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Press Release 21 March 2019

# 4 out of 5 Ugandan households say their household income does not cover their daily expenses

## Half of Uganda's households have members that have dropped out of school for financial reasons

**Thursday, 21st March 2019, Kampala:** Four out of five Ugandan households (81%) say their household income does not meet daily expenses. These figures are similar to 2017. However, the amount of money that households report needing every day has gone down from UGX 11,800 to UGX 10,300 in the same period.

Half of all Ugandan households have a member who has been forced to drop out of school for financial reasons. And two out of ten households (22%) have had a member die due to lack of financial resources for medical expenses. One out of ten households (12%) report that the main breadwinner has lost their job in the last two years.

These findings were released by Twaweza in a research brief titled *More food, less money: Ugandans'* experiences and opinions on poverty and livelihoods. The brief is based on data from *Sauti za Wananchi*, Africa's first nationally representative high-frequency mobile phone survey. The findings are based on data collected from 1,905 respondents across Uganda in November 2018.

When asked about the most serious problem facing the country and their household, the largest proportion of citizens name poverty. Nationally, the proportion of citizens naming poverty as the most serious issue has doubled from 14% in 2017 to 29% in 2018. Similarly, lack of employment is the third most named problem, named by twice as many people in 2018 (12%) as in 2017 (6%). Overall fewer citizens are concerned about public services, like health, education and water, and more are worried about poverty and economic issues. Additionally at household level, half of Ugandans are concerned about the gap between rich and poor.

Almost three out of four citizens are unhappy with the country's economic direction (72%). Many as also unhappy about employment (67%) as well as the state of corruption (70%).

There has also been a notable reduction in food stress at the household level in 2018: citizens are less likely to report not eating for a whole day (37% compared to 49% in 2017) and running out of food because of a lack of money (69% compared to 53% in 2017).

However, more rural and poor Ugandans suffer from food stress than their wealthier and urban compatriots. Even so, one out of four wealthier Ugandans (25%) went without eating for a day in the past three months.

When households face financial difficulties, they try first to cut spending (37% report doing this). This number has increased from 2017 when 20% of Ugandans used this as a way to deal with financial difficulties. Far fewer Ugandans ask friends and family for help in 2018 (4%) compared to 2017 (15%).

However, when they face an emergency, most Ugandans (51%) still turn to family and friends for help, although the share of people saying they do this has decreased since 2017 (67%). More citizens are now likely to say they will sell something (up to 18% from 11%) or take a loan or overdraft (17%, compared to 8% in 2017).

If given a cash injection of UGX 350,000 from the government, on average Ugandans are likely to spend close to half of it (44%) on starting or growing a business, 18% on agriculture and 13% on school fees.

Marie Nanyanzi of Sauti za Wananchi at Twaweza, said: "The data in this brief tell the story of economic hardship for an expanding majority of Ugandan citizens. Although they are slightly more satisfied with the country's economic direction as compared to 2017, many households still do not have enough income to meet their daily expenses. Poverty is their most serious challenge and in some households it has cost lives. These voices are an important alarm bell for the government to heed, so as to minimize further suffering."

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### For more information:

Martha Chemutai, e: mchemutai@twaweza.org | t: 0782 405 210

#### **Notes to Editors**

- This brief and the data contained can be accessed at <u>www.twaweza.org</u> / www.twaweza.org/sauti
- Twaweza works on enabling children to learn, citizens to exercise agency and governments to be more open and responsive in Tanzania, Kenya and Uganda. We have programs, staff and offices across all three countries, and a globally respected practice of learning, monitoring and evaluation. Our flagship programs include *Uwezo*, Africa's largest annual citizen assessment to assess children's learning levels across hundreds of thousands of households, and *Sauti za Wananchi*, Africa's first nationally representative mobile phone survey. We undertake effective public and policy engagement, through powerful media partnerships and global leadership of initiatives such as the Open Government Partnership. Follow us at Twaweza Uganda (Facebook), @TwawezaUganda (Twitter), Twaweza East Africa (Instagram)