



**MAKERERE**

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**(SCHOOL OF STATISTICS & PLANNING)**

**THE EFFECT OF YOUTH LIVELIHOOD PROGRAM ON YOUTH INCOME  
LEVELS IN UGANDA.**

**A CASE STUDY OF KAGADI DISTRICT.**

**BY**

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**BSQE**

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## DECLARATION

I TWINOMUJUNI ROBERT , a student from Makerere University pursuing Bachelor of Science in Quantitative Economics degree declare to the best of my knowledge and understanding that this research titled( TO ASSESS THE EFFECTS OF YOUTH LIVELIHOOD PROGRAM ON YOUTH INCOME LEVELS ) is done by me with the exception of references quoted and has not been published or submitted for any academic award to any university or institution before. Therefore, any illegal publications and photocopying without authorization will lead to penalty


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## APPROVAL

This research report has been submitted with my approval as the supervisor and is ready for examination for the award of bachelor's degree of science in quantitative economics (BSQE) from Makerere University.

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**Ms. NAMUGENYI CHRISTABELLAH**

## **DEDICATION**

I dedicate this piece of work to my parents , guardians and friends for the good work done by them in trying to lift me up , guiding me and supporting me financially that have enabled me to successfully accomplish this mile storm as far as academics are concerned . Without them in my life I would not have obtained the kind of knowledge I have acquired from my academic journey that I have gone through right away from primary, secondary and finally at the tertially level

Similarly Without forgetting my supervisor and the entire staff of makerere university in a special way to the lectures that have strived for me and have implanted knowledge, guided and enlighten me for the whole life spent at campus that is from semester one of year one till the end of semester two of year 3. God bless you all.

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## LIST OF ABBREVIATIONS AND ACRONYMS

<b>YLP</b>	:	Youth Livelihood Program
<b>NYP</b>	:	National Youth policy .
<b>YLF</b>	:	Youth Livelihood Fund .
<b>BSQE</b>	:	Bachelor of Science In quantitative Economics .
<b>KDLG</b>	:	Kagadi District Local government .
<b>MGLSD</b>	:	Ministry of Gender, Labour and Social Development.
<b>YLPP</b>	:	Youth Livelihood Program Performance .
<b>Chi2</b>	:	Chi-square
<b>UNFPA</b>	:	United Nations Population Fund .
<b>VGS</b>	:	Vulnerable Groups support
<b>SACCOS</b>	:	Savings and Credit Cooperative Societies
<b>UNHS</b>	:	Uganda National Household Survey
<b>VSLs</b>	:	Village Saving And Loans Sacco
<b>YSDS</b>	:	Youth Saving And Development Sacco

## ABSTRACT

The purpose of this study is to examine the effects of youth livelihood program on youth income levels in Uganda kagadi district. The study was guided by following objectives, (i) To assess the effect of youth participation in the youth livelihood program on their income levels. ii) To determine the effect of demographic factors on youth income levels, (iii) To assess the effect of social-economic factors on the youth income levels. There were 129 respondents (sample size) involved consisting of both youth who participate in the youth livelihood program (57.36%) and those who don't participate in the youth livelihood program (42.63%). The study was mainly primary in nature that is (cross sectional survey) where structured close ended questionnaires and personal interviews were applied in field while collecting data about the youth in kagadi district. The statistical software analysis tool used was STATA. Univariate, Bivariate and Multivariate analysis were made where univariate analysis part consisted of frequencies and percentages, bivariate analysis included a chi-square analysis in determining the level of association between each of the independent variable relating it to the dependent variable. An ordered logistic regression was conducted using stata and results were found participation in youth livelihood program is positively related to current level of income of the youth. The findings in the study include the following; (i) access to market and current level of saving were found statistically significant with p-values of 0.010 and 0.000 respectively, and this brings us to a conclusion of rejecting null hypothesis respectively which states that "Social-economic factors such as savings and access to market statistically influence the income levels of the youth". Unlike working hours, Age, Participation, Level of Education, Sex and type of business are found not to be statistically influencing the incomes of youth in Kagadi District and thus we fail to reject null hypothesis. Similarly findings reveals that participation in YLP is not statistically significant since the p-value of 0.565 is greater than 0.05 but participating in the YLP increases the likelihood of the youth in earning a higher level of income by 0.2234 compared to those who do not participate in the program. In conclusion there is no significant impact of youth livelihood program on the youth income levels of kagadi district. Recommendations, Ensure that higher education programs are practical and aligned with market needs to improve the employability of graduates, Focus on market-oriented technical and vocational training to enhance employability and match skills with job market demands. Conclusion from The analysis indicates that the Youth Livelihood Program alone does not have a statistically significant impact on reducing youth poverty level (or increasing income levels) in Kagadi District. This implies youth livelihood program has not been effective enough on the youth who participated through their different youth groups due to different factors associated during the implementation of the program.

## CHAPTER ONE: INTRODUCTION

### 1.1 Background of the study

Youth livelihood program is a government financial program designed as one of the interventions of government in response to high unemployment rates and poverty levels in Uganda (MoGLSD,2021). Youth unemployment and poverty are pressing challenges faced by many countries, including Uganda(Julius & Nancy, 2024) That have impacted on Ugandas' Gross Domestic Product . In Kagadi District, located in western Uganda, high rates of youth unemployment have contributed to elevated levels of poverty among the youth population. Recognizing this issue, the introduction of a youth livelihood program aims to alleviate poverty and enhance the incomes of young individuals in the district. The youth livelihood program in Kagadi District has been specifically designed to address the unique needs and circumstances of the youth population following the Kagadi District local government structures specifically in the office of community and probation officer which enhances better service delivery(Leonida, n.d.) . By providing training, resources, and support, this program seeks to empower young people, equipping them with the skills and opportunities necessary for sustainable livelihoods. The primary objective of the program is to reduce youth poverty levels and create pathways for economic empowerment. The significance of this research study lies in evaluating the impact of the youth livelihood program on young individuals' income levels in Kagadi District. By thoroughly assessing the effectiveness of the program, this study aims to provide valuable insights and evidence-based recommendations for policymakers, program implementers, and other stakeholders involved in youth development and poverty reduction efforts. Therefore, this research study seeks to investigate the impact of the youth livelihood program in achieving its objectives of enhancing youth incomes and reducing poverty levels in Kagadi District and enhancing increased income levels .

The findings of this study will contribute to the existing body of knowledge on youth empowerment, poverty reduction, and inform future interventions aimed at addressing youth unemployment and income levels in similar contexts .This youth livelihood program commenced in the financial YAER 2013/2014 under the supervision of ministry of Gender Labor and Social Development (MGLSD).This program major objective was to empower the youth economically and improve there social-economic wellbeing . Kagadi started benefiting in 2014/2015 and kagadi benefited as kibaale, around 26 groups had benefited from kagadi under kibaale district and from 2017-2021 for kagadi district had more than 100 groups plus

the 26 groups benefiting from the program. Through the literatures of (MINISTRY OF GENDER , LABOUR AND SOCIAL DEVELOPMENT, 2021) , Kagadi District had a total of 144 projects and with a total of 1,349,484,122 disbursed to the different groups . Out of participants , 952 were male that is to say 57.4% and 705 were female which is making 42.5% .It was a five-year plan and with a target of investing in the projects using funds that were revolving and getting some money and pay back with around 11%. Some groups were benefiting around 1.3 billion shillings which went into the youth groups in kagadi in the financial year 2014/2015 up to date and currently over 2.5 billion Ugandan shillings has been invested in this program According to (MINISTRY OF GENDER , LABOUR AND SOCIAL DEVELOPMENT, 2021) and (MGLSD, 2019), Uganda invested 32% in Agriculture country wide , then 29% in trade , 23% in service , 6% in industry , 5% in vocational bskills , 4% in industrial Agro , 1% Agro Forestry , 1% ICT , 0.4% was invested in Creative industry and finally only 0.02% invested in health care . Some groups started agro business, boda boda , fish cadging ,and livestock rearing. Several ngrous from different sub counties benefited from the program and these include kyakabidima , kyezigye, Mabaale , Mpeffu , Ndaiga , kagadi town council , muhooro town council, Rugashali , Ruteete and many others . these groups was headed by the youth chairperson kagadi district together with the chairperson LC However, given that several groups gained there are challenges being encountered during the implementation of the program and allocation of the funds where one of the group members had self-interests after securing the funds nothing was done productive. This is one of reasons why the expected change in generating income to individuals was not that progressing in terms of wealth creation. The following are some challenges being faced. The youth where not well oriented on how to use money and how to learn a business this has been general problem in all regions ((Godfrey, 2017),Some youth would invest in business without making a feasibility study so as to enable them acquire relevant information that would help them to efficiently allocate the funds for productive ,Misappropriate of funds by diverting the funds in un productive ventures and other programs that do not yield any return In conclusion, the first phase of the programs was closed at the end of June 2019 where the repayment was below 50% . There are key recommendations made 1<sup>st</sup> of july 2019 in order for the program to resume. And these include increase awareness and sensitization, skills development, livelihood support and institutional support. Kagadi district received over 271 million youth livelihood fund under the ministry of gender, labor and social development to support various youth projects with a purpose of enhancing self-employed youth .

## **1.2 Problem statement**

The persistent rising numbers of youth lacking jobs in order for them to earn a living has resulted into rising numbers of poverty rates prevailing prevalence of youth poverty in Uganda (Fox et al., 2016) and (Edward B , 2023) that resulted into poor level of earnings across developing countries (SSA) ((Mutenyo et al., n.d.)which is a similar case experienced by the youth in Uganda Kagadi district. Uganda is a significant impediment to the district's overall development. Uganda youth livelihood program (YLP) And the consequent Youth LIVELIHOOD Fund (YLF) are government programs established under the National Youth Policy (NYP), designed to support young people to find employment by extending grants and other support to small groups of young entrepreneurs to help them start small business thus create employment for other job seekers(Blattman et al., n.d.) & (Rita Makumbi, 2018 ).The government's youth livelihood program was designed to mitigate this issue, but its efficacy and impact on poverty reduction among the youth population in Kagadi District remain unclear. This dissertation seeks to comprehensively assess and evaluate the effect of the youth livelihood program(Hanifa, n.d.) and asses the reasons as to why the program was not effectively achieving its desired goals with the aim of providing an evidence-based analysis of its effectiveness in alleviating youth poverty and offering policy recommendations for enhancement of youth income levels .

## **1.3 Objectives**

### **1.3.1 Main objective**

To determine the effect of the youth livelihood program on youth income levels in Kagadi District, Uganda. “These primary objective focuses on evaluating whether the program is achieving its intended goal of attaining a higher income levels among the youth population in Kagadi District district.This primary objective focuses on evaluating whether the program is achieving its intended goal of alleviating poverty among the youth population in the specified district.

### **1.3.2 Specific objectives**

- i. To assess the effect of youth participation in the youth livelihood program on their income levels.
- ii. To determine the effect of demographic factors on youth income levels .
- iii. To assess the effect of social-economic factors on youth income levels in Kagadi District .

### **1.4 Research questions**

How does participation in the YLP affect the income levels of youth?

How do demographic factors influence youth income levels in Kagadi District?

How does social-economic factors influence youth income levels in Kagadi District ?

### **1.5 Significance of the Study:**

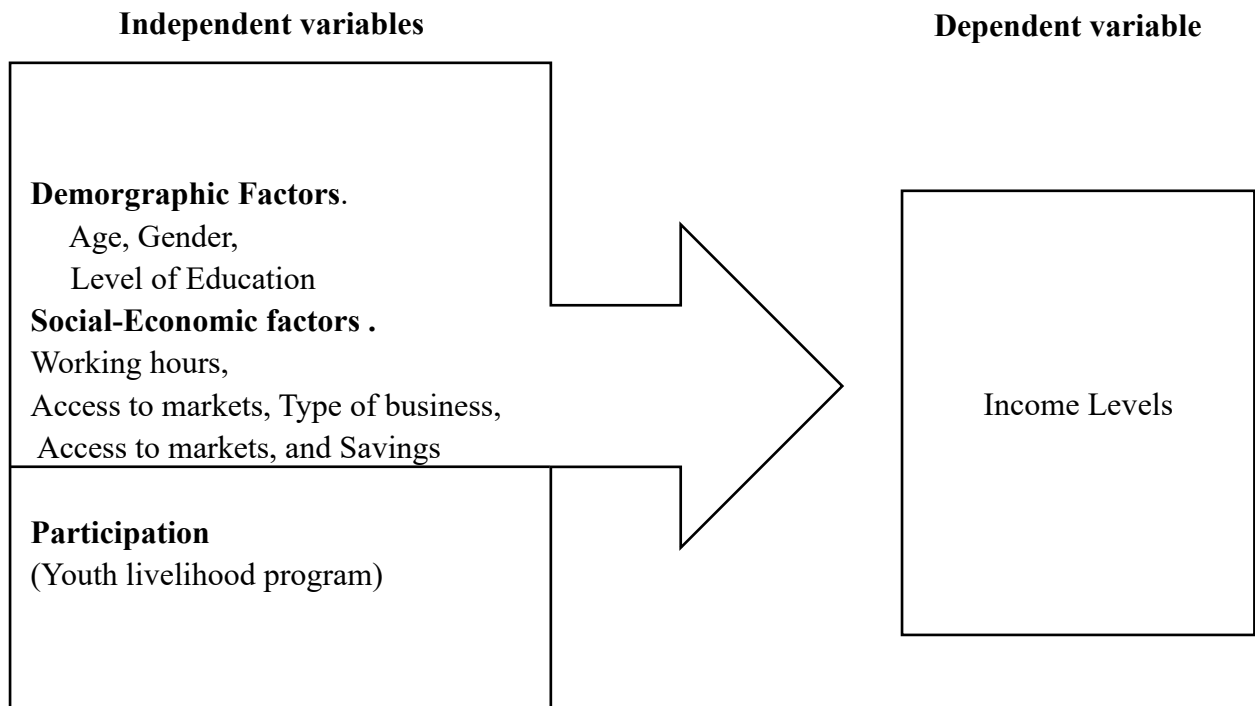
The significance of the study would lie in its ability to provide valuable insights into the effectiveness of youth livelihood programs in increasing youth income levels and its effects on reducing poverty levels among youth in Kagadi District. By testing the research hypothesis at a 95% significance level, the study aims to determine whether there is a statistically significant relationship between participation in these programs and income levels. If the hypothesis is supported, it would imply that youth livelihood programs play a significant role in poverty alleviation efforts and increasing income levels , which could have important implications for policy development and program implementation in similar contexts.

### **1.6 Justification of the Study:**

The study's justification lies in the need to address the pressing issue of youth poverty in Kagadi District and the potential role that youth livelihood programs can play in addressing this issue. Given the limited resources available for poverty alleviation initiatives and income increase, it is essential to assess the effectiveness of these programs rigorously. By conducting this study, policymakers, program implementers, and other stakeholders can gain evidence-based insights into the impact of youth livelihood programs on poverty levels, thereby informing decision-making and resource allocation strategies.

### 1.7. Conceptual frame work

This refers to a tool that provides a clear understanding of the variables used under the study. It outlines the key concepts that the study is investigating and how they relate to each other. They include the following.



**FIGURE 1.1 showing the conceptual frame work of the study**

### 1.8. Scope of the study

The scope of the study encompasses examining the relationship between participation in youth livelihood programs and income levels among youth in Kagadi District. Specifically, the study focuses on assessing the impact of various factors, including demographic characteristics, socioeconomic status, and participation in different economic sectors, on poverty levels. The study's findings will be limited to Kagadi District and may not be generalizable to other contexts without further research.

## **1.9 Research Hypothesis.**

This research seeks to address the following hypotheses which are as follows;

Main Hypothesis: There is no statistical relationship between participation in youth livelihood programs and income levels among youth in Kagadi District at a 95% confidence level.

### **Other Hypotheses:**

- i. There is no significant difference between Youth who participate in youth livelihood program and those who do not participate on income level distribution .
- ii. Demographic factors such as age, sex, and level of education do significantly influence income levels among youth in Kagadi District.
- iii. Social-Economic factors such as type of business, savings behavior, access to markets, and working hours do not significantly influence youth income levels among youth in Kagadi Distrit.

## CHAPTER TWO: LITERATURE REVIEW

### 2.0 Introduction to Youth Livelihood Programs.

Youth livelihood program is community demand-driven, being implemented under the Ministry of Gender, Labour and Social Development (MGLSD) through the existing Local Government structures. Funds are advanced to the Youth Interest Groups (YIGs) in form of a Revolving Fund in order to increase outreach and enhance sustainability of the program (MGLSD, 2019). The issue of youth unemployment and poverty is a significant concern globally that affect the overall economic development (ghaffer et al.,2019), particularly in developing countries such as Uganda the most recent poverty estimate from the Uganda national household survey 2019/2020 is equal to 20.3% based on the national poverty line the UNHS 2019/2020 shows a decline in poverty from 21.4% in (2021/2017) to 18.7% in 2019. . in response to this challenge, youth livelihood programs have emerged as key interventions aimed at addressing both economic empowerment and poverty reduction among youth populations (Pual, 2007). These programs typically offer a range of support services, including skills training, access to financial resources, and market linkages, with the goal of enabling youth to establish sustainable livelihoods and improve their socio-economic status. Not only Kagadi district that faced mis utilization of youth funds ,but also there in Gulu , Mubende , Sironko and other districts some failed to utilise the money well and officials totally mismanaged the funds According to (Seitii, n.d.)and (Bulondo Keith,) Kirra municipality . Thus it was looked as one of the factors limit limiting proper functioning of the youth livelihood program in line to archiving the the intended goals as being set under the NDP iii plan . Similarly it is reportedly that some officers of Ylp project implementers have a tendency of not giving out true information in there reports due to the fact that some reports contain information that is not complete(Peter, n.d.), some officers and supervisors go onto agreement with group leaders so as they can sign for money of which that money will never reach the group since they end up sharing that money . Finally some officials and group leaders tend to use revolving funds According to there self-interest and in the end they report that groups were not able to pay back the money all this is as a result of minimal supervision and corruption .Kagadi district local government under the leadership of chairman Icv and district youth chairperson , still finds hard to cooperate as in revealing true information and being honest when it comes to on ground .(Keith found out that most youth in Kira district most engage in livelyhood programs that is skills development programs which is key in elliviation of poverty and long term effect on reduction of unemployment rates .

## 2.1 Theoretical Framework:

The impact of the youth livelihood program on youth income levels in Kagadi District can be critically analyzed through several economic theories which are summarized below ;

Capability Approach (Sen, A, 1999).The capability approach asserts that poverty should be understood not just as a lack of income but as a deprivation of essential capabilities. The youth livelihood program aims to enhance these capabilities by providing skills and training, thus empowering the youth to improve their economic situation. This aligns with Sen's (1999) argument that expanding individual capabilities is crucial for reducing poverty and promoting development. Human Capital Theory, (Becker, 1983), and (Becker, 1993).Becker's human capital theory highlights the importance of education and skills in determining income levels. By investing in youth through the livelihood program, participants gain valuable human capital, increasing their employability and potential for higher earnings. This theory supports the idea that targeted educational interventions can lead to substantial reductions in poverty (Becker, 1964) and (Fleischhauer, 2007) . According to this theory, investments in education and training can enhance individuals' productivity and earning potential, thereby reducing poverty levels . in conclusion of the theory (Camargo & Almeida, n.d.) in there research reveals that investing in human capital reduces on the poverty rate since they become more productive . putting this theory in the context of my study , investing in youth significantly reduces on poverty rates 1954putting other factors constant .Kuznets Curve (KUZNETS, 1955).The Kuznets curve provides a framework for understanding how economic development impacts income inequality and poverty. The youth livelihood program can be seen as a strategy to mitigate the initial rise in inequality predicted by the Kuznets curve by ensuring that marginalized youth have access to opportunities for economic advancement (Kuznets, 1955).Dual Sector Model (Lewis,).Lewis's dual-sector model is relevant to the youth livelihood program, which facilitates the transition of youth from informal, low-productivity jobs to more formal, higher-productivity employment. This shift is crucial for economic development and poverty reduction, as it helps integrate youth into the modern economy, thereby improving their income levels (Lewis, 1954).and (Chiswick, n.d.) supported the model where he emphasized and updated the dual economy model of economic development advanced by lewis in 1954 . . The updated aggregate model incorporates advances since then in modern labor economics and the findings of empirical studies of LDC economies and it removes Lewis' implicit assumption that capital-formation

is costless to the host LDC country. Specifying investment in human capital for both sectors refocuses attention on workers' well-being as the ultimate measure of development. Specifying the cost of capital formation permits the distinction between earnings that recover investment costs and the "surplus" available to workers for consumption. Policy implications include resolution of tradeoffs between "trickle-down" vs. "grass roots" development. Comparative Advantage (Ricardo, 1817): The theory of comparative advantage supports the idea that by developing specialized skills, the youth in Kagadi District can increase their economic participation and productivity. According to the theory advanced by (Ukwandu, n.d.), the youth livelihood program aims to leverage the comparative advantages of the youth by providing them with the skills and training necessary to excel in specific economic activities (Ricardo, 1817). Monetarism and Negative Income Tax (FRIEDMAN, 1962). While Friedman's monetarism focuses on macroeconomic stability, his proposal for a negative income tax aligns with the goal of the youth livelihood program by suggesting a direct method for supporting those in poverty. The program's financial support and skills training work together to elevate the income levels of participants, helping to reduce poverty (Friedman, 1962).

## **2.2. Empirical Evidence on the Impact of YLP Programs on youth income levels .**

Numerous studies have examined the effectiveness of youth livelihood programs in reducing poverty levels and increasing the incomes among youth populations in various contexts . For example, a study by (KICONCO MONICA, 2019) found that participation in youth entrepreneurship programs led to significant increases in income levels and improvements in overall well-being among program participants. Similarly, research by (Lira University, Uganda et al., 2023) demonstrated that access to microfinance services through youth livelihood programs was associated with lower poverty rates and greater economic empowerment among youth beneficiaries. According to the study made by (Emmanuel, n.d.) (2017) revealed that youth livelyhood program did not helped the youth of kawempe Division to improve their incomes there income levels . The reasons behide this is that there was challenges that were faced such as delayed funding and inadequate funding of the youth projects , corruption and lack of commitment of the youth as well as government and other so called brokers stealing the money despite the youth of kawempe Division being aware about what YLP program is .For an effective service delivery of youth livelihood programs it need to involve stakeholder during the Implementation of youth livelyhood program in kagadi district and uganda at large according to the study made by (Kabahinda & Atuheirwe, 2018).

### **2.3. Factors Influencing the Effectiveness of Youth Livelihood Programs**

Several factors have been identified as influencing the effectiveness of youth livelihood programs in achieving poverty reduction outcomes (Badru et al., 2019). These factors include the design and implementation of program interventions, the availability of supportive infrastructure and resources, the socio-economic context of target communities, and the capacity of program beneficiaries to leverage opportunities for economic advancement

ADDIN

### **2.4. Regional Perspectives: Youth Livelihood Programs in Sub-Saharan Africa**

In the context of Sub-Saharan Africa (MINISTRY OF GENDER , LABOUR AND SOCIAL DEVELOPMENT, 2021) that is to say (MoLGSD, 2021), where youth unemployment rates are particularly high, youth livelihood programs have gained prominence as important policy instruments for addressing poverty and promoting inclusive economic growth. However, challenges such as limited access to finance, inadequate infrastructure, and weak institutional support continue to hinder the effectiveness of these programs in achieving sustainable poverty reduction outcomes and increasing youth incomes.

### **2.5. Influence of access to market on youth income levels;**

The study made by (chomutai foresta) revealed that an individual's level of education plays a vital role in poverty alleviation. More so foresta found out that unescos study explain clearly that individuals with higher education tend to earn more than those with lower incomes and thus it enables individuals other higher income improve their standards of living and welfare at large which is one of the indicators of measuring poverty levels of individuals. income levels and unemployment, a study conducted by (Ronny, n.d.) in (2018), revealed that that unemployment is one of the causes of persisted existence of poverty levels among the youth due to high levels of tribalism, over population among the youth, lack of adequate skills and expertise as well as experience mention but a few of which this have left many youth unemployed. Similarly According to the mentioned causes of unemployment in lira district northern uganda by (ojek, 2018), the same apprise In kagadi district. In addition to those mentioned causes, the youth in kagadi district have continued to raise a challenge that have become an odd of the day which is corruption where the government officials responsible for the program have continued to embezzle funds and ask for bribe from the participants.

## **2.6. The effects of savings on youth's income**

According to the study made by Scanlon and Adams (2009) found out that young people who save have a positive view of themselves, plan for the future, have a sense of security in times of shock, and also cautious about spending and consumption. This study is in line and consistent with other studies that shows personal savings has a direct benefit (Sherraden, 2007). In conclusion saving was found to be positively affecting the youth incomes in the long term medium term. This enhances the youth to improve their standard of living and reduction on poverty rates and this is done through the participation in the several savings such as village saving and loans sacco (VLSL), youth saving and development sacco (YSDS) and engaging in various projects that yield income to them. There is evidence in literature of the effects of savings on young people. In a qualitative study of youth participation in savings programs, Scanlon and Adams (2009) found that young people who save have a positive view of themselves, plan for the future, have a sense of security in times of shock, and are also cautious about spending and consumption. This finding is consistent with other studies that show that personal savings has direct benefits for youth (Sherraden, et al, 2007). Most studies on savings were conducted in developed countries because similar empirical studies are scarce in developing countries. Furthermore, the studies in developing countries tend to focus on household savings and assets, rather than youth savings. This paper contributes to the savings literature because it focuses on youth savings by the youth themselves. The study made by Chomutai F. revealed that an individual's level of education plays a vital role in poverty alleviation through the knowledge acquired through education level, it enables youth attain income that supports them and reduces on rates of dependency levels. More so Foresta found out that Unesco's study explain clearly that individuals with higher education tend to earn more than those with lower incomes and thus it enables individuals other higher income improve their standards of living and welfare at large which is one of the indicators of measuring poverty levels of individuals. Poverty levels and unemployment, a study conducted by (Ronny, n.d.) in (2018), revealed that unemployment is one of the causes of persisted existence of poverty levels among the youth due to high levels of tribalism, over population among the youth, lack of adequate skills and expertise as well as experience mention but a few of which this have left many youth unemployed. Similarly according to the mentioned causes of unemployment in Lira district northern Uganda by Ojek (2018), the same applies in Kagadi district. In addition to those mentioned causes, the youth in Kagadi district have continued to raise a challenge that have

become an odd of the day which is corruption where the government officials responsible for the program have continued to embezzle funds and ask for bribe from the participants. According to (Jonathan 2020), no other Uganda is the most poorest region in Uganda due to low levels of education, low income earnings and high rates of migration of which all these are found to be key determinants of poverty and results into poor standards of living. As stated in the model by Shapira-Lishchinsky where he emphasized that there is no single place or location where there is total full employment and that is to say there will always be certain group of individuals that will remain unemployed or will be underemployed.

## **2.8. Youth livelihood program performance in Uganda (YLPP)**

According to the (MINISTRY OF GENDER, LABOUR AND SOCIAL DEVELOPMENT, 2021), its findings on the general performance of the YLP program through the impact evaluation of the YLP program on the youth of in Uganda included the following; YLP had a positive contribution of 4% to job creation in Uganda where over 200,000 were direct and 500,000 were indirect jobs (Kabahinda & Atuheirwe, 2018). The program has led an improvement in access to financial services by 4.5% and the beneficiaries with bank account increased from 21% at the baseline (2017) to 24.7% in 2018. This has enhanced their access to financial services such as savings, loans and banking services. The program (YLP) enabled the youth to acquire number of assets including machinery, livestock, physical assets such as land and other. MLGSD also found out that the YLP program has positively impacted the economy through the enhancing taxes, formalisation of business and reduction on the level of informality. In addition the percentage of youth paying the taxes increased from 24.7% to 29.1% and there was a promotion increase of youth registering their businesses with authorities from 17.3% TO 21.65%. In conclusion of the findings, MoLGSD reveal that the program that contributed to promoting import substitution in the country as projects in addition are using locally available materials to produce products for both home consumption and for export. The program has significantly decreased on the high crime rates, consumption of alcohol and enabled them to divert all the available time and efforts in productive work in focusing to raise their standards and improving their welfare. Finally the program enhanced social capital among the youth through the group approach. This social capital has enabled the youth to build network for increased productivity among themselves. The ministry report also indicated best performing local governments in Uganda under the YLP program which are highlighted as the following; Sheema, Ntungamo, Sheema MC, Ibanda MC,

Ibanda ,Bushenyi, Kyegegwa, Kasese MC, Kasese and finally Mbarara. However the report also indicated the worst performing local governments Districts which are as follows Abim, Butetown, Bugweri, Kitgum MC,Luuka,Namisindwa, Ngora, Palisa and katakwi.As reported by the ministry (MoGLSD) January (2021) there was a total of 20,522 number of projects being funded at local governments and totaling to 162,972,200,329 which is almost 162 billion shillings , 133, 682 were male participates and 112,188 were female .According to the statistics made about the financial performance by the MoGLSD(2021), the youth livelihood program has cumulatively received UShs 207.248 billion shs out of budget of UShs 314.672 Billion (66%) . In the evaluation report, the approved budget was gradually increasing in the financial year 2013/14 till the financial year 2016/17 and started decrease to an extent of approving less than 10 billion ugandan shillings by financial year 2020/2021. The release of the finds however was increasing across the financial year up to a final year 2018/2019 and rapidly decreased till 2020/2021. In there reports, the ministry asserts that the general performance of projects that received the money was too worse to an extent there was no single financial year where the performance could not make 10 billion . According to (Thembo J,2022) his study reveals that youth livelihood program promoted development oriented policies that have supported productive activities of the youth and gain a momentum of marketable skills .It was also indicated that it harness the youth with social economical potential to increase self employment opportunities and level of income.

## **2.9. Conclusion**

According to the study made by(DAVID & GINA, 2010) reveals that research and experience to date suggest that savings accounts for low-income youth may be a high leverage tool to archieve both youth development and financial inclusion objectives . This is in line with the study made GINA A..N. chowa from the university of NORTH CAROLINA and DAVID AN SONG from the centre for social development (2009) where their study asserts that the youth in rural sub saharani Africa (SSA) are able to accumulate substantial assets that may accumulate their well-being in the long term .According to the MoLGSD, the report reveals that majorityvof the projects financed under YLP are in the agricultural sector (32%) followed by trade(29%), services (23%) , 6% in industry , 5% vocational skills , 4% in industry Agro, 1% in Agro forestry ,1% in ICT , 0.4% in creative industry and finally 0.02% in health care.In conclusion, the literature reviewed suggests that youth livelihood programs have the potential to significantly increase income levels and reduce poverty levels among youth populations, particularly in resource-constrained settings such as Kagadi

District. By addressing key constraints to youth economic empowerment and providing targeted support services, these programs can contribute to broader efforts to alleviate poverty and promote sustainable development. According to the study made by (Blattman et al., 2018), in 2008 Uganda granted hundreds of small groups 400 USD dollars per person to help members start individual skilled trades. Four years on an experiment evaluation found grants raised earnings by 38%. After 9 years to find these start up grants acted more as a kick up start in lifting individuals earnings and thus reducing their poverty levels. Grants had lasting impact on assets, skilled work and possibly child's health. This example provides a structured overview of the literature relevant to your research topic, incorporating theoretical frameworks, empirical evidence, and regional perspectives. You can adapt this template to incorporate specific studies, theories, and findings relevant to your research objectives and hypotheses. According to the study made by (Thembo j, 2022), his study concludes that training of the youth Beneficiaries before and after receiving the funds enables them to attain skills on how to invest the money and run the enterprises.

## CHAPTER THREE METHODOLOGY

### 3.0 Introduction

Youthlihood program is the government financial program designed as one of the interventions in response to high rates of unemployment and poverty rates and particular improve the incomes in Uganda((Ayllón, 2015) among the youth in Uganda and specifically in kagadi district as one of the districts. The aim of this research study is to assess the impact of the youth livelihood program in reducing youth poverty levels in Kagadi District, Uganda. Kagadi District has been facing significant challenges related to high rates of youth unemployment, leading to persistently high poverty levels among young people(Fox et al., 2016). This study will investigate the effectiveness of the youth livelihood program in addressing these challenges and examine the extent to which it has contributed to reducing poverty (Hanifa, 2019) among the youth population in Kagadi District.This Program targets the Poor and the unemployed as well as the drop outs basically in the range of 15-35 years of age in order to enhance their incomes by giving financial support to them and start their own business and be able to earn a living and increase productivity and sustain their welfare by accessing there basic needs of life (Derrick, 2020) .The data to be used in the research is cross sectional data that involves both quantitative and qualitative methods. The qualitative component includes binary data involve in-depth interviews with program participants, program implementers (the district youth chairperson and the leaders of the groups) to gather their perspectives, experiences, and insights. The quantitative component involves surveys and questionnaires which will helped me capture information and be able to measure changes in income levels and the extent to which the beneficiaries are participating in the program and how implementation of the program is made.

### 3.1 Research Design:

The research design for this study is described as cross-sectional study where the survey was done collecting data on both explained and explanatory varibales affecting my model being estimated .the research was conducted on different groups participating in YLP among the sampled youth groups of kagadi district, cross sectional survey was considered suitable for examining the relationships between variables within a specific population at a particular moment.

### **3.2 Research Approaches:**

The research approach used in the study is stated to be quantitative, as the study involves collecting numerical data that is categorical in nature to analyze the relationship between participation in youth livelihood programs and poverty levels among youth in Kagadi District.

### **3.3 Description of the Population:**

In this research study the population of interest for this study comprised youth residing in Kagadi District specifically between the ages of 18-35 years of age participated in youth livelihood programs and the youth who did not participate in the YLP. The research aimed thereby evaluating the different levels and potentials of income earnings of the youth. The youth are engaged in various economic activities, including livestock rearing, agriculture (crop farming), small-scale businesses (trade specifically in produce), and skill learning.

### **3.4 Sampling Strategies:**

Stratified sampling technique was employed to ensure representation from each county and economic sector. Within each county, More than two groups were selected, each representing a different economic sector. It was mentioned that the maximum group size was ten individuals, and most members of the selected groups was interviewed, resulting in a total sample size of 129 youth participants.

### **3.5 Data Collection Methods:**

Data was collected through a combination of physical and telephone interviews while using a well modified and structured questionnaire was used to gather information on variables such as participation in youth livelihood programs, income levels, demographic characteristics, type of business, savings behavior, access to markets, and working hours.

### **3.6. Data Quality Control:**

Several measures were implemented to ensure data quality. As a student of Makerere University, I was well briefed on how to prepare a research questionnaire to use while conducting survey research by the university through different course units attended such data analysis where I gained adequate training to administer the questionnaire consistently and accurately. Pilot study was done where I tested the questionnaire to identify any

ambiguities or issues with the questions. Responses were cross-checked for consistency and completeness, and participants' privacy and confidentiality were respected

### 3.7. Description of research study and its associated variables in the study.

Based on the research study topic which states that “TO ASSESS THE EFFECT OF YOUTH LIVELIHOOD PROGRAM ON YOUTH INCOME LEVELS IN UGANDA KAGADI DISTRICT” Case study was conducted in kagadi district where it specifically focused on the special group of people that is the youth. The study mainly focused on determining the effect of youth livelihood program on youth income levels in kagadi district. Youth poverty levels was measured using their current status of income earnings from their different sectors and businesses that generate income with them.

**Table 3.1 The table showing both Dependent variable and independent variables**

<b>Dependent variable</b>	<b>Categories</b>
poverty levels(income levels)	1-100000 and below 2-110000-200000 3-210000-300000 4-310000 and above
<b>Independent variables</b>	<b>Categories.</b>
youthlihood program(youth participating in the YLP)	0-No. 1-Yes.
Age	1- 15-24 years. 2-25-34 years. 3-35 years and above.
Gender	1-Male . 2-Female.
level of education	2- primary. 3-Secondary. 4-Technical/vocation.

	5-University. Category
Type of business	1- livestock rearing. 2- agriculture(crop farming). 3- small scale business. 4-Boda boda riding . 5- skill learning and training.
Access to market	6-Readily available market 8 -Seasonal market
Saving	1-10000 and below. 2-11000-30000. 3-31000-49000. 4-50000 and above.
working hours	1 -6 hours and less. 2-7 and 11 hours . 3- 12 hours and above .

### 3.8 Univariate Analysis:

Descriptive statistics were used to summarize the characteristics of the study sample and variables, such as frequencies, percentages, means, standard deviations and graphical approach were used such as bar graphs.

### 3.9 Bivariate Analysis:

Chi-square tests or were conducted to examine the relationship between participation in youth livelihood programs and income levels, as well as the relationships between other independent variables and poverty levels.

The pearsons chi square test used for testing independence between variables can be summerised in the equation below .

$$x^2 = \sum \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

Where

$O_{ij}$  is the observed frequency in the  $i^{th}$  row and  $j^{th}$  column in the contigence table .

$E_{ij}$  is the expected frequency in the  $i^{th}$  row and  $j^{th}$  column under the assumption of independence calculated as

$$E_{ij} = \frac{R_i \cdot C_j}{N}$$

Where

$R_i$  is the total frequency for the  $i^{th}$  row .

$C_j$  is the total frequency in the  $j^{th}$  column.

N is the total sample size .

### Degree of freedom

The degrees of freedom for the test are calculated as follows

$$df = (r-1) \times (c-1)$$

where r

r is the number of categories of the dependent variable ( which is the income )

c is the number of categories of the independent variable .

Rejection criteria .

After comparing the calculated  $\chi^2$  value to critical value from the chisquare distribution table at desired significance level of (0.05) and calculated degrees of freedom . we reject null hypothesis if the calculated chisquare exceeds the crital vale of chisquare that is to if the p value is less than the significance level , reject null hypothesis

### 3.9.1 Multivariate Analysis:

Ordered logistic regression was employed to assess the simultaneous impact of participation in youth livelihood programs and other independent variables on income levels. It is explained that this method is suitable for analyzing categorical dependent variables with multiple ordered categories, such as income levels in this study. The regression model controlled for demographic and socioeconomic factors, allowing for a more nuanced understanding what determines income levels among youth in Kagadi District.

Ordered regression model estimates the probability of the dependent variable Y falling into one of the ordered categories given the values of independent variables

The model to estimate is given as follows ;

$$\text{logit}(P(Y \leq j)) = \alpha_j + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6$$

$$\text{logit}(P(\text{income levels} \leq j)) = \alpha_j + \beta_1 \text{Participation} + \beta_2 \text{Gender} + \beta_3 \text{education level} + \beta_4 \text{type of business} + \beta_5 \text{access to markets} + \beta_6 \text{saving} + \beta_7 \text{working hours} + \beta_7 \text{Age} .$$

where  $\alpha_j$  is the intercept and  $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6,$  and  $\beta_6$  are coefficients of independent variables respectively.

P stands for probability signifying the probability of dependent variable belonging into one of the categories .

### **3.10 Ethical Considerations:**

Ethical considerations in this study included ensuring informed consent from participants, maintaining confidentiality and privacy, and treating participants with respect and dignity. Given the sensitive nature of poverty-related research, participants rights were protected throughout the research process.

**CHAPTER FOUR: PRESENTION OF RESULTS, INTERPRETATION AND  
DISCUSSION OF FINDINGS.**

**4.0 Introduction**

This chapter mainly provides the analysis of data, provides interpretation of data, and discussion of findings. The data was collected using structured close ended questionnaires that provided data on both social-economic factors and demographic factors that influence the youth income levels .the analysis is based to provide evidence in determining the relationship and significance between the explained variable and the explanatory variables.

**4.1. Univariate analysis .**

This is analysis provides descriptives for each of the variable in research models such frequency , mean, standard deviation and pecentages is used as avisualisation tool for categorical variables , displaying frequencie distributions and facilitates easy and straight interpretation of data that makes it easy for every reader to understand what the research is being about .

**Table 4.1. Showing the results from Univariate analysis i.e. Frequency and Percentage**

Variable	Category	Frequency	Percentage
Participation	No	55	42.64%
	Yes	74	57.36%
Income level	100000 and below	20	15.50%
	110000-200000	37	28.68%
	210000-300000	44	34.11%
	310000 and above	28	21.71%
Age	15-24 years.	46	35.66%
	25-34 years.	47	36.43%
	35 years and above	36	27.91%
Gender	Male.	80	62.02%
	FEMALE	49	37.98%

SAVING	10000 and below.	37	28.68%
	11000-30000.	51	39.53%
	31000-49000.	28	21.71%
	50000 and above	13	10.08%
Access to market	Readily available market	102	79.07%
	Seasonal market	27	20.93%
Working hours	hours and less	47	36.43%
	7 and 11 hours	49	37.98%
	12 hours and above .	33	25.58%
Type of business	livestock rearing.	22	17.05%
	Agriculture(crop farming).	32	24.81%
	Small scale business.	19	14.73%
	Boda boda riding .	31	24.03%
	Skill learning and training	25	19.38%

## 4.2 Interpretation

### Participation in Youth Livelihood Programs:

The majority of the youth (57.36%) participate in the Youth Livelihood Program, suggesting a relatively high level of engagement in the YLP program.

Income levels) the majority of the youth (34.11%) fall into the income category of 210,000 - 300,000 Ugandan Shillings. A significant portion (28.68%) earns 110,000-200,000, followed by (21.71%) in category of 310000 and above and only (15.50%) of the youth earn 100000 and below.

Age. The largest age group among the youth is 25-34 years, accounting for 36.43% of the sample and 35.66% for the age group between 15-24. The least represented group is those aged 35 and above (27.91%)

GENDER. Majority were male in the sample dominating with a higher percentage of (62.02%) and only (37.98%) of the female .

Type of business .Agriculture specifically crop farming is the most common type of economic activity among the youth of kagadi district with (24.81%) followed by boda boda riders with 24.03% , skill learning and training is composed with 19.38% Livestock rearing with (17.05%) and small scale business being activity with least percentage of participants consisting of (14.73%) .

Saving .The highest percentage of youth that is (39.53%) save between 11,000 and 30,000 Ugandan Shillings and the (10.08%) of the youth save 50000 and above being the least group according to my sample size .

Working hours.The majority of the youth work between 7 to 11 hours a day with the highest percentage of (37.98%), while 36.43% work for 6 hours or less and few (25.58%) work for 12 hours and above .

Access to market. More than half of the youth (79.07%) have ready access to markets for their products, while only 20.93% face seasonal market access.

#### 4.3 BIVARIATE ANALYSIS.

This party measures the degree of association between dependent variable and the dependent variable

**Table: 4.2. showing the association of the each independent variable on the dependent variable which is the current level of income .**

Dependent variable	CURRENT LEVEL OF INCOME					P-value Chi-square
	Categories	100000 and below	110000-200000	210000-300000	310000 and above	
Sex	Male	10 (12.50%)	25 (31.25%)	26 (32.50%)	19 (23.75%)	Chi2(3)= 2.2753 Pr=0.517
	Female	10 (20.41%)	12 (24.49%)	18 (36.73%)	9 (18.37%)	

Education level	Primary	3 (13.64%)	7 (31.82%)	8 (36.36%)	4 (18.18%)	Chi2(9)= 2.6657 Pr=0.976
	Secondary	7 (14.29%)	14 (28.57%)	17 (34.69%)	11 (22.45%)	
	Technical	7 (17.50%)	13 (32.50%)	11 (27.50%)	9 (22.50%)	
	University	3 (16.67%)	3 (16.67%)	8 (44.44%)	4 (22.22%)	
Age	15-24	8 (17.39%)	12 (26.09%)	16 (34.78%)	10 (21.74%)	Chi2(6)= 3.9085 Pr=0.689
	25-34	9 (19.15%)	12 (25.53%)	14 (29.79%)	12 (25.53%)	
	35 and above	3 (8.33%)	13 (36.11%)	14 (38.89%)	6 (16.67%)	
Participation	No	10 (18.18%)	16 (29.09%)	18 (32.73%)	11 (20.00%)	Chi2(3)= 0.6312 Pr=0.889
	Yes	10 (13.51%)	21 (28.38%)	26 (35.14%)	17 (22.97%)	
Type of business	Livestock	2 (9.09%)	5 (22.73%)	10 (45.45%)	5 (2.73%)	Chi2(12) =11.7788 Pr=0.464
	Agriculture (crop farming)	6 (18.75%)	10 (31.25%)	11 (34.48%)	5 (15.63%)	
	Small scale business	3 (15.75%)	5 (26.32%)	7 (36.84%)	4 (21.05%)	
	Boda boda riding	3 (9.68%)	14 (45.16%)	8 (26.81%)	6 (19.35%)	
	Skill learning	6 (24.00%)	3 (12.00%)	8 (32.00%)	8 (32.00%)	
Access to market	Readily available	11 (10.78%)	29 (28.43%)	37 (36.27%)	25 (24.51%)	Chi2(3)= 9.4482 Pr= 0.024
	Seasonal	9 (33.33%)	8 (29.63%)	7 (25.93%)	3 (11.11%)	
Working hours	6 and below	5 (10.64%)	14 (29.79%)	15 (31.91%)	13 (27.66%)	Chi2(12) =11.7788 Pr=0.464
	7-11 hours	8 (16.33%)	13 (26.53%)	18 (36.73%)	10 (20.41%)	
	12 hours and above	7 (21.21%)	10 (30.30%)	11 (33.33%)	5 (15.15%)	
Saving	10000 and below	17 (45.95%)	16 (43.24%)	4 (10.81%)	0 (0.00%)	chi2(9)=7 1.184 Pr=0.000
	11000-30000	2 (3.92%)	18 (35.29%)	22 (43.14%)	9 (17.65%)	
	31000-49000	1 (3.57%)	1 (3.57%)	14 (50.00%)	12 (42.86%)	
	50000 and above	0 (0.00%)	2 (15.38%)	4 (30.77%)	7 (53.5%)	

## **4.4 Interpretation**

### **Relationship between current level of income and participation**

There is no significant association between participation and current income level since the p-value = 0.889 is higher than 0.05 and hence we reject null hypothesis and the chi-square of  $\chi^2(3)=0.6312$ . This indicates that the youth participating in youthlivelyhood program does not necessarily mean that their level of income will be higher since there are other factors affecting the income level.

### **Relationship between current level of income and gender (SEX)**

Since the p-value equivalent to  $(Pr=0.517)$  is greater than the level of significance that is 0.05 and the chi-square of  $(\chi^2(3)=2.2753)$ , this indicates that there is no significant association between current level of income and SEX. More so 32.50% of the male youth below in the income category of between 210,000-300,000 and most number of female about 36.73% of the female youth in Kagadi District below to 210,000-300,000 per month.

### **Degree of association between current level of income and AGE.**

There is no significant association between age and current level of income of the youth in Kagadi since the p-value of 0.689 is greater than 0.05 level of significance with a chi-square value of  $\chi^2(6)= 3.9085$  this implies that Age does not statistically determine the current level of income of the youth in Kagadi District and 38.89% of the youth of age 35 years and above earn between 210,000-300,000.

### **Current level of income and level of education**

Similarly there is no significant level of association between level of education and current level of income since the p-value of 0.976 is greater than 0.05 level of significance with chi-square value of  $\chi^2(9)=2.6657$ . Similarly there is 44.4% of the youth with higher education level (university) earn 210,000-300,000 per month which is slightly more than other income categories.

### **Relationship between current level of income and current level of savings**

There is a significant association between current level of savings and current level of incomes of the youth in Kagadi District since p-value of 0.000 is less than the level of

significance of 0.05 and chi-square value of  $\chi^2(9)=71.184$  where 50.00% of the youth who save between 3,1000- 49,000 per week earn between 210,000-300,000 per month .

### **Relationship between Access to market and current level of income**

Since the p-value of 0.024 is less than 0.05 level of significance and chi-square value  $\chi^2(3)=9.4482$

This indicates that there a significant association between access to market and current level of income hence we reject the null hypothesis .

36.27% of the youth who access readily available market earn between 210,000-300,000 which is higher than other income categories and 33.33% of the youth who access seasonal market earn 100,000 and below .

### **Relationship between type of business and the current level of income**

There is no significant association between type of business and current level of income since the p-value of 0.464 is greater than the level of significance of 0.05 and thus I fail to reject null hypothesis .

### **Working hours and current level of income**

There is no significant association between the current level of income and working hours since the p-value of 0.464 is greater than the level of significance of 0.05 and this indicates we fail to reject null hypothesis and chi-square  $\chi^2(12)=11.7788$

### **Type Of Business And Income Level**

There is no significant association between type of business and current level of income since the p-value of 0.705 is higher than the level of significance and thus we fail to reject null hypothesis and conclude that there is statistically insignificance relationship between type of business and income level.

### **4.5 Multivariate analysis.**

This section deals with analysis of data by use of ordered logistic regression to determine the effect of independent variables on the dependent variable at 0.05 level of significance and measuring the goodness of fit using pseudo  $R^2$ .

**Table 4.3 showing summary of multivariate analysis .**

**Likelihood ratio  $\chi^2(17) = 90.36$       **Pseudo  $R^2 = 0.2603$       P value =0.0000****

Current level of income	Coeffient (coef.)	P- value	Confidence interval
GENDER Male Female	-0.4945	0.202	-1.2537    0.2648
Education Level Primary Secondary Vocational University	-0.2307 0.1477 -0.0306	.665 .792 .964	-1.2749    0.8135 -0.9523    1.2477 -1.3479    1.2878
AGE 15-24 25-34 35 and above	-0.7096 -0.3273	0.094 0.488	-1.5399    .1207 -1.2514    0.5969
PARTICIPATION No Yes	0.2234	0.565	-0.5370    0.9839
TYPE OF BUSINESS Livestock rearing Agriculture Small scale business Boda boda riding Skill learning and training	-1.0323 -1.1825 -0.4352 -0.5469	0.077 0.065 0.459 0.359	-2.1783    0.1136 -2.4400    0.0749 -1.5868    0.7163 -1.7165    0.6226
ACCESS TO MARKET Readily available Seasonal	-1.2259	0.010	-2.1566    -0.2951
Current saving level 10,000 and below 11,000-30,000 31,000-49,000 50,000 and above	2.7759 4.3853 5.0509	0.000 0.000 0.000	1.7312    3.8207 3.0871    5.6834 3.4266    6.6754
Working Hours 6 hours and below 7-11 hours 12 hours and above	-0.5296 -0.8425	0.207 0.080	-1.3513    0.2921 -1.7845    0.9943

## Interpretation

There are 129 Number of observations and the likelihood ratio  $\chi^2(17)$  equivalent to 90.36 and **this** indicates that the model is statistically significant as a whole.

Pseudo  $R^2 = 0.2603$  this implies that about 26.03% of the variance in the dependent variable is explained by the model.

Access to Market .Having seasonal market access compared to readily available market access (reference category) decreases the log odds of being in a higher income category by 1.225882 and this effect is statistically significant since p-value of 0.010 is less than 0.05 level of significance.

Current Saving Level . Having savings between 11,000-30,000 compared to 10,000 and below (reference category) increases the log odds of being in a higher income category by 2.775979. This effect is statistically significant with p-value of 0.000 less than 0.05 level of significance . The Youth Having savings between 31,000-49,000 compared to 10,000 and below (reference category) increases the log odds of being in a higher income category by 4.3852 and This effect is statistically significant since the p-value of 0.000 is less than 0.05 level of significance. Having savings of 50,000 and above compared to 10,000 and below (reference category) increases the log odds of being in a higher income category by 5.050993. This effect is statistically significant of p-value 0.000 less than the level of significance of 0.05 level of significance.

Working Hours, Participation, sex , Age, type of business and level of education are statistically insignificant since there respective p-values are greater than 0.05 level of significance

## 5.0 Discussion of Findings

### Summary of Key Findings

**Model Significance:** The overall model is statistically significant (Likelihood ratio chi-squared = 90.36,  $p < 0.0000$ ), indicating that the predictors included in the model collectively explain variations in youth income levels.

**Pseudo  $R^2$ :** The model explains 26.03% of the variance in the income levels (Pseudo  $R^2 = 0.2603$ ).

## **Effect of Youth Livelihood Program (YLP) Participation**

Youth livelihood program has not been effective to the youth of Kagadi district basing on the set goals, objectives and work plan governing the program operation and its implementation. This is being supported by the analysis where participation in the youth livelihood program was found insignificant and thus there is no significant difference between the youth who participate in the YLP Program and those who do not participate in the program. This finding supports the study made by (Emmanuel, 2017) which asserts that as far as improving the income levels of the youth is concerned the findings of the study reveals that the YLP has not helped the youth of Kawempe Division improve their income levels. This is due to several challenges being encountered by YLP program such as delayed funding, corruption from government officials and lack of commitment. According to the study made by (Kanyange, 2022) in his study concludes that while skills development significantly contributes to youth development, it is only possible and feasible if they are availed with enough capital.

According to the study made by (Chowa & Ansong, 2010) reveals that youth in the rural sub-Saharan Africa (SSA) are able to accumulate substantial assets that may contribute to their well being in the long term. This supports my study finding where the saving levels per week of the youth IN KAGADI DISTRICT was found significant with a p-value of 0.000 less than level of significance. This implies that through saving, the youth's income accumulate which enables them generate income that sustain them with basic needs and surplus being invested in their various sectors and businesses that will yield them with more income. In addition, Scanlon and Adams (2009) found out that young people who save have a positive view of themselves, plan for the future, have a sense of security in times of shock and also conscious about spending and consumption. This finding is consistent with other studies that show that personal savings has a direct benefit for youth (Sherraden, 2007).

Working Hours, Youth working 7-11 hours are less likely to be in higher income categories compared to those working 6 hours and below. 12 hours and above Youth working 12 hours and above are less likely to be in higher income categories compared to those working 6 hours and below. Working hours is not statically significant which aligns with the study made by (Bardasi & Wodon, 2009) where they found out that an individual can still work for so long hours and have no choice and still be under paid or under employed which is the case in most developing countries.

## **Practical Implications**

**Market Access:** The significant effect of market access highlights the need for improved infrastructure and policies to ensure consistent and reliable market availability for youth entrepreneurs.

**Savings Programs:** The significant impact of savings levels suggests that programs promoting savings and financial literacy among youth can substantially enhance their income levels and reduce poverty and increase income levels of the youth.

## **Theoretical Implications**

**Consistencies:** The findings regarding the positive impact of savings align with economic theories on wealth accumulation and financial stability. This study finding align with the research made by (UNDP Report, 1999) where it stated that the importance of savings lies in its potential to reach the poorest of the poor .This explains why saving is increasingly acknowledged as a powerful tool for poverty reduction since it enables people to invest in different sectors that generate them with income .

**Inconsistencies:** The non-significant effect of education levels may indicate that other factors, such as market access and business type, play more crucial roles in determining income levels in this context and this contrasts with the human capital theorem which emphasizes that investing in education equips the youth with knowledge and skills that enable them to practically involve in the working environment and hence enable them earn sustainable income.

## **Policy Recommendations**

**Improve Market Access:** Implement policies to ensure that markets are readily available and accessible year-round, which can significantly impact youth income levels and reduce poverty.

**Promote Savings:** Develop and support programs that encourage savings and provide financial education to youth, helping them to build financial resilience and improve their economic status.

## **Limitations and Future Research**

**Data Limitations:**

The limited sample size and potential biases in self-reported income data are notable limitations. Future research could address these by using larger datasets and more objective income measures and Methodological Constraints: Consider employing mixed methods to provide a more comprehensive understanding of the factors affecting youth income levels.

**Practical Implications**

**Market Access:** The significant effect of market access highlights the need for improved infrastructure and policies to ensure consistent and reliable market availability for youth entrepreneurs.

**Savings Programs:** The significant impact of savings levels suggests that programs promoting savings and financial literacy among youth can substantially enhance their income levels and reduce poverty.

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.0 Summary.**

The study finds significant impacts of market access and savings levels on youth income levels, highlighting critical areas for intervention to reduce poverty in Kagadi District. Other factors, such as Age , Sex , education level and type of business and working hours were not significant in this analysis. The analysis indicates that the Youth Livelihood Program alone does not have a statistically significant impact on reducing youth poverty levels in Kagadi District. The Programme is community demand-driven, being implemented under the Ministry of Gender, Labour and Social Development (MGLSD) through the existing Local Government structures. Funds are advanced to the Youth Interest Groups (YIGs) in form of a Revolving Fund in order to increase outreach and enhance sustainability of the program (Brochure end of phase one report 2019).

Final Thoughts: Addressing market access and promoting savings are crucial for developing effective poverty alleviation strategies and increasing income levels for youth in Uganda.

### **5.1 CONCLUSION**

The findings of this study indicate that while the Youth Livelihood Program (YLP) has positive intentions, its impact on increasing income levels in Kagadi District is not statistically significant based on the data. Significant factors influencing income levels include access to market and current saving levels, with some influence from working hours and demographic factors such as age and gender. To enhance the effectiveness of the YLP and other poverty reduction initiatives, it is crucial to provide targeted support for different age groups, address gender disparities, promote diversified business support, improve market access, and promote financial literacy and savings. Aligning education with market needs and ensuring a balance between work and personal life are also important for sustainable economic development. The study contributes to the understanding of the factors influencing youth income levels and provides actionable recommendations for policymakers and program designers to improve the outcomes of youth livelihood programs in Uganda and similar contexts.

## 5.2 Recommendations

The following are recommendations based on the study findings , i) Provide additional resources and support for younger participants (15-24 years) who show potential benefits from the program. ii) Develop strategies to address gender disparities in economic opportunities, ensuring equitable access and support for female participants. iii) Diversify Business Support for example Promoting agricultural innovations and diversification to increase returns for youth engaged in agriculture and Providing training, resources, and market access support to small scale businesses to enhance their competitiveness and profitability. iv) Improve Market Access that is to say through Infrastructure Development and this will ensure stable and reliable market access for youth businesses. v) Establish strong market linkages to connect youth entrepreneurs with larger markets and potential buyers this will enable increase productivity and value addition. vi) Encourage and support savings schemes to enhance financial stability and investment capacity among youth. vii) And Implement financial literacy programs to educate youth on effective money management and investment strategies. Viii) Focus on market-oriented technical and vocational training to enhance employability and match skills with job market demands. ix) Ensure that higher education programs are practical and aligned with market needs to improve the employability of graduates. The analysis indicates that the Youth Livelihood Program alone does not have a statistically significant impact on reducing youth poverty levels in Kagadi District. However, other factors such as age, type of business, access to market, and savings levels play crucial roles. Particularly, consistent market access and higher savings levels are significantly associated with higher income levels.

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## 5.4 APPENDICES

### QUESTIONNAIRE FOR ASSESSING THE EFFECTS OF YOUTH LIVELIHOOD PROGRAM ON YOUTH INCOME LEVELS IN UGANDA KAGADI DISTRICT .

I am TWINOMUJUNI ROBERT a finalist student of Makerere University pursuing A Bachelors degree of Science in Quatitative Economics (BSQE) at school of statistics and planning . I am carrying out a research study titled “ **TO ASSESS THE EFFECTS OF YOUTH LIVELIHOOD PROGRAM ON YOUTH INCOME LEVELS IN UGANDA KAGADI DISTRICT**”.

Therefore I kindly request you to spare a few minutes of your busy schedules to fill this questionnaire to enable me accomplish this task.

Your honest and sincere responces are highly appreciated for academic purposes and shall be treated with utmost confidentiality. Thank you so much for your time and attention.

#### 1.0 BACK GROUND INFORMATION ON THE RESPONDENT (please tick in box of your appropriate choice )

##### 1.1 GENDER(SEX)

Male  Female

##### 1.2 What is the range of your age

15-24

25-34

35 year and above

##### 1.3 What is your level of Education

Primary.

Secondary.

Technical/vocation.

University.

**1.4 What Is Your Marital Status**

Single  Divorced

Married

**1.5 Sub county**

**Kyakabadiir**

**Kyenzige**

**Rugashali**  **Rutete**

**Mabale**  **Kagadi Central**

**2.1. Are you parcipating in any youth livelihood program / did you participate in the program .**

Yes  No

**if yes go to question number 2.2 and if no go to question 2.7**

**2.2 What type of sector/ business/ project are you engaging In ?**

livestock rearing.

Agriculture(crop farming).

Small scale business.

Boda boda riding .

Skill learning and training.

**Others (Please specify).....**

**2.3 For how long do you spend on work /how many hours do you spend on that particular work ?**

hours and less.

7- 11 hours .

12 hours and above .

**2.4 What is your current level of income earnings per month on Average ?**

100,000 and below

110,000-200,000

210,000-300,000

310,000 and above

**2.5 How much do you save per week ?**

10000 and below.

11000-30000.

31000-49000.

50000 and above

**2.6 What type of market system do you primarily access for your business goods or services**

Readily available market

Seasonal market

**2.7 If you don't /didn't participate in the youth livelihood Program , What type of sector/ business/ project are you engaging In ?**

Livestock rearing.

Agriculture(crop farming).

Small scale business.

Boda boda riding .

Skill learning and training.

**Others (please specify).....**

**2.8 what is your current level of income earnings per month on average .**

100,000 and below

110,000-200,000

210,000-300,000

310,000 and above

**2.9 For how long do you spend on work /how many hours do you spend on that particular work ?**

hours and less.

7- 11 hours .

12 hours and above .

**3.0 How much do you save per week ?**

10000 and below.

11000-30000.

31000-49000.

50000 and above

**3.1 What type of market system do you primarily access for your business goods or services**

Readily available market

Seasonal market

**3.4 Are you willing to participate in the program (YLP) or any other government youth program ?**

Yes

No

***THANK YOU FOR YOUR TIME .***