Interhousehold transfers in urban Papua New Guinea: a study from the 1980s

Dr Louise Morauta, 31 March 2023

An old study

- Fieldwork in 1982 and 1983
- Several reports prepared in early 1980s
- Full report published online January 2023 by Development Policy Centre
- Today's presentation summarises the key findings in the 2023 report
- More technical detail can be found in the report itself

Acknowledgements

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- Advice and assistance: National Computing Centre, Bureau of Statistics, National Census Office
- 440 households participating in study
- Study team members: John Kambu, Lazarus Masavi, Linda Newell
- Canberra 2022-23: an anonymous peer reviewer, Professor Stephen Howes, Dr Karen Downing, Mr Arichika Okazaki and Dr James Morauta

Nature, extent and effects of interhousehold transfers in poor urban households

Why?

- Policy makers assumed people in urban areas were doing OK and nobody went hungry
- A gap in data on poor urban households

Unusual because

- Few quantitative studies on transfers
- Designed to capture good data on transfers
- Focus on poor households

Finding the poorest urban areas

1980 Census data on citizen households without a wage-earner in urban areas

- 14% urban households no wage-earner
- 46% of these lived in census units classified as settlements
- 23% lived in census units classified as traditional villages

Used Census data to find 4 census units with a very high proportion of households without wage-earners

Four Census units identified

Chose 2 towns, Port Moresby and Madang for convenience and team research background

- Port Moresby: 2 settlements, Gordons Ridge and Nine Mile
- Madang: 1 settlement, Wagol

  1 traditional village, Biliau

Plus for comparison one high-income census unit in the suburb of Gerehu, Port Moresby

Survey of all households

- One-off survey of all 415 households in the four census units (2,548 normal residents)
- Social and economic characteristics of households using census questions
- Extra questions on subsistence activities and main source of income
- We completed work in one census unit before moving to the next
- Used the household survey as sampling frame for central survey of the study

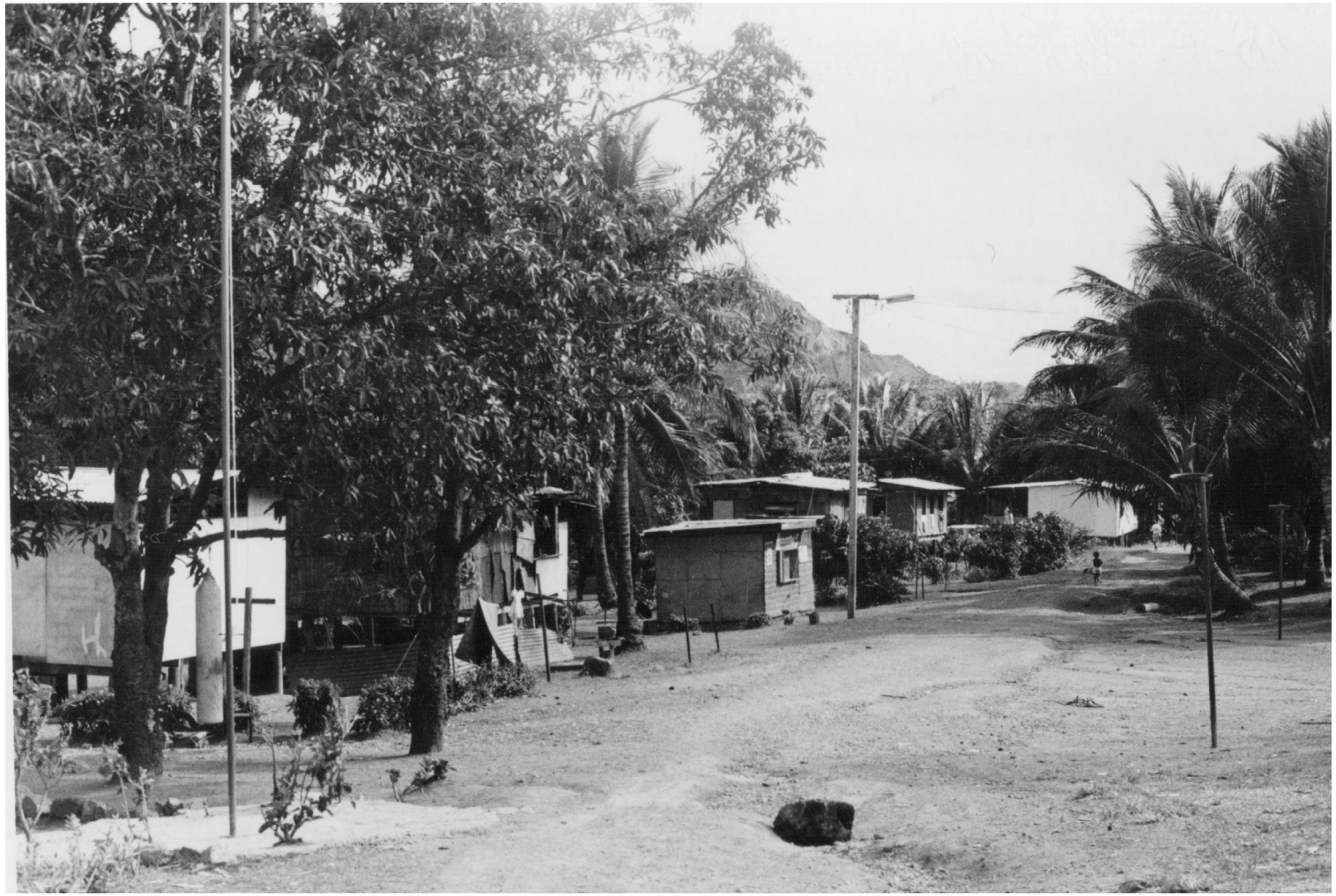
Two-week diary income and consumption survey

Sample of 48 households in two strata (groups):

- 24 with wage-earners
- 24 without wage-earners
- 6 of each in each census unit

Methods from 1975/76 PNG Household Expenditure Survey but

- Field team recorded all information in daily afternoon visits
- Subsistence produce and some transfers in kind weighed and priced later
- Extra questions on transfers

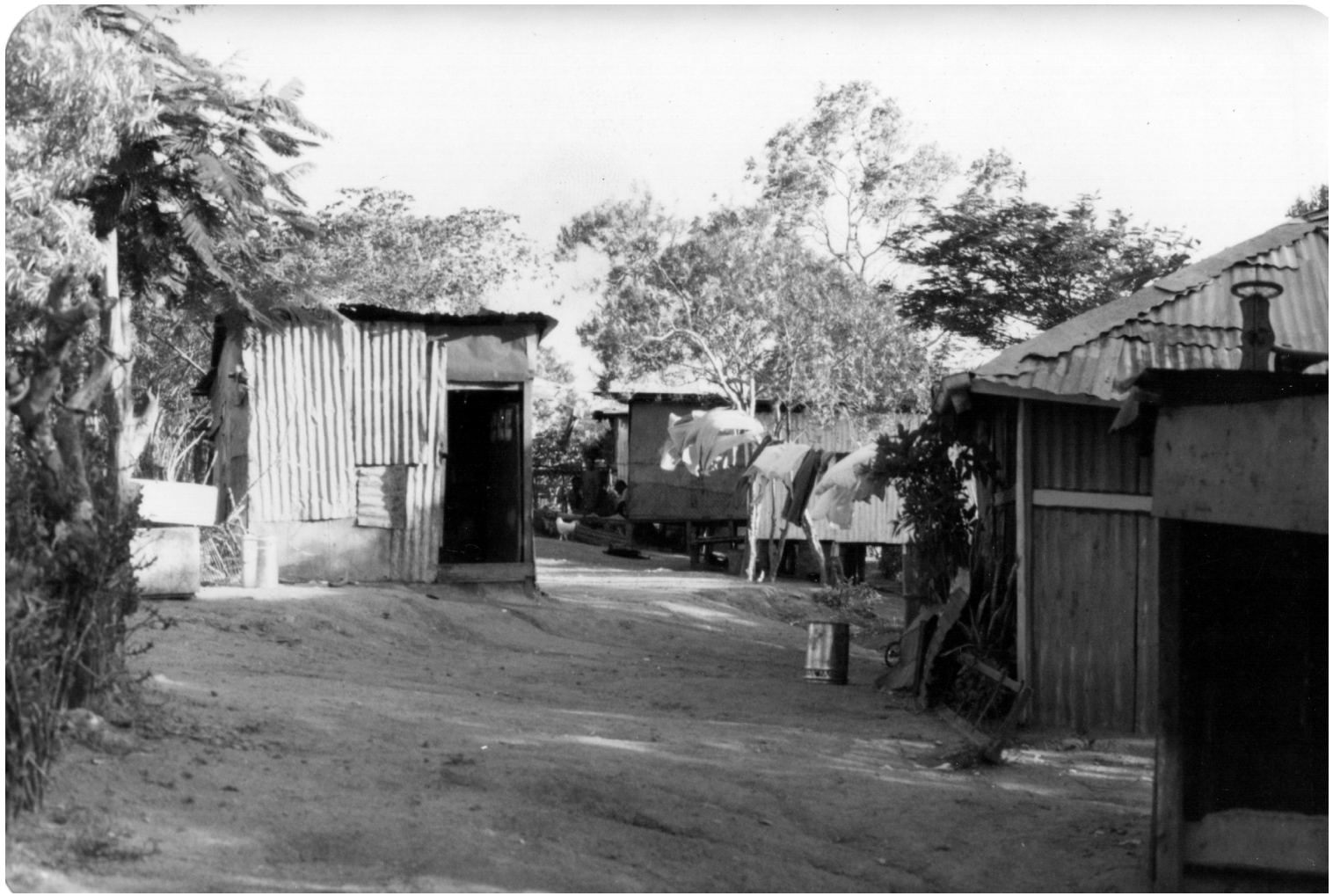


NINE MILE (popn. 802)

58% born in town

migrants mainly from eastern Gulf

roads, piped water, electricity, streetlights in parts



GORDONS RIDGE
(popn. 1056)

20% born in town

migrants mainly from highlands, esp Simbu

no vehicle access, electricity, or streetlights, 31 taps

BILIAU (popn. 392)

54% born in town

landowners and migrants mainly from East Sepik

roads, piped water, electricity and streetlights in parts

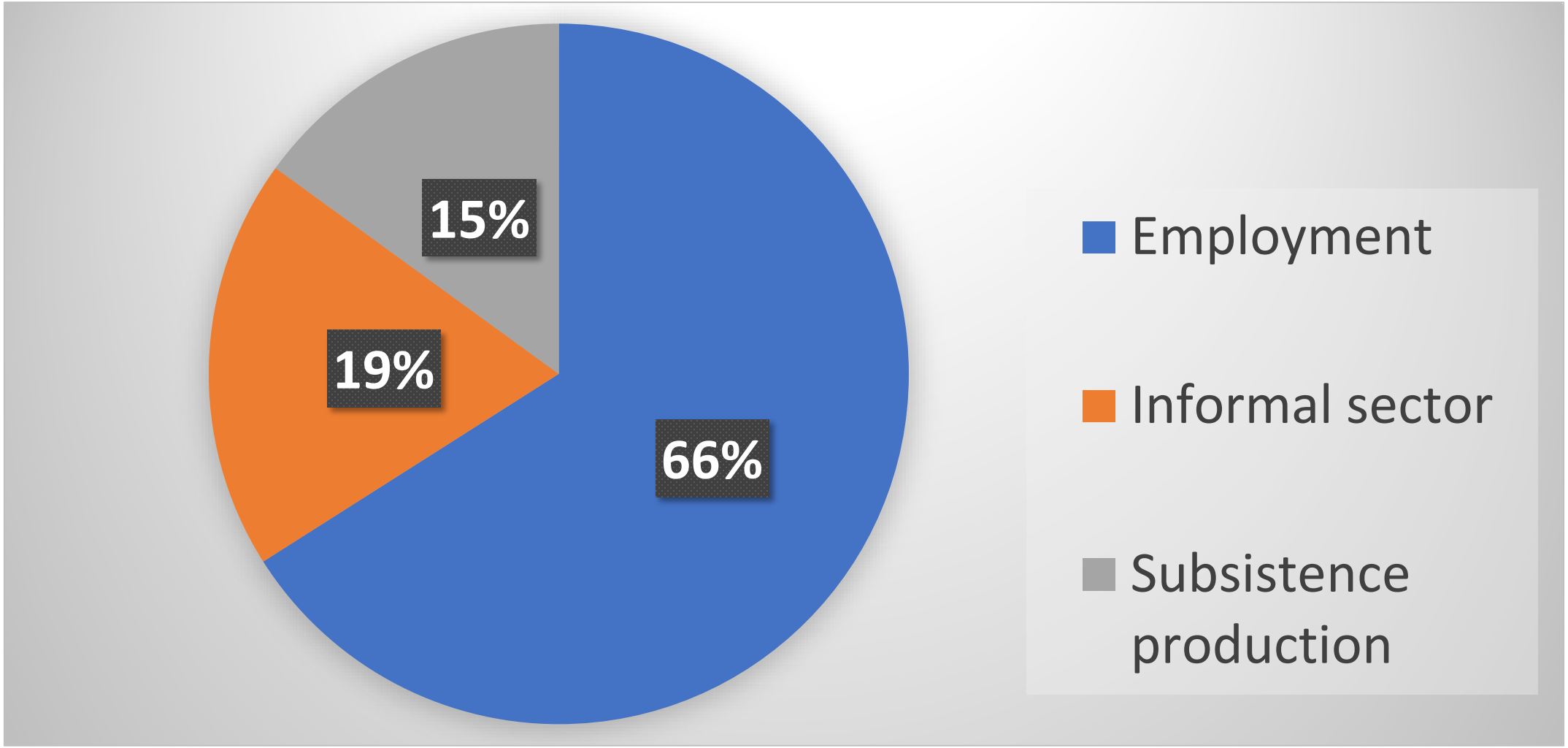
WAGOL (popn. 298)

30% born in town

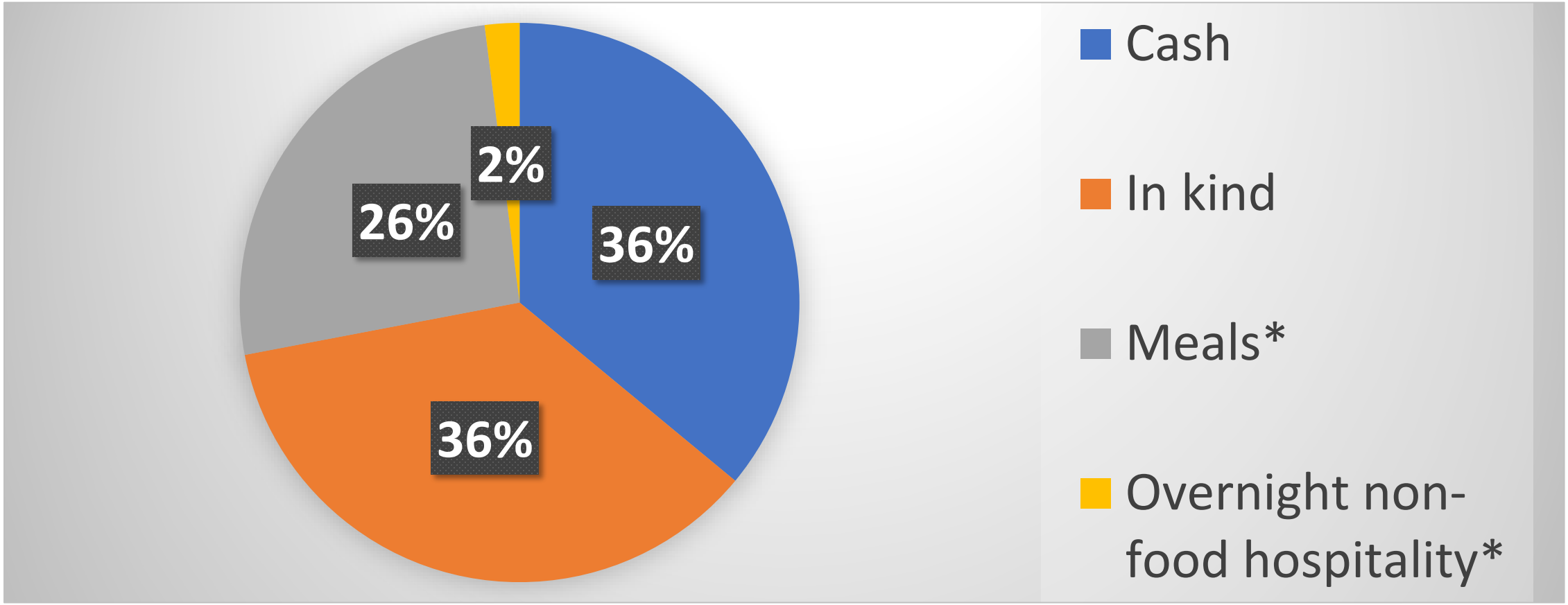
migrants mainly from East Sepik

no roads, piped water, electricity or streetlights

Est composition of income for 4 census units

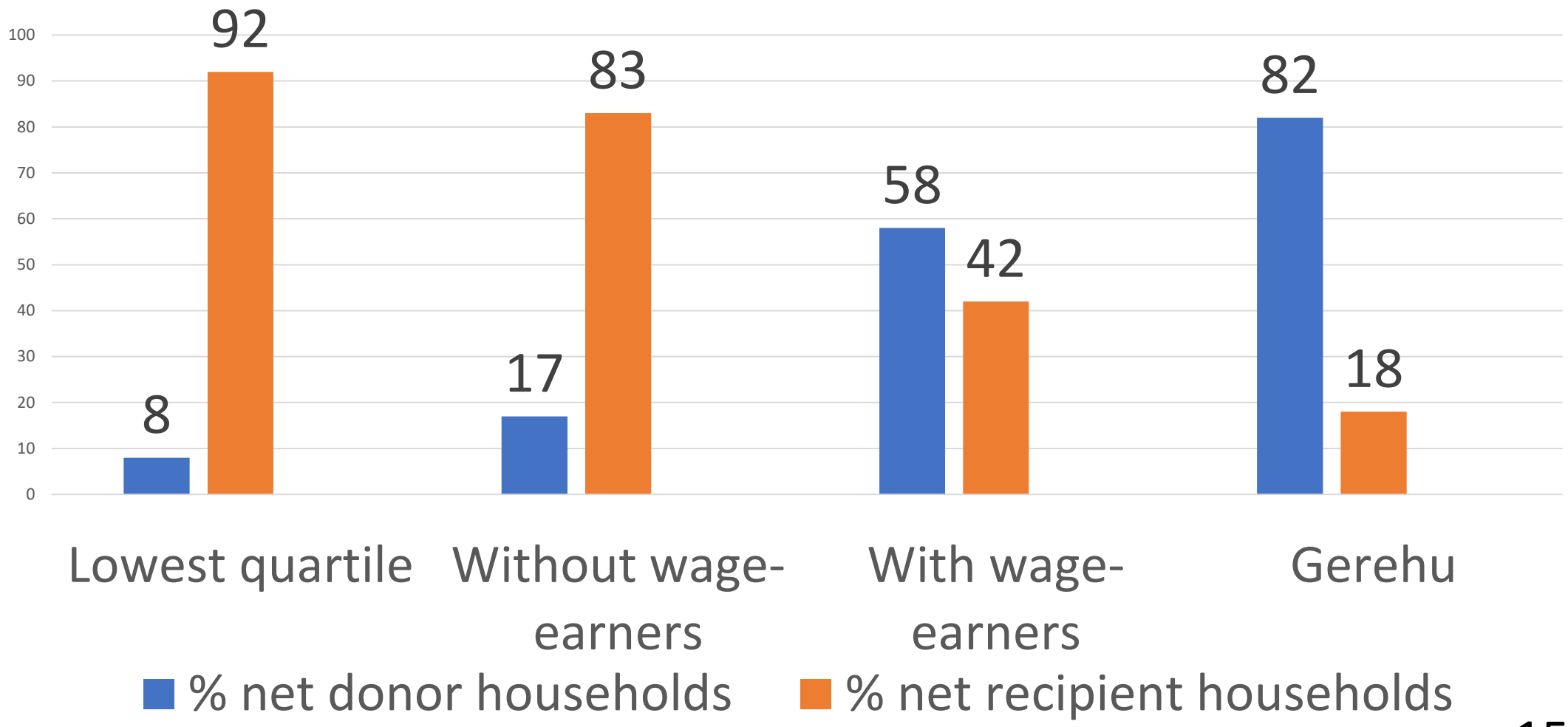


Types of transfer recorded for 48 sample households (% by value)



*Not usually given a value in other studies

Net transfers: % net donor and net recipient households



The logic of transfers

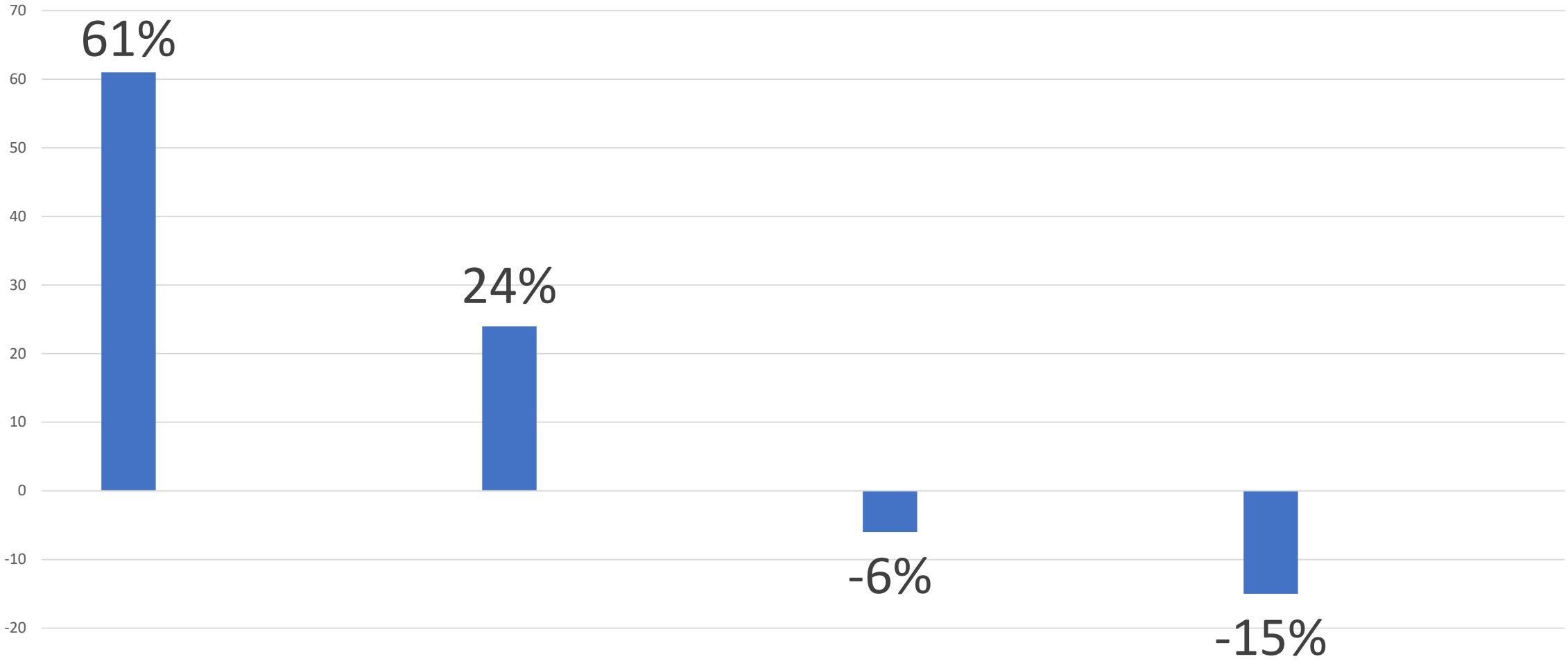
Either

- reciprocity expecting a comparable return, or
- obligation (including compassion or altruism) not expecting a comparable return

Patterns of transfers recorded

- 88% close family or kin
- 73% urban areas
- 47% same census unit
- 22% rural villages

Effects of net transfers on net consumption (%)



Gini co-efficient for all households in four census units

employment income	0.55
informal sector income	0.69
subsistence income	0.60
total income	0.46
net consumption	0.27
net food consumption	0.22

Did people have enough to eat?

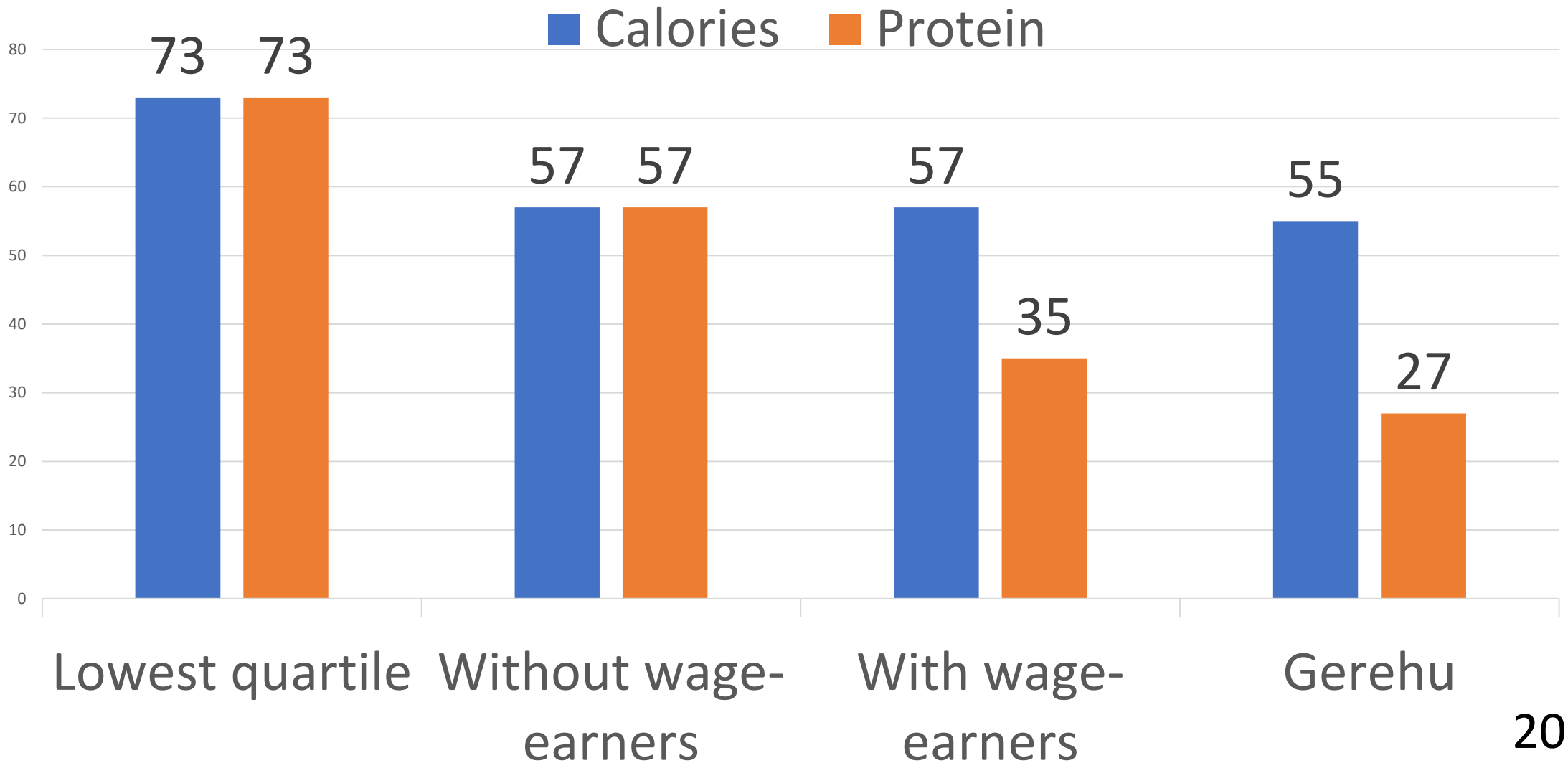
No poverty measures at time

For each household over two weeks we compared

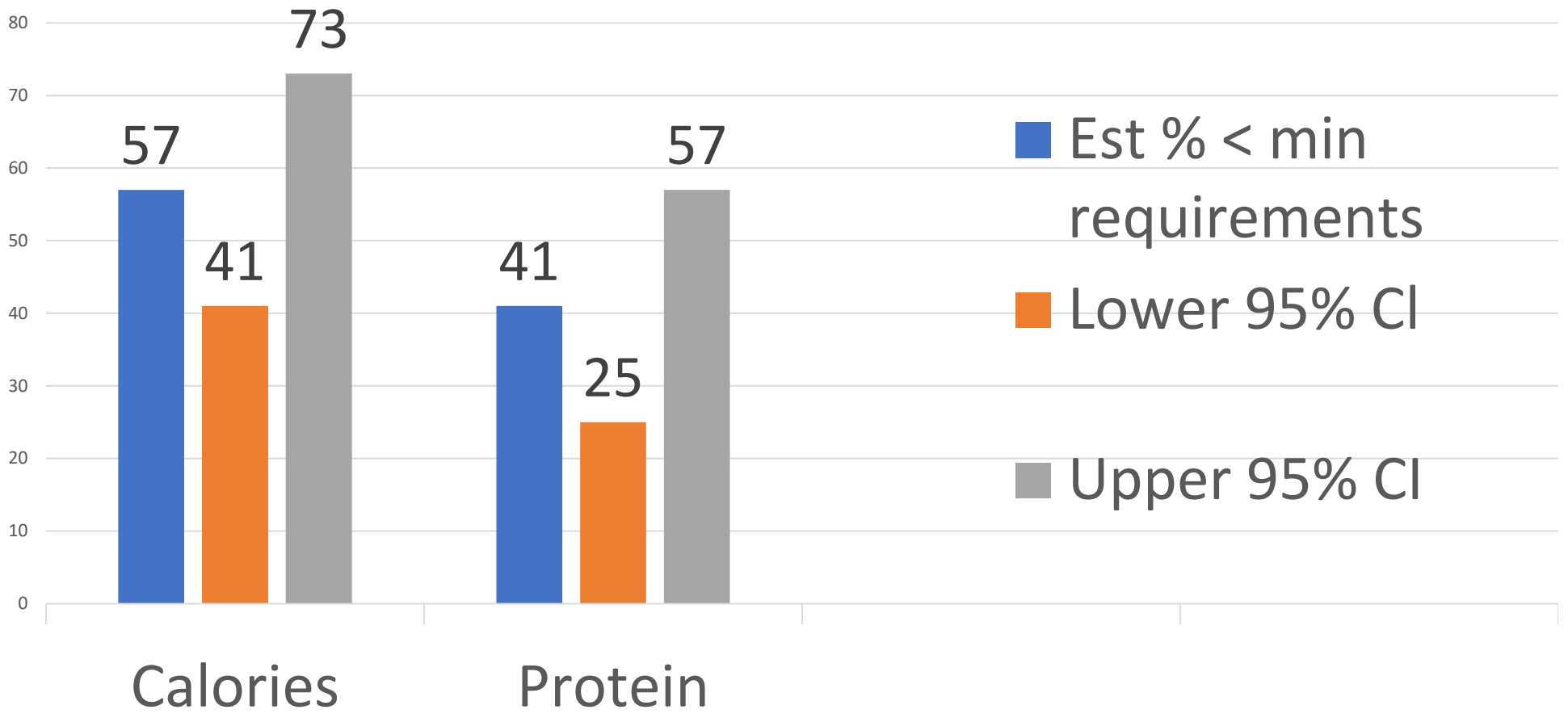
- Calories and protein consumed, and
- Updated minimum calories and protein required
  - 2200 calories per day per adult equivalent
  - 45 grams protein per day per adult equivalent

To give calories and protein consumed by household as % of minimum requirements

% households < minimum food requirements



Est % households < minimum food requirements for four census units



In summary

In 4 very poor urban census units

- Transfers redistributed resources
- Helped poorest households most
- Net donor households reduced consumption to help others
- Despite transfers many households in food deficit

To what extent do these patterns continue today?