Domestic Product (GDP) figures of the Fiscal Year (FY) 2012/13 indicate an improvement in performance of the economy compared to the provisional GDP estimates released in June 2013.

The upward revised performance of the economy during the FY2012/13 was mainly attributed to the better than projected performance of the activities of cash crops growing, manufacturing, posts and telecommunications, public administration and education services.

Agriculture, forestry and fishing Sector

The output of the agricultural activities that include cash crops, food crops, livestock, forestry and fishing is estimated to have grown to 1.5 percent in FY 2012/13 up from the June preliminary estimate of 1.4 percent. This is partly explained by the growth registered in tea and coffee subsectors of 19 percent and 13.8 percent respectively in 2012/13.

Industry Sector

The industry sector revised growth of FY 2012/13 has not changed from the 6.8 percent June estimate. At activity level, growth in the manufacturing sector was revised to 5.6 percent from 4.2 percent in June 2013 while growth in electricity was revised to 11.0 percent from 10 percent during the same period. The construction sector growth, on the other hand, was revised from 8.2 percent in June 2013 to 7.5 percent.

Services Sector

The services industry grew by a revised rate of 6.5 percent in FY 2012/13, compared to the 4.8 percent estimate in the June release. The major upward revisions were in the activities of posts and telecommunications, financial services, public administration and defense and education.

B. Annual Inflation Rates -September

The Annual Headline Inflation rate for the year ending September 2013 rose to 8.0% from the 7.3% level registered for the year ended August 2013. This was mainly driven by **Food Inflation** that rose to 11.7% for the year ending September 2013 up from a 9.1% rise recorded for the year ended August 2013. The rise in the Food Inflation was mainly attributed to a rise in the Food Crops Inflation rate that went up to 16.2% for the year ending September 2013 from 12.9% that was recorded for the year ended August 2013.

On the other hand, the Annual Core (Underlying) Inflation rate increased to 6.9% for the year ending September 2013 from the 6.6% increase recorded in August 2013 and the Annual EFU Inflation rate increased to 2.1% for the year ending September 2013 from the 1.6% registered for the year ended August 2013. This was mainly driven by an increase in fuel prices of 3.8 % in September 2013.

Annual Headline Inflation Rates by Centre

Mbarara registered the highest Annual Inflation rate of 10.5% compared to the 10.3% rate recorded in August 2013. This was driven by high price levels for food, beverages & tobacco, clothing, meals in restaurant and other goods & services. Kampala middle and low Income registered the second highest Annual Inflation rate of 9.8% compared to a 8.2% recorded in August 2013. This was driven by high price levels for food, beverages & tobacco, rent, charcoal, firewood, unmetered water and meals in restaurants. However, Arua recorded the lowest Inflation rate of 0.3% up from -1.7% in August 2013.

C. Household Surveys Uganda National Panel Survey

1. Background

The Bureau embarked on the conduct of Panel surveys in 2009/10. A Panel Survey covers the same households or individuals and tracks them over time. The panel surveys being referred to here are based on households covered in the cross sectional household survey, UNHS, covered in 2005/06. The panel survey followed about 2500 households out of the 7400 households covered in the 2005/6 UNHS. In the Panel survey, households were tracked and re-interviewed in 2009/10, 2010/11 and 2011/12. Panel surveys enable us to understand the dynamics taking place at household and at personal levels. The objective of the Panel surveys is to collect high quality data on key outcome indicators such as poverty, service delivery and employment among others

Highlights of the results

The first Uganda National Panel Survey conducted in 2009/10 showed that poverty had declined and this was consistent with findings in the UNHS 2009/10 estimates. In 2010/11 indications were that poverty which had declined in 2009/10 actually increased over a one year period and the proportion of those who became poor between 2009/10 and 2011/12 increased.

Transient poor

The results of the Panel survey enabled the Bureau to estimate transition in and out of poverty. According to the findings and comparing 2010/11 and 2011/12 Panel surveys, a total of 19 percent who were non-poor in 2010/11 transited into poverty in 2011/12 while 35 percent who were poor moved out of poverty during the same period. It is worth noting that the absolute numbers of those who have transited into poverty are more than those who have moved out of poverty.

Possible explanations for the increase in poverty based on the panel surveys

High inflation rate

The period 2010/11 was characterized by high inflation reaching a climax of 30 percent towards the end of the survey period (based on the Consumer price index). The high inflation affected all sectors of the economy and partly explains the reduction in household consumption expenditure. This is in addition to the slow growth of the agricultural sector over the period which remains the major source of livelihood for many rural households.

Rising inequality

There are signs of rising inequality as measured by the Gini coefficient. For instance, between 2009/10 and 2010/11, inequality increased from 0.372 to 0.411. The increase in inequality points to the widening gap between the poor and non-poor.

Conclusion

The findings of the 2012/13 Uganda National Household survey (UNHS 2012/13) will provide a broader picture of the levels and trends in poverty. **The results will be ready by November 2013.**

D. Summary of the Child Labour Report 2011/12

The Uganda Bureau of Statistics with technical and financial support from ILO carried out the National Labour Force and Child Activities Survey 2011/12. The survey was a nationally representative sample, and was the first survey of its kind to be implemented in Uganda. It revealed that Children (aged less than 18 years) constituted 58% of the total population while the Youths (aged 18 – 30 years) constituted 20% of the total population. Thus, the Children and Youths combined account for more than three quarters of the total population.

Overall 89 percent of the children aged 6-17 years were attending school and 39 percent were involved in some kind of work. Thus, one-third (33%) of the children were combining working with schooling. Most of the working children (93%) were in the primary sector (agriculture, forestry and fishing), and worked mainly as contributing family workers (81%).

Child Labour

Child Labour is among the major causes of child abuse and exploitation and is a fundamental violation of children rights. In addition to harming the welfare of the individual children, Child Labour slows down broader national poverty reduction and development efforts of the country.

A total of 2 million children aged 5-17 years (16% of the total children) were involved in Child Labour, broken down as follows:

- 1.5 million children in the age group 5-11 years were involved in any work;
- 252,000 children aged 12-13 years worked in non-light economic activities; and
- 307, 000 14-17 year-old children working in hazardous employment.