

## Household Size and Poverty Rate: Evidence from Nepal

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**Abstract :** The relationship between the household size and the poverty is not well understood. Malthus followers advocate that the increasing population add pressure to the dwindling resource base due to increasing demand that would lead to poverty. Others claim that bigger households are richer due to availability of household labour for income generation activities. Facts from Nepal were analyzed to examine the relationship between the household size and poverty rate. The analysis of data from 3,968 Village Development Committee (VDC)/ municipality (MP) located in 75 districts of all five development regions revealed that the average household size had moderate positive correlation with the poverty rate (Karl Pearson's correlation coefficient=0.44). In a regression analysis, the household size determined 20% of the variation in the poverty rate. Higher positive correlation was observed in eastern Nepal (Karl Pearson's correlation coefficient=0.66). The regression analysis showed that the household size determined 43% of the variation in the poverty rate in east. The relation was poor in far-west. It could be because higher incidence of poverty was there irrespective of household size. Overall, the facts revealed that the bigger households were relatively poorer. With the increasing level of awareness and interventions for family planning, it is anticipated that the household size will decrease leading to the decreased poverty rate. In addition, the government needs to devise a mechanism to create employment opportunities for the household labour force to reduce poverty.

**Keywords :** household size, poverty rate, nepal, regional development

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