	2000/1			2006		
Area	Male	Female	Total	Male	Female	Total
Dar es Salaam	0.7	0.5	1.3	2.3	2.9	5.2
Other urban	7.3	10.2	17.6	5.6	8.4	14.0
Urban total	8.1	10.8	18.8	7.9	11.3	19.2
Rural	41.5	39.7	81.2	35.1	45.7	80.8
Total	49.5	50.5	100.0	43.1	56.9	100.0

Table 7.2 Employed population 10 years and above with secondary activities by area and sex, 2001 and 2006 (standard definition)

Using the national definition, Table 7.3 reveals that 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 in the two years were 17.7% and 53.6% respectively. This large increase may be partly explained by an increase in access to loans due to liberalisation of financial institutions, as well as an increasing tendency for Tanzanians to engage in secondary activities to supplement their income. Among employed females with secondary activities, 35.0% are involved in collection of fuel and/or water. Here the 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.

Table 7.3 R	ate of	engagement	in secondary	activities	10 years	and	above	by	area	and	sex,
2006											

Area	2000/1			2006		
	Male	Female	Total	Male	Female	Total
Urban	17.4	26.5	21.7	30.8	46.0	38.2
Rural	17.3	16.2	16.8	44.9	55.7	50.5
Total	17.3	17.7	17.5	41.6	53.6	47.7

7.2 Characteristics of employed population with secondary activities

7.2.1 Geographical area

Table 7.4 shows that in 2006, when using either definition, the overwhelming majority of Tanzanians aged 15 years and above participating in secondary activities are in rural areas (81.0% for national and 79.9% for standard definition). Females account for nearly six-tenths (57.9% for national and 57.8% for standard definition) of those engaged in secondary activities. There is thus very little change in the gender and geographical patterns when the lower age limit is raised from 10 to 15 years. The rest of this chapter uses the 15 year cut-off and the national definition.

' Key Message

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%.

Area	National definition			Standard definition		
	Male	Female	Total	Male	Female	Total
Dar es Salaam	2.3	2.7	5.0	2.5	3.1	5.6
Other urban	5.6	8.4	14.0	5.8	8.7	14.6
Urban total	7.8	11.1	19.0	8.3	11.9	20.1
Rural	34.2	46.8	81.0	34.0	45.9	79.9
Total	42.1	57.9	100.0	42.2	57.8	100.0

Table 7.4 Employed population with secondary activities by area and sex, 2006

Table 7.5 shows the percentage of employed persons aged 15 years and above who are also engaged in secondary activities. The table reveals that 48.6% of employed persons are engaged in secondary activities. Engagement in secondary activities is more common for employed females (54.8%) than their male counterparts (42.0%). 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.

Table 7.5 Rate of engagement in secondary activities by area and sex, 2006

Area	Male	Female	Total
Dar es Salaam	22.7	35.7	28.3
Other urban	35.9	51.8	44.0
Rural	45.9	57.1	51.8
Total	42.0	54.8	48.6

Chart 7.1 reveals that the majority of employed persons engaged in secondary activities are found in rural areas, followed by other urban areas. The pattern is similar for main activities and for both males and females. Dar es Salaam has the lowest number of employed persons participating in secondary activities.

Chart 7.1 Distribution of employed persons engaged in secondary activities by geographical area and sex, 2006



7.2.2 Age

Table 7.6 reveals that employed youth aged 25-34 years (51.1%) are more likely than those in other groups to participate in secondary activities. Persons aged 35-64 years ranked second with 49.6% of employed persons engaged in secondary activities. Persons aged 65 years and above have the lowest participation rate (39.2%) in secondary activities. Across the age groups, employed females are more likely than their male counterparts to participate in secondary activities.

Age group	Male	Female	Total
15-24	40.5	52.4	46.8
25-34	45.0	56.5	51.1
35-64	42.5	56.6	49.6
65+	33.4	46.0	39.2
Total	42.0	54.8	48.6

Table 7.6 Rate of engagement in secondary activities by age group and sex, 2006

7.3 Industry

Table 7.7 reveals that, unlike in respect of main activities, the majority of persons engaged in secondary activities work in other community, social and personal service activities (47.9%). Females have a much higher likelihood of working in this industry (64.4%) than males (25.2%)'. Agriculture, hunting and forestry activities account for 22.2% of employment in secondary activities. Among males, 35.9% participate in agricultural activities compared to 12.3% among their female counterparts. Construction activities accounted for the third largest proportion of employment in the secondary activities, at 13.9% of all persons involved in secondary activities. Males are more likely (18.4%) than females (10.6%) to do secondary work in this sector.

Table 7.7	Employment i	n secondary	activities by	industry	and sex, 2006
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Industry	Male	Female	Total
Agriculture, hunting & forestry	35.9	12.3	22.2
Fishing	3.1	0.3	1.5
Mining & quarry	7.6	6.4	6.9
Manufacturing	0.0	0.0	0.0
Electricity, gas & water	4.1	0.2	1.9
Construction	18.4	10.6	13.9
Wholesale & retail trade	2.3	5.2	4.0
Hotels & restaurants	1.5	0.1	0.7
Transport, storage & communication	0.0	0.0	0.0
Financial intermediation	0.4	0.1	0.2
Public administration and compulsory social Security	0.1	0.1	0.1
Education	0.6	0.2	0.4
Health & social service	0.8	0.2	0.5
Other community, social & personal service activities	25.2	64.4	47.9
Total	100.0	100.0	100.0

' Key Message

The majority of persons engaged in secondary activities work in other community, social and personal service activities (47.9%). Females have a much higher likelihood of working in this industry (64.4%) than males (25.2%).

7.4 Occupation

Table 7.8 reveals that the majority (54.7%) of persons employed in secondary activities are engaged in elementary occupations. A substantially higher proportion of females (69.0%) is involved in this occupation than males (35.1%). agricultural and fishery workers rank second, accounting for 18.9% of all occupations in secondary activities. Here there was a substantially higher proportion of males (31.3%) involved than females (9.8%). Service workers and shop sales workers account for 15.5% of secondary activities. Here males (16.7%) are again more likely than females (14.7%) to be involved.

Occupation	Male	Female	Total
Legislators & administrators	0.0	0.0	0.0
Professionals	0.1	0.0	0.0
Technician & associate professionals	1.3	0.3	0.7
Office clerks	0.0	0.1	0.1
Service workers & shop sales workers	16.7	14.7	15.5
Subsistence agricultural & fishery workers	31.3	9.8	18.9
Craft & related workers	13.9	4.2	8.3
Plant & machine operators & assemblers	1.5	2.0	1.8
Elementary occupations	35.1	69.0	54.7
Total	100.0	100.0	100.0

Table 7.8 Employment in secondary activity by occupation and sex, 2006

7.5 Educational achievement

Table 7.9 reveals that the majority of persons engaged in secondary activities have completed primary education (51.5%)¢. A higher proportion of males (55.3%) than females (48.7%) has this level of education. Persons who have never attended school ranked second (26.8%) with this level of education more common for females engaged in secondary activities (33.2%) than for males (17.9%). Persons with secondary school education level and above constitute the smallest group among those engaged in secondary activities (5.2%). This level of education is more common for males (7.0%) than females (3.8%).

Table 7.9 Employment in secondary activities by educational achievement and sex, 2006

Educational achievement	Male	Female	Total
Never attended	17.9	33.2	26.8
Primary not complete	19.8	14.2	16.6
Primary complete	55.3	48.7	51.5
Secondary and above	7.0	3.8	5.2
Total	100.0	100.0	100.0

Key Message

The majority of persons engaged in secondary activities have completed primary education (51.5%).

7.6 Hours worked

Table 7.10 shows that those with secondary activities reported working an average of 15 hours per week in these activities, which averages out at nearly two hours a day. Females tended to report fewer hours (mean of 14 hours) than males (mean of 15 hours). Youth aged 25-34 years tend to spend longer hours in secondary activities than other groups, followed by persons aged 15-24 and 35-64 years. Across all age groups, males tend to work longer hours in secondary activities than females. As with main activities, this difference is probably largely explained by the household chores and family tasks for which women are primarily responsible.

Table 7.10 Mean hours spent in secondary	activity by	age group and	d sex,	2006
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Age group	Male	Female	Total
15-24	15	14	15
25-34	17	15	16
35-64	16	14	15
65+	14	11	13
Total	16	14	15

Most persons in the 2006 ILFS reported working for more than 40 hours a week in their main activity alone. Table 7.11 below shows the hours that persons worked in both main and secondary activities combined. The table excludes those not engaged in secondary activities. The table reveals that those with secondary activities spend an average of 45 working hours per week on both activities combined. Females tend to spend fewer hours working (mean of 42 hours) than their male counterparts (48 hours). Persons aged 25-34 years again tend to work longer hours (47 hours) than those in other age groups. Persons aged 65 years and above tend to work fewest hours (38 hours). Across age groups, males tend to work longer hours than their female counterparts.

Table	7.11	Hours	spent	on	main	and	secondary	activities	combined	by	age	group	and	sex,
2006														

Age group	Male	Female	Total
15-24	43	40	41
25-34	52	43	47
35-64	51	43	46
65+	41	36	38
Total	48	42	45

Chapter eight: Unemployment

8.0 Introduction

Three definitions of employment and unemployment have been used in Tanzania since the 2000/01 integrated labour force survey in an attempt to reflect the intrinsic conditions of the local labour market. To maintain international data comparability, the first and second definitions refer respectively to the strict (only those actively looking for work) and relaxed (those actively looking plus those not actively looking) international definitions of unemployment adopted by International Conference of Labour Statisticians (ICLS) in 1982. The third definition adds those persons with marginal attachment to employment to the unemployment pool rather than classifying them as employed.

8.1 National estimates

The absolute number of unemployed persons aged ten years and above decreased by 4.3% to 2.2 million in 2006, from 2.3 million in 2001'. This occurred despite the increase in population over this period. The employment rates thus increased even more rapidly. Table 8.1 shows the unemployment rates of the population aged 10 years and above measured by the different definitions. It shows that the overall unemployment rate for Tanzania Mainland, measured by the Tanzanian definition, is 11.0%. This gives a decrease in the unemployment rate of 1.9 percentage points compared to the 2000/01 rate of 12.9%. All localities of Tanzania Mainland experienced a decline in the unemployment rate, with the rural unemployment rate declining by 1.3 percentage points and the urban unemployment rate declining by more than 10 percentage points. Females experienced a bigger drop (of 1.8 percentage points) in their unemployment rate than males (dropped by 0.9 percentage points).

	Dar		Other urban		Rural		Total	
Category	2001	2006	2001	2006	2001	2006	2001	2006
A. Looking for work (strict international definition	20.6	16.6	4.4	3.4	0.7	0.7	2.3	2.8
B. Available but not looking for work	5.7	4.4	5.5	2.9	2.1	0.9	2.8	1.6
A + B: Relaxed international definition C. With marginal attachment to	26.4	21.0	9.9	6.3	2.8	1.6	5.1	4.3
employment	20.1	10.3	15.9	10.0	5.6	5.5	7.8	6.7
A + B + C: Tanzania definition	46.5	31.3	25.9	16.3	8.4	7.1	12.9	11.0

Table 8.1 Unemployment rate of population 10+ years based on different definitions, 2001 and 2006

Based on the relaxed international definition, the unemployment rate of 4.3% shows a decline of about one percentage point compared to the 2000/01 rate, with a dramatic decline in the percentage of persons available but not looking for work. This may indicate improvements in the labour market environment, including improved availability of information and awareness, which enabled more unemployed persons to take active steps to look for work.

This turn-around in the unemployment trend is no doubt due to improvements in the economic environment during the 2000-05 period. During this period, real GDP growth rate increased from the

' Key Message

The absolute number of unemployed persons aged ten years and above decreased by 4.3% to 2.2 million in 2006, from 2.3 million in 2001'.

previous five-year average of 4.2% to 6.1%, the investment/GDP ratio increased from 16.0% to 18.5%, and the annual inflation rate dropped from 12.8% to 4.5%.

Table 8.2 provides unemployment rates of the population 15 years and above using the different definitions. The overall unemployment rate by all three definitions is slightly higher for this age group than for the population aged 10 years and above but depicts the same pattern for different localities, highest in the city of Dar es Salaam, followed by other urban areas. The rest of the tables will be based on the population aged 15 years and above and use the Tanzanian definition of unemployment.

Category	Dar	Other Urban	Rural	Total
A. Looking for work	16.6	3.6	0.8	3.0
B. Available but not looking for work	4.4	2.9	0.9	1.7
A + B: Relaxed international definition C. With marginal attachment to	21.2	6.5	1.7	4.7
employment	10.3	10.0	5.8	7.0
A + B + C: Tanzania definition	31.5	16.5	7.5	11.7

Table 8.2 Unemployment rate of population 15+ years based on different definitions, 2006

8.2 Sex differentials in unemployment

As shown in Table 8.3 nearly 60% of the unemployed women live in urban areas compared to only 45% of the unemployed men. Fifty six per cent of the unemployed population are women.

Sex	Dar	Other urban	Rural	Total
Male	242,369	196,120	529,359	967,848
(%)	25.0	20.3	54.7	100
Female	413,623	311,652	501,270	1,226,545
(%)	33.7	25.4	40.9	100

Table 8.3 Unemployed population 15+ years by sex and area, 2006

The trend thus continues of the female population registering a higher rate of unemployment than the male population in all areas of Tanzania Mainland, except rural. As Table 8.4 shows, the most challenging is the female unemployment rate of 40.3% in Dar es Salaam, which is about twice the male unemployment rate. This suggests that there is a need to put more efforts into initiatives that promote employability of women in urban areas in order to be able to expedite the reduction in the overall unemployment rate from 12.9% in 2001 to 6.9 by year 2010, as specified in MKUKUTA.

Table 8.4 Unemployment ra	rate of population	15+ years by sex and	l area, 2006
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Sex Dar		Other urban	Rural	Total
Male	23.0	13.6	8.1	10.7
Female	40.3	19.2	7.0	12.6
Total	31.5	16.5	7.5	11.7

8.3 Age differentials in unemployment

Table 8.5 shows the unemployment rate of the population aged 15 years and above for each age group and sex. The unemployment rate of youth aged 15-24 years is the highest, at 14.9%, compared to 10.4% for the adult unemployment rate and 11.7% for the total unemployment rate. The youth unemployment rate shows a decline of 1.6 percentage points from the 2001 rate of 16.5% ϕ .

The ratio of the youth-to-adult unemployment rate is 1.4, indicating that youth are nearly one-andhalf times more likely to be unemployed than adults. This ratio is the same as it was in 2001. Worldwide the youth unemployment rate tends to be the highest of all age groups, and the youth-toadult unemployment rate in Tanzania Mainland is among the lower ones for countries in Africa. Other African countries with a low ratio of youth-to-adult unemployment rate include Lesotho, with a ratio of 1.3 in 1997, and Rwanda with a ratio of 1.4 in 1996. In most regions youth are nearly three times more likely to be unemployed than adults (Sara Elder and Dorothea Schmidt. October 2006. Global Employment Trends for Youth. ILO).

Sex	15-24	25-34	35-64	65 and above	Total
Male	14.3	10.3	8.9	8.1	10.7
Female	15.4	13.2	10.2	10.4	12.6
Total	14.9	11.8	9.6	9.2	11.7

Table 8.5 Unemployment rate of population 15+ years by sex and age group, 2006

Table 8.5 also reveals that females have a higher unemployment rate than males in each age group.

8.4 Education differentials in unemployment

Table 8.6 reveals two important but contradictory insights. 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. However, for Dar es Salaam, the situation is reversed. In Dar es Salaam, the unemployment rate decreases as education level rises. This reflects of 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 and, since such opportunities are usually fewer than the number of job seekers, they go to the most educated. 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.

Both male and female populations follow the same pattern of unemployment with respect to educational attainment, excluding the rural where the unemployment rates of female follow the pattern of Dar es Salaam – the unemployment rate decreases with the increasing level of education.

^{&#}x27; Key Message

The youth unemployment rate shows a decline of 1.6 percentage points from the 2001 rate of 16.5%.

Any programmes designed to reduce unemployment rate need to take into account these labour market differences in order to succeed.

Table	8.6	Unemplo	yment	rate	of	population	15+	yaers	by	educational	attainment,	sex	and
area: 2	2006	5											

Education level	Dar	Other urban	Rural	Total
Never attended:				
Total	38.1	14.2	7.5	9.0
Male	27.0	10.8	8.5	9.2
Female	42.9	15.7	6.9	8.9
Primary:				
Total	32.4	16.7	7.5	12.0
Male	23.4	13.5	8.0	10.6
Female	4.3	19.6	7.0	13.5
Secondary & above:				
Total	26.6	17.8	8.2	17.3
Male	21.2	15.1	6.8	14.1
Female	34.9	21.3	10.4	22.1
Total:				
Both sex	31.3	16.5	7.5	11.7
Male	23.0	13.6	8.1	10.7
Female	40.3	19.2	7.0	12.6

The female population exhibits higher unemployment rates at all educational levels except for the never attended group ϕ . There is an especially large margin between the unemployment rates of males and females with secondary education and above. This is the level of education that seems to be most seriously affected by the existence of gender inequalities in the world of work.

8.5 Skills training and unemployment

The training profile of the unemployed population, as shown in Table 8.7, shows improvements in the provision of skills training in the country during the last five years. The percentage who had received on-the-job training increased from 2.0% to 2.7%, a 34.1% increase. Those benefiting from other types of training such as formal apprenticeship, certificate and diploma increased from 8.5% to 10.0%, a 15.6% improvement from their 2001 levels. 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, a fall of nearly 8%. A more trained population stands a better chance of accessing employment opportunities and this can be seen as one of the factors that might have contributed to the overall decline in the number of unemployment population in 2006.

' Key Message

The female population exhibits higher unemployment rates at all educational levels except for the never attended group.

	2001			2006			
Type of training	Male	Female	Both sex	Male	Female	Both sex	
None	84.7	93.4	89.5	84.0	90.0	87.3	
On the job training	3.8	0.5	2.0	4.4	1.3	2.7	
Other	11.6	6.1	8.5	11.6	8.7	10.0	
Total	100.0	100.0	100	100.0	100.0	100.0	

Table 8.7 Distribution of unemployed population 10+ by training: 2001 and 2006

Table 8.7 also shows that both males and females benefited from the improvement in training provision. In 2006, females are still less likely than males to have benefited from training, but the gender gap has decreased. The fact that the proportion of females with training at certificate and diploma level (other training) increased faster than that of males in the same category between 2001 and 2006 could reflect the impact of initiatives to empower women in the world of work.

8.6 Work experience of the unemployed population

Table 8.8 reveals that those with no work experience account for the largest portion of the unemployed (60%) followed by those with elementary work experience (23%) and agricultural work experience (10%).

Table 8.8 Distribution of unemployed population 15+ years by previous work experience,2006

Occupation	Male	Female	Both
Professionals	0.2	0.3	0.2
Technician & associate professionals	0.1	0.2	0.1
Office clerks	0.2	0.2	0.2
Service workers & shop sales workers	3.1	6.0	47
Agricultural & fishery workers	8.9	11.1	10.1
Craft & related workers	1.3	1.3	1.3
Plant & machine operators and assemblers	0.8	0.1	0.4
Elementary occupations	13.8	29.9	22.8
No previous experience	71.7	50.9	60.0
Total	100.0	100.0	100.0

There is a marked gender difference in respect of previous occupations. Thus about 50% of unemployed females in 2006 have some work experience compared to less than 30% of males. The difference is primarily accounted for by a much larger percentage of unemployed females who have previous experience in elementary occupations.

8.7 Usually unemployed population

The above discussion focuses on current unemployment, which is based on employment over the reference period of the last calendar week. The usually unemployed population comprises all persons

who, during the last 12 months before the date of interview, did some work but where the total number of months they did some work is less than the number of months in which they did not work at all. In 2006 the overall proportion of persons who are usually unemployed in Tanzania Mainland is 4.7%. Table 8.9 shows their distribution as a percentage of the total economically population by geographical area. The female proportion is higher than the male proportion across all areas.

Area	Male	Female	Total
Dar es Salaam	4.5	7.1	5.8
Other urban	3.8	7.1	5.5
Rural	4.3	4.4	4.4
Total	4.3	5.1	4.7

Table 8.9 Usually unemployed persons 15+ years as a percentage of the economically active by area and sex, 2006

Among the usually unemployed population there are some persons who did not do any work at all during the 12 month reference period but were available for work for the whole 12 month-period. Table 8.10 shows the totally unemployed as a percentage of the economically active population by area and sex. Overall, this proportion stands at 1.0% of the economically active population is 1.0%, with a higher rate in the more urban areas. The female rate is higher than the male rate in all areas except rural.

Table 8. ⁻	0 Totally	unemployed	persons	15+ year	s as a	a percentage	of e	economically	active
population	on by area	a and sex, 200	06						

Area	Male	Female	Total
Dar es Salaam	2.7	4.2	3.5
Other urban	1.0	2.4	1.8
Rural	0.4	0.4	0.4
Total	0.8	1.2	1.0

Chapter nine: Under-employment

9.0 Introduction

Information on current under-employment was obtained from respondents' answers to the question on the number of hours they actually worked during the calendar week prior to the interview. Respondents were also asked to state the number of hours they usually worked per week. 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. The same cut-off of 40 hours was used in respect of usual hours to identify persons usually under-employed. Some findings are reported in respect of both the national and standard definitions of employment. Where the definition is unspecified, the national definition has been used.

9.1 Overall rates of under-employment

Table 9.1 shows that the number of employed persons who are under-employed in 2006 using the national definition is relatively small, at 7.8 % of total employed persons¢. This is expected given that it measures under-employment only among persons with reliable or sustainable employment.

In contrast, the number of employed persons who are under-employed using the standard definition is relatively high, at 13.1 % of the employed persons. This is consistent with the observation that the problem of poor countries is not so much unemployment as under-employment. The problem with the standard definition of employment is that when employment figures from a survey are announced, the public and data users tend to assume that all employed people have regular or reliable jobs. This is not what an expert eye sees on the streets and this is what the (national) definition is trying to address, to restore confidence among data users.

Table 9.1 also shows under-employment rates in different localities by sex. With both the national and standard definitions, under-employment rates of females in urban areas are higher than those for males but the situation is reversed in rural areas.

Area		National	definition	Standard definition		
		Number	Percentage	Number	Percentage	
Urban:	Male	154,465	7.5	249,390	10.8	
	Female	182,399	9.5	273,298	12.5	
	Total	336,863	8.4	522,688	11.6	
Rural:	Male	506,726	8.4	983,725	15.2	
	Female	448,992	6.8	840,108	12.0	
	Total	955,718	7.6	1,823,833	13.6	
Total:	Male	661,190	8.2	1,233,115	14.0	
	Female	631,391	7.4	1,113,406	12.1	
	Total	1,292,581	7.8	2,346,521	13.1	

Table 9.1 Under-employed persons to total employment 15+ years by area and sex, 2	2006
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^{&#}x27; Key Message

^{...} the number of employed persons who are under-employed in 2006 using the national definition is relatively small, at 7.8 % of total employed persons

9.2 Comparison of under-employment in 2001 and 2006

Chart 9.1 shows that, using the national definition, 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%. In contrast, chart 9.2 shows urban under-employment using the standard definition decreasing over the period from 12.1% to 10.0% while the rural rate increased slightly from 11.0% to 12.3%.

Chart 9.1 Under-employment rates by area and sex, 10+ years (national definition), 2000/1 and 2006



Chart 9.2 Under-employment rates by area and sex, 10+ years (standard definition), 2000/1 and 2006



Table 9.2 shows that the under-employment rate for females increased quite steeply from 4.7% in 2001 to 6.2% in 2006 using the national definition, while for males it increased slightly from 6.0% to 6.8%. Using the standard definition, there was no change in the under-employment rate for females, while the male rate increased from 11.7% to 12.6%.

Area		2001				2006				
		National definition		Standard definition		National def	National definition		rd on	
		Number	%	Number	%	Number	%	Number	%	
Urban:	Male	79,002	4.8	181,633	11.0	155,548	6.0	252,051	9.8	
	Female	77,148	4.4	234,458	13.2	187,372	6.8	279,973	10.2	
	Total	156,150	4.6	416,091	12.1	342,920	6.4	532,024	10.0	
Rural:	Male	443,670	6.3	841,021	11.9	524,830	7.0	1,015,826	13.6	
	Female	350,607	4.8	749,436	10.2	462,128	5.9	862,012	11.0	
	Total	794,278	5.5	1,590,458	11.0	986,958	6.5	1,877,838	12.3	
Total:	Male	522,672	6.0	1,022,654	11.7	680,378	6.8	1,267,876	12.6	
	Female	427,755	4.7	983,894	10.8	649,500	6.2	1,141,985	10.8	
	Total	950,427	5.3	2,006,548	11.2	1,329,878	6.5	2,409,862	11.7	

Table 9.2 Under-employed persons 10+ years to total labour force by area and sex, 2000/01 and 2006

9.3 Profile of under-employed persons

Table 9.3 shows that the underemployment rate of 7.8% when using the national definition translates into a total of nearly 1.3 million under-employed people. Males have a higher under-employment rate than females across all age groups. The under-employment rate for persons aged 15-34 years is higher than for other age groups, at 8.2%, while that for persons aged 65 years and above is the lowest, at $5.6\%\phi$.

Table 9.3 Under-employed per	sons by age group and sex, 2006
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Age	Male		Fem	Female		Total		
group	Number	%	Number	%	Number	%	population	
15-24	177,740	8.4	189,679	7.9	367,418	8.2	4,499,254	
25-34	179,936	8.3	192,168	8.0	372,104	8.2	4,556,964	
35-64	263,195	8.1	229,417	7.1	492,612	7.6	6,492,532	
65+	40,319	6.9	20,127	4.1	60,447	5.6	1,078,384	
Total	661,190	8.2	631,391	7.4	1,292,581	7.8	16,627,133	

Table 9.4 reveals that under-employed persons constitute a higher percentage of employed persons in urban areas than in rural areas. Among females, the unemployment rate is highest in Dar es Salaam, while for males the rate is slightly higher in other urban areas than in Dar es Salaam.

Area	Sex			
	Male Female		Total	
Dar es Salaam	7.3	10.5	8.7	
Other Urban	7.6	9.0	8.3	
Total Urban	7.5	9.5	8.4	
Rural	8.4	6.8	7.6	
Total	8.2	7.4	7.8	

' Key Message

The under-employment rate for persons aged 15-34 years is higher than for other age groups, at 8.2%, while that for persons aged 65 years and above is the lowest, at 5.6%.

Table 9.5 reveals that 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¢. Less than one percent of employed males in the parastatal sector are under-employed.

Sector	Male	Female	Total
Central/local government	1.2	1.1	1.1
Parastatal	0.9	3.6	1.6
Agriculture	9.2	6.8	7.9
Informal	6.6	9.0	7.7
Other private	4.4	4.5	4.4
Household economic activities	28.3	19.1	20.7
Total	8.2	7.4	7.8

Table 9.5 Under-employment rates by main sector of employment and sex, 2006

Table 9.6 reveals that 20.3% of non-agricultural unpaid family helpers are under-employed while only 3.1% of paid employees are under-employed. 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.

Table 9.6	Under-emp	olovment	rates by	v status in	employ	vment and	sex. 2006
	••••••••••••••••••••••••••••••••••••••	,				,	

Employment status	Male	Female	Total
A paid employee	3.3	2.8	3.1
A self employed (non-agricultural) with employees	4.2	6.6	4.9
A self employed (non-agricultural) without employees	6.9	9.1	8.0
Unpaid family helper (non-agricultural)	23.7	19.3	20.3
Unpaid family helper (agricultural)	6.9	7.0	6.9
Work on own farm or shamba	9.5	6.8	8.0
Total	8.2	7.4	7.8

Table 9.7 shows that those in elementary occupations have a higher rate of under-employment (about 12%) than for other occupations, while office clerks have the lowest under-employment rate (1.7%). Under-employment rates are markedly higher for females than males among service and shop sales workers, plant and machine operators, and those in elementary occupations. In contrast, the under-employment rate is markedly higher for males than females among agricultural and fishery workers.

'Key Message

The lowest rates of under-employment are found in central/local government and parastatal sectors

Occupation	Male	Female	Total
Legislators and administrators	2.9	0.0	2.4
Professionals	3.0	2.7	2.9
Technician and associate professionals	2.9	2.6	2.8
Office clerks	1.2	2.1	1.7
Service workers and shop sales workers	3.8	7.3	5.4
Agricultural and fishery workers	9.3	6.8	8.0
Craft and related workers	6.1	6.8	6.2
Plant and machine operators and assemblers	2.7	6.5	3.1
Elementary occupations	9.9	14.4	12.5
Total	8.2	7.4	7.8

Table 9.7 Underemployment rates by occupation and sex, 2006

9.4 Hours worked by under-employed persons

As noted above, under-employment is based on the number of hours worked, which must be less than 40 over a week for a person to be classified as under-employed. Table 9.8 shows the distribution of under-employed persons by the number of hours actually worked in the calendar week preceding the interview. The table shows that more than 60% worked less than 30 hours. A smaller percentage of under-employed females (31.7%) than males (40.0%) worked more than 30 hours.

Table 9.8 Percentag	e distribution of	f under-employed	persons by	y hours	worked	in previous
week and sex, 2006						

Hours range	Male	Female	Total
0 hours	4.8	3.1	4.0
1-9 hours	6.6	10.0	8.2
10-19 hours	19.5	26.1	22.7
20-29 hours	29.1	29.1	29.1
30-39 hours	40.0	31.7	36.0
Total	100.0	100.0	100

9.5 Main reasons for under-employment

Persons who were found to be under-employed were asked to give the main reason for working less than 40 hours per week. Table 9.9 shows that 56.1% were under-employed 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. Females (26.4%) were more likely than males (21.3%) to offer the reason that it was not the agricultural or business season.

Reason	Male	Female	Total
Cannot find more work in a job, agriculture or			
business	57.3	54.7	56.1
Suitable agricultural land not available	3.4	2.5	2.9
Lack of raw materials, equipment and finance	8.2	6.1	7.2
Machinery or electric breakdowns and other			
problems	0.2	0.1	0.1
Suspended from work by employer	0.7	0.1	0.4
Not an agricultural season / business	21.3	26.4	23.8
Other reasons	8.9	10.1	9.5
Total	100.0	100.0	100.0

Table 9.9 Distribution of under-employed persons by main reason for being under-employed, 2006

9.6 Usual under-employment

Among the 19,172,004 usually employed persons, 7.6% were reported to be usually under-employed. Table 9.10 shows that the usual under-employment rate in urban areas is more than thrice that of the rural areas. Under-employment for the age group 25-34 years is higher than that for other age groups. A slightly higher percentage of males is usually under-employed than females.

Table 9.10	Usual under-er	nployment rates	by age group	, area and	sex, 2006
				,	

Age		Urban			Rural			Total			
group	Male	Female	Total	Male	Female	Total	Male	Female	Total		
15 – 24	11.8	11.0	11.4	4.8	5.0	4.9	6.6	6.8	6.7		
25 – 34	19.3	19.4	19.4	6.0	4.7	5.3	10.3	9.2	9.7		
35 – 64	14.8	17.5	16.1	5.0	3.8	4.4	7.8	7.2	7.5		
65+	8.2	6.2	7.3	3.2	1.9	2.6	4.1	2.6	3.4		
Total	15.1	15.6	15.4	5.0	4.3	4.6	7.9	7.4	7.6		

Chapter ten: The economically inactive population

10.0 Introduction

This chapter presents some of the major findings of the survey on the economically inactive (not economically active) population as measured using the usual and current status approaches.

In order to determine the labour force status of respondents, those who neither engage in nor are available for work in productive activity during the reference period of the survey due to home making, education, illness, etc. are classified as economically inactive. The category of inactive persons excludes those engaged in collection of firewood and fetching of water for home consumption.

The analysis below is presented mainly in respect of persons aged 15 years and above so as to facilitate international comparisons. The age limit of ten years and above is, however, used for comparisons with the 2000/01 ILFS survey. The national definition of employment is used throughout.

10.1 The currently inactive population

Figure 10.1 Currently inactive population 15 years and above, 2006



Figure 10.1 shows that in 2006 the economically inactive population aged 15 year and above accounted for 10.4% of the total population of this age in Tanzania Mainland. 9.5% of males of this age were inactive and 11.2% of females.

10.2 Comparison with 2000/1

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. For males the inactivity rate was 9.3% in both 2000/1 and 2006, while for females the rates were 11.1% and 10.9% respectively in the two years.

Table	10.1	Distribution	of	currently	economically	inactive	population	10+	years	by	reason
and s	ex, 20	001 and 2006	-								

		2001		2006			
Reason	Male	Female	Total	Male	Female	Total	
Student	72.2	58.9	65.0	77.7	69.6	73.3	
Household	15.0	9.6	6.9	2.0	4.1	3.1	
Too old	4.4	9.4	7.1	5.3	9.4	7.5	
Sick	9.5	13.4	11.6	10.3	12.7	11.6	
Disabled	2.3	2.2	2.2	2.3	1.6	1.9	
Other	8.0	6.5	7.2	2.3	2.6	2.5	
Total	100.0	100.0	100.0	100.0	100.0	100.0	

Table 10.1 shows the reasons why males and females were classified as inactive in the two years. In both years, studying was the main reason for inactivity for both males and females. Further, the proportion of inactive males and females involved in 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.

10.3 Profile of economically inactive in 2006

Table 10.2 Current economic status by area and sex, 2006

Sex & status		Dar	Other urban	Rural	Total
	Active	87.3	88.4	91.6	90.5
Male	Inactive	12.7	11.6	8.4	9.5
	Total	100.0	100.0	100.0	100.0
	Active	84.2	86.1	90.1	88.8
Female	Inactive	15.8	13.9	9.9	11.2
	Total	100.0	100.0	100.0	100.0
	Active	85.8	87.2	90.8	89.6
Total	Inactive	14.2	12.8	9.2	10.4
	Total	100.0	100.0	100.0	100.0

Table 10.2 reveals that 10.4% of persons aged 15 years and above were not in the labour force during the 2006 survey period. Among females, the percentage was 11.2% while among males it was 9.5%. The table also shows that Dar es Salaam has the highest proportion of economically inactive persons at 14.2%, compared to 12.8% for other urban and 9.2% for rural areas.

Sex & reason	S	Dar	Other urban	Rural	Total
	Student	63.9	61.2	48.1	53.3
	Housework	2.9	5.6	2.1	2.9
	Too old	10.9	9.2	15.6	13.5
Male	Sick	16.5	19.8	26.1	23.3
	Disabled	1.7	3.1	6.0	4.8
	Other	4.0	1.1	2.1	2.2
	Total	100.0	100.0	100.0	100.0
	Student	46.2	39.6	35.1	37.8
	Housework	7.8	17.3	3.6	7.1
	Too old	13.4	16.8	24.9	21.4
Female	Sick	25.1	20.6	29.7	27.1
	Disabled	1.8	1.7	3.9	3.1
	Other	5.7	4.1	2.8	3.5
	Total	100.0	100.0	100.0	100.0
	Student	54.1	48.7	40.8	44.5
	Housework	5.6	12.3	2.9	5.3
	Too old	12.3	13.6	20.8	18
Total	Sick	21.3	20.3	28.2	25.4
	Disabled	1.8	2.3	4.8	3.8
	Other	4.9	2.8	2.5	3
	Total	100.0	100.0	100.0	100.0

Table	10.3	Distribution	of	currently	economically	inactive	population	by	sex,	reason	and
geogra	aphic	area, 2006									

Table 10.3 shows that the main reason offered for not being economically active was schooling, with this reason accounting for 44.5% of the economically inactive. The next most common reason is illness, accounting for a further 25.4% of the total inactive population. 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 female inactive, but only 13.5% of male inactive, 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.

The table also shows that schooling is the reason for a larger proportion of the economically inactive in Dar es Salaam (54.1%) than in other urban (48.7%) and rural (40.8%) areas. Of all economically inactive persons living in rural areas, 28.2% are ill compared to 21.3% in this category in Dar es Salaam. Old age is also far more common as a reason in rural areas (20.8%) than in Dar es Salaam (21.3%) and other rural areas (20.3%).

Table	10.4	Percentage	distribution	of	currently	economically	inactive	population	by	age
group	and	reasons, 200	6							

Age group	Student	Housework	Too old	Sick	Disabled	Other	Total
15-24	99.2	54.5	0.0	18.1	28.7	49.9	54.2
25-64	0.8	42.0	7.5	53.1	44.9	44.0	20.5
65+	0.0	3.5	92.5	28.8	26.4	6.1	25.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 10.5 shows that studying is given as the reason for 99.2% of economically inactive aged 15-24 years ϕ , while old age is given as the reason by 92.5% of economically inactive aged 65 years and above. Among those giving illness as a reason, 53.1% are in the age group 25-64 years.

Age group	Male	Female	Total
15-24	26.5	27.7	54.2
25-34	1.9	4.2	6.2
35-64	4.9	9.4	14.3
65+	10.1	15.3	25.3
Total	43.4	56.6	100.0

Table 10.5 Percentage distribution of currently economically inactive population by age group and sex, 2006

Table 10.5 reveals that the age group 15-24 years has the highest rate of inactivity for both females and males, at 27.7% and 26.5% respectively. This pattern reflects the fact, noted above, that studying is the most common reason for inactivity. The age group 25-34 years has the lowest rates of inactivity for both sexes.

Table 10.6 Percentage distribution of currently economically inactive population by education level and sex, 2006

Education level	Male	Female	Total
Never attended	19.0	36.4	28.9
Primary not complete	48.4	31.5	38.8
Primary complete	12.7	15.9	14.5
Secondary & above	19.9	16.2	17.8
Total	100.0	100.0	100.0

Table 10.6 shows that 38.8% of the economically inactive have not completed primary school, while 28.9% have never attended school. The patterns in respect of educational achievement of the economically inactive differ for males and females. 48.4% of inactive males have incomplete primary school education while the comparable percentage for females is 31.5%. In addition, the gender gap is equally large in respect of those who have never attended school, at 36.4% for females compared to 19.0% for males.

Reason	Married	Not married	Total
Student	0.4	99.6	100.0
Housework	46.3	53.7	100.0
Too old	34.6	65.4	100.0
Sick	52.7	47.3	100.0
Disabled	30.4	69.6	100.0
Other	50.0	50.0	100.0
Total	24.9	75.1	100.0

Table 10.7 Percentage distribution of currently economically inactive population by reason and marital status, 2006

Table 10.7shows that 75.1% of the economically inactive population in Tanzania Mainland is not married and 24.9% is married. The table also shows that 99.6% of those who are inactive on account of studying are not married, while the percentage is 69.6% among the disabled. The percentage who are married is highest, at 52.7%, among those inactive on account of illness.

Table 10.8 Percentage distribution of currently economically inactive population by reasons, sex and marital status, 2006

	Male			Female			Total		
	Not			Not		Not			
Reason	Married	married	Total	Married	married	Total	Married	married	Total
Student	0.7	71.5	53.3	0.6	49.6	37.8	0.6	59.0	44.5
Housework	2.3	3.1	2.9	16.0	4.3	7.1	9.9	3.8	5.3
Too old	34.7	6.2	13.5	17.1	22.8	21.4	25.0	15.7	18.0
Sick	52.9	13.0	23.3	54.7	18.3	27.1	53.9	16.0	25.4
Disabled	7.2	3.9	4.8	2.6	3.2	3.1	4.7	3.5	3.8
Other	2.1	2.2	2.2	9.0	1.8	3.5	5.9	2.0	3.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

There is very little difference between males and females in the proportions of inactive persons who are married. (For the purpose of this table singled, widowed and divorced/separated people are classified as not married). Among females, 75.8% are not married, while among males 74.2% are unmarried. There are, however, gender differences in the reasons given for inactivity. 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.

10.4 The usually inactive population

The above discussion focuses on those recorded as not economically active in the calendar week preceding the interview. The ILFS questionnaire also asked about economic activity over the past 12 months. Respondents were classified into five categories, as follows:

- A: worked full month (Employed)
- B: worked part of the month and available for work (1/2 employed and 1/2 unemployed)
- C: worked part of the month and not available for work (1/2 employed and 1/2 inactive)
- D: no work at all and available for work (unemployed)
- E: no work at all and not available (not active)

The final category represents those who are usually economically inactive, while the third category covers those who are partially usually economically inactive. The tables below focus on the final group, those who did no work at all and were not available for work.

Status	Male	Female	Total
Active	92.0	90.6	91.3
Inactive	8.0	9.4	8.7
Total	100.0	100.0	100.0

Table	10.9	Percentage	distribution	of	usual	economic	status	by	sex,	2006
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Table 10.9 shows that 8.7% of the surveyed population was inactive in the last 12 months. Females recorded a higher rate of inactivity, at 9.4%, than their male counterparts, at 8.0%. Of all the usually economically inactive, 56.3% are female.

Table	10.10	Percentage	distribution	of usual	economic	status	by	area,	2006
							~ _		

Sex & stat	us	Dar es Salaam	Other urban	Rural	Total
	Active	90.2	90.2	92.7	92.0
Male	Inactive	9.8	9.8	7.3	8.0
	Total	100.0	100.0	100.0	100.0
	Active	87.4	88.0	91.8	90.6
Female	Inactive	12.6	12.0	8.2	9.4
	Total	100.0	100.0	100.0	100.0
	Active	88.8	89.0	92.2	91.3
Total	Inactive	11.2	11.0	7.8	8.7
	Total	100.0	100.0	100.0	100.0

Table 10.10 reveals that inactivity rates are very similar for Dar es Salaam (11.2%) and other urban areas (11.0%), but noticeably lower in rural areas (7.8%). The patterns for male and female are very similar for the three geographical areas. A higher proportion of females (9.4%) than male (8.0%) are inactive. The proportion of inactive females is higher than the proportion of males in all three geographic areas.

Table 10.11	Percentage	distribution	of usual	economically	inactive	population	by age	group
and reason,	, 2006							

Age group	Student	Housework	Too old	Sick	Disabled	Other	Total
15-24	98.7	46.6	0.0	14.9	27.4	45.3	43.7
25-34	1.1	24.0	0.0	14.2	15.6	26.3	9.0
35-64	0.2	22.3	7.7	40.3	30.9	21.9	17.9
65+	0.0	7.1	92.3	30.6	26.1	6.5	29.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 10.11 shows that, as in the case of the currently economically inactive population, a large number (43.7%) of the usually inactive population are in the age group 15-24 years. The next biggest age grouping is those aged 65 plus years (29.5%). Studying accounts for the overwhelming majority (98.7%) of inactive people within the age group 15-24 years. Being too old accounts for 92.3% of inactive people in the age group 65 years and above.

Table 10.12 Percentage distribution	of usual economically	v inactive population I	by age group
and sex, 2006			

Age group	Male	Female	Total
15-24	50.9	38.1	43.7
25-34	7.0	10.5	9.0
35-64	14.7	20.3	17.9
65+	27.4	31.1	29.5
Total	100.0	100.0	100.0

Table 10.12 above reveals that the age group 15-24 years accounts for more than half (50.9%) of male inactive people, and over a third (38.1%) of inactive females. Across both sexes, the age group 25–34 years accounts for the smallest proportion of inactive people, at 7.0% for males and at 10.5% for females.



Chart 10.1 Current and usual economically inactive by sex, 2006

Chart 10.1 compares current and usual inactivity rates for males and females. The figure confirms that in all cases, the usual inactivity rate is lower than the current inactivity rate. The relative difference between the current and usual rates is greater for females than males.

Chapter eleven: Income from employment

11.0 Introduction

This chapter presents the findings from the ILFS of 2006 on income from employment. Income from employment refers to the compensation in cash which accrues to employed persons as a result of their involvement in either waged employment or self-employed jobs. A series of questions were posed in respect of income from employment.

The questions which appeared in the household questionnaire were the first attempt to address this issue. The head of household was asked whether household members engage in either waged employment activities or self-employment activities other than agriculture. The questions were intended to provide an introductory picture of how the household survives. In addition, they were intended to provide information for cross checking of what would be reported later in the individual questionnaires where questions were posed directly to individuals. In respect of income, the household questionnaire asks what the main source of income of the household as a whole is, as well as the average household monthly cash income from all sources. This chapter does not draw on information from this section of the questionnaire as it cannot be related back to particular income-earning individuals.

In the individual questionnaires, 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. The first category, waged jobs, referred to those paid in cash or kind in permanent, casual or temporary employment. The second category, self-employed person referred to involvement in a big or small business which the person owns or works in and where he/she shares or gains profit from his/her involvement.

Respondents in waged jobs were asked the monthly gross cash income earned from their paid employment during the last month. Gross cash income referred to total income before any deduction of tax, rent, etc. and included any monthly responsibility earnings. If the respondent had just started a job and had not yet been paid, interviewers were advised to record the respondent's expected gross income. If the respondent was temporarily absent from his/her wage job in the last month and was not paid during the reference week, his/her usual monthly income recorded.

Self-employed respondents were asked the gross income/takings in cash earned from their business or businesses in the last week or month. They were then asked about all expenses incurred in earning that gross income during the same reference period. The net profit was calculated by deducting all expenses incurred from the gross income earned. Income from self-employment was often difficult to calculate as many small enterprises do not keep records. However, interviewers were equipped with techniques for getting estimates of income, even if they were a rough approximation.

For the above two questions, earnings from main and secondary activities are combined where both are of the same type, i.e. either waged employment or self-employment.

The individual 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. These individuals were asked to provide the net income from their agricultural week over the last week or month.

The income question is often a sensitive one, especially for those in privately-owned enterprises. In many cases getting reliable answers is very difficult. This is due to the fact that many people regard the income question as a way for the government to acquire evidence for taxation purposes. The

situation is exacerbated when the agency collecting this information is a government institution. In respect of wages and salaries, too, individuals often regard the information as personal and confidential. Because of the sensitivities, the income questions in the individual questionnaire were deliberately placed at the end after the respondent had supplied all other employment information.

11.1 Mean and median income

In analysing the distribution of income among different categories of employed people, mean and median income are used as the basis for measurement. The decision to report median income as well as mean income was taken because the more traditional mean measurement can be biased by extreme values, especially when - as is common for income - data do not have a normal distribution.

Table 11.1 Mean and median monthly income (in Tshs) of paid employees and self-employed 15+ years by sex, 2006

Type of employment		Median		Mean			
i ype of employment	Male	Female	Total	Male Female Te		Total	
Paid employees	50,000	32,000	50,000	106,272	79,032	98,454	
Self-employment	40,000	20,000	30,000	94,373	53,163	75,693	

Table 11.1 shows that the median income of paid employees is Tshs. 50,000 while that of the self-employed group is Tshs. 30,000. This means that 50% of paid employees had an income of less than or equal to Tshs. 50,000 while 50% of the self-employed had an income of less than or equal to Tshs. 30,000. The mean incomes of paid employees and those in self-employment are Tshs. 98,454 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. In the case of the self-employed, the median is only half of that for males.

The table also confirms that on both measures, paid employees tend to have higher incomes than self-employed people. This may be because the former are more likely than the latter to have a reliable and steady income.

Table 11.2 Mean income (in Tshs) of paid employees and self-employed persons 10+ years by sex, 2000/1 and 2006

Tuno of omployment	2000/1			2006			
Type of employment	Male	Female	Total	Male	Female	Total	
Paid employees	54,423	38,888	49,954	105,308	77,633	97,307	
Self-employment	48,988	21,335	36,005	93,361	52,711	74,960	

Table 11.2 compares the findings of the 2006 survey with those of the 2000/01 survey. In both years, the patterns are similar between the two types of employment and between male and female, but the values differ in magnitude. Thus, for example, the mean income of paid employees was Tshs. 49,954

'Key Message

The mean incomes of paid employees and those in self-employment are Tshs. 98,454 and Tshs. 75,693 respectively

in 2000/01, higher than the mean of the self-employed at Tshs. 36,005. As in 2006, on both measures females tended to earn less than the comparable group of males.

Table 11.2 is misleading to the extent that inflation has occurred in the period between the two surveys. We therefore adjust the 2006 values so that they are reported in 2001 shillings. For example, the mean income of paid employees of Tshs. 97,307 in 2006 is equivalent to Tshs. 75,083 in 2001 shillings, while the mean income of self-employed in 2006 of Tshs. 74,960 is equivalent to Tshs. 57,840 in 2001 shillings after adjusting for inflation.

Table 11.3 Adjusted real mean and median income (in 2001 Tshs) of paid employees and self-employed persons 10+ years by sex, 2000/1 and 2006

Type of employment	2000/1			2006		
Type of employment	Male	Female	Total	Male	Female	Total
	Mean income					
Paid employees	54,423	38,888	49,954	81,256	59,902	75,083
Self-employment	48,988	21,335	36,005	72,038	40,672	57,840
	Median income					
Paid employees	30,000	25,000	30,000	38,580	23,148	38,580
Self-employment	22,714	12,857	17,143	30,864	15,432	23,148

Table 11.3 confirms that 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, which shows a decrease from Tshs. 25,000 to Tshs. 23,148. The real value of the mean earnings of self-employed females more or less doubled over the period.

Table 11.4 shows that the adult group (35-64 years) of paid employees has the highest average monthly income (Tshs. 142,499), while the younger youth group (15-24 years) has the lowest average monthly income (Tshs. 46,933). For each age group the mean male income is higher than for females. The relative gender gap is greatest for the oldest and youngest age groups.

Table 11.4 shows the same trend in respect of the self-employed in that the adult group (35–64 years) has the highest mean monthly income (Tshs. 85,619), while the oldest age group (65+ years) has the lowest mean monthly income (Tshs. 36,399). For each age group the mean male income is higher than for females. The relative gender gap is greatest for the adult age group.

Table 11.4 Mean monthly income (in Tshs.) of paid employees and self-employed	15+ years
by age group and sex, 2006	

Age group	Male	Female	Total
15-24	59,717	27,442	46,933
25-34	79,621	67,339	76,304
35-64	146,009	131,830	142,499
65+	56,843	25,311	49,978
Total	106,272	79,032	98,454
		Self-employed	
15-24	69,066	45,109	57,251
25-34	88,143	63,100	77,039
35-64	113,472	51,592	85,619
65+	47,894	18,947	36,399
Total	94,373	53,163	75,693

Table 11.5 shows the mean and median monthly incomes of paid employees by educational achievement and sex. It reveals that the group with the highest educational level (i.e. education level secondary and above) has the highest monthly mean income (Tshs. 207,433) while those who have never attended school tend to have the lowest monthly income (mean of 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 there is virtually no difference at the lower end of the scale between the earnings of those who have never attended school and those with incomplete primary. If anything, among both males and females, 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.

Table 11.5 Mean monthly income (in Tshs.) of paid employees and self-employed 15+ years by educational achievement and sex, 2006

Educational achievement	Male	Female	Total
	Paid employees		
Never attended	46,081	30,084	40,134
Primary not completed	50,692	26,891	45,777
Primary completed	75,387	45,988	67,462
Secondary and above	224,104 172,444		207,433
Total	106,272	98,454	
	Self-employe	ed	
Never attended	68,135	36,348	48,920
Primary not completed	60,632	31,461	48,394
Primary completed	99,219	59,468	82,060
Secondary and above	148,151	96,744	129,494
Total	94,373	53,163	75,693

11.2 Income of paid employees



Chart 11.1 Distribution of paid employees aged 15+ by monthly income (in T.shs) and sex

Chart 11.1 above shows the distribution of paid employees by income ranges and sex. The chart shows that the data are positively skewed with a tail stretched to the right up to a level of Tshs 160,000 and above. It shows that there are more males than females in all income ranges. The contrast between males and females is particularly marked for the highest-earning group. Over 180,000 of male paid employees fall in the income group of Tshs. 160,000 and above per month. In contrast, only less than 65,000 female paid employees fall in this income group. The chart further reveals that, more than 75% of paid employees receive an income below the mean income of Tshs. 98,454. Thus the majority of paid employees receive lower pay while a minority receives the highest pay.

Occupation	Male	Female	Total
		Mean income	
Legislators and administrators	423,244	391,124	418,663
Professionals	316,681	146,744	254,796
Technicians and associate professionals	212,765	175,032	196,349
Office clerks	162,958	148,098	155,758
Service and shop sales workers	88,314	39,095	69,961
Agriculture and fisheries workers	48,333	25,013	42,538
Craft and related workers	87,763	60,581	85,958
Plant & machine operators and assemblers	100,192	141,444	102,611
Elementary occupations	58,392	36,955	51,228
Total	106,272	79,032	98,454
	I	Median income	
Legislators and administrators		141,000	141,000
Professionals	160,800	110,000	130,000
Technicians and associate professionals	126,000	112,750	121,000
Office clerks	87,500	95,000	90,000
Service and shop sales workers	60,000	20,000	47,470
Agriculture and fisheries workers	15,000	8,000	15,000
Craft and related workers	60,000	44,000	60,000
Plant & machine operators and assemblers	70,000	60,000	70,000
Elementary occupations	30,000	30,000	30,000
Total	50,000	32,000	50,000

Table 11.6 Mean and monthly income (in Tshs.) of paid employees 15+ years by occupation and sex, 2006

Table 11.6 above shows that legislators and administrators tend to receive the highest pay, with a mean of Tshs. 418,663, followed by professionals, with a mean of Tshs. 254,796. The lowest mean monthly income is earned by the agricultural worker group. The mean income for females is lower than that for males for all occupations except plant and machine operators and assemblers. The relative earnings gap between males and females is largest among professionals, where the male mean is more than double the female mean.

When examining the median, legislators and administrators are again the leaders, followed by professionals, while agriculture and fisheries workers again tend to earn the least. The median for females is lower than that for males in all but two occupations. Among legislators and administrators, the female median is slightly higher than that for males, while for those in elementary occupations, the medians are the same for males and females.

Industry	Male	Female	Total		
	Mean income				
Agriculture, hunting and forestry	44,896	25,009	39,713		
Fishing	52,539	-	52,539		
Mining & quarry	67,038	-	70,609		
Manufacture	96,164	58,598	87,085		
Electricity, gas and water	-	-	284,592		
Construction	76,415	-	78,925		
Wholesale and retail trade	82,194	42,126	73,806		
Hotel and restaurants	123,892	40,991	74,130		
Transport, storage and communication	128,241	-	131,830		
Financial Intermediation	-	-	294,582		
Real estate, renting and business activities	122,758	-	117,654		
Public administration	198,626	-	194,294		
Education	184,741	176,771	181,208		
Health and social services	224,916	112,583	158,738		
Other community, social and personal service activities	89,850	-	82,798		
Private households with employed persons	37,690	19,435	23,505		
Total	106,272	79,032	98,454		
			Median income		
Agriculture, hunting and forestry	15,000	10,000	14,000		
Fishing	40,000	-	40,000		
Mining & quarry	48,000	-	48,000		
Manufacture	52,500	50,000	50,000		
Electricity, gas and water	_	-	190,000		
Construction	58,000	-	60,000		
Wholesale and retail trade	52,000	35,000	50,000		
Hotel and restaurants	65,000	25,000	35,000		
Transport, storage and communication	75,000	-	75,000		
Financial Intermediation	-	-	160,000		
Real estate, renting and business activities	60,000	-	60,000		
Public administration	100,000	-	100,000		
Education	121,000	110,000	120,000		
Health and social services	110,000	100,000	100,000		
Other community, social and personal service activities	55,000	-	50,000		
Private households with employed persons	20,000	15,000	15,000		
Total	50.000	32.000	50.000		

Table 11.7 Mean and median monthly income (in Tshs) of paid employees 15+ years by industry and sex, 2006

'-' means negligible

Table 11.7 above reveals that paid employees in private households tend to have the lowest income (Tshs. 23,505) followed by those in agriculture, hunting and forestry (Tshs. 39,713). (No separate estimates are included for males and females for those industries which Chapter 5 shows account for less than 0.5% of employed males or females as such estimates would be unreliable.) One of the reasons for household workers earning low wages is that many of these workers stay in the homes of their employers and part of their remuneration thus becomes benefit in kind. Paid employees in financial intermediation tend to have the highest income followed by employees in electricity, gas and water, and public administration. Both of these industries record relatively few observations and these estimates must therefore be treated with caution. Females tend to have lower mean monthly incomes than males in all industries for which sufficient data are available.

When we rank the industrial categories in terms of median earnings, electricity, gas and water ranks highest, followed by financial intermediation. Agriculture, hunting, forestry and fishing together with private households with employed persons rank lowest. The overall median for females is lower than that for males, and in all industries for which sufficient data are available.

Table	11.8	Mean	and	median	monthly	income	(in	Tshs)	of	paid	employees	15+	years	by
sector	of e	mployı	ment	and sex	, 2006									

Sector	Male	Female	Total
		Mean income	
Central and local government	193,043	173,736	186,678
Parastatal organisation	288,814	250,280	279,125
Agriculture	47,401	22,765	40,853
Informal sector	35,654	42,433	37,168
NGO/Party or religious organisation and private-other	86,449	48,679	76,324
Household economic activities	55,036	22,860	27,757
Total	106,272	79,032	98,454
	r	Median income	•
Central and local government	120,000	120,000	120,000
Parastatal organisation	125,000	133,000	125,000
Agriculture	15,000	7,000	12,000
Informal sector	25,000	15,000	24,000
NGO/Party or religious organisation and private-other	50,000	30,000	48,000
Household economic activities	29,700	15,000	20,000
Total	50,000	32,000	50,000

Table 11.8 above shows that employees of parastatal organisations have the highest mean monthly income of Tshs. 279,125 followed by those in the central and local government sector, at Tshs. 186,678. These two sectors are normally governed by minimum wage regulation. The house-hold economic activities sector has the lowest mean monthly income of Tshs. 27,757. This sector does not observe the government wage regulations. Instead, the wages paid in this sector depends on negotiations between the two parties, and are usually below the official minimum wage. Across all sectors, except the informal sector, females tend to earn less than males. The gap is relatively small in parastatals and central and local government, where the minimum wage probably protects females from under-payment.

The trend for median monthly income is similar to that for mean monthly income in that parastatal organisations record the highest median monthly income followed by central and local government. The median for females is lower than that for males in all sectors except central and local government and parastatal organisations.

11.3 Income of self-employed persons

Income from self-employment includes incomes from both formal and informal sectors, and from private businesses of different sizes. Incomes from self-employment are much more variable than incomes from paid employment as can be seen if one compares Chart 11.1 above and Chart 11.2 below.

As noted above, income from employment as presented in this chapter includes income from the main activity as well as income from the secondary activity. For those reported to have self-employment income from either the main or secondary activity, the industry and sector of the main activity was used for the analysis that follows. Thus the self employment incomes recorded for sectors such as central/local government and parastatal organisations would often represent the incomes from the secondary activities of those who work as paid employees in these sectors. Expressed differently, the source of self-employed incomes appearing against the public sector in the tables is not the public sector, but rather these are the incomes originating from the employees' secondary activities.



Chart 11.2 Distribution of self-employed persons aged 15+ by monthly income (Tshs) & sex

Chart 11.3 presents the distribution of male and female self-employed persons aged 15 years and above across the ranges of income. As with paid employee income, there is a marked skew towards lower incomes. Males outnumber females in income categories above Tshs. 40,000 per month, but females outnumber males in the lower-earning categories. There are more than twice as many females than males who receive a monthly income under Tshs. 10,000 group.

Table	11.9	Mean	and	median	monthly	income	(in	Tshs.)	of	self-employed	15+	years	by
indust	ry an	id sex,	2006	j.									

Industry	Male	Female	Total			
	Mean income					
Agriculture, hunting and forestry	67,457	43,896	56,186			
Fishing	111,449	24,392	94,861			
Mining & quarry	115,903	-	108,492			
Manufacture	83,078	37,884	62,700			
Electricity, gas and water	-	-	61,826			
Construction	100,068	-	99,858			
Wholesale and retail trade	122,270	67,459	98,682			
Hotel and restaurants	75,015	62,857	65,603			
Transport, storage and communication	117,550	-	116,979			
Financial Intermediation	-	-	63,690			
Real estate, renting and business	175,906	-	173,385			
Public administration	80,111	-	98,545			
Education	192,727	47,582	124,189			
Health and social services	87,853	56,598	75,191			
Other community, social and personal	198,261	-	158,831			
service activities						
Private households with employed	60,512	45,058	50,456			
persons	0/ 373	53 163	75 693			
lotai	34,373		10,080			
Agriculture, bunting and forestry	26.000 14.800 20.0					
Fishing	52 000	16,000	40 000			
Fishing Mining & quarty	69 300	10,000	60,000			
Manufacture	45 600	22 000	35,000			
Electricity, and water	+0,000	22,000	100 000			
Construction	65.000	-	65,000			
Wholesele and retail trade	60,000	30.000	44 000			
Hetel and restaurants	52 000	40.000	44,000			
Transport storage and communication	56,000	40,000	40,000			
Financial Intermediation	50,000	-	160,000			
Financial intermediation	120.000	-	120,000			
Real estate, renting and pusitiess	120,000	-	120,000			
Public administration	50,000	-	55,000			
Education	60,000	30,000	40,000			
Health and social services	60,000	40,000	50,000			
Other community, social and personal	64,000	-	60,000			
service activities						
Private households with employed persons	42,000	19,600	24,000			
Total	40,000	20,000	30,000			

'-' means negligible

Table 11.9 shows that the mean monthly income for those employed in real estate, renting and business activities is the highest (Tshs. 173,385) while private households with employed persons industry recorded the lowest self employed mean (Tshs. 50,456). As before, no separate estimates are included for males and females for those industries which Chapter 5 shows account for less than 0.5% of employed males or females as such estimates would be unreliable. Males tend to earn more than females in all industrial groups for which the table includes estimates.