



THE UNITED REPUBLIC OF TANZANIA

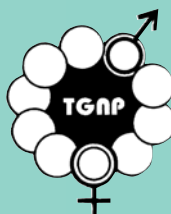
ANALYTICAL REPORT

FOR

INTEGRATED LABOUR FORCE SURVEY (ILFS), 2006



National Bureau of Statistics,
Ministry of Planning, Economy
and Empowerment



Tanzania Gender Networking
Programme (TGNP)

Ministry of Labour,
Employment and Youth
Development (MLEYD)

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Foreword

The United Nations Millennium Development Goals has increased the need for data to monitor and evaluate poverty eradication in all United Nations member states. Demand for effective data in Tanzania emerged clearly in 1997 time when the Government adopted the National Poverty Eradication Strategy (NPES). The NPES was later transformed into the Poverty Reduction Strategy (PRS). This was subsequently revised to arrive at the currently prevailing National Strategy for Growth and Reduction of Poverty (NSGRP), or MKUKUTA, in February 2005.

The monitoring process requires a well-managed statistical system that ensures that the required statistics are collected, processed and disseminated within the agreed time period. In recognition of this, Tanzania has established a clear sequence of national surveys to replace the previous ad hoc household surveys system. Under the old system, surveys were conducted in response to specific requests from donors, with little emphasis on coordination of a systematic long-term series of surveys that responds to national needs and priorities of local data users.

Under the current national household census and surveys system, the census is set to be undertaken every ten years, while the household surveys are repeated at five-year intervals. The Integrated Labour Force Survey (ILFS) is among the surveys planned to be conducted once in every five-year interval. To ensure this system moves smoothly, the country has established a basket/pooled funding system that will finance all the selected census and surveys.

This report presents the findings of the ILFS that was conducted in 2006 with funding from the NSGRP/MKUKUTA system. The findings update those of the ILFS conducted in 2000/01, and reveal changes in the labour market of the country between year 2001 and 2006. The survey results provide labour market indicators for tracking progress made in implementing various policy reforms such as job creation as planned in NSGRP/MKUKUTA.

In 2006, for the first time, the National Bureau of Statistics attempted to include a time use module in the ILFS. The attempt came about as the result of effective dialogue initiated from the Tanzania Gender Networking Programme (TGNP) with support from the Poverty Eradication Division of the Vice President's Office (VPO). Their advocacy around the lack of data on time use referred to the full extent of activities, and particularly work-related activities, that are not included in the production boundary of the System of National Accounts (SNA) but are crucial for the welfare of the country's people and sustainability of the labour force required for employment.

The National Bureau of Statistics wishes to express its gratitude to various groups of participants for their efforts that contributed to the production of this report. Sincere thanks should go to the Government of United Republic of Tanzania through NSGRP/MKUKUTA Secretariat for funding the project, and to the Ministry of Labour, Employment & Youth Development (MLEYD) for their technical support from the beginning of the survey to the stage of presetting survey results. Development partners should also be thanked for their contribution to the basket funds and effective participation in the Census and Survey Technical Working Group (CSTWG).

Special thanks should go to the CSTWG for providing guidelines for implementation of the survey and approving funds at any stage of running the survey where the need arose. Special thanks should also go to the ILFS Technical Committee team for their close supervision over all stages of the

execution of the survey, from the preparations of survey instruments to the last stages of data analysis and report writing.

Lastly, but not the least, I wish to thank the data processing team, which included Mr N. T.Buberwa, Beatrice Rwegoshora Stella J. Kaguho and Josephat Athanas, assisted by Mr Said Nyambaya, for successfully processing the data. The data processing team, in collaboration with the ILFS technical committee team and with assistance from a part-time international consultant, Ms Deborah Budlender, analysed the data and wrote the report under the following chapter outline:

1. Executive Summary	Ms Deborah Budlender, Consultant from Community Agency for Social Enquiry of Cape Town, South Africa
2. Introduction	Mr Ibrahim Masanja, National Bureau of Statistics
3. Definitions & Concepts	Mr Ephraim E. Kwesigabo, National Bureau of Statistics
4. Profile of the Tanzanian population	Mr Donald Mmari, Research on Poverty Alleviation (REPOA)
5. Economically active population	Ms Mary D. Aiwinia, Ministry of Labour, Employment and Youth Development
6. The employed population	Ms Ruth Minja, National Bureau of Statistics
7. Informal sector	Mr John B. Mwinuka, Ministry of Planning, Economy and Empowerment
8. Employment in secondary activities	Mr James Mbongo, National Bureau of Statistics
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10. Under-employment Youth Development	Mr Godwin Mpelumbe, Ministry of Labour, Employment and Youth Development
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12. Income from employment	Mr Muhiddin J. Mtindo, National Bureau of Statistics
13. Time Use	Prof. Ophelia Mascarenhas, Representative from TGNP
14. Child works and labour	Mr Ahmed Makbel, National Bureau of Statistics

Finally, I must thank all respondents particularly parents, children and the general public for their necessary cooperation with the field interviewers during the data collection process. The respondents made their time available to answer all questions contained in our questionnaires.

I welcome any comment regarding this report and other NBS publications. All comments should be channelled to the Director General, National Bureau of Statistics, P. O. Box 796, Dar es Salaam, e-mail: dg@nbs.go.tz, [Website www.nbs.go.tz]

Albina A. Chuwa
Director General
August, 2007

Acronyms

CLS	Child Labour Survey
EA	Enumeration Area
EAP	Economically Active Population
GDP	Gross Domestic Product
ICLS	International Conference of Labour Statisticians
ICSE	International Classification of Status in Employment
ILFS	Integrated Labour Force Survey
ILO	International Labour Organisation
ISIC	International Standard Industrial Classification of all economic activities
LFS	Labour Force Survey
MLEYD	Ministry of Labour, Employment and Youth Development
MPEE	Ministry of Planning, Economy and Empowerment
NBS	National Bureau of Statistics
NGO	Non Government Organisation
NMS	National Master Sample
NSGRP	National Strategy for Growth and Reduction of Poverty
REPOA	Research on Poverty Alleviation
SNA	System of National Accounts
TASCO	Tanzanian Standard Classification of Occupations
TGNP	Tanzania Gender Networking Program
TUS	Time Use Survey

Executive summary

Introduction

The 2006 Integrated Labour Force Survey (ILFS) was the fourth such survey to be conducted by the Tanzanian government in collaboration with development partners and other stakeholders. This survey was similar in many respects to the 2000/01 ILFS. However, in addition to topics covered in that survey, the 2006 ILFS for the first time included time use module. The 2006 ILFS was, among others, intended to meet the data needs for monitoring of the National Strategy for Growth and Reduction of Poverty (NSGRP) or MKUKUTA in respect of economic growth and reduction of income poverty.

The ILFS was implemented on behalf of the government by the National Bureau of Statistics (NBS) in collaboration with the Ministry of Labour, Employment and Youth Development. The survey was funded by the government of Tanzania through the Vice Presidents Office, Poverty Eradication Division in collaboration with development partners. This report was written by a team of Tanzanians which included staff from the NBS, Ministry of Planning, Economy and Empowerment, Ministry of Labour, Employment and Youth Development, Research on Poverty Alleviation, and Tanzania Gender Networking Programme.

This report covers the findings of the ILFS 2006 in respect of Tanzania Mainland. A separate report will be prepared in respect of Zanzibar.

Concepts and definitions

For the most part, the concepts and definitions used in this report are in line with international recommendations and, in particular, those of the various International Conferences of Labour Statisticians. In some cases, however, the standard international definitions have been slightly adjusted to reflect the situation of developing countries and Tanzania in particular. Thus, for the most part, the tables and graphs presented in this report use the national definition of employment and the relaxed international definition of unemployment. To allow comparisons with other countries, a limited number of results based strictly on the international recommendations are also presented.

Most tables in the report are presented for the population aged 15 years and above. This, again, facilitates comparison with data from other countries. For the comparisons with results of the 2000/1 ILFS, however, the age group covered is 10 years and above. At least one such comparison is presented in each chapter for which relevant results are available from 2000/1.

Tanzania is unusual – but in line with international recommendations – in considering collection of fuel and water as an economic activity, with those who engage in this activity for at least one hour in the reference period being considered as employed.

MKUKUTA indicators

Several of the MKUKUTA indicators are directly measured through the ILFS, namely the unemployment rates and underemployment in rural areas, access to clean affordable, and safe water, and the proportion of children in child labour.

In respect of unemployment, the MKUKUTA operational target is to reduce unemployment from the 2000/01 rate of 12.9% to 6.9% by 2010. According to the survey, unemployment stood at 11.0% in 2006. When disaggregated, unemployment rates are 31.3%, 16.3%, and 7.1% for Dar es Salaam, other urban, and rural, respectively.

In respect of access to clean, affordable and safe water, the objective is to increase the proportion of the population with access to clean and safe water from 53% in 2003 to 65% in 2010 in rural areas, and from 73% to 90% for the urban population. According to the survey, when combining piped water in or near the household and water from protected sources, about 65% of households have access to clean and safe water within 30 minutes. The percentages stand at 33%, 48%, and 14% for Dar es Salaam, other urban, and rural respectively. When the definition of access to clean and safe water is broadened to include protected water sources other than piped the proportions increase to 71%, 82%, and 31% respectively.

In terms of child labour, the objective is to reduce the proportion of children involved in child labour from 25% to less than 10% by 2010, and to make available to these children alternative opportunities in respect of education and vocational training. The survey found that 3,654,191 people aged between 5 and 17 years, or 32% of that age group, were employed. Further children were involved in non-economic work in the form of household chores. Such work can also become child labour if the hours spent or conditions are potentially harmful. However, exact estimates of child labour are challenging, given that a number of criteria must be satisfied beyond involvement in work to classify this work as child labour. These criteria include the age of the child in relation to the Employment Ordinance's prohibition of employment for children below 15 years, schooling status, status in employment, and hours of work.

The economically active population

In 2006, 89.6% of all people in Tanzania Mainland aged 15 years and above were economically active. Over three-quarters 79.2% of the population of this age was employed and 10.4% were unemployed. The proportion of the economically active population aged ten years and above living in urban areas increased from 19.2% in 2001 to 25.9% in 2006, reflecting rural-urban migration. The female percentage of the economically active population aged 10 years and above remained more or less constant over this period at 50.9% in 2001 and 51.3% in 2006.

More than a third of economically active people in both urban and rural areas are in the age group 35-64 years, with the percentage in this age group standing at 38.1% overall. Females account for more than half (51.9%) of the economically active aged 15 years and above. In Dar es Salaam, however, economically active males slightly outnumber females, while females account for 52% or more of the economically active in rural and other urban areas.

Rural areas have the highest labour force participation rate, at 90.8%, compared to 85.8% for Dar es Salaam and 87.2% for other urban areas. Across all areas, the participation rate is higher for males than females, with the disparity between males and females greatest in Dar es Salaam. The participation rate is highest, at 95.9%, among those who have completed primary school and lowest among those who have attended, but not completed, primary school. Across all educational categories, the male participation rate is higher than the female rate. The gender gap is, however, much larger for those with incomplete primary and those with secondary education and above than for other categories.

Married persons have the highest participation rate, at 95.6%, while widowed people have the lowest, at 76.0%. The lower rate for widowed people is partly explained by the fact that they tend to be older than other groups. The participation rate for married males and females are very similar. Among single people, the rate is noticeably higher for males than females, while for widowed and divorced/separated people the rate is higher for females than males.

The employed population

The employment ratio for rural areas is 84.0%, with the rural ratio consistently higher than the urban ratio across all age groups. Dar es Salaam has the lowest employment ratio, at 58.7%, while for other urban areas the rate stands at 72.7%. The lower employment ratio in Dar es Salaam is due to both higher unemployment rates and more females being economically inactive. The overall employment ratio for females is 77.6% compared to 80.8% for males. In terms of age group, those aged 35-64 years have the highest employment ratio (86.7%) followed by those aged 25-34 (85.9%).

The overall employment ratio increased from 69.3% to 71.0% between 2001 and 2006 for the population aged 10 years and above. The male ratio increased from 71.4% to 72.6% and the female ratio increased from 67.4% to 69.6%. The employment ratio in urban areas increased substantially from 46.4% to 58.6% while in rural areas there was a somewhat smaller decrease from 76.0% to 75.7%. A significant decrease in the employment ratio occurred for the youngest age group of 10-17 years, from 46.1% in 2001 to 40.2% in 2006. The decrease for this age group is particularly marked for rural areas, where the employment ratio in 2006 (47.1%) while in 2001 (53.2%).

Approximately three-quarters (74.7%) of Tanzanians are currently employed in agricultural occupations. The three most common non-agricultural occupations are service and shop sales workers (9.1%), elementary occupations (7.6%) and craft and related workers (4.1%). Female (78.9%) are more likely than males (70.2%) to be agriculture workers. As expected, rural areas have the highest proportion of agricultural workers. Within Dar es Salaam, the most common occupations for males are service and shop sales worker and craft and related worker, while for females the most common occupations are service and shop sales worker and elementary occupations.

Over nine in ten (91.3%) employed people aged 65 years and above work as agricultural and fishery workers, with lower percentages in young age groups. Within each age group, the proportion of females engaged in this occupation is higher than that for males. The gender difference is most marked for those aged 35-64 years. Those in the age group 15-24 years are most likely to be employed in elementary occupations, which could reflect their lack of experience.

More than half (50.6%) of currently employed persons have completed primary school education, 25.6% have never attended school, and only 7.2% have secondary education and above. However, within occupations other than agriculture, elementary occupations and crafts and related workers, 26.6% have secondary education or above.

In terms of industry, agriculture, hunting, forestry and fishing employ more persons than any other industry in both other urban and rural areas. There are, however, a far higher proportion of people employed in this industry in rural areas (89.9%) than in other urban areas (44.7%). The wholesale and retail trade is the main industry of employment in Dar es Salaam, where it accounts for 29.0% of the employed population, and 31.2% of employed males and 26.0% of employed females. Private households in Dar es Salaam employ 27.6% of employed females, but only 4.8% of employed males.

In terms of employment status, those working on their own farm or shamba account for more than half (53.2%) of the employed population, and 55.6% of employed females and 50.5% of employed males. Paid employees account for 8.3% of all employed people, being the second major group, while the self employed (non-agricultural) with employees account for only 1.4%.

The informal sector accounts for the highest proportion of self employed persons, particularly those without employees (93.2%), while more than two-thirds (68.8%) of paid employees are in “other” private sector. Most unpaid family helpers (non-agricultural) are found in the household-related work sector where they account for 84.4% of employed persons.

Most paid employees and self-employed persons spend more than 40 hours working per week, while unpaid family helpers and those who work on their own farm or shamba tend to spend less than 40 hours in terms of current hours, but not in terms of usual hours for those working in agriculture. This pattern may be explained by the seasonality of agriculture. Self-employed males tend to spend more hours on their economic activities than paid male employees. Females tend to work shorter hours than male for both current and usual employment. The gender difference is particularly marked in agriculture and can be largely explained by the fact that most females are also engaged in household chores which are considered as non-economic activities.

The proportion of employed persons collecting firewood and fetching water as their main activity is 3.1%, but 5.1% for females while for males it is 1.1%. Among employed persons aged 15-24 years, this activity accounts for 10.3% of females and 3.6% of males. Four in five (83.0%) of those employed in collecting firewood and fetching water are female, and nearly half (47.2%) are females aged 15-24 years. The share for Dar es Salaam is higher than for other urban because more females in Dar es Salaam are not engaged in other economic activities, while in rural areas most persons are employed in agriculture as their main activity.

Informal sector

In 2006, 40% of all households in Tanzania Mainland have informal sector activities as compared to 35% in 2001.

In 2006, the urban informal sector employs 66% of the people for whom informal sector work is the main activity and only 16% of those for whom it is the secondary activity. In contrast, 34% of the people for whom informal sector work is a main activity are in rural areas and 84% for whom this work is a secondary activity. This may be explained by the fact that the main activity in rural areas is agriculture, which is not defined as an informal sector activity.

Where the informal sector activity is the main activity, the wholesale and retail trade employs 57.5% of the people. In contrast, where the informal sector activity is the secondary activity, construction engages 48.5% of the people and the wholesale and retail trade only 14%. For both the main and secondary activity, the most common occupation is service and shop sales workers (55.2% and 52.8%), followed by craft and related workers (22.6% and 25.1%) and elementary occupations (15.7% and 10.3%). Service and shop sales and elementary occupations account for a larger proportion of female than male workers in both main and secondary activity.

Over four-fifths (84%) of the persons employed in the informal sector as their main activity and 92% employed in this sector as their secondary activity are self employed without employees. The proportion of self-employed (non-agricultural) with employees is larger for males than females for both the main and secondary activities.

For both the main and secondary activity, the overriding reasons for male and female engagement in the informal sector are the inability to find other work and the need for families to get additional income. A larger proportion of females than males consider the need for families to get additional income as an important reason to be involved in the informal sector.

More than 76% of the people involved in the informal sector as their main activity and 86% for the secondary activity have no training at all. Of the 150,472 people who reported receiving loans in respect of informal sector activity as their main activity, 62% were female. This was also the case in respect of 53% of the 86,761 who reported receiving loans in respect of their secondary informal sector activity. Overall, 9% of those working in the informal sector as their main activity and 4% of those in this sector as their secondary activity have received loans. The most common source of loans for informal sector operators is relatives or friends (34.6% for main and 53% for secondary activity).

Employment in secondary activities

The ILFS collected information on both main and secondary economic activities. The ranking of the two activities was done in terms of the number of hours spent on each. In both 2000/1 and 2006, rural areas accounted for 81-2% of those reporting secondary activities. In both periods, there were more females than males engaged in a secondary activity, with the gender difference greater in 2006 than in 2000/1.

In 2000/1, 17.5% of the employed population 10 years and above was engaged in secondary activities, while in 2006 the figure stood at 47.7%. For males, the rate of engagement in secondary activities increased from 17.3% to 41.6%, while for females the comparable rates were 17.7% and 53.6% respectively. Among employed females with secondary activities, 35.0% are involved in collection of fuel and/or water. This increase in secondary activities reflects the fact that more women are now engaged in other economic activities, with collection of fuel and/or water thus becoming a secondary activity.

Close on half (48.6%) of employed persons are also engaged in secondary activities. Engagement in secondary activities is more common for employed females than their male counterparts. Participation in secondary activities is highest in rural areas, at 51.8% of employed people, and lowest in Dar es Salaam, at 28.3%. This pattern holds for both males and females.

Employed youth aged 25-34 years (51.1%), followed by those aged 35-64 years (49.6%) are more likely than those in other age groups to participate in secondary activities. Across all age groups, employed females are more likely than their male counterparts to participate in secondary activities.

Nearly half (47.9%) of persons engaged in secondary activities work in other community, social & personal service activities, while agriculture, hunting and forestry activities account for a further 22.2%, followed by construction, at 13.9% of all persons involved in secondary activities.

The majority (54.7%) of those in secondary activities are engaged in elementary occupations, with a substantially higher proportion of females (69.0%) in this occupation than males (35.1%). Agricultural workers rank second, accounting for 18.9% of all occupations in secondary activities.

Those with secondary activities reported working an average of 15 hours per week in these activities, with females tending to report slightly fewer hours than males. Youth aged 25-34 years tended to spend longer hours in secondary activities than other groups. When time for both main and secondary activities is added, those with secondary activities spent an average of 45 working hours per week on both activities combined. Females tended to spend fewer hours working (mean of 42 hours) than their male counterparts (48 hours), and persons aged 25-34 years again tended to work longer hours (47 hours) than those in other age groups.

Unemployment

The absolute number of unemployed persons aged ten years and above decreased from 2.3 million in 2001 to 2.2 million in 2006. This occurred despite the increase in population over this period. The employment rates thus increased even more rapidly. Thus the overall unemployment rate for Tanzania Mainland, measured by the Tanzanian definition, fell from 12.9% to 11.0%. All localities of Tanzania Mainland experienced a decline, but with a much larger decline in urban than rural areas. Females experienced a bigger drop (of 1.8 percentage points) in the unemployment rate than males (0.9 percentage points).

For the population 15 years and above, unemployment stood at 11.7% in 2006 using the Tanzanian definition.

Nearly 60% of unemployed women live in urban areas compared to only 45% for the unemployed men. Fifty six per cent of the unemployed population are women, and females register a higher rate of unemployment than males in all areas of Tanzania Mainland except rural. The female unemployment rate of 40.3% in Dar es Salaam is about twice the male unemployment rate. The unemployment rate of youth aged 15-24 years is the highest of all age groups, at 14.9%, compared to 10.4% for adults. Youth

Aggregated at a national level, unemployment rates tend to increase with increasing levels of education. The same pattern can be observed in rural and urban areas, excluding Dar es Salaam. For Dar es Salaam, the unemployment rate decreases as education level rises, reflecting the existence of two different labour market situations. Dar es Salaam has a more developed labour market and creates job opportunities that are more attractive to people who have better education. The labour market situation in other urban and rural areas is less developed and the type of employment opportunities that are created is generally less attractive to people with better education, hence their higher levels of unemployment.

Females exhibit higher unemployment rates at all educational levels except for the never attended group. There is an especially large margin between the unemployment rates of males and females with secondary education and above.

The percentage of the unemployed aged 10 years and above who had received on-the-job training increased from 2.0% to 2.7%. Those benefiting from other types of training such as formal apprenticeship, certificate and diploma increased from 8.5% to 10.0%. This resulted in the decrease in the total number of unemployed population with no training from 2.1 million in 2001 to 1.9 million in 2006. In 2006, females are still less likely than males to have benefited from training, but the proportion of females with training at certificate and diploma level increased faster than of males between 2001 and 2006.

Those with no work experience account for the largest portion of the unemployed, followed by those with elementary work experience and agricultural work experience. Unemployed women are far more likely than unemployed men to have previous work experience.

Under-employment

If the number of hours actually worked by a person was less than 40, the person was considered as currently under-employed if he/she also indicated that he/she was available for work. In 2006, the under-employed as thus defined account for 7.8 % of all employed persons – nearly 1.3 million people. This is expected as the national definition of employment measures under-employment only among persons with reliable or sustainable employment. In contrast, the under-employed account for 13.1% of employed persons when using the standard international definition of employment. Using both definitions, the under-employment rates of males in urban areas are higher than those for females but the situation is reversed in rural areas. More than 60% of under-employed people worked less than 30 hours.

The urban population experienced a faster rate of growth of under-employment than the rural population between 2000/01 and 2006, but from a lower starting rate. Thus the urban rate increased from 4.6% to 6.4%, while the rural rate increased from 5.5% to 6.5%. The rate for females increased quite steeply from 4.7% in 2001 to 6.2% in 2006, while for males it increased slightly from 6.0% to 6.8%.

About one-fifth of persons doing household-related economic work are under-employed, a much higher rate of under-employment than for any other sector. This pattern partly explains the higher rate of under-employment among females in Dar es Salaam, where the reported incidence of household-related economic work is relatively high for females. The lowest rates of under-employment are found in central/local government and parastatal sectors.

Under-employment rates are higher for males than females among paid employees, non-agricultural unpaid family helpers and those working on their own farm or shamba, and higher for females than males for all other employment status categories.

Those in elementary occupations have a higher rate of under-employment (about 12%) than for other occupations, while office clerks have the lowest unemployment rate (1.7%). The under-employment rate is markedly higher for males than females among agricultural and fishery workers.

Over half (56.1%) of under-employed people said that they were in this situation because they could not find more work in a job, agriculture or business. A further 23.8% gave as their reason that it was not the agricultural or business season.

The economically inactive

In 2006 the economically inactive accounted for 10.4% of the total population aged 15 years and above in Tanzania Mainland. 9.5% of males of this age were inactive and 11.2% of females. Between 2000/1 and 2006 the proportion of the population aged 10 years and above that was inactive was more or less constant at 20.4% in 2000/1 and 20.2% in 2006. In both years, studying was the main reason for inactivity for both males and females. However, the proportion of males and females inactive on account of household duties decreased from 15.0% in 2001 to 2.0% in 2006 for males and from 9.6% in 2001 to 4.1% in 2006 for females.

In 2006, Dar es Salaam has the highest proportion of economically inactive persons aged 15 years and above, at 14.2%, compared to 12.8% for other urban and 9.2% for rural areas. Schooling is provided as the reason for 53.3% of males, but only 37.8% of females. This is counterbalanced by the fact that 21.4% of inactive females, but only 13.5% of inactive males give old age as the reason for inactivity. Females are also more likely than males to give housework as the reason for being economically inactive. Studying is given as the reason for 99.2% of economically inactive aged 15-24 years, while old age is given as the reason by 92.5% of economically inactive aged 65 years and above.

About two-fifths (38.8%) of the economically inactive have not completed primary school, while 28.9% have never attended school. The patterns in this respect differ for males and females. Thus 48.4% of inactive males have incomplete primary school education while the comparable percentage for females is 31.5%. The gender gap is also large in respect of those who have never attended school, at 36.4% for females compared to 19.0% for males.

About a quarter (24.9%) of the economically inactive population of Tanzania Mainland is married. As expected, higher proportions of inactive married females (16.0%) than males (2.3%) are involved in housework. In contrast, the main gender difference among the unmarried occurs with respect to old age, which is offered as a reason for 22.8% of unmarried females but only 6.2% of unmarried males (6.2%). This pattern is partly explained by the fact that older women are more likely than men to be widowed.

Income from employment

All individuals identified as having worked during the reference week in a waged job or self employment in respect of either the main or secondary activities were asked about income from employment. Earnings from main and secondary activities were combined where both were of the same type, i.e. either waged employment or self-employment. The questionnaire included a further question on income that was posed to individuals living in an urban area and engaged in agriculture during the past week.

The median income of paid employees in 2006 is Tshs. 50,000 while that of the self-employed group is Tshs. 30,000. The mean incomes of paid employees and those in self-employment are Tshs. 97,307 and Tshs. 75,693 respectively. The fact that the median incomes are so much lower than the mean incomes confirms that the means are skewed by extreme high values earned by relatively few respondents. For both mean and median income, the amounts for females are markedly lower than those for males. Further, on both measures, paid employees tend to have higher incomes than self-employed people.

Even after adjusting for inflation, there was a significant overall increase in both mean and median incomes over the period 2000/1 to 2006. This increase occurred in respect of both paid employees and self-employment, and in respect of all values for males and females except the median income of male paid employees. The real value of the mean earnings of self-employed females more or less doubled over the period.

In 2006, paid employees aged 35-64 years have the highest average monthly income (Tshs. 142,499), while the younger youth group (15-24 years) has the lowest (Tshs. 46,933). For each age group the mean male income is higher than for females, with the relative gender gap greatest for the oldest and youngest age groups. A similar trend was found in respect of the self-employed, in that the group aged 35-64 years has the highest mean monthly income (Tshs. 85,619), while the oldest age group (65+ years) has the lowest (Tshs. 36,399). Again, the mean male income is higher than that for females across all age groups.

In terms of education, paid employees with secondary education and above have the highest monthly mean income (Tshs. 207,433) while those who have never attended school had the lowest (Tshs. 40,134). Across all educational levels, males tend to have higher monthly mean income than females. Among the self-employed, mean earnings are again highest among those with secondary education and above, but those with incomplete primary tend to earn slightly less than those who have never attended school. As before, males tend to earn more than females across all educational categories.

Among paid employees, legislators and administrators tend to receive the highest pay, followed by professionals. 254,796. The lowest mean monthly income is among agricultural employees. The relative earnings gap between males and females is largest among professionals, where the male mean is more than double the female mean.

In terms of sector, paid employees in parastatals and government employment, which are usually covered by minimum wage regulation, have the highest mean income. The household economic activities sector has the lowest mean. Across all sectors, except the informal sector, females tend to earn less than males. The gender gap is relatively small in parastatals and central and local government.

When analyzing income, the industry and sector of the main activity was used. Because many of those with secondary activities have self-employment as their secondary activity and paid employment as the main activity, incomes recorded for sectors such as central/local government and parastatal organisations often represent the incomes from the secondary activities of those who work as paid employees in these sectors.

The mean monthly income for those self-employed in real estate, renting and business activities is the highest, while private households with employed persons record the lowest mean for the self-employed. Males tend to earn more than females in all industrial groups except public administration.

In terms of sector, parastatal organisations record the highest mean monthly income for self-employed, followed by NGO/party or religious organizations and private-other. Agriculture records the lowest mean and median incomes. In all sectoral categories, males tended to earn more than females.

Finally, the mean monthly income from urban agriculture for Dar es Salaam for those who engaged in this activity is twice as high as the mean monthly income in other urban areas, and almost equal to the minimum wage of TShs. 75,000. The monthly mean income for other urban areas is less than half the minimum wage. The mean monthly income for males from this source tends to be higher than that of females, but the gap between male monthly mean income and female monthly mean income is much narrower in Dar es Salaam in other urban areas.

Time use

A time use module was included for the first time in the ILFS of 2006. The primary motivation was to obtain information on work-related activities that are not considered as employment in the standard conventional definition of the term. For accounting and valuation purposes, human activities are often categorised on the basis of the System of National Accounts (SNA) which defines the rules that countries must use in calculating gross domestic product (GDP). On this basis, human activities can be divided into three categories: (i) activities which are included in the production boundary of the SNA; (ii) those which are recognised as work, but fall outside the SNA production boundary (extended SNA, or unpaid care work) and (iii) non-productive or non-work activities.

Overall, Tanzanians aged 5 years and above spend an average of 73% of the 24 hour day on non-productive activities, compared with about 17% spent on SNA production and the least time (10%) on unpaid care work. This pattern is consistent across all ages although the proportions differ by ages. The amount of time spent on non-work activities is the highest for male children in the age group 5 to 9 years and lowest for female adults in the age group of 25 to 34 years. There are also gender differences. For females the second most important category of activities is unpaid care work (15%) compared with less than 5% for males. Meanwhile, males spend more time on SNA productive activities (19%) compared to females (14%).

The highest inputs of time for SNA productive activities by both males and females occur between the ages of 25-34. This is also the age group in which females put in the largest amount of time on household maintenance and care.

For household maintenance, time spent by females rises from 59 minutes for the age group 5-9 years to a peak of 230 minutes for the age group of 25-34 years, after which it declines but never goes below 130 minutes. In contrast, for males the trend starts at 40 minutes for the youngest group, peaks at 59 minutes for the age group 15-24 years and remains within the lower 50 minute range throughout the remaining age groups.

Married males and females spend more time on SNA productive activities than all the other groups. Married males spend the least amount of time on extended SNA activities while married females spend the most. Single females spend less time on both types of activities than married females although much more than single males on extended SNA activities. Widowed and separated/divorced males spend the most time of all the male ever married categories on extended SNA activities

The amount of time spent on SNA productive activities rises as the level of education increases for both males and females. For females the length of time spent on extended SNA activities peaks among those with secondary education, while for males it peaks amongst those with primary education.

Child work and labour

The ILFS found that about a third (32.6 percent) of children aged 5-17 years are employed in Tanzania Mainland. The majority of the remaining two-thirds are economically inactive. A higher proportion of girls (70.5 percent) than boys (63.1%) is inactive. The proportion of employed children increases with age. Thus 19.6%, 36.3% and 54.7% of children are employed for age groups 5-9, 10-14 and 15-17 years respectively.

The main reasons offered by households for letting the children work include getting proper upbringing (37.9%), assisting in household enterprise (31.4%) and supplementing household income (22.1%). The distribution of reasons is similar in respect of boys and girls.

For children, in addition to asking about economic activities, the ILFS enquired about regular engagement in housekeeping activities or household chores in their parents' or guardians' home. While this is not categorised as economic activity, it is also a form of work that may in some cases be harmful to children's development. Nearly half (48.1%) of children aged 5-9 years, 57.3% of children aged 10-14 years, and 43.4% of children aged 15-17 years are reported to be involved in housekeeping or household chores. There are slightly more girls than boys engaged in such activities in almost all geographical areas.

More than a quarter (26.2%) of children aged 5-17 years are not attending school. The percentage not attending is much higher than this average among those doing only economic work (38.8%) and those doing both economic work and housekeeping (38.4%). The overall proportion of children not attending school is higher in rural than urban areas. Nevertheless, the apparent negative impact of work on children's school attendance is greater in Dar es Salaam and other urban areas than in rural areas.

Overall, the agricultural sector employs most of the employed children (82.4%). However, this situation is true only for other urban and rural areas but not for Dar es Salaam, where most (56.0%) of the children are engaged in household economic activities, namely collection of fuel and water. A much higher proportion of girls (18.4%) than boys (9.1%) are employed in household economic activities, with this same gender pattern observed across the geographical areas. In contrast, agriculture employs a higher proportion of boys (86.5%) than girls (77.1%).

Almost all children are employed either as agricultural and fishery workers (66.8%) or in elementary occupations (29.7%). The industries that employ most of the children are agriculture, hunting, fishing and forestry (81.6%) and private households with employed persons (14.8%). The proportions of girls are lower than for boys in agriculture and higher than for boys in private households across all age groups.

Employed children spend an average of 23 hours work per week. The younger children tend to spend less time working than their older counterparts. The table reveals no differences between boys and girls in the number of hours worked.

More than 10% of employed children experience frequent illnesses and injuries as a result of their work, while another half and more occasionally suffer from work-related illness or injury. Only about two out five employed children rarely experience work-related ailments.

Chapter one: Introduction

1.0 Background

The 2006 Integrated Labour Force Survey (ILFS) was the fourth survey of its kind to be conducted by the Tanzanian government in collaboration with development partners and other stakeholders. This survey was similar in many respects to the 2000/01 ILFS. In addition to topics covered in that survey, the 2006 ILFS for the first time included a time use module in order to meet the demands for data from stakeholders such as the International Labour Organisation (ILO) and Tanzania Gender Networking Programme (TGNP). The 2006 ILFS was also conducted so as to meet the monitoring data needs of cluster one of the National Strategy for Growth and Reduction of Poverty (NSGRP) or MKUKUTA in respect of growth and reduction of income poverty. More specifically, the NSGRP's second operational target in respect of ensuring sound economic management is to reduce unemployment from 12.9 % in 2000/01 to 6.9% by 2010, as well as to address underemployment in rural areas.

The ILFS was implemented on behalf of the government by the National Bureau of Statistics (NBS) in collaboration with the Ministry of Labour, Employment and Youth Development. This survey was funded by the government of Tanzania through by then the Vice Presidents Office, Poverty Eradication Division in collaboration with development partners. Currently the Poverty Eradication Division is under the Ministry of Planning, Economy and Empowerment (MPEE).

1.1 Objectives

The main objective of the survey was to provide up-to-date data needed by the government and other stakeholders on human economic activities, and particularly those related to the informal sector and its magnitude, unemployment, underemployment, child labour and time use.

Lack of such data hinders government and other stakeholders in their endeavours to plan and implement strategies aimed at proper use of the available resources so as to improve the quality of life and social well-being of the people of the country as documented in cluster two of the NSGRP.

An additional specific objective was to fill the gap caused by lack of data on time use due to the absence of an established system of conducting research on this topic.

The National Employment Policy of 1997 attaches great importance to the contributions made by the private sector and the informal sector to national economic growth. The government's commitment to creating employment opportunities for the people of the country was reinforced by enactment of the National Employment Act of 1998. These developments increased the need to conduct the survey in order to determine the magnitude of the labour force in the country. The survey was also intended to collect information on employment status so as to introduce necessary changes in the country's employment policies where needed.

The inclusion of modules alongside the standard labour force questions was aimed at meeting specific demands of the main data users. The government as the main data user was interested in labour force data in general. The ILO was especially interested in the child labour module as a means of determining the extent to which children are denied their basic rights such as schooling due to being involved in economic activities. TGNP was interested in the time use module in order to observe gender disparities resulting from performance of various economic activities at the family, community and national levels. The time use component was implemented with the technical support of an expert from the Republic of South Africa.

1.2 Planning of the survey

1.2.1 Sampling techniques

A three-stage sampling technique was agreed upon during the planning stage, which started in November 2005 and ended in December 2005 before the execution of the fieldwork for the ILFS. The sampling was based on the National Master Sample (NMS) that covers Tanzania Mainland and Zanzibar. A similar approach was adopted at the planning stage of the 2000/01 ILFS. Sampling was done by the NBS in collaboration with an expert from the University of Dar es Salaam. This report analyses the data collected in Tanzania Mainland.

A simple random sampling technique was adopted at the first stage of sample design to determine representative samples of villages (140) and EAs (244) in rural and urban areas respectively. The villages, and enumeration areas (EAs) were demarcated during the 2002 Population and Housing Census.

The second stage involved random selection of 80 households in each selected village and 30 households in each selected urban EA. This was then followed by the third stage of sampling which involved random selection of households to form representative samples of 20 and 30 households in each selected village and urban EA respectively that have to be interviewed in each quarter of the year. Five questionnaires focusing on different aspects were then administered in each of those households. The time use questionnaire was, however, administered only in every fifth household in the sample.

1.2.2 Questionnaire design

Questionnaire design was done after extensive consultations with data users and other stakeholders in order to satisfy their respective demands for data. Questionnaire review was done in May 2005, and the questionnaire pre-tested in July 2005 in both rural and urban areas. The ILFS consisted of five questionnaires for taking care of the modules as needed by data users. The first questionnaire (LFS1) was administered to the head of the household or his/her representative. It was intended to collect household particulars. The second questionnaire (LFS2) collected labour force details for individuals. The third questionnaire (CLS1) was administered to parents or guardians of all child aged 5 to 17 years. The fourth questionnaire (CLS2) was administered to children aged 5 to 17 years. The fifth questionnaire, on time use (TUS), aimed to collect information on the routine activities of respondents. The TUS questionnaire was administered on seven consecutive days to each member aged 5 years and above of selected households.

1.2.3 Pre-test

Pre-testing of the five questionnaires was done in both rural and urban areas in Bagamoyo District in July 2005, so as to determine factors related to fieldwork such as time taken to administer the questionnaires, limitations of the design of questions, among others. Thereafter final versions of the questionnaires were produced after incorporating -

1.2.4 Pilot test

The pilot test is an important exercise intended to test the entire survey mechanism and resources required to conduct the survey. It was done in September 2005 in selected rural and urban areas in Bagamoyo District.

1.2.5 Execution

Fieldwork took place in 2006, and was organised in four quarters so as to capture seasonal variations. The target sample size was 18,520 households, with 7,320 and 11,200 households from urban and rural areas respectively. The realised response for the standard labour force questions was 16,445 households giving a response rate of 88.8 percent and covering 72,442 individuals. The target sample size for the time use component was 3,704 households with 1,464 and 2,240 households from urban and rural areas respectively. The realised response for the time use component was 3,193 households giving a response rate of 86.2 percent and covering 10,553 individuals.

1.2.6 Quality control

In executing the ILFS, the NBS adhered to the statistical methods and standards necessary for the production of quality data. This was done by including quality control staff from the Department of Statistical Methods and Standards and Coordination at the NBS who acted as a watchdog throughout all stages of the execution of the survey.

1.2.7 Recruitment

Administrative care was taken to recruit qualified persons to perform the necessary tasks at all stages of the survey. Staff recruited included field workers, Regional Statistical Managers and national supervisors. A total of 186 fieldworkers were recruited, of whom 39 were females. Most of them had attained ordinary secondary level education while a few had attained advanced secondary level education.

1.2.8 Training

Training of master trainers was done at national level in Morogoro in 2005. This was followed by training of field staff in six zones covering all 21 regions of Tanzania Mainland. The training was intensive and aimed at ensuring that the knowledge was transferred in a uniform manner to potential field staff.. Class tests were administered in some zonal training centres to assess understanding. Both the national and zonal stages of training included class lectures, exercises and field work practice in selected rural and urban areas.

1.2.9 Fieldwork

Regular field visits for ensuring close supervision were made by national and regional supervisors. This was intended to minimise possible errors made by field staff who were instructed to make field edits at the household as soon as they finished the interview. This practice was intended to ensure that the quality of work was maintained at all stages of data production.

1.2.10 Data processing

Data processing was carried out as soon as questionnaires were received from the field. The first stage included questionnaire reception and manual checking of the number of clusters (EAs) in a region and the number of households in each cluster. This was followed by manual editing and coding of questionnaires before data entry. A special data entry program in CSPro was developed by programmers to capture the data. Data cleaning and validation were done by experienced data

processing personnel. Once the process of data cleaning for both the ILFS and TUS data was completed successfully, the ILFS National Technical Committee met and reviewed the preliminary results. The committee found that the overall quality of data was good. The data processing personnel was informed about any identified errors and inconsistencies that needed correction. The South African time use consultant assisted in capacity building of ILFS staff, and particularly of the data processing team.

1.2.11 Weighting

Weighting calculations were done by the data processing personnel under the guidance of the sampling expert from the University of Dar es Salaam. Criteria and assumptions applied in the calculations were similar to those developed during the 2000/01 ILFS. Calculations were done separately for rural and urban clusters. The correction factors for rural and urban clusters were 1.2054 and 1.2869, respectively. The attached table in the Appendix summarizes the results of the adjusted weights and population for all clusters.

1.2.12 Report writing

Report writing was accomplished by a team of Tanzanians most of whom are members of the ILFS Technical Working Group. They included staff from the NBS, Ministry of Planning, Economy and Empowerment (MPEE), Ministry of Labour, Employment and Youth Development (MLEYD), Research on Poverty Alleviation (REPOA), and Tanzania Gender Networking Programme (TGNP).

1.2.13 Analysis and interpretation

Analysis and interpretation is a further important stage which will require additional capacity building. It is expected to be carried out by the NBS in collaboration with stakeholders such as REPOA and MPEE among others so as to produce a report that informs evidence-based policies and decision making processes as emphasised in the NSGRP.

1.2.14 Dissemination

Dissemination is an important part of any statistical operation. Disaggregation of data is expected to produce reliable national estimates and well as reliable estimates in respect of Dar es Salaam, other urban and rural areas given the size of the sample. Dissemination thus needs to occur at least to national level. Dissemination will be done through hard copies as well as in electronic form. Highlights of compiled statistics from the 2006 ILFS will be posted for public use on the NBS website: www.nbs.go.tz.

Chapter two: Concepts and definitions

2.0 Introduction

The conceptual basis of a labour force survey (LFS) is extremely important. The recommendations concerning the economically active population as adopted by the Twelfth International Conference of Labour Statisticians (ICLS) of 1993 are designed to ensure that LFS results are comparable across countries and consistent with the overall framework of economic statistics. However, to reflect peculiarities pertaining to developing countries and Tanzania in particular, parallel results based on the national situation are presented in this report. To allow comparisons with other countries, a limited number of results based on the international recommendations are also presented. The lower cut-off age for the economically active population for this report is 15 years and there is no upper cut-off age. For previous surveys, a lower cut-off age of 10 years was used.

The following concepts are frequently used in this report.

2.1 Economic activities

The conceptual basis for distinguishing the economically active population as formulated by the Thirteenth International Conference of Labour Statisticians in 1982 is intended to be fully compatible with the United Nations System of National Accounts (SNA). Economic activity as defined by the SNA of 1993 covers all market production and certain types of non-market productions, including production and processing of primary products for own consumption, own account construction (owner occupied dwellings) and other production of fixed assets for own use. It does not cover unpaid production of services for own consumption, such as housework and care of other household members.

2.2 Economically active population

The International Labour Organisation (ILO) defines the economically active population (EAP) as comprising all persons of either sex who furnish the supply of labour for the production of economic goods and services during a specified time reference period. Economic goods and services are defined in conformity with the SNA, as described above.

The economically active population includes both the employed and the unemployed.

Two approaches are used to measure the economically active population:

The currently economically active population, which is also referred to as the labour force, is measured in terms of a short reference period such as one week or one day. In Tanzania, the calendar week preceding the interview serves as the reference period.

The usually economically active population is measured in terms of a longer reference period, such as a year. In Tanzania, the twelve months preceding the interview serve as the reference period.

2.3 Employment

According to the international definition, the employed population includes all persons above a specified age who did some work in the reference period either for pay in cash or in kind (paid employees) or who were in self employment for profit or family gain, plus persons temporarily

absent from these activities but definitely going to return to them, for example those on leave or sick. Self-employment includes persons working on their own farms or shambas or doing any other income-generating activities. Unpaid family workers in family businesses are included in the category of employed persons. For operational purposes, in analysis of the ILFS, “some” work was defined to mean any activity done for one hour or more in the reference week. The international definition is referred to as the “standard” definition in this report.

The national definition is similar to the international definition except that it excludes all persons who are marginally attached to self employment activities. Excluded in this category are persons temporarily absent from work during the reference period due to economic reasons such as no suitable land for cultivation, off-season and lack of capital. In the Tanzanian context, it makes more sense for this group of persons to be included in the unemployed category rather than being included in the employed category since they are not working but available for work.

Respondents who reported having done some work in the calendar week prior to the interview were asked an additional question about the status of their work. They were required to state whether their work was reliable and provided adequate hours of work. Those who said their work was not reliable and did not provide adequate working hours were treated differently in the national and standard definitions. Under the standard definition all persons who reported having done some work were counted as employed, regardless of the status of their work. Under the national definition only those who further said their work was reliable and provided adequate working hours were counted as employed. The national definition is thus used to measure employed persons with sustainable or regular work.

2.4 Main and secondary activity

For employed persons details were collected on the person’s main economic activity plus one secondary activity. Activities with the same status and the same industry group were combined as one activity. An example of this is a person growing maize and growing other food crops during the reference period. However, if the industry was the same but the status was different, two activities were recorded. The main activity was the one that took the most time irrespective of income earned.

2.5 Temporary absences from employment

Persons not working in the reference period but who have work from which they are temporarily absent are included in the employed population provided they keep a strong attachment to the job and there is a definite expectation that they will return to it. The most common persons in this category are those on leave. More challenging is the fact that lay-offs can occur due to the operating problems of many factories in Tanzania. The solution was to put a time limit on such absences within which a person can be considered as employed. For wage earners, the limit was set at four months.

For the self employed, the application of the concept is more difficult. It was decided that for a self-employed person to be considered temporarily absent, his/her business must continue to operate in his/her absence, for example through a spouse or relative. The time limit on the absence for this group was taken to be one month. Formal leave is rare for self-employed people, particularly for small operators. Unpaid helpers and casual workers cannot be temporarily absent from work as they have no measurable attachment to the job. It was therefore decided to categorise such persons with zero hours worked as not economically active or unemployed as appropriate during such absences.

A further challenge arises in respect of categorising persons working in the reference period but not at their main activity. These persons must clearly be categorised as employed, but it is less clear which of the two activities should be their main activity. An example is a public servant working on his/her small farm (shamba) while on leave. Such situations are quite common in developing countries compared to developed ones in that many wage earners have to work while on leave because of their economic circumstances. It was decided to insert a special question to address this problem. For those who were temporarily absent from their usual main activity but had other work, the current activity was recorded as the secondary activity. The current time worked for the main activity was recorded as zero.

2.6 The informal sector

The working definition of the informal sector is the one adopted by the Fifteenth ICLS in January 1993, with some modifications to suit the situation in Tanzania. The definition is closely linked with the revised SNA and the revised International Classification of Status in Employment (ICSE).

2.6.1 The main characteristics of the informal sector are the following:

The informal sector is considered as a subset of household enterprises or unincorporated enterprises owned by households. They are enterprises which are not separate legal entities independent of the households or household members who own them. They do not have a complete set of accounts which permit a clear distinction of production activities of the enterprises from the other activities of their owners and the identification of flows of income and capital between enterprises and owners. The enterprises may or may not employ paid labour and the activities may be carried out inside or outside the owners' home. All or at least some of the goods or services of the business have to be produced for sale.

The informal sector comprises informal own-account enterprises as well as enterprises of informal employers. The distinction between own-account enterprises and enterprises of informal employers is based on whether or not the enterprises of informal employers employ workers on a continuous basis as contrasted with the employment of employees on an occasional basis and the employment of unpaid family helpers.

Enterprises rendering professional or business services (e.g. doctors, teachers, lawyers, etc) are included in the definition if they meet the requirements of informal own-account enterprises or informal employers.

2.7 Status in employment

The following categories are distinguished for status in employment. As described below, some of these categories can be further sub-divided.

Paid employees are persons who perform work for a wage or salary in cash or kind. Included are permanent, temporary and casual paid employees.

The self-employed (outside traditional agriculture) are persons who perform work for profit or family gain in their own non-agricultural enterprise. This includes small and large business persons working on their own enterprises. The category is sub-divided into those with employees and those without employees.

Unpaid family helpers (outside traditional agriculture) are persons working completely without payment in cash or kind in family enterprises other than in the family farm or shamba.

Traditional agriculture workers are persons working on their own farms or shambas either in agriculture, livestock or fishing as either self-employed persons or as unpaid family helpers.

The major variation in the above from ICSE is the provision of the separate category for traditional agriculture workers. In the international classification, these workers are combined with the self-employed. It was decided that the separate category was desirable for the ILFS as the non-agricultural self-employed would otherwise be lost in the dominant agricultural group

2.8 Unemployment

In the current ILFS, two definitions of unemployment were used. One definition is the standard definition as adopted by the Thirteenth ICLS in 1982, while the other definition is the national definition, which is a modification of the former in the light of the particular situations pertaining in the country.

Under the internationally recommended definition, a person is classified as unemployed if she/he meets all the following three conditions during a specified period (one week), that he/she is:

- a. without work,
- b. available for work, and
- c. seeking work.

This category of unemployed persons can be referred as **unemployment category A**.

The international recommendations allows the relaxation of condition (c) above, i.e. seeking work, especially in countries where a large proportion of the population is engaged in agriculture and informal activities with generally low knowledge of labour market developments in the rest of the economy. Tanzania is characterised by the above-mentioned conditions, and therefore uses the relaxed international definition of unemployment, while at the same time presenting results according to the stricter international definition for comparison with other countries. Those persons who were without work, available but have not taken active steps to find work, thus satisfying conditions (a) and (b) above, are referred to as **unemployment category B**. The sum of these two components of unemployment gives the overall unemployment rate based on the **relaxed standard definition**, hereafter referred to as the **standard definition**.

The **national definition** of unemployment is the sum of unemployed categories A and B (as defined above) plus the number of persons with extreme marginal attachment to employment (**category C**). Marginal attachment to employment is measured as described above under employment.

2.9 Underemployment

Underemployment reflects underutilisation of the productive capacity of the employed population. For practical reasons, time-related underemployment is measured. This situation exists when the hours of work of an employed person are insufficient in relation to an alternative employment situation in which the person is willing and available to engage

Information on under-employment was obtained from respondents' answers to the question on the number of hours they actually worked during the last calendar week prior to the interview. They were also asked to state the number of usual hours they normally worked per week. Total number of hours actually worked of each person was compared to what can be considered normal working

hours per week, namely 40 hours. If actual hours were less than 40, the person was considered as currently under-employed if he/she indicated availability for more work. The same was done for usual hours to identify persons usually under-employed.

2.10 The not economically active (not in the labour force)

These are persons who were neither employed nor unemployed in the reference period. This includes persons doing solely unpaid domestic work in their own houses; those engaged in full-time studies, and persons not working because they were sick, retired or did not want to work.

2.11 Usual activity

The ILFS measures both usual and current economic activities, as internationally recommended. The use of these two measures allows for the capture of seasonal activities that might not have been done in the calendar week prior to the interview. The twelve calendar months up to the end of the calendar month preceding the date of the interview were used as the reference period for usual activity. Any economic activity taking more than one hour in a week or half a day in a month was recorded.

The **usually employed** refer to persons who were usually economically active and spent half or more of the economically active months working.

The **usually unemployed** refer to persons who spent more than half the economically active months not working but available for work.

The **usually economically inactive** refer to persons who did not work and were not available for work for more than six of the twelve months.

2.12 Youth

The National Youth Development Policy defines a youth as “a boy or girl who is in transition from childhood to adulthood”. The policy adopts the definition of youth as declared by the United Nations, which defines a youth as a person aged between 15 to 24 years. There is, however, a country-specific definition that is frequently used by stakeholders and policy makers, where the upper age limit is extended to 35 years. The analysis of youth employment in this publication is based on both age groups to allow comparisons with other countries.

2.13 Child work and Labour

2.13.1 Child work

A child is considered to be involved in child work if his/her working hours per week are less than 14 per week, the work does not appear to interfere with schooling, and s/he is not engaged in hazardous activities.

2.13.2 Child labour

A child aged 5-14 years is considered to be engaged in child labour if his/her working hours per week are 14 or above or if s/he worked for less than 14 hours a week but was either employed as a house girl/boy or engaged in hazardous activities.

A child aged 15-17 who attends school and who works between 14 and 43 hours per week is considered to be engaged in child labour as this amount of work will interfere with schooling.

2.13.3 Hazardous/Worst form of child labour

A child is considered to be engaged in hazardous work if s/he works for more than 43 hours a week or if s/he works for less than 43 hours per week but is engaged in hazardous activities. Work in the following occupations for a child aged 5-17 years is considered to be work in hazardous occupations: Miners, blasters, stone cutters, mineral processors and mining plant operators and the like

- (a) Metal moulders, welders and the like
- (b) Metal processors and metal plant operators
- (c) Chemical processors and chemical plant operators
- (d) Construction labourers and the like

2.14 Production boundaries

In analysing use of time, the activities performed by individuals can be classified into three broad categories based on the SNA of 1993. The first category of SNA-related activities comprises those activities that fall within the **SNA production boundary**. Engagement in these activities classifies a person as employed. The activities concerned include all production for the market, as well as production of goods for own consumption. The second category comprises activities that fall within the **general production boundary**, and are thus recognised as ‘work’ or ‘production’, but which do not fall within the narrower SNA production boundary. Engagement in these activities thus does not classify a person as employed. The activities concerned involve production of services for own consumption, and include household maintenance, care of persons in the household, and care and other services performed unpaid for the community. These activities are often termed **unpaid care work or extended SNA**. The third category, non-productive activity, comprises activities that fall outside the general production work, and are not regarded as production or work. This category includes activities such as sleeping and eating, learning, and social and cultural activities.

Chapter three: Tanzania population profile

This section summarises the key characteristics of the population of Tanzania based on various socio-economic variables. As depicted in charts 3.1 and 3.2, the pattern of the population for male and female does not differ across age groups or across geographical areas. For both male and female, the majority of the population, and also the labour force, is located in rural areas'. In general, Tanzania is dominated by young people, as nearly 69% are in the age group 29 years and below.

Chart 3.1 Structure of male population by age group and geographic area, 2006

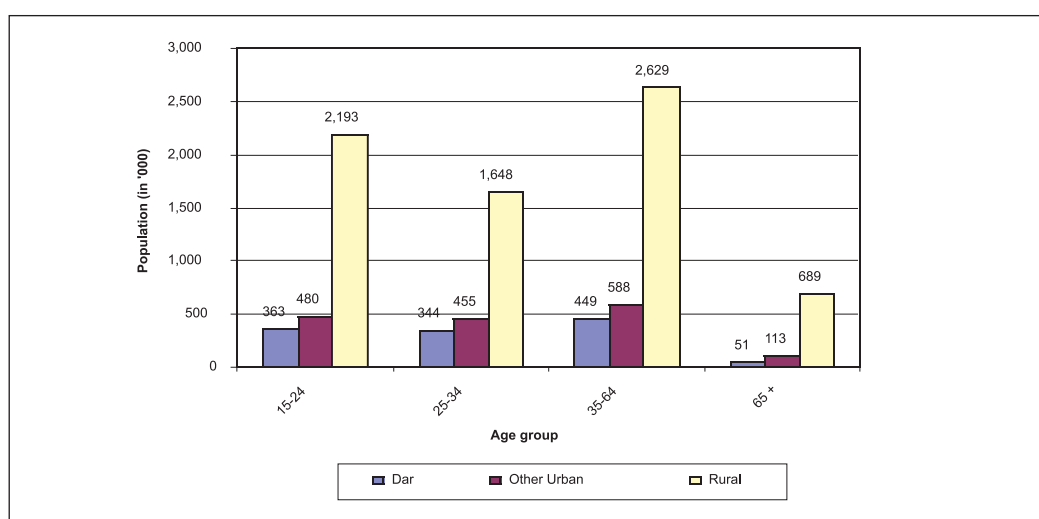
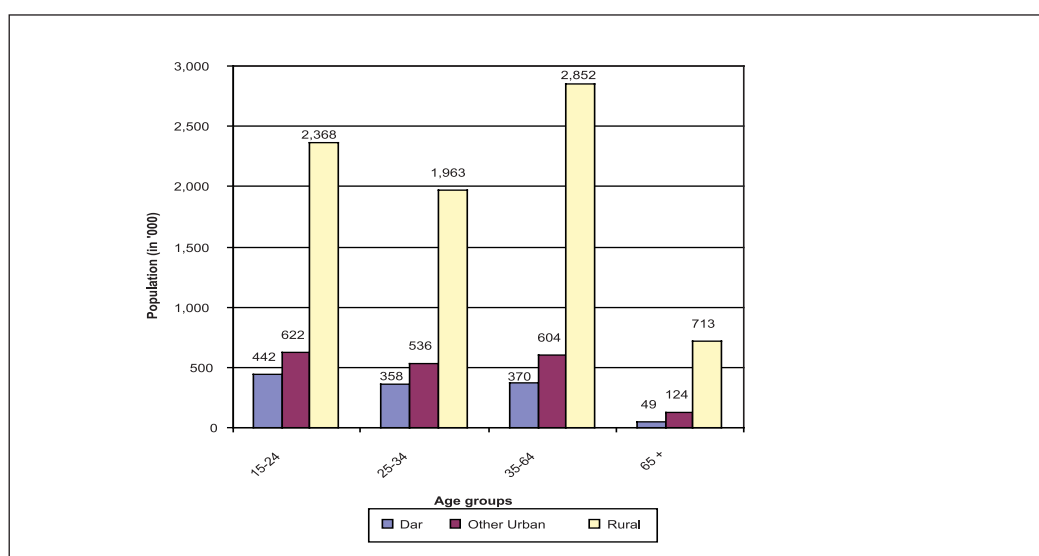


Chart 3.2 Structure of female population by age group and geographic area, 2006



'Key Message

For both male and female, the majority of the population, and also the labour force, is located in rural areas.

Some gender differences are noted in the levels of educational attainment by age group. In particular, more females than males of older ages are reported to have received no formal education. Chart 3.3 and 3.4 indicate this difference.

Chart 3.3 Educational attainments by age group, males, 2006

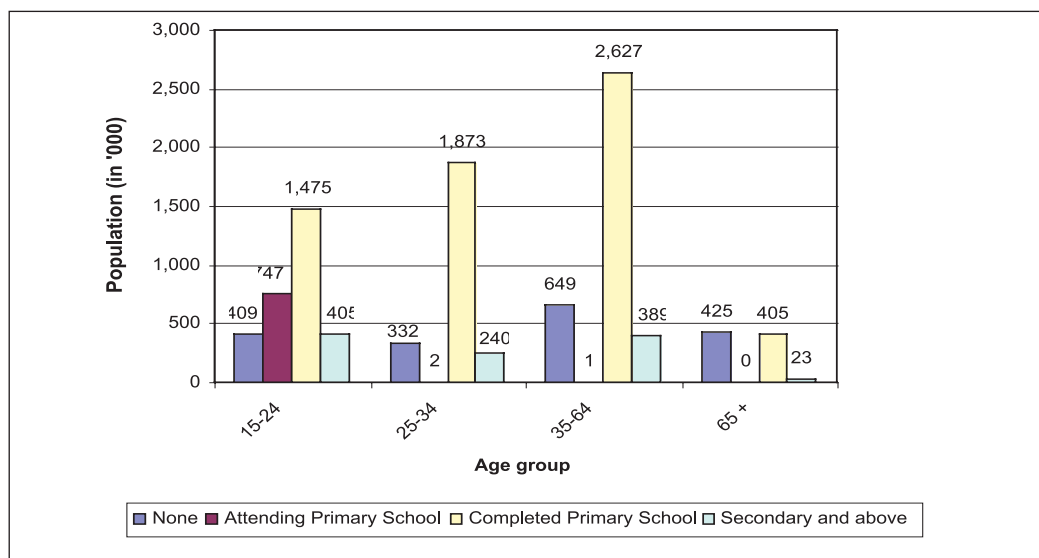
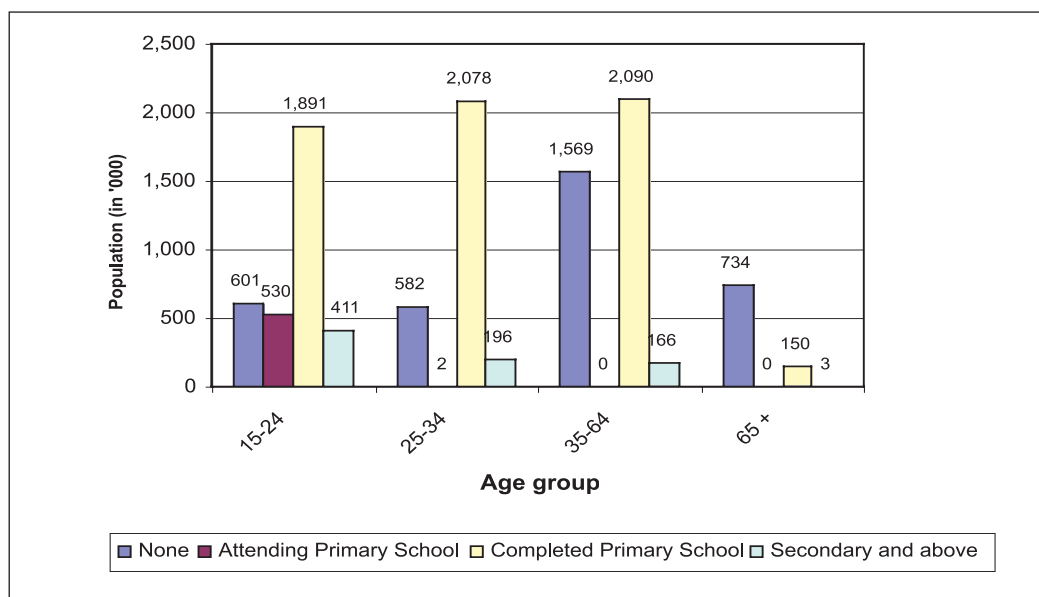


Chart 3.4 Educational attainments by age group, females, 2006



As figures 4.5 and 4.6 demonstrate, more than half of the population (59%) aged 15 and above are married, while 28% are reported to be single. Slightly more women than men are reported to be married, while more men than women are reported to be single. More women than men are reported to have been widowed and divorced or separated. The majority of the population is reported to be married at age 25 and above, although a small proportion (8%) are reported to have been married in the age group 15 to 24 years. Smaller proportions of the population are reported to be widowed or divorced/separated, with increases in such cases noted with increasing age.

Chart 3.5 Population 15+ years by sex and marital status, 2006

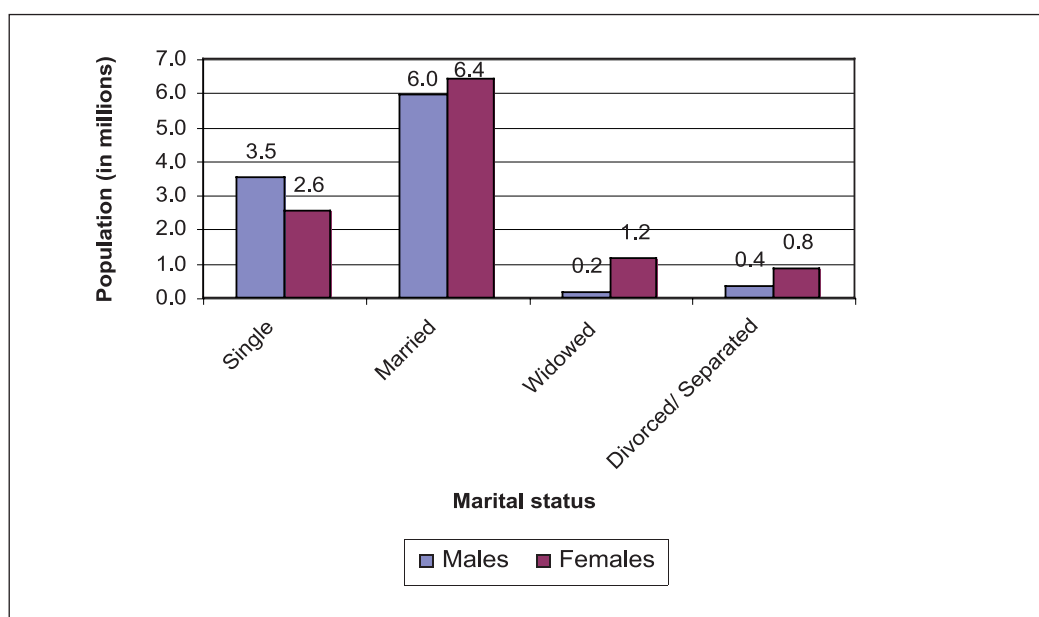
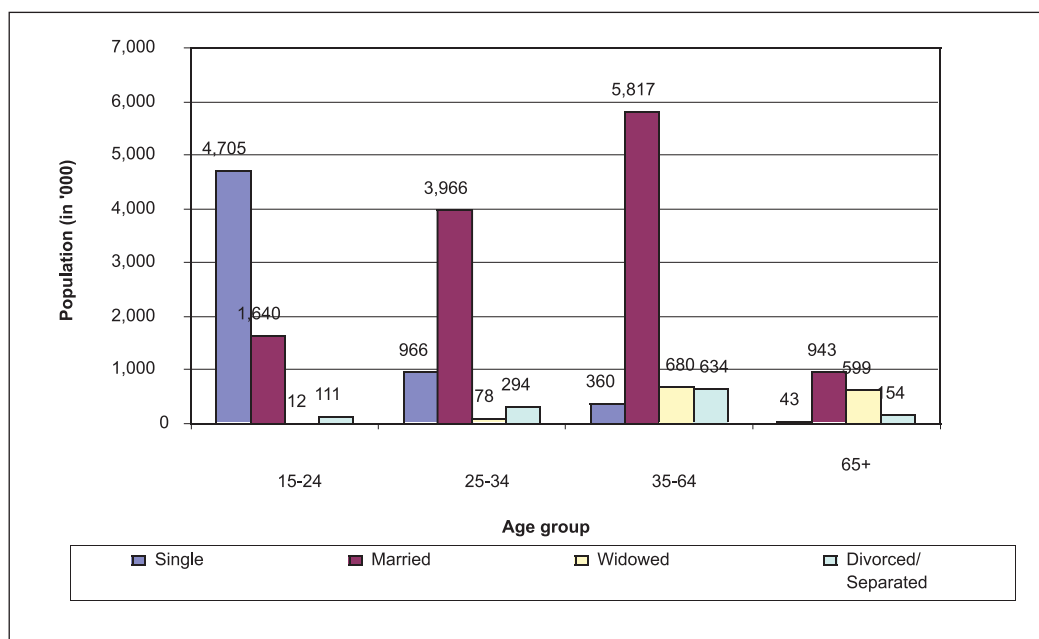
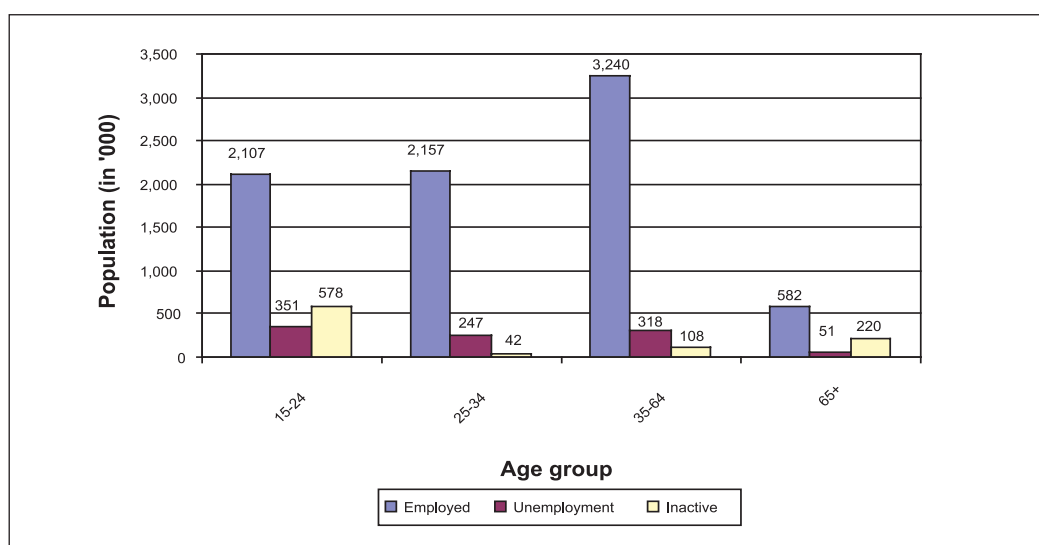
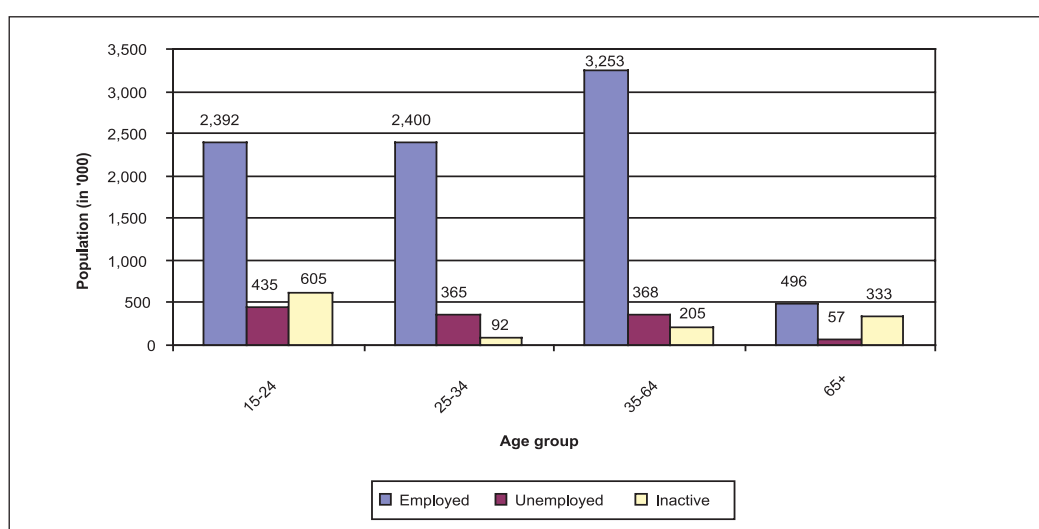


Chart 3.6 Population 15+ years by age group and marital status, 2006



Figures 3.7 and 3.8 show a similar pattern in work status by age for males and females when using the national definition. The proportion of the group that is economically inactive increases among those aged 17 and below and 65 and above.

Chart 3.7 Population 15+ years by work status, males, 2006**Chart 3.8 Population 15+ years by work status, females, 2006**

Several MKUKUTA indicators are directly measured through the Integrated Labour Force Survey. These are the unemployment rates and underemployment in rural areas; access to clean affordable, and safe water; and the proportion of children in child labour.

Reducing unemployment and addressing underemployment are important conditions for ensuring sound macro-economic management. The MKUKUTA operational target is to reduce unemployment from the 2000/01 rate of 12.9% to 6.9% by 2010. According to the survey, total unemployment in 2006 was 11.0%^{*} and when disaggregated, unemployment rates are 31.3%, 16.3%, and 7.1% for Dar es Salaam, other urban, and rural, respectively. While no target figure to address

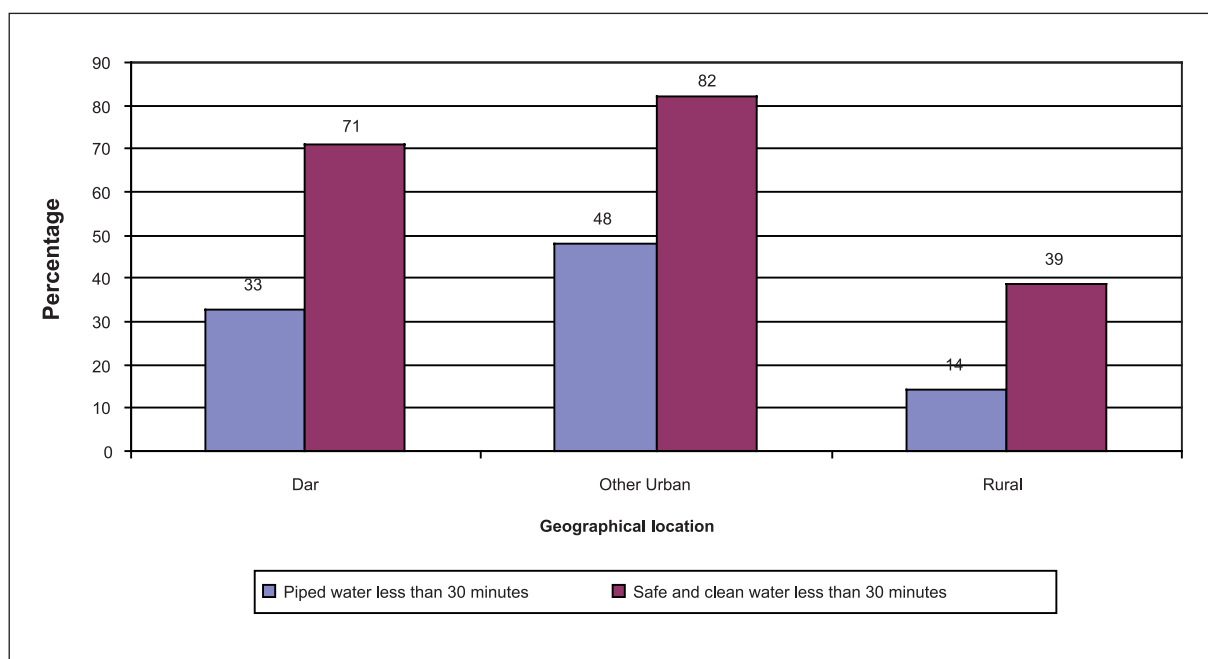
**** Key Message***

Total unemployment in 2006 was 11.0% (age 10 years and above)

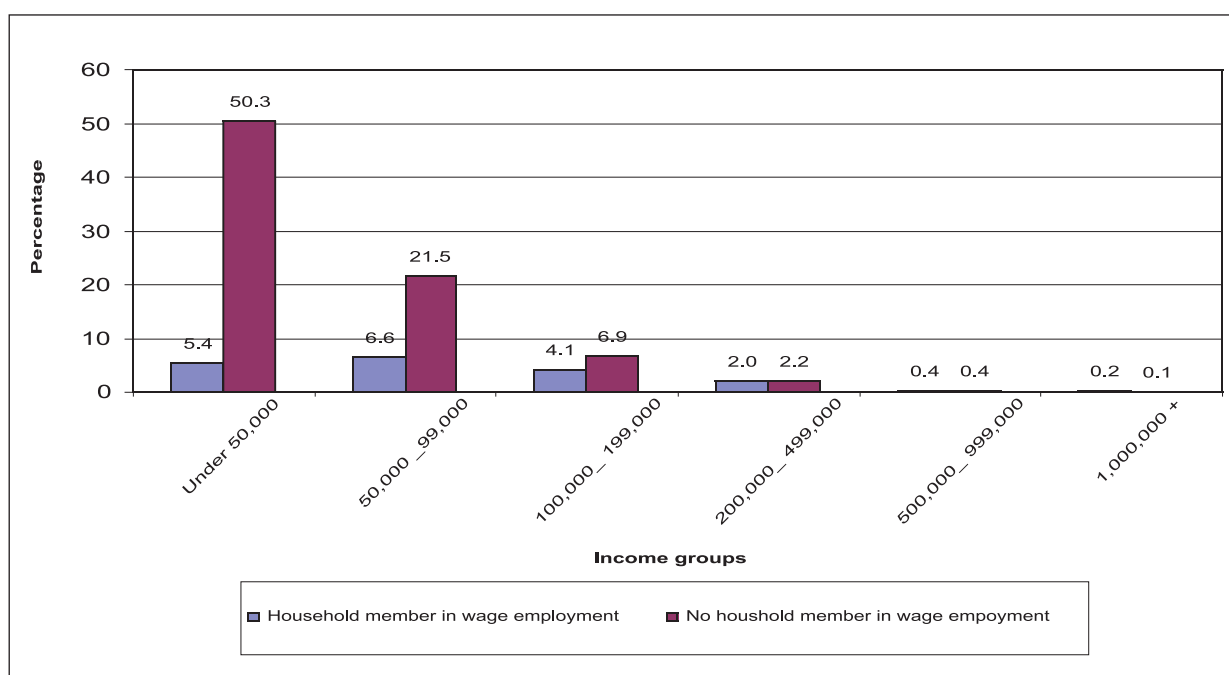
underemployment in rural areas was specified, its reduction is desired. The rate of rural underemployment indicated by the survey for the population aged 10 years and above is 6.5%.

One of MKUKUTA's operational targets under cluster two is increased access to clean, affordable and safe water. This target is relevant from a labour perspective as collection of water is considered to be economic work. The objective is to increase the proportion of the rural population with access to clean and safe water from 53% in 2003 to 65% in 2010, and from 73% to 90% for urban population during the same period. Clean and safe water includes piped water and water from protected wells, protected springs, and bottled water. The measure of access is operationalised as having clean and safe water within 30 minutes of the dwelling. According to the survey, the proportion of households with access to piped water within 30 minutes is 22.4%. Combining piped water in or near the household and water from protected sources, about 65% of households have access to clean and safe water within 30 minutes. In terms of geographic area, those that have access to piped water within 30 minutes constitute 33%, 48%, and 14% of the population for Dar es Salaam, other urban, and rural areas respectively, as shown in chart 3.9. When access to clean and safe water is broadened to include protected water sources other than piped water, these proportions increase to 71%, 82%, and 39% for Dar es Salaam, other urban, and rural, respectively. This finding conflicts with the MKUKUTA's operational target data for the rural population, which indicated that access to clean and safe water stood at 53% in 2003, based on administrative data from the Ministry of Water. The same indicator for rural areas was reported by the population and housing census of 2002 to be 42%.

Chart 3.9 Proportion of households with access to piped water and with safe and clean water in less than 30 minutes, 2006



As shown in chart 3.10, the survey indicates that about 50% of households have an average monthly household income from all sources of below Tshs. 50,000. Overall, more than eight in ten (83%) households report a monthly income of Tshs. 99,000 and below. The majority of households (81%) report having no household member in wage employment. About 71% of households with income below Tshs. 99,000 have no member in wage employment.

Chart 3.10 Percentage distributions of households with a member aged 15+ in wage employment by income groups, 2006

Another MKUKUTA operational target under cluster two is the desire to reduce the proportion of children involved in child labour from 25% to less than 10% by 2010, and to avail them with alternatives including enrolment in primary education, Complementary Basic Education for over school-age children, and employable vocational education skills. This is an important target for ensuring adequate social protection and rights for children. The survey found that 3,654,191 people aged between 5 and 17 years, or 32% of that age group, are reported to be employed. A child labour report based on that ILFS 2000/01 revealed that about 4,735,528, representing 40% of all children aged 5-17, were engaged in economic activity'. Chapter 14 provides more detailed analysis of child work and labour. However, estimates of child labour are challenging, given that a number of criteria must be satisfied beyond involvement in work to classify this work as child labour. These criteria include the age of the child in relation to the Employment Ordinance's prohibition of employment for children below 15 years, schooling status, status in employment, and hours of work. Using the minimum age criterion of 15 years and the 2000/01 ILFS data, 25% of children were estimated to be at risk, a figure that was used as a baseline in MKUKUTA.

' Key Message

The survey found that 3,654,191 people aged between 5 and 17 years, or 32% of that age group, are reported to be employed. A child labour report based on the ILFS 2000/01 revealed that about 4,735,528, representing 40% of all children aged 5-17, were engaged in economic activity.

Chapter four: Economically active population

4.0 Introduction

The economically active population (also known as the “labour force”) is that population of the specified age group (10 or 15 years and above, but with no upper age cut-off) which during a specified reference period prior to the interview were either productively engaged (employed) or available to be engaged (unemployed) in economic activities.

4.1 Currently economically active population

A person was defined as currently active if he/she was either employed for at least one hour during the previous calendar week, or was temporarily absent from work but had a job attachment, or was available for work if this could be found.

Figure 4.1 Distribution of currently economically active population 15+ years by employment status, 2006

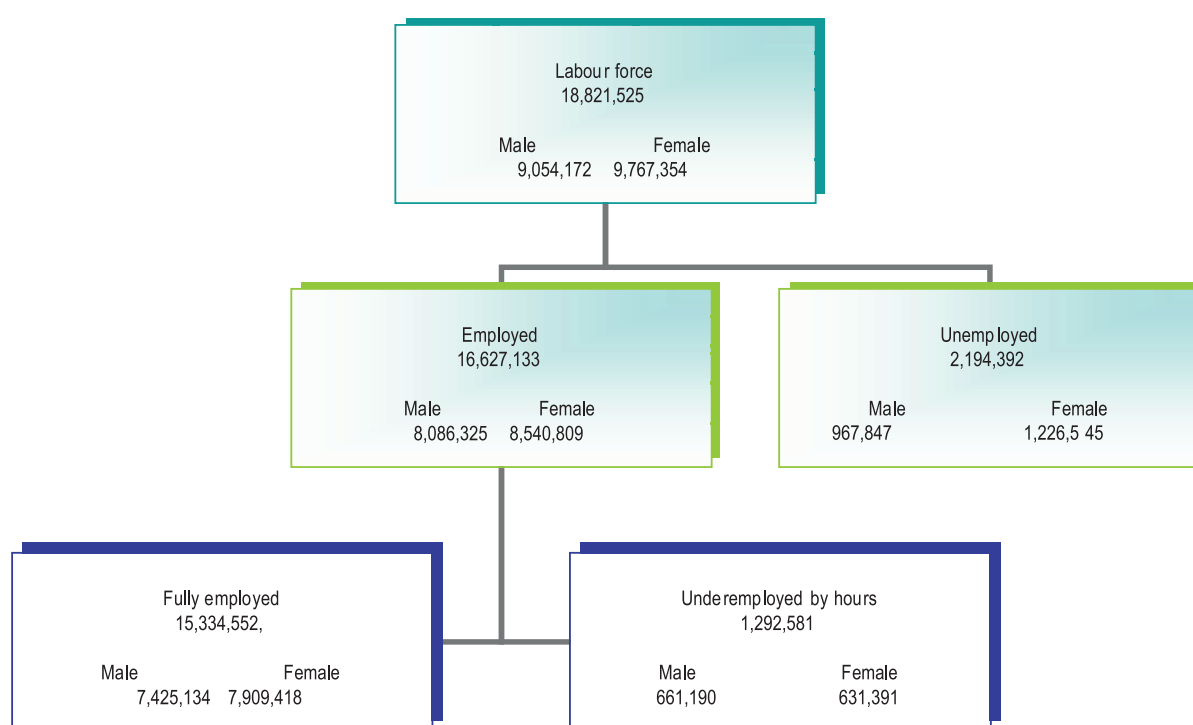


Figure 4.1 above reveals that the currently economically active population was constituted of 18,821,525 (89.6% of all people of this age) people aged 15 years and above in 2006. More than three quarters (88.3%) of the population of this age were employed, and 2,194,392 (11.7%) were unemployed.

In 2000/1, the economically active accounted for 79.6% of the population 10 years and above (80.7% for males and 78.6% for females)'. By 2006, the percentage of economically active stood at 79.8% (80.7% for males and 79.0% for females).

Table 4.1 Percentage distribution of currently economically active population 10 years+ by area and sex, 2000/01 and 2006

Area	2000/01			2006		
	Male	Female	Total	Male	Female	Total
Urban	9.3	9.9	19.2	12.6	13.3	25.9
Rural	39.8	41.0	80.8	36.2	37.9	74.1
Total	49.1	50.9	100.0	48.7	51.3	100.0

Table 4.1 shows that the proportion of the economically active population aged ten years and above living in urban areas has increased from 19.2% of all economically active in 2001 to 25.9% in 2006. The female percentage of the economically active population has remained more or less constant over this period at 50.9% in 2001 and 51.3% in 2006.

Table 4.2 Percentage distribution of currently economically active population 15+ years by age group, sex and area, 2006

Sex/Age group		Area			
		Dar	Other urban	Rural	Total
Male	15-24	12.4	11.3	13.6	13.1
	25-34	16.1	14.6	11.9	12.8
	35-64	20.7	18.7	18.7	18.9
	65+	1.5	2.6	3.8	3.4
	Total	50.7	47.1	47.9	48.1
Female	15-24	16.0	15.6	14.8	15.0
	25-34	16.3	16.6	14.0	14.7
	35-64	16.0	18.5	19.9	19.2
	65+	1.0	2.3	3.4	2.9
	Total	49.3	52.9	52.1	51.9
Total	15-24	28.4	26.8	28.3	28.1
	25-34	32.4	31.1	25.9	27.5
	35-64	36.7	37.2	38.6	38.1
	65+	2.5	4.8	7.2	6.3
	Total	100.0	100.0	100.0	100.0

Table 4.2 shows that more than a third of economically active people in both urban and rural areas are in the age group 35-64 years, with the percentage in this age group standing at 38.1% overall. Females account for more than half (51.9%) of the economically active. In Dar es Salaam, however,

' Key Message

By 2006, the percentage of the population 10 years and above that was economically active stood at 79.8% (80.7% for males and 79.0% for females).

economically active males slightly outnumber females, while females account for 52% or more of the economically active in rural and other urban areas.

4.2 Labour force participation rate

The labour force participation rate is a key labour market indicator. It measures the proportion of the country's working age population that engages actively in economic activity, either by working (employed) or by looking for work (unemployed). This measure provides an indication of the relative size of the supply of labour available for production of goods and services in the country. The labour force participation rate is often referred to as the economic activity rate.

Table 4.3 Labour force participation rate 15+ years by age group and sex, 2006

Age group	Sex		
	Male	Female	Total
15-24	81	82.4	81.7
25-34	98.3	96.8	97.5
35-64	97.1	94.7	95.8
65+	74.3	62.4	68.2
Total	90.5	88.8	89.6

Table 4.3 shows that the overall participation rate in 2006 was 89.6%, with the male rate at 90.5% and the female rate at 88.8%. This confirms that although, as noted above, females account for just over half of the economically active population, this slight predominance is a result of their larger share of the adult population rather than higher activity rates. Across both sexes the highest participation rates are observed in the age group 25-34 years, followed by the age group 35-64 years. Thus the predominance of 35-64 year olds noted above reflects the fact that this age group covers more years than some other groups rather than higher activity rates. The age group 25-34 years consists primarily of people who have completed their schooling and/or further education and who often have young families to support. They are therefore energetic, tend to have higher educational achievement than older people, and have a high demand for employment. Those aged 65 years and above have the lowest participation rate. This group is either approaching retirement or too old to work.

Table 4.4 Labour force participation rate 15+ years by area and sex, 2006

Area	Sex		Total
	Male	Female	
Dar es Salaam	87.3	84.2	85.8
Other Urban	88.4	86.1	87.2
Rural	91.6	90.1	90.8
Total	90.5	88.8	89.6

' Key Message

The overall participation rate in 2006 was 89.6%, with the male rate at 90.5% and the female rate at 88.8%.

Table 4.4 shows that rural areas have the highest participation rate, at 90.8%, compared to 85.8% for Dar es Salaam and 87.2% for other urban areas. Across all areas, the participation rate is higher for males than females, with the disparity between males and females greatest in Dar es Salaam.

Table 4.5 Labour force participation rate 15+ years by educational achievement, area and sex, 2006

Area/ Educational achievement		Sex		Total
		Male	Female	
Dar es Salaam	Never attended	86.2	78.4	80.6
	Primary not complete	64.8	70.7	67.6
	Primary complete	95.7	93.4	94.5
	Secondary above	80.4	69.6	75.8
	Total	87.3	84.2	85.8
Other urban	Never attended	81.2	80.2	80.5
	Primary not complete	71.9	73.2	72.5
	Primary complete	97.4	93.8	95.5
	Secondary above	81.7	75.8	79.1
	Total	88.4	86.1	87.2
Rural	Never attended	91.0	88.2	89.2
	Primary not complete	81.4	78.5	80.1
	Primary complete	98.0	97.4	97.7
	Secondary above	84.2	77.7	81.6
	Total	91.6	90.1	90.8
Total	Never attended	90.1	87.1	88.1
	Primary not Complete	79.1	77.1	78.2
	Primary complete	97.6	96.1	96.8
	Secondary above	82.2	74.2	78.8
	Total	90.5	88.8	89.6

Table 4.5 shows that those who have completed primary school have the highest participation rate, at 96.8%. Across all educational categories, the male participation rate is higher than the female rate'. The gender gap is, however, much larger for those with secondary education and above than for other categories. The larger gender gap among those with secondary education and above partly reflects the lower labour force participation rate among females in Dar es Salaam, where educational achievement tends to be higher than in other areas.

' Key Message

Across all educational categories, the male participation rate is higher than the female rate.

Table 4.6 Labour force participation rate 15+ years by literacy and sex, 2006

Literacy	Sex		Total
	Male	Female	
Kiswahili	91.6	90.9	91.3
English	82.5	79.4	81.1
Both Kiswahili & English	85.8	77.1	82.4
Any other language	80.2	71.4	75.5
None	90.0	87.7	88.5
Total	90.5	88.8	89.6

Table 4.6 shows that persons who can read and write only Kiswahili have a higher participation rate than all other literacy-related groups, at 91.3%. This finding holds for both male and female. The next highest participation rate is for those who are not able to read and write in any language. These patterns reflect high rates of labour force participation among poor people in rural areas.

Table 4.7 Labour force participation rate 15+ years by marital status and sex, 2006

Marital status	Sex		Total
	Male	Female	
Single	82.1	77.0	80.0
Married	95.9	95.3	95.6
Widowed	74.4	76.3	76.0
Divorce/Separate	91.7	92.3	92.1
Total	90.5	88.8	89.6

Table 4.7 reveals that married persons have the highest participation rate, at 95.6%, while widowed people have the lowest participation rate, at 76.0%. The lower rate for widowed people is partly explained by the fact that they tend to be older. The participation rate for married males and females are very similar. Among single people, the rate is noticeably higher for males than females, while for widowed and divorced/separated people the rate is higher for females than males.

4.3 The usually economically active population

For the purposes of measuring the usually active population, all persons who were employed or available for work for six months or more over the previous twelve months were classified as usually active. Overall, 91.3% of the population aged 15 years and above was classified as usually economically active – 92.0% among males, and 90.6% among females.

Table 4.8 Percentage distribution of usually economically active population 15+ years by sex, age group and area, 2006

Sex/Age group		Area			
		Dar es Salaam	Other urban	Rural	Total
Male	15-24	13.6	12.1	14.1	13.7
	25-34	15.4	14.1	11.6	12.5
	35-64	20.0	18.3	18.3	18.5
	65+	1.6	2.6	3.8	3.3
	Total	50.5	47.1	47.8	48.0
Female	15-24	17.0	16.6	15.5	15.9
	25-34	15.8	16.1	13.7	14.3
	35-64	15.7	18.0	19.5	18.9
	65+	1.0	2.2	3.4	3.0
	Total	49.5	52.9	52.2	52.0
Total	15-24	30.5	28.7	29.6	29.6
	25-34	31.2	30.2	25.4	26.8
	35-64	35.8	36.3	37.9	37.4
	65+	2.5	4.8	7.2	6.3
	Total	100.0	100.0	100.0	100.0

Table 4.8 shows that, as with current economy activity, the age group 35-64 years accounts for the highest share (37.4%) of the usually economically active population. Females again account for more than half (52.0%) of the usually economically active. In Dar es Salaam, usually economically active males slightly outnumber females, while females account for 52% or more of usually economically active population in other urban and rural areas. The patterns in respect of usual economic activity and current economic activity are thus very similar.

Chapter five: The employed population

5.0 Introduction

This chapter focuses on the current and usually employed population, their occupation, industry, sector, employment status and hours worked. The chapter also discusses findings on collection of water and firewood. The Tanzania standard classification of occupation (TASCO) is used for classification of occupations. The industrial sector is classified using the codes of the International Standard Industrial Classification (ISIC) of all economic activities rev. 3.

The ILFS 2006 report uses two different definitions of employment in the analysis so as to meet both international and national standards. The international definition of employment is referred to as the “standard definition” and refers to a person who worked for at least one hour in the reference period in any of a wide range of economic activities or was temporarily absent from such activity. The “national definition” excludes all persons who were temporarily absent from work during the reference period because they could not find more work, no suitable land was available for cultivation or it was the off-season. In addition, persons who were working but whose work was not reliable with regard to its availability and adequacy in terms of hours were considered unemployed. Except where otherwise indicated, this chapter uses the national definition of employment.

Figure 5.1 Distribution of population 15+ years using standard and national definitions (national figures in parentheses), 2006

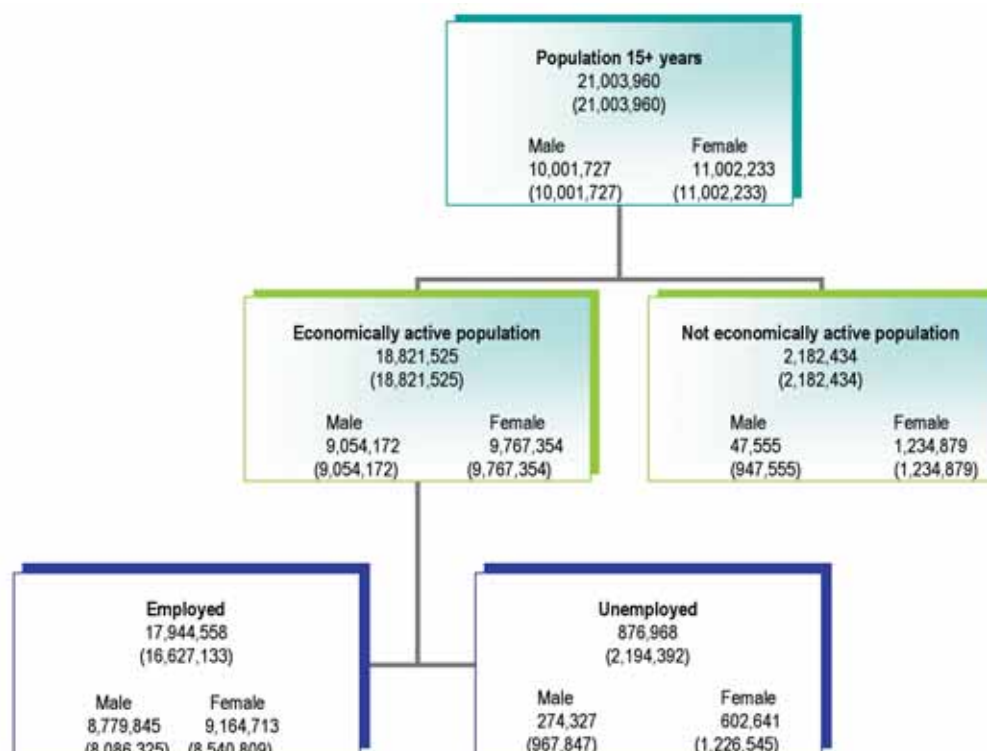


Figure 5.1 above shows that 88.3% of the currently economically active population is employed. Among the economically active population, the employed proportion is higher for males (89.3%) than for females (87.4%).

5.1 Current employment ratio

The employment ratio is the proportion of the target population that is employed. It depicts the share of employed persons in the total population of working age.

5.1.1 Ratios by sex, age group and geographical area

Table 5.1 Current employment ratios for population 15+ years by sex, age group and area (national definition), 2006

Sex	Age group	Dar Es Salaam	Other urban	Rural	Total
Male	15-24	39.5	57.2	77.0	69.4
	25-34	80.3	85.8	90.5	88.2
	35-64	81.8	87.7	89.7	88.4
	65+	49.2	60.9	70.8	68.2
	Total	67.2	76.4	84.2	80.8
Female	15-24	38.8	57.3	78.7	69.7
	25-34	59.0	76.4	90.6	84.0
	35-64	59.5	80.9	89.2	85.0
	65+	20.9	46.2	60.0	55.9
	Total	50.3	69.6	83.8	77.6
Total	15-24	39.1	57.3	77.9	69.6
	25-34	69.5	80.7	90.5	85.9
	35-64	71.7	84.3	89.4	86.7
	65+	35.4	53.2	65.3	62.0
	Total	58.7	72.7	84.0	79.2

Table 5.1 shows that the employment ratio for rural areas is 84.0%, with the rural ratio consistently higher than the urban ratio across all age groups. Dar es Salaam has the lowest employment ratio, at 58.7%, while for other urban areas the ratio stands at 72.7%. The lower employment ratio in Dar es Salaam is due to both higher unemployment rates and more females being economically inactive'. The overall employment ratio for females is 77.6% compared to 80.8% for males. In Dar es Salaam the female and male ratios are 50.3% and 67.2% respectively, while in rural areas the ratios are more or less the same for both sexes. In terms of age group, those aged 35-64 years have the highest employment ratio (86.7%) followed by those aged 25-34 (85.9%). Other age groups consist of young and old persons with relatively lower ratios.

' Key Message

The lower employment ratio in Dar es Salaam is due to both higher unemployment rates and more females being economically inactive.

Table 5.2 Current employment ratios for population 15+ years by sex, age group and area (standard definition), 2006

Sex	Age group	Dar Es Salaam	Other urban	Rural	Total
Male	15-24	45.1	65.0	82.1	75.0
	25-34	90.6	96.0	97.5	96.2
	35-64	93.9	96.5	96.4	96.1
	65+	58.3	69.0	75.3	73.4
	Total	76.7	85.2	90.2	87.8
Female	15-24	43.5	64.7	82.2	74.0
	25-34	67.8	86.1	96.0	90.6
	35-64	70.3	90.3	94.3	91.3
	65+	38.2	53.8	63.6	60.8
	Total	58.6	78.3	88.3	83.3
Total	15-24	44.2	64.8	82.2	74.5
	25-34	79.0	90.7	96.7	93.2
	35-64	83.2	93.4	95.3	93.7
	65+	48.5	61.0	69.4	67.0
	Total	67.6	81.5	89.2	85.4

Table 5.2 shows that when the analysis is done using the standard definition, as expected the overall employment ratio is slightly higher than the national rate, at 85.4%, with the male ratio at 87.8% and female at 83.3%. The employment ratio for rural areas is 89.2% and is again higher than the urban ratio across all age groups. Dar es Salaam has the lowest employment ratio of 67.6% while the rate for other urban areas is 81.5%. The age groups 35-64 and 25-34 have higher employment ratios than other age groups, at 93.7% and 93.2% respectively.

5.1.2 Comparison with 2001

Table 5.3 Current employment ratios for population 10+ years by sex, age group and area, 2001 and 2006

Sex	Age group	Urban		Rural		Total	
		2001	2006	2001	2006	2001	2006
Male	10-17	20.4	19.1	54.7	51.1	47.7	43.7
	18-34	56.6	73.2	87.1	88.3	79.7	83.5
	35-64	82.3	85.1	90.7	89.7	88.9	88.4
	65+	49.2	57.3	76.6	70.8	72.3	68.2
	Total	52.7	63.0	76.6	76.2	71.4	72.6
Female	10-17	19.9	18.7	51.6	42.7	44.5	36.5
	18-34	43.3	63.5	87.6	89.3	76.2	81.2
	35-64	64.2	72.8	88.6	89.2	83.5	85.0
	65+	20.1	39.1	54.4	60.0	48.3	55.9
	Total	40.9	54.5	75.4	75.3	67.4	69.6
Total	10-17	20.1	18.9	53.2	47.1	46.1	40.2
	18-34	49.0	67.8	87.3	88.8	77.8	82.2
	35-64	73.3	79.2	89.7	89.4	86.1	86.7
	65+	34.7	47.9	66.3	65.3	61.0	62.0
	Total	46.4	58.6	76.0	75.7	69.3	71.0

Table 5.3 shows that the overall employment ratio increased from 69.3% to 71.0% between 2001 and 2006 for the population aged 10 years and above. The male ratio increased from 71.4% to 72.6% and the female ratio increased from 67.4% to 69.6%. The female employment ratio thus increased by 2.2 percentage points compared to 1.2 points for males. The employment ratio in urban areas increased substantially from 46.4% to 58.6% while in rural areas there was a somewhat smaller decrease from

76.0% to 75.7%. A significant decrease in the employment ratio occurred for the youngest age group of 10-17 years, from 46.1% in 2001 to 40.2% in 2006. The decrease for this age group is particularly marked for rural areas, where the employment ratio in 2006 (47.1%) while in 2001 (53.2%).

5.2 Occupation

The discussion of occupation, industry and sector focuses on the situation in respect of main, rather than secondary, employment.

Table 5.4 Percentage distribution of currently employed population by sex, occupation and area, 2006

Sex/occupation		Area			
		Dar Es Salaam	Other urban	Rural	Total
Male	Legislators and administrators	1.2	0.5	0.2	0.3
	Professionals	3.8	2.1	0.2	0.9
	Technician and associate professionals	5.4	4.3	1.4	2.2
	Office clerks	2.0	1.2	0.1	0.4
	Service workers and shop sales workers	33.0	23.4	4.1	10.0
	Agricultural and fishery workers	11.2	38.8	84.7	70.2
	Craft and related workers	20.7	14.3	3.4	6.8
	Plant and machine operators and assemblers	10.6	5.8	0.7	2.5
	Elementary occupations	12.3	9.7	5.1	6.6
	Total	100.0	100.0	100.0	100.0
Female	Legislators and administrators	0.4	0.2	0.0	0.1
	Professionals	2.7	1.3	0.1	0.5
	Technician and associate professionals	4.8	3.6	0.7	1.4
	Office clerks	3.2	0.8	0.1	0.4
	Service workers and shop sales workers	36.2	24.2	2.4	8.2
	Agricultural and fishery workers	15.8	47.8	90.9	78.9
	Craft and related workers	4.6	5.1	0.6	1.6
	Plant and machine operators and assemblers	0.9	0.9	0.1	0.3
	Elementary occupations	31.4	16.2	5.0	8.6
	Total	100.0	100.0	100.0	100.0
Total	Legislators and administrators	0.8	0.3	0.1	0.2
	Professionals	3.4	1.7	0.2	0.7
	Technician and associate professionals	5.1	3.9	1.0	1.8
	Office clerks	2.5	1.0	0.1	0.4
	Service workers and shop sales workers	34.4	23.8	3.2	9.1
	Agricultural and fishery workers	13.2	43.4	88.0	74.7
	Craft and related workers	13.8	9.6	2.0	4.1
	Plant and machine operators and assemblers	6.4	3.3	0.4	1.3
	Elementary occupations	20.5	13.0	5.1	7.6
	Total	100.0	100.0	100.0	100.0

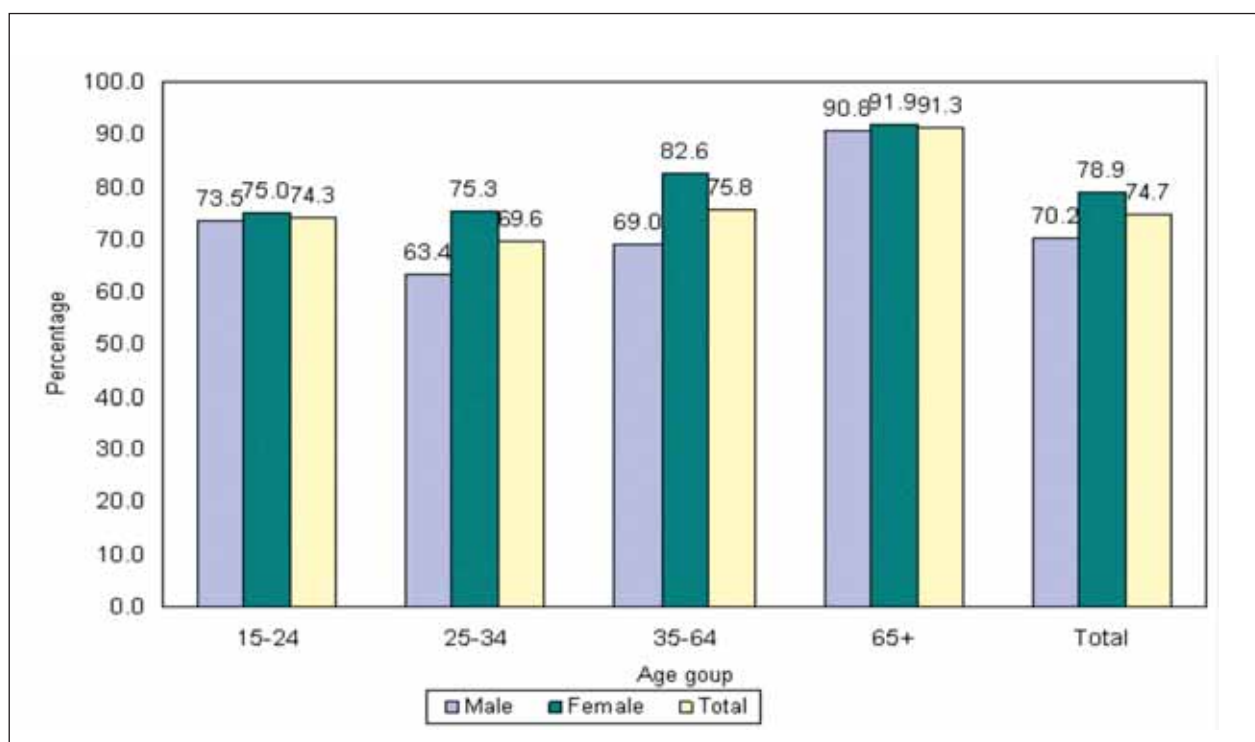
Table 5.4 shows that approximately three-quarters (74.7%) of Tanzanians are currently employed in agricultural occupations. The three most common non-agricultural occupations are service and shop sales workers (9.1%), elementary occupations (7.6%) and craft and related workers (4.1%). Female

(78.9%) are more likely than males (70.2%) to be agricultural workers'. As expected, rural areas have the highest proportion of agricultural workers.

Overall, 9.1% of employed persons are service and shop sales, but the rate for this occupation is 34.4% in Dar es Salaam compared to 23.8% and 3.2% in other urban and rural areas respectively. Further, while 7.6% of employed persons are in elementary occupations, the rate is 20.5% in Dar es Salaam but 13.0% in other urban areas and 5.1% in rural areas. Within Dar es Salaam, the most common occupations for males are service and shop sales worker and craft and related worker, while for females the most common occupations are service and shop sales worker and elementary occupations.

Chart 5.1 above shows that 91.3% of the population aged 65 years and above work as agricultural and fishery workers, with lower percentages in younger age groups. Within each age group, the proportion of females engaged in this occupation is higher than that for males. The gender difference is most marked for those aged 35-64 years.

Chart 5.1 Percentage currently employed as agricultural and fishery workers by sex and age group, 2006



'Key Message

.....where the employment ratio in 2006 (80.1%) was about four times than for 2001 (20.1%).

.....approximately three-quarters (74.7%) of Tanzanians are currently employed in agricultural occupations.

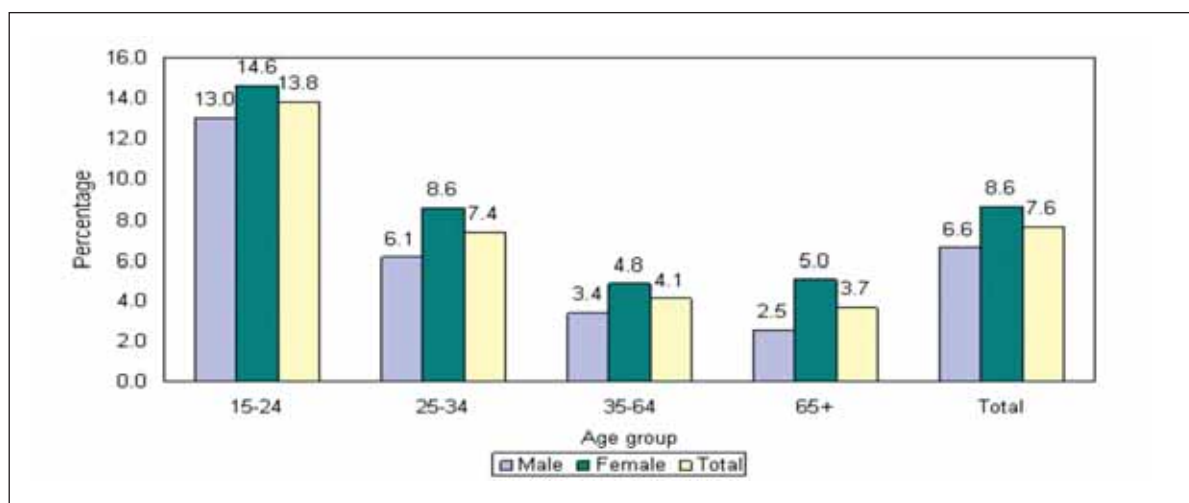
Chart 5.2 Percentage currently employed in elementary occupations by sex and age group, 2006

Chart 5.2 above shows that those in the age group 15-24 years are the most likely to be employed in elementary occupations'. This could reflect lack of experience. Older people of age group 65 years and above have the lowest percentage of employed people in this occupational group. As for agricultural work, across all age groups females are more likely than males to be in elementary occupations.

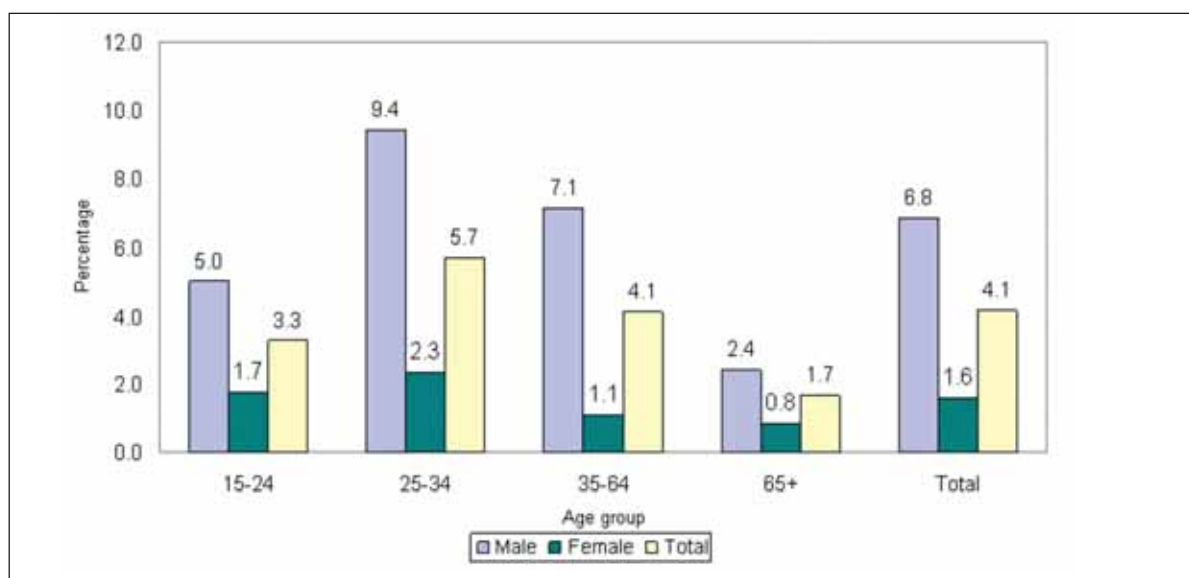
Chart 5.3 Percentage currently employed as craft and related workers by sex and age

Chart 5.3 above shows that, craft and related occupations are most common among employed persons aged 25-34 years, where 9.4% of males but only 2.3% of females are in this occupation. Unlike for the previous two occupations, females are far less likely than males to be employed in craft and related occupations across all age groups.

' Key Message

..... those in the age group 15-24 years are the most likely to be employed in elementary occupations.

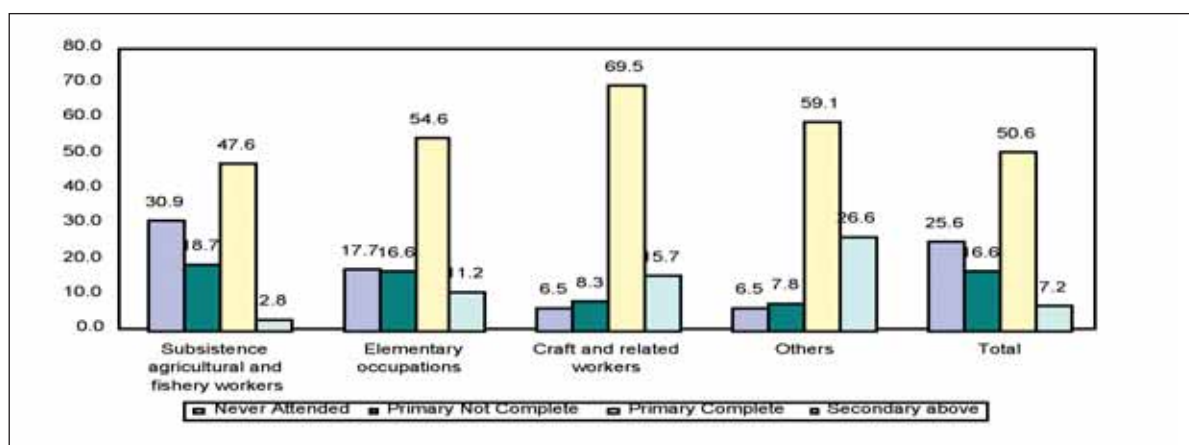
Chart 5. 4 Percentage distributions of employed persons by educational achievement with occupation, 2006

Chart 5.4 above shows that 50.6% of currently employed persons have completed primary school education, 25.6% have never attended school, and only 7.2% have secondary education and above. However, within occupations other than agricultural worker, elementary occupations and crafts and related workers, 26.6% have secondary education or above. A similar pattern exists for crafts and related workers, while only 2.8% of agricultural workers have this level of education. Those employed in the remaining occupation groups are concentrated in primary completed group, but 30.9% of agricultural and fishery workers have never attended school. This group also has the lowest proportion of persons with secondary education and above.

5.3 Industry

Table 5.5 Employed persons by sex, area and industry, 2006

Sex/industry		Dar Es Salaam	Area Other urban	Rural	Total
Male	Agriculture/ hunting/ forestry	11.1	38.5	85.3	70.6
	Fishing	1.3	2.0	2.2	2.1
	Mining & quarry	0.5	1.5	0.8	0.9
	Manufacturing	9.8	6.9	1.8	3.4
	Electricity, gas & water	0.7	0.5	0.0	0.2
	Construction	6.8	4.7	1.0	2.1
	Wholesale & retail trade	31.2	21.4	3.8	9.3
	Hotels & restaurants	3.4	2.9	0.4	1.1
	Transport/storage & communication	12.3	5.8	1.0	2.9
	Financial intermediation	0.8	0.2	0.0	0.1
	Real estate/renting & business activities	3.6	1.6	0.3	0.8
	Public admin & defence	7.3	5.2	0.6	1.9
	Education	2.5	2.4	1.3	1.6
	Health & social service	1.3	1.1	0.3	0.5
	Other community/social & personal service activities	2.6	2.7	0.4	1.0
	Private households with employed persons	4.8	2.6	0.8	1.5
	Total	100	100	100	100

Table 5.5 Employed persons by sex, area and industry, 2006 ContÖÖÖ

Sex/industry		Area			Total
		Dar Es Salaam	Other urban	Rural	
Female	Agriculture/ hunting/ forestry	16.8	48.5	91.7	79.7
	Fishing	0.2	0.2	0.3	0.3
	Mining & quarry	0.1	0.4	0.1	0.1
	Manufacturing	4.9	5.8	0.8	1.9
	Electricity, gas & water	0.4	0.1	0.0	0.0
	Construction	0.2	0.3	0.0	0.1
	Wholesale & retail trade	26	17.9	1.9	6.1
	Hotels & restaurants	10.2	7.4	1.2	2.8
	Transport/storage & communication	1.3	0.2	0.0	0.2
	Financial intermediation	0.6	0.1	0.0	0.1
	Real estate/renting & business activities	1.2	0.3	0.0	0.1
	Public admin & defence	2.2	0.8	0.1	0.3
	Education	3.7	2.9	0.6	1.2
	Health & social service	2.4	2.1	0.2	0.7
	Other community/social & personal service activities	2.2	1.2	0.1	0.4
	Private households with employed persons	27.6	11.8	2.9	6.1
	Total	100	100	100	100
Total	Agriculture/ hunting/ forestry	13.6	43.6	88.7	75.3
	Fishing	0.8	1.0	0.3	1.2
	Mining & quarry	0.3	0.9	0.4	0.5
	Manufacturing	7.7	6.3	1.3	2.6
	Electricity, gas & water	0.6	0.3	0.0	0.1
	Construction	4.0	2.5	0.5	1.1
	Wholesale & retail trade	29	19.6	2.8	7.6
	Hotels & restaurants	6.3	5.2	0.8	2.0
	Transport/storage & communication	7.6	2.9	0.5	1.5
	Financial intermediation	0.7	0.2	0.0	0.1
	Real estate/renting & business activities	2.5	0.9	0.1	0.5
	Public admin & defence	5.1	2.9	0.3	1.1
	Education	3.0	2.7	0.9	1.4
	Health & social service	1.8	1.6	0.3	0.6
	Other community/social & personal service activities	2.4	1.9	0.2	0.7
	Private households with employed persons	14.6	7.3	1.9	3.8
	Total	100	100	100	100

Table 5.5 reveals that the agriculture, hunting and forestry industry employs more persons than any other industry in both other urban and rural areas. There are, however, a far higher proportion of people employed in this industry in rural areas (88.7%) than in other urban areas (43.6%). Four-fifths (79.7%) of employed females and seven in every ten (70.6%) employed males are in this industry. For the charts below, and in the rest of this publication, this industry is combined with fishing.

The wholesale and retail trade is the main industry of employment in Dar es Salaam city, where it accounts for 29.0% of the employed population, and 31.2% of employed males and 26.0% of employed females. Private households in Dar es Salaam employ 27.6% of employed females, but only 4.8% of employed males.

Chart 5.5 Percentage currently employed in agriculture, hunting and fishing by sex and age group, 2006

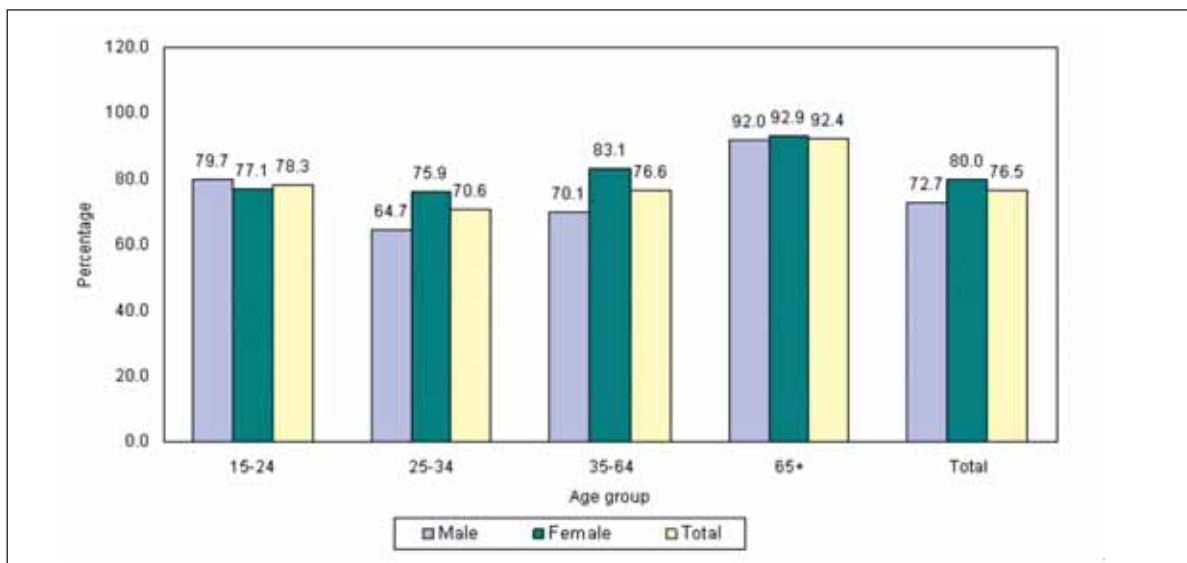
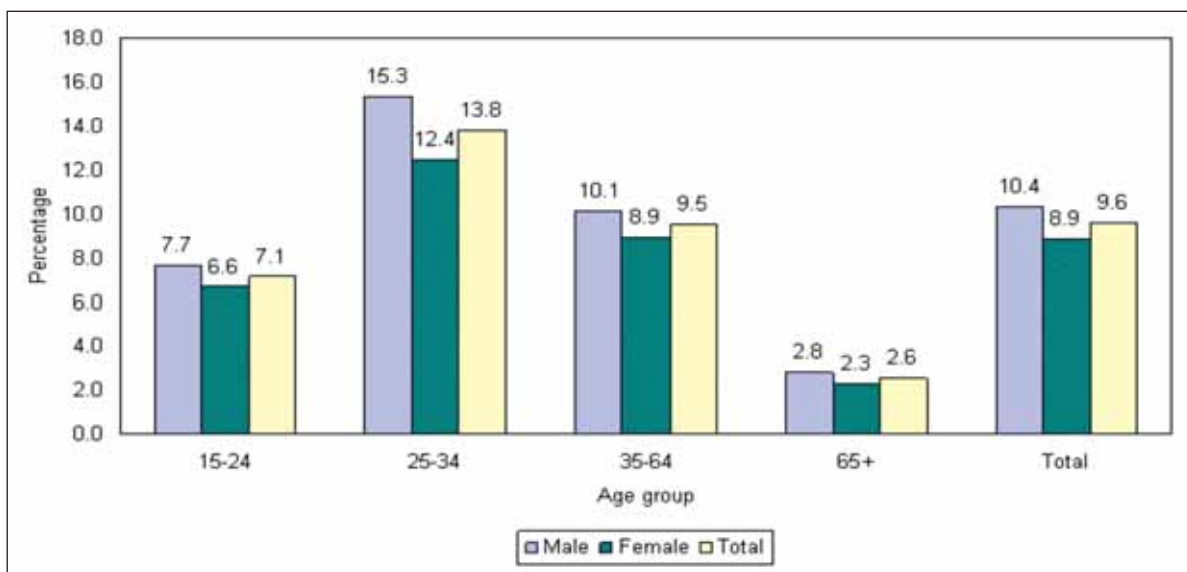


Chart 5.5 shows that the majority of currently employed persons are in the agriculture, hunting, forestry and fishing industry, which accounts for 76.5% of the employed population'. This industry is most common for the age group 65 years and above and least common for those aged 25-34 years. For all age groups except those aged 15-24 years, females are more likely than males to be employed in this industry.

Chart 5.6 Percentage currently employed in wholesale and retail trade by sex and age group, 2006



Key Message

The majority of currently employed persons are in the agriculture, hunting, forestry and fishing industry, which accounts for 76.5% of the employed population.

Chart 5.6 shows that a higher proportion of males (10.4%) than females (8.9%) is employed in the second largest industry, namely wholesale and retail trade. Further, persons aged 25-34 years are more likely to be employed in this industry than younger and older groups. Across all age groups, females are less likely than males to be employed in the wholesale and retail trade’.

Chart 5.7 Percentage currently employed in private households with employees by sex and age group, 2006

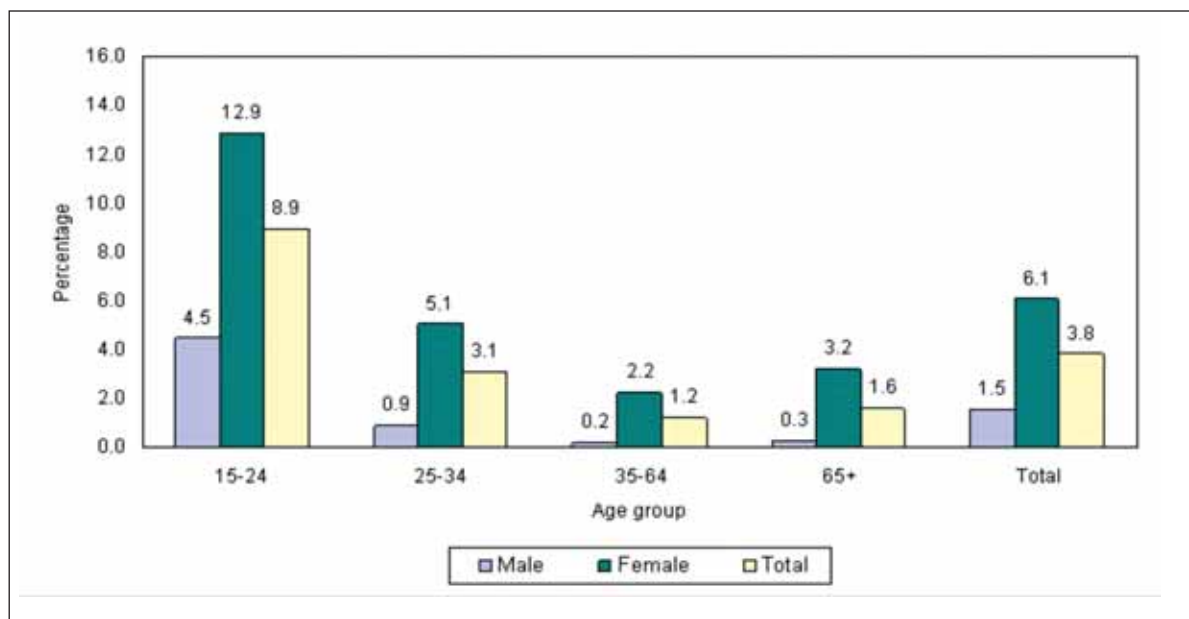


Chart 5.7 shows that only 3.8% of the currently employed population are in private households, the third largest industry. As expected, the proportion of females employed in this industry, at 6.1%, is four times as high as for males. Females have a higher likelihood than males of being employed in private households across all age groups. Younger persons aged 15-24 years are markedly more likely than those in any other age group to work in private households. Work in private households is one of the factors constraining young women’s ability to continue with education.

‘ Key Message

Across all age groups, females are less likely than males to be employed in the wholesale and retail trade.

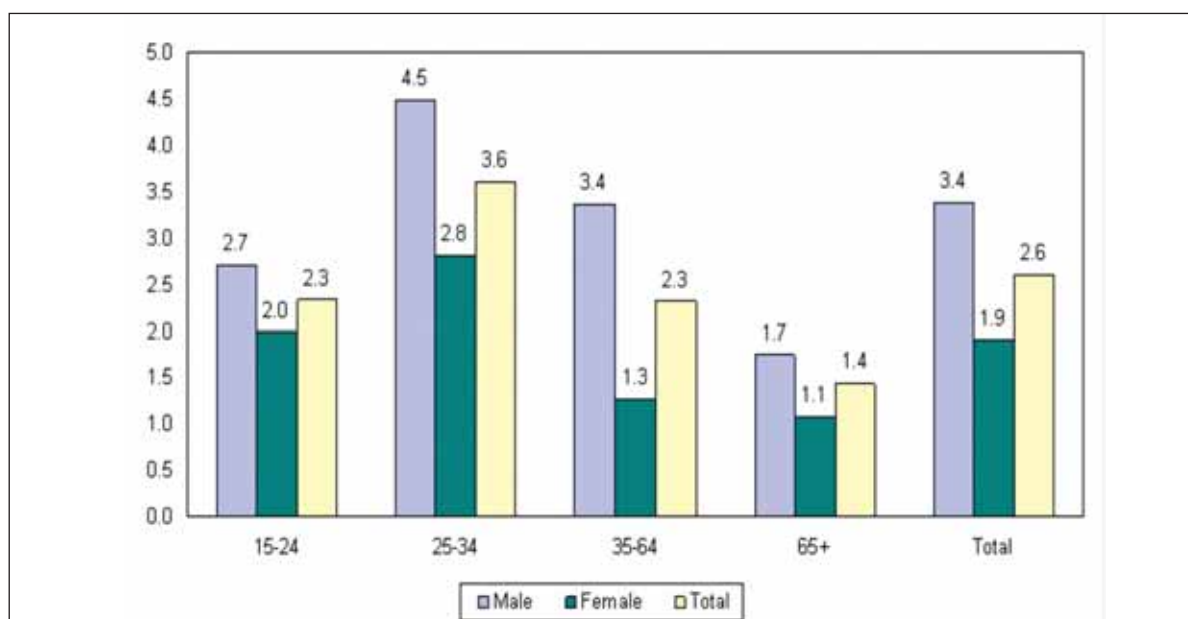
Chart 5.8 Percentage currently employed in manufacturing by sex and age group, 2006

Chart 5.8 above reveals that only 2.6% of employed persons are employed in manufacturing. However, the proportion of employed males (3.4%) in this industry is twice as high as for females (1.9%). Across all age groups, females are less likely than males to be employed in manufacturing. This biased distribution is caused, in part, by the lower levels of education for females. The age pattern shows that this industry is more common for the age group 25-34 years.

5.4 Sector

For the purposes of categorisation, we distinguish six sectors of employment, as follows:

1. **Government:** includes persons working for central, regional or local governments in the whole country
2. **Parastatal enterprises:** includes a wide range of state-owned enterprises, both for profit or non-profit making
3. **Agriculture:** includes all persons who worked in agriculture, hunting, forestry, livestock or fishing as either self-employed persons or unpaid family helpers, where production is primarily for own consumption rather than for the market.
4. **Informal sector:** includes household enterprises or unincorporated enterprises owned by households with the following characteristics:
 - a. They do not have separate legal status outside the household members who own them
 - b. They do not have a complete set of accounts which permit a clear distinction of production activities of the enterprise from the other activities of their owners and the identification of flows of income and capital between enterprises and owners

- c. The enterprises may or may not employ paid labour and the activities may be carried inside or outside the owners' home.
 - d. All or at least some of the goods or services of the business are produced for sale.
- 5. **Other private:** includes persons working for other enterprises not included above. This group is often called the private formal sector
- 6. **Household economic activities:** include all persons who were doing household-related work defined as economic activities, including collection of firewood and fetching water.

Figure 5. 2 Distribution of currently employed population by sector and sex, 2006

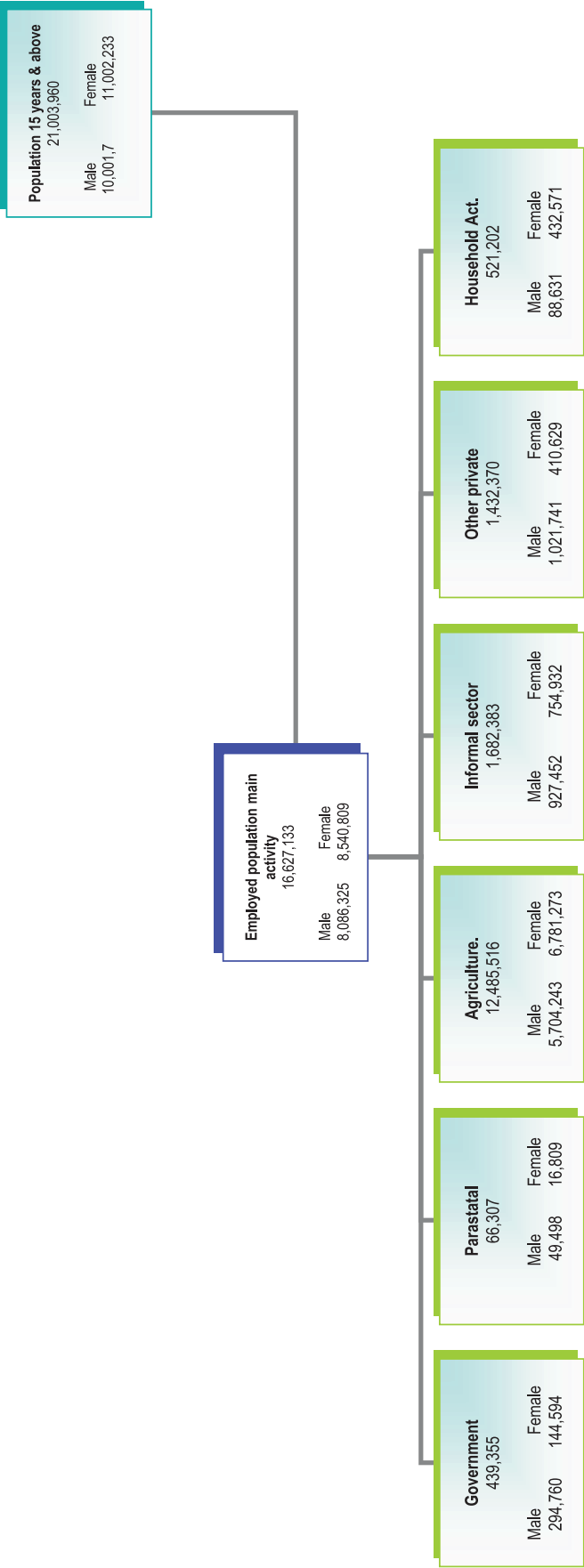


Figure 5.2 above shows that agriculture is the main sector of employment. About six-tenths (59.4%) of the total population are employed in agriculture, with a higher female (61.1%) than male (57.0%) proportion in this sectors. In contrast, parastatals account for the lowest proportion of employed persons.

Table 5.6 Currently employed persons by sector and sex, 2006

Sector of main employment	Male	Female	Total
Central/local government	3.6	1.7	2.6
Parastatal Organisation	0.6	0.2	0.4
Agriculture	70.5	79.4	75.1
Informal	11.5	8.8	10.1
Other private	12.6	4.8	8.6
Household economic activities	1.1	5.1	3.1
Total	100.0	100.0	100.0

Table 5.6 confirms that agriculture is still the dominant sector of employment in the Tanzanian economy, accounting for 75.1% of employed persons. The next largest sector is the informal sector followed by other private, with 10.1% and 8.6% of the employed population respectively. A higher proportion of females than males are recorded for the agriculture sector and household economic activities. The remaining sectors account for a higher proportion of males than females.

5.5 Employment status

Employment status distinguishes between four categories, namely agriculture workers, paid employees, self-employed workers and contributing family workers i.e. unpaid family workers outside of agriculture.

Agriculture workers are persons working either in agriculture, hunting, forestry, livestock or fishing as either self-employed persons or unpaid family helpers, where production is primarily for own consumption rather than for the market.

Paid employees are persons who perform work for a wage or salary in cash or in kind. Included are permanent, temporary and casual paid employees.

Self-employed persons are persons who perform work for profit or family gain, (not on their farm or shamba). These include small and large businesspersons in their own enterprises.

Unpaid family helpers are persons working without payment in cash or kind in family enterprises.

Figure 5.3 Distribution of currently employed by employment status

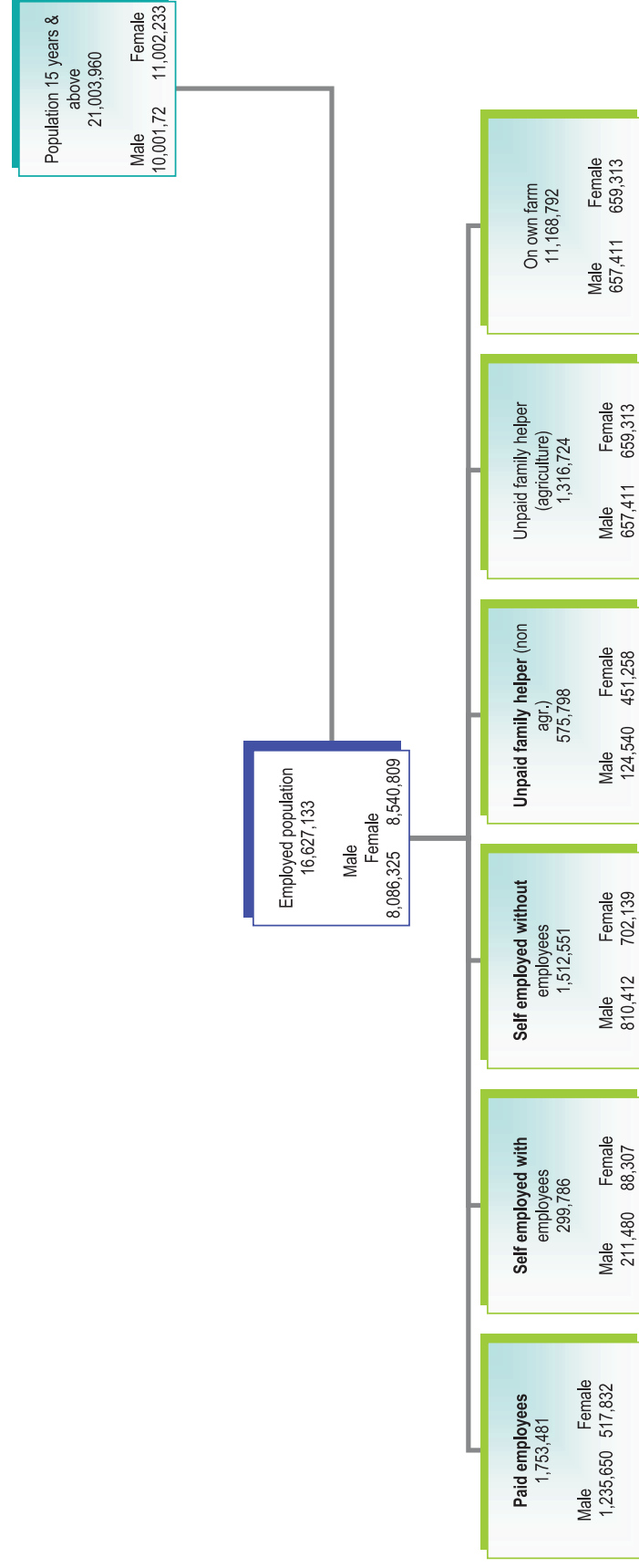


Figure 5.3 shows that those working on their own farm or shamba account for more than half (53.2%) of the employed population, and 55.6% of employed females and 50.5% of employed males. Paid employees accounts for 8.3% of all employed people, being the second major group, while the self employed (non-agricultural) with employees account for only 1.4%.

Table 5.7 Currently employed persons by status in employment and sex, 2006

Employment status	Male	Female	Total
Paid employee	15.3	6.1	10.5
Self employed (non-agricultural) with employees	2.6	1.0	1.8
Self employed (non-agricultural) without employees	10.0	8.2	9.1
Unpaid family helper (non-agricultural)	1.5	5.3	3.5
Unpaid family helper (agricultural)	8.1	7.7	7.9
Work on own farm or shamba	62.4	71.7	67.2
Total	100.0	100.0	100.0

Table 5.7 shows that 67.2% of employed persons work on their own farm or shamba with females (71.7%) being more likely to have this status than males (62.4%). In contrast, 15.3% of males are paid employees while only 6.1% of females have this status. Self-employed persons in non-agricultural activities without employees account for 9.1% of all employed persons and those who work as unpaid family helper in agriculture account for 7.9%. Generally males are more likely than females to be in all categories of employment status except for non-agricultural unpaid family helpers and those who work on their own farm or shamba.

Table 5.8 Currently employed persons by status in employment and sector, 2006

Employment status	Sector of main employment						Total
	Central/local government	Parastatal	Agriculture	Informal Sector	Other private	Household economic activities	
A paid employee	25.1	3.8	0.0	0.7	68.8	1.8	100.0
A self employed (non-agricultural) with employees	0.0	0.0	0.0	77.5	22.2	0.3	100.0
A self employed (non-agricultural) without employees	0.0	0.0	0.0	93.2	6.6	0.2	100.0
Unpaid family helper (non-agricultural)	0.0	0.0	0.0	5.1	10.6	84.4	100.0
Unpaid family helper (agricultural)	0.0	0.0	100.0	0.0	0.0	0.0	100.0
Work on own farm or shamba	0.0	0.0	100.0	0.0	0.0	0.0	100.0
Total	2.6	0.4	75.1	10.1	8.6	3.1	100.0

Table 5.8 shows that the informal sector accounts for the highest proportion of self employed persons, particularly those without employees (93.2%). More than two-thirds (68.8%) of paid employees are in the other private sector. Most unpaid family helpers (non-agricultural) are found in the household-related work sector where they account for 84.4% of employed persons. All unpaid family helpers and those working on their own farm or shamba are in agriculture.

5.6 Average hours worked

Questions on hours worked were asked to all persons engaged in main and secondary activities. Employed people were asked both how many hours they worked in the previous calendar week (referred to here as “current hours”) and how many hours they usually worked per week. In this section, the discussion focuses on hours worked in the main activity. When calculating mean current hours, persons who were temporarily absent from their main activity were excluded.

Table 5.9 Mean current and usual hours worked by currently employed persons by status in employment and occupation, 2006

Characteristics of main activity		Current hours worked			Usual hours worked		
		Male	Female	Total	Male	Female	Total
Status in employment	A paid employee	58	55	57	64	60	63
	A self employed (non-agricultural) with employees	60	54	59	70	62	68
	A self employed (non-agricultural) without employees	60	49	55	68	58	63
	Unpaid family helper (non-agricultural)	30	30	30	37	38	38
	Unpaid family helper (agricultural)	40	36	38	51	47	49
	Work on own farm or shamba	39	37	38	51	49	50
	Total	45	39	42	55	50	52
Occupations	Legislators and administrators	50	38	48	57	49	56
	Professionals	51	48	50	56	53	55
	Technician and associate professionals	49	47	48	55	52	54
	Office clerks	54	51	52	57	54	56
	Service workers and shop sales workers	65	52	59	70	60	65
	Agriculture and fishery workers	40	37	38	52	49	50
	Craft and related workers	56	45	54	66	54	63
	Plant and machine operators and assemblers	64	53	62	68	59	67
	Sales and services elementary occupations	45	39	41	53	46	49
	Total	45	39	42	55	50	52

Table 5.9 shows that paid employees and self-employed persons tend to spend more than 40 hours working per week in terms of both current and usual hours, while unpaid family helpers and those who work on their own farm or shamba tend to spend less than 40 hours in terms of current hours, but not in terms of usual hours for those working in agriculture. This difference may be explained by the seasonality of agriculture. Self-employed males tend to spend more hours on their economic activities than paid male employees. Females tend to work shorter hours than male for both current and usual employment. The gender difference is particularly marked in agriculture. The difference can be largely explained by the fact that most females are also engaged in household chores which are considered as non-economic activities.

Analysis by main occupation shows that, on average, persons in all occupations except for agriculture and fishery workers tend to work more than 40 hours in terms of current hours. The exception may again be explained by the fact that agricultural activities are seasonal. Usual hours worked are greater than 40 hours per week in all occupations.

5.7 Collections of firewood and fetching of water

As explained above, employment in the private sector was divided into four sub-sectors namely; agriculture, informal sector, household-related economic work and other private. Other household

' Key Message

Females tend to work shorter hours than males for both current and usual employment.

chores were excluded, but fetching water and collecting firewood activities were included in the category household-related economic work in line with the SNA.

Chart 5.9 Percentage current employed in collecting firewood and fetching water over all currently employed population, 2006

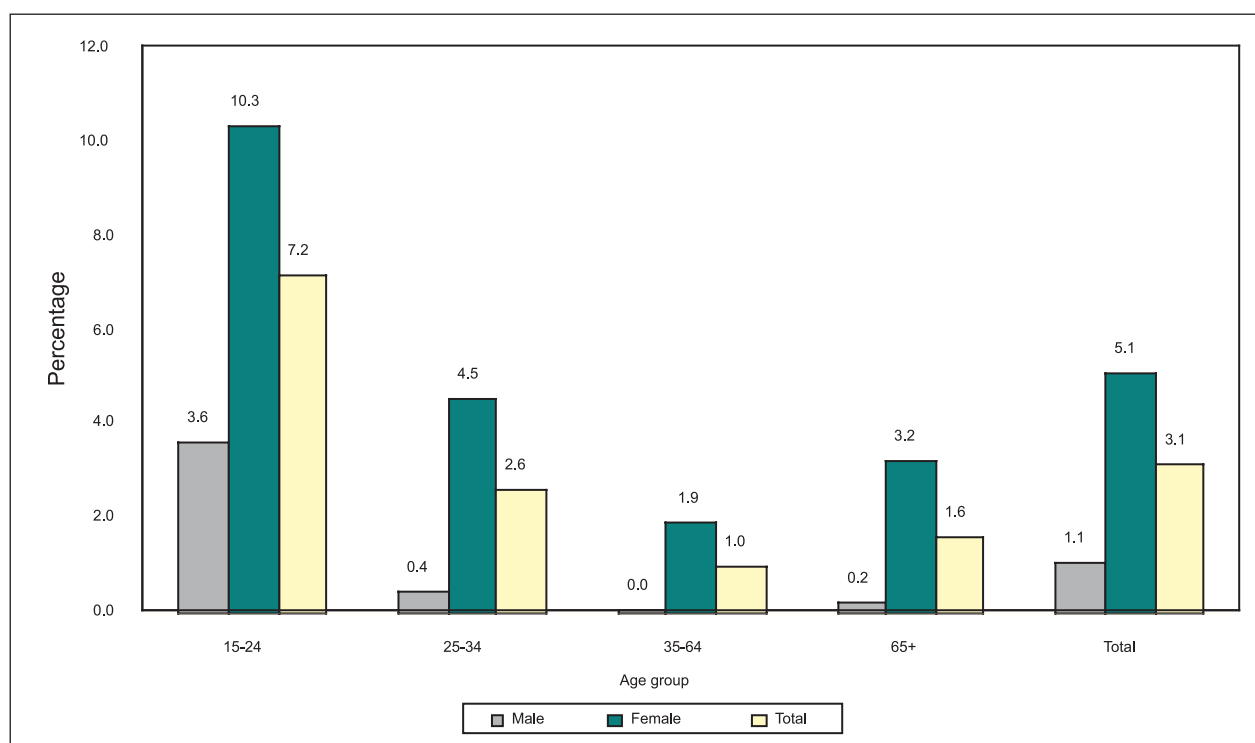
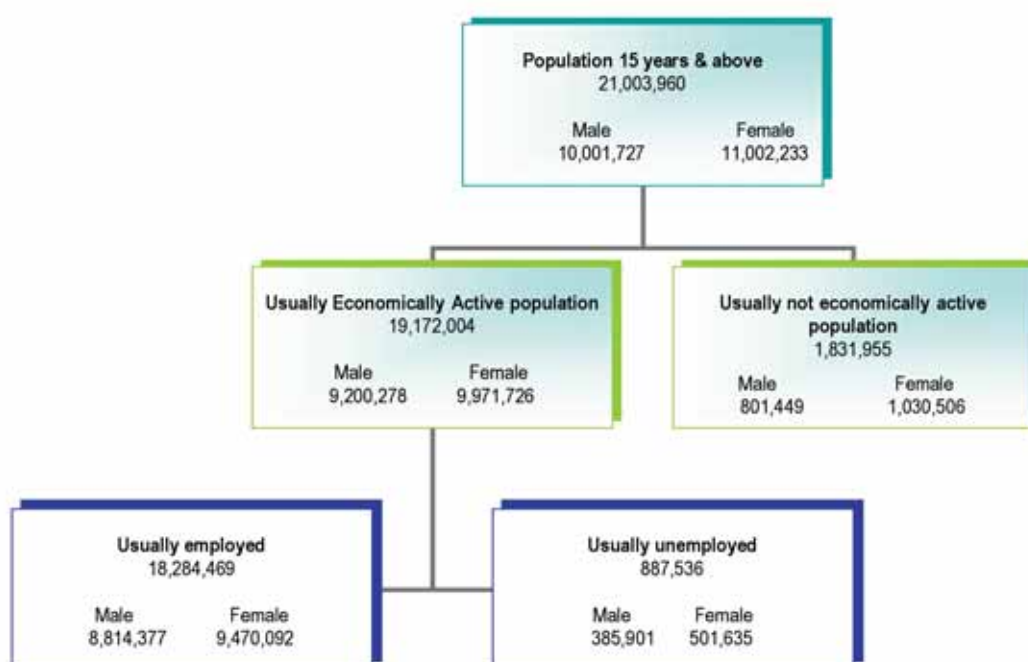


Chart 5.9 above reveals that persons engaged in collecting firewood and fetching water as their main activity account for 3.1% of the total employed persons. The percentage stands at 5.1% for females, while for males it is only 1.1%. Employed persons in the age group 15-24 years are more likely to have collection of firewood and fetching water as their main activity in that that this accounts for 10.3% and 3.6% of employed females and males respectively of this age.

Furthermore, 83.0% of those employed in collecting firewood and fetching water are female. Nearly half (47.2%) of all those having this as their main economic activity are females aged 15-24 years. Rural areas account for the highest share of persons collecting firewood and fetching water, at 41.1%, while Dar es Salaam accounts for 31.6% and other urban areas for 27.2%. The share for Dar es Salaam proportion is higher than for other urban because more females in Dar es Salaam are not engaged in other economic activities. In contrast, there is a relatively low proportion of persons engaged in this activity in rural areas because most persons in rural areas are employed in agriculture as their main activity.

5.8 The usually employed population

The usually employed population refers to persons aged 15 years and above who worked in six or more months of the twelve months prior to the survey.

Figure 5.4 Distribution of the usually employed population, 2006

As shown in figure 5.4 above, 95.4% of the usually economically active population is usually employed. Thus 87.1% of the total population aged 15 years and above is usually employed. For males, the usually employed account for 95.8% while for females the percentage stands at 95.0%

Table 5.10 Usual employment ratios for population 15+ years by sex, age group and area, 2006

Sex/Age group		Area			
		Dar	Other urban	Rural	Total
Male	15-24	73.3	73.7	84.6	81.5
	25-34	93.3	95.1	94.5	94.4
	35-64	94.1	95.1	93.5	93.9
	65+	61.7	66.8	69.8	69
	Total	86.2	86.9	88.7	88.1
Female	15-24	77.1	76.1	86.5	83.4
	25-34	87.6	87.3	93.3	91.4
	35-64	86.3	89.1	91.8	90.8
	65+	37.6	51.5	61.4	58.7
	Total	81.4	81.8	87.8	86.1
Total	15-24	75.3	75	85.6	82.5
	25-34	90.4	90.9	93.8	92.8
	35-64	90.6	92.1	92.6	92.3
	65+	49.9	58.8	65.6	63.7
	Total	83.8	84.2	88.3	87.1

Table 5.10 shows that the usual employment ratio is higher in rural than urban areas across all age groups. The overall employment ratio for females is 86.1% compared to 88.1% for males. In Dar es Salaam, female and male rates are 81.4% and 86.2% respectively, while in rural areas the ratios are more similar. Dar es Salaam has the lowest rate of usual employment, at 83.8%, due to both higher unemployment rates and more females being economically inactive.

Usually employed persons aged 25-34 years have the highest employment ratio, at 92.8%, followed closely by those aged 35-64 years, at 92.3%. The rate is lowest for those aged 65 years and above.

Table 5.11 Usually employed persons by sex, status in employment and industry, 2006

Main characteristics		Male	Female	Total
Status in employment	A paid employee	14.5	5.9	10.1
	A self employed (non-agricultural) with employees	2.4	1.0	1.7
	A self employed (non-agricultural) without employees	13.0	10.4	11.7
	Unpaid family helper (non-agricultural)	1.5	5.4	3.5
	Unpaid family helper (agricultural)	7.7	7.6	7.7
	Work on own farm or shamba	60.8	69.7	65.3
	Total	100.0	100.0	100.0
Industry	Agriculture/ hunting/ forestry & fishing	70.6	77.9	74.3
	Mining & quarry	1.0	0.2	0.6
	Manufacturing	3.8	2.4	3.1
	Electricity, gas & water	0.2	0.0	0.1
	Construction	2.3	0.1	1.2
	Wholesale & retail trade	10.7	7.3	8.9
	Hotels & restaurants	1.1	3.1	2.1
	Transport/storage & communication	2.9	0.1	1.5
	Financial intermediation	0.1	0.1	0.1
	Real estate/renting & business activities	0.8	0.1	0.5
	Public admin & defence	1.9	0.3	1.1
	Education	1.5	1.1	1.3
	Health & social service	0.6	0.7	0.6
	Other community/social & personal service activities	1.0	0.4	0.7
	Private households with employed persons	1.5	6.1	3.8
	Total	100.0	100.0	100.0

Table 5.11 reveals that 65.3% of usually employed persons work on their own farm or shamba. Self-employed persons outside of agriculture and without employees account for 11.7% of usually employed persons. There are more than twice as many unpaid family helpers in agriculture as unpaid family helpers in non-agricultural activities. Females are more likely than males to work on their own farm or shamba. However, males are more than thrice as likely to be paid employees than their female counterparts.

The distribution of usually employed persons by industry shows that agriculture, hunting, forestry and fishing is the predominant industry, accounting for 74.3% of usually employed persons. Wholesale and retail trade accounts for 8.9%, followed by private households with employed persons 3.8%. Females are more likely to be in agriculture, hunting, forestry and fishing (77.9%) and private households with employed persons (6.1) than males (70.6% and 1.5% respectively).

Chapter six: Informal sector

6.0 Introduction

The 2006 ILFS included a module on the informal sector. On the basis of responses to questions in this module, main and secondary activities are classified as being part of the informal sector if they satisfy the definitional criteria outlined in Chapter 3. This then allows estimation of the size of the informal sector in terms of the number of jobs involved as well as some selected characteristics of these jobs.

Some of the people engaged in the informal sector hold more than one job. One job can be in the formal sector as the main activity and the other job in the informal sector as a secondary activity or vice versa. For some people, both jobs main and secondary jobs can be in the informal sector.

6.1 Comparison with 2001

Table 6. 1 shows that in 2006, 40% of all households in Tanzania Mainland engaged in informal sector activities as compared to 35% in 2001'. It also reveals that the concentration of informal sector activities is higher in urban households (55%) than in rural households (33%). However, the percentage of households with informal sector activities in urban areas has declined from 61% in 2001 to 55% in 2006 while that in the rural areas has increased from 27% in 2001 to 33% in 2006.

Table 6.1 Households with informal sector activities, 2001 and 2006

Area	2001		2006	
	Number	Percentage	Number	Percentage
Dar es Salaam	223,707	62	529,175	57
Other urban	554,347	61	809,839	54
Urban total	778,054	61	1,339,014	55
Rural	1,235,777	27	1,973,760	33
Total	2,013,832	35	3,312,774	40

6.2 Profile of persons engaged in the informal sector

Table 6.2 shows the age structure of persons employed in the informal sector. Of those who do this work as their main activity, 40% are in the 25-34 year age group and a further 40% are in the 35-64 year age category. In terms of the secondary activity, however, 46% are in the 35-64 year age group, and 31% in the 25-34 year age category. The gender differences in respect of age group are relatively small.

' Key Message

... in 2006, 40% of all households in Tanzania Mainland engaged in informal sector activities as compared to 35% in 2001

Table 6.2 Engagement in the informal sector by age group and sex, 2006

Age group	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
15-24	17	19	18	16	19	18
25-34	39	40	40	33	30	31
35-64	41	39	40	45	46	46
65+	3	2	2	6	4	5
Total	100	100	100	100	100	100

Table 6.3 shows that 67% of the people for the main activity and 56% for the secondary activity have completed primary school. It also shows that in the main activity, 11% of those employed have never attended school, while for the secondary activity this percentage stands at 23%. A larger proportion of females than males have never attended school for both main and secondary activity.

Table 6.3 Engagement in the informal sector by educational level and sex, 2006

Educational level	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Never attended	8	15	11	17	29	23
Primary not complete	11	10	10	18	15	17
Primary complete	69	66	67	60	53	56
Secondary and above	12	10	11	5	4	4
Total	100	100	100	100	100	100

Table 6.4 shows that the urban informal sector employs 66% of the people for whom informal sector work is the main activity and only 16% of those for whom it is the secondary activity. In contrast, 34% of the people for whom informal sector work is a main activity are in rural areas and 84% for whom this work is a secondary activity. This may be explained by the fact that the main activity in rural areas is agriculture, but rural agriculture is not defined as an informal sector activity. Urban agriculture, however, is defined as an informal activity.

The table also reveals that for the main activity, rural areas account for a larger proportion of males than females in the informal sector. For the secondary activity, however, there is little gender difference in geographical location.

Table 6.4 Engagement in the informal sector by area and sex, 2006

Area	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Dar	27.1	27.8	27.4	4.9	3.2	4.1
Other urban	35.2	43.1	38.7	10.6	14.2	12.3
Urban total	62.3	70.9	66.1	15.5	17.4	16.4
Rural	37.7	29.1	33.9	84.5	82.6	83.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

' Key Message

....the urban informal sector employs 66% of the people for whom informal sector work is the main activity

Table 6. 5 reveals that where the informal sector activity is the main activity, the wholesale and retail trade employs 58% of the people, manufacturing 14% and hotels and restaurants 13%. In contrast, where the informal sector activity is the secondary activity, construction engages 48% of the people, mining and quarrying 23% and the wholesale and retail trade 14%. It is only in two industries that the proportion of females is noticeably higher than that of males, namely hotels and restaurants for the main activity (23% of females compared to 5% of males) and mining and quarrying for the secondary activity (27% of females compared to 19% of males). In the remaining industries the proportion of males is either higher than that of females or the gender difference is small.

Table 6.5 Engagement in the informal sector by industry and sex, 2006

Industry	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Agriculture, hunting and forestry	1.4	0.8	1.2	10.7	1.8	6.5
Mining and quarry	4.3	1.0	2.8	18.7	27.2	22.7
Manufacturing	14.4	14.5	14.4	0.1	0.0	0.1
Construction	5.5	0.1	3.0	50.8	45.5	48.3
Wholesale and retail trade	58.1	56.8	57.5	6.2	22.6	14.0
Hotels and restaurants	5.0	22.6	12.9	2.8	0.1	1.5
Other community, social & personal service	2.8	2.3	2.6	1.5	1.2	1.4
Other	8.5	2.0	5.6	9.2	1.6	5.6
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 6. 6 reveals that in both the main and secondary activity, the most common occupation is service and shop sales workers (55% and 53%), followed by craft and related workers (23% and 25%) and elementary occupations (16% and 10%). The table also shows that the service and shop sales and elementary occupations account for a larger proportion of female than male workers in both main and secondary activity. However, in the craft related occupations, the proportion of males is bigger in both main and secondary activity, while in plant and machine operations and assembling, males have higher proportion in main activity and females dominate in secondary activity.

Table 6.6 Engagement in the informal sector by occupation and sex, 2006

Occupation	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Technician and associate professionals	3.4	1.3	2.5	2.8	0.6	1.8
Service workers and shop sales workers	50.0	61.7	55.2	44.2	62.3	52.8
Skilled agricultural and fishery workers	2.2	0.9	1.6	7.1	1.0	4.2
Craft and related workers	29.4	14.2	22.6	32.4	17.0	25.1
Plant and machine operators and assemblers	2.4	1.6	2.0	3.4	8.4	5.8
Elementary occupations	11.9	20.3	15.7	10.0	10.6	10.3
Other	0.6	0.1	0.4	0.1	0.0	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

Table 6.7 shows that 84% of the persons employed in the informal sector as their main activity and 92% employed in this sector as their secondary activity are self employed without employees. The self employed with employees constitute 14% in the main activity and 6% in the secondary activity. Third in rank are the unpaid family helpers who constitute about 2% both in the main and secondary activities.

The proportion of self-employed (non-agricultural) with employees is bigger for males than females for both the main and secondary activities. The opposite pattern is found in respect of the self employed (non-agricultural) without employees.

Table 6.7 Engagement in the informal sector by employment status, 2006

Employment status	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Paid employee	0.7	0.7	0.7	0.6	0.2	0.4
Self employed (non-agricultural) with employees	17.0	9.9	13.8	7.8	3.2	5.6
Self employed (non-agricultural) without employees	81.1	87.1	83.8	89.8	94.4	92.0
Unpaid family helper (non-agricultural)	1.2	2.4	1.7	1.7	2.2	1.9
Total	100.0	100.0	100.0	100.0	100.0	100.0

6.3 Reasons for engaging in the informal sector

Table 6.8 shows that for both the main and secondary activity, the overriding reasons for the males' and females' engagement in the informal sector are the inability to find other work (36% for main activity and 18% for secondary activity) and the need for families to get additional income. Other common reasons include the fact that the sector provides good income opportunities and that these businesses do not require much capital.

A larger proportion of females than males consider the need for families to get additional income as an important reason to be involved in the informal sector. In contrast, a larger proportion of males are motivated by businesses that provide good income and opportunity.

Table 6.8 Reason for engagement by sex, 2006

Reason	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Can't find other work	37.1	33.8	35.6	17.5	18.1	17.8
Released from other employment/working time reduced	1.8	1.3	1.6	1.2	1.0	1.1
Family need additional income	24.7	38.6	31.0	53.4	57.8	55.5
Business provides good income opportunity	18.1	9.2	14.1	11.0	7.2	9.2
Business does not require much capital	6.3	7.6	6.9	6.5	7.7	7.1
Wants to be independent	2.0	1.6	1.8	1.4	1.2	1.3
Can choose own hours and place of work	2.2	0.9	1.6	2.0	1.0	1.6
Can combine business and household responsibilities	2.5	4.5	3.4	3.0	3.1	3.0
Traditional lines of business or family/tribe	2.2	0.8	1.6	1.9	1.5	1.7
Other reasons	3.0	1.7	2.4	2.1	1.4	1.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

6.4 Location of informal sector business

Table 6. 9 show that 18% of informal sector main activities and 29% secondary activities have no fixed location. More than 18% are in a private home with a special space in both main and secondary activity. This could imply that finding appropriate business premises is a problem or expensive. It could also imply that for women working from home it is more convenient as they are then more easily able to do their domestic tasks as well. Working from a permanent or temporary building other than home and from a fixed stall or kiosk is more common for the main activity than for secondary activities. In contrast, having no fixed location or working from a private home is more common for the secondary than the main activity.

The table further reveals that larger proportion of males than females for both the main and secondary activities have no fixed location for the business. On the other hand, a larger proportion of females have businesses within own homes or business partners' homes with or without business spaces. For the other business locations, the relative difference in proportion between males and females is not large.

Table 6.9 Location of business by sex, 2006

Business location	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Within own or business partner's home-with special business space	14.3	23.8	18.6	18.0	21.8	19.8
Within own or business partner's home-without special business space	4.5	14.9	9.2	13.4	25.3	19.1
Structure attached to/outside own or business partner's house	1.4	1.3	1.3	0.5	0.8	0.6
Permanent building other than home	14.5	11.9	13.3	6.7	8.1	7.4
Fixed stall/kiosk - at market	11.6	10.2	11.0	4.5	5.8	5.1
Vehicle, cart, temporary stall - at market	5.2	7.2	6.1	3.3	5.3	4.2
Fixed stall / kiosk - in street	6.6	6.2	6.4	3.5	3.2	3.3
Vehicle, cart, temporary stall - in street	4.6	4.0	4.3	1.4	1.0	1.2
Other temporary structure	9.6	9.5	9.6	8.2	6.4	7.3
Construction site	3.1	0.5	1.9	2.8	0.4	1.6
Customer's / Employer's house	0.9	0.3	0.6	1.7	0.8	1.3
No fixed location / mobile	23.7	10.3	17.7	36.1	21.1	29.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

6.5 Access to training and loans

Table 6. 10 shows that more than 76% of the people involved in the informal sector as their main activity and 86% for the secondary activity have no training at all. The type of training received by the few who are fortunate includes informal apprenticeship, vocational training, on the job training and other programmes. The table further reveals that females are much more disadvantaged than males in terms of training.

Table 6.10 Distribution of persons 15 years and above in informal sector by type of training and sex, 2006

Type of training	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
None	70.1	84.4	76.5	80.2	92.1	85.8
On job training	8.4	3.5	6.2	6.2	1.8	4.1
Other	21.5	12.2	17.3	13.6	6.1	10.1
Total	100	100	100	100	100	100

Of the 150,472 people who reported receiving loans in respect of informal sector activity as their main activity, 62% were female. This was also the case in respect of 53% of the 86,761 who reported receiving loans in respect of their secondary informal sector activity. Overall, 9% of those in the informal sector as their main activity, and 4% of those in this sector as their secondary activity, have received loans.

Table 6.11 shows that the most common source of loans for informal sector operators is relatives or friends (35% for main and 53% for secondary activity). Business associations, NGOs and donor projects are the second source (21%), followed by savings and credit cooperatives (14%). Savings and credit cooperatives, business associations, non-governmental organisation (NGO) and donor projects, rotating savings and credit groups are more common as sources of loans for females than males. In contrast, relatives, banks or financial institutions, customers, contractors, middlemen and social security schemes appear to be more common sources for males.

Table 6.11 Source of loan by sex, 2006

Source of loan	Main activity			Secondary activity		
	Male	Female	Total	Male	Female	Total
Relative or friends	38.0	32.5	34.6	53.5	52.8	53.1
Rotating savings and credit groups	6.8	8.9	8.1	7.5	12.5	10.1
Savings and credit cooperative	13.2	15.1	14.4	10.3	16.7	13.7
Cooperative	5.1	0.9	2.5	1.5	2.7	2.2
Business association, NGO, donor projects, etc	17.3	23.2	21.0	4.6	8.1	6.4
Private money lender	5.0	7.0	6.2	3.6	0.7	2.1
Customer, contractor, middle persons, agent, supplier	0.6	1.0	0.9	3.7	3.3	3.5
Government institution	0.7	0.5	0.6	2.2	0.0	1.0
Bank or financial institution	12.0	8.2	9.6	9.5	3.2	6.2
Social security scheme	1.3	0.9	1.1	1.4	0.0	0.6
Other sources	0.0	1.7	1.0	2.4	0.0	1.1
Total	100.0	100.0	100.0	100.0	100.0	100.0

Chapter seven: Employment in secondary activities

7.0 Introduction

Because some working persons participate in more than one economic activity, persons who were currently economically active were asked to provide information on their main activity as well as secondary activities (if any). Persons with more than one economic activity were requested to rank the two major activities in terms of the number of hours spent on them. The one with the most hours was characterised as the main activity, while the other activity was categorised as a secondary activity. This chapter describes the secondary activities of persons in Tanzania Mainland.

7.1 Comparison with 2001

Table 7.1 shows the distribution of persons aged 10 years and above engaged in secondary activities as recorded in the 2000/1 and 2006 ILFS using the national definition of employment. In both periods, the majority of Tanzanians engaged in secondary activities are in rural areas (81.4% in 2000/1 and 81.9 in 2006). In both periods, females dominate, although more strongly in 2006 (at 57.1% of the total) than in 2000/1 (50.7%). The dominance of females is seen across all geographical areas in 2006, but not in Dar es Salaam or rural areas in 2000/1.

Table 7.1 Employed population 10 years and above with secondary activities by area and sex, 2001 and 2006 (national definition)

Area	2000/1			2006		
	Male	Female	Total	Male	Female	Total
Dar es Salaam	0.7	0.4	1.1	2.1	2.5	4.6
Other urban	7.3	10.2	17.5	5.4	8.0	13.4
Urban total	8.0	10.6	18.6	7.5	10.6	18.1
Rural	41.4	40.0	81.4	35.4	46.5	81.9
Total	49.3	50.7	100.0	42.9	57.1	100.0

Using the standard definition, Table 7.2 shows that, over 80% of persons engaged in secondary activities are in rural areas in both 2000/1 and 2006. Females again dominate, with greater female domination in 2006 than 2000/1. The change in the gender balance is particularly marked for rural areas, where there are fewer females than males engaged in secondary activities in 2000/01, but by 2006 rural females account for more than ten percentage points more than rural males of all people engaged in secondary activities.

'Key Message

The majority of Tanzanians engaged in secondary activities are in rural areas (81.4% in 2000/1 and 81.9 in 2006).