

NIGERIA: FIRST PRESENTATION ON NTA ESTIMATION

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38th Summer Seminar on Population
East-West Center
6 June 2007

BACKGROUND

- Population of 140 million
- Total Dependency Ratio: 88.0
- Youth Dependency Ratio: 82.2
- Old Age Dependency Ratio: 5.7
- Very large informal sector : About 4% of Total population are salaried workers
- General Reforms in Place : and lots of hope and promise.

Background contd.

- Old unfunded pension scheme now replaced by funded pension scheme with a National Pension Commission and a number Pension Fund Administrators
- National Provident Fund for Private Sector workers now replaced by an improved National Social Security Trust Fund
- Old age security largely based on familial transfers.

DATA SET

- Two data sets are to be used for the current assignment: National Income data set
- The Nigerian Living Standard Survey (NLSS)
- National Income data has features that are similar to those being used by other countries in respect to Compensation to employees and operating surplus
- Not as detailed in respect to expenditure approach

Data contd.

- The NLSS is very detailed and rich
- Have only for 2004
- Features of the data set include:
 - Household information on Education including education expenditure, who pays what and how much is paid for which individual; educational career, details on apprenticeship etc.
 - Household information on health condition and expenditure with individual detail.

Data contd.

- Household information on health condition information on preventive health and vaccination; prenatal care, fertility and contraceptive use for women between 15 and 49 years;
- Household information on employment and time use; including wage and informal sector employment with individual details

Data contd.

- Household data set on employment and time use has information on transfers like pension, paid holidays and sick leave, social security benefits, training related to job etc.; whether respondents are involved in secondary or tertiary occupation/employment, the type of compensation received etc.
- House-keeping time-use questions asked 5year-olds and above in the households

Data contd.

- A second household data set has information on consumption.
- The questionnaire asked information on land purchases, sales, rentals, sharecropping ; livestock and fishing; harvest and disposal of crops etc.; costs and expenses, processing and consumption of production
- Household expenditure details; food and non-food.
- Questions on operation of non-farm enterprises; costs and revenues etc.

NEXT STEPS HERE

- Data sets here and now are expenditure data
- Exploring possibility of getting other data sets on employment income and household consumption
- National Income estimates by production and expenditure approaches to be completed.
- Estimating relevant parameters for health and education consumption equations as well as these equations

Next Steps....

- Continue personal capacity development on NTA concept and methodology
- Continue consultation with resource persons and participants
- Proposal development on NTA estimation in Africa starting with Kenya and Nigeria
- Learning by doing generally in the summer.

Next Steps...

- Nigeria has only done one LSMS; for international comparison, is that not a limitation?
- Can one use other data sets like DHS, LFPS, and others to fill in gaps for other years?
- Your suggestions IMPORTANT....
- MANY THANKS!!!