

THE INTERGRATED LABOUR FORCE SURVEY, 2000/2001
PRELIMINARY REPORT FOR THREE QUARTERS

National Bureau of Statistics

1. INTRODUCTION:

The National Bureau of Statistics has been sub-contracted by the Ministry of Labour, Youth Development and Sports to carry out the Integrated Labour Force Survey, 2000/2001. DANIDA and ILO fund the survey. The survey constitutes three major modules as follows:

- (i) The General Labour Force
- (ii) The Informal Sector
- (iii) The Child Labour (Child work)

The first two modules are financed by DANIDA and ILO finances the last module.

The survey is carried out in four quarters. The three-quarters covered the months of April-December 2000. Data were collected from 100 villages in rural areas covering a sample of 60 households in each village and 95 Enumeration areas in urban areas. A total of 6000 households in rural areas and 2883 households in urban areas were supposed to be covered in the three quarters, but 361 households were not covered due to various reasons such as household/dwelling not livable or vacant, refusals, non contact, family problems and so on. These households make **96%** response rate for the three-quarters.

Findings, which are reported in this Preliminary report, should be used cautiously being results of the three-quarters. These results may change taking into consideration of seasonal changes over the year, and the coverage of the last quarter. The final results, which are expected before July 2001, will reflect the actual estimates from the survey.

2. FINDINGS FROM THREE QUARTERS

2.1 Labour Force Participation Rate

The Labour Force Participation Rate is a measure of the extent of a country's working age population that is economically active. It provides an indication of the relative size of the supply of labour available for production of goods and services in the country. It is defined as the ratio of the labour force to the working age.

The results from three-quarters sample shows that **68%** of the population 5 years and above are economically active. Participation rate for rural is higher than urban areas. Dar es Salaam City has the lowest participation rate compared to other survey areas. Participation rate for the Males is higher than for the Females.

Participation Rate in Currently Economically Active Population 5 years and above

Sex	DAR	Other Urban	Rural	Total
Male	58	57	72	69
Female	52	56	71	67
Total	55	57	72	68

2.2 Employment

The estimate from three-quarters shows that the Employed population is **94%** of the currently economically active population “the labour force”. This makes **64%** of the total population 5 years and above. A person is counted as currently employed if he /she did at least one hour work in the previous seven days or have been temporarily absent from the economic activity.

2.2.1 Employment to the Population Ratio

Employment to the population ratio is a useful measure in the labour market status, which depicts the share of employed person to the total survey population in the country. It is estimated that Tanzania had a population of about 32 million in year 2000. By taking the number of persons employed from three-quarters results Tanzania has **55%** of the total population who are employed. The remaining **45%** include unemployed, not economically active and children below five years.

2.2.2 Status in Employment

Indicators of status in employment distinguish among four very important and useful categories of the total employed. These are:

- (a) Paid employees
- (b) Self employees or employers and person working in their own accounts
- (c) Unpaid family workers and

- (d) Those who are working in their own farms (who are distinguished from self-employed in Tanzania situation).

Percentage of Currently Employed Persons by Employment Status

Employment Status	Current Employment %		
	Male	Female	Total
Paid Employment	10	4	7
Self Employed	8	9	9
Unpaid Helper	10	11	10
Agriculture (own farm)	72	77	74
TOTAL	100	100	100

As it can be noted, that the percentages given in the table above suggest that a large proportion (74%) of the currently employed is engaged in own farm agriculture. Females are mostly engaged in their own farm than males. However, males are mostly in paid employment as compared to females.

2.2.3 Employment by Main Sector

The distribution of Employment indicates that Agriculture is a dominating sector taking a share of **79.6%** of the total employed population in the country. Private sector is the second taking a share of **17.8%**. In the Public sector, Central and Local Government is claiming a share of **2.1%** whereas Parastatals employ only **0.5%** of the total employed persons. Below is the summary of percentage share among the Employed Population:

Percentage of Currently Employed Persons by Main Sector of Employment

Main Sector of Employment	Total	Area		
		DSM	Other Urban	Rural
Agriculture	79.6	8.7	43.7	88.5
Central/Local Government	2.1	5.0	7.0	1.2
Parastatal	0.5	6.6	1.2	0.1
Private Informal Sector	8.6	45.0	32.2	4.0
Private, other	4.5	29.8	12.2	2.1
Housework	4.7	4.9	3.7	4.1
Total	100.0	100.0	100.0	100.0

By excluding Agriculture sector, Public sector takes a share of **12.3** percent of which **10.2** percent comes from Central Government and Local Government. Private sector takes a share of the remaining **87.7** percent. However, **48** percent of the total Private Sector comes from informal sector and **27** percent are categorized as housework activities. From these data, “ Formal Private Sector” is taking a share of **4.5** percent of all sectors and **25** percent of the total Private Sector.

2.3 Unemployment

The indicator of the unemployment rate is the best-known labour market measure. When taken together with the employment to population ration, these two measures represent the broadest indicators of economic activity and status in terms of labour markets available for a country.

The Unemployment rate based on Internationally recommended standards which states as the proportion of the labour force that does not have the job but is available and actively looking for work is **2** (Unemployment A). This result does not suit the Tanzanian environment where labour market is largely unorganized, the Labour force is largely self employed and there are no official labour exchanges. Therefore the conventional means of seeking work are limited in relevance.

According to the situation of Tanzania, the definition, which was relaxed in 1991 as ILO allows, gives Unemployment rate of **6** (Unemployment A and B). The broader definition of “being available” for work was used.

Unemployment Rates for Three Quarters by Gender

YEAR	UNEMP. A	UNEMP. A AND B
MALE	2	5
FEMALE	2	7
TOTAL	2	6

2.3.1 Urban Unemployment as Compared to Rural Areas

The labour force, which is economically active portion of the population, is the base for unemployment rate calculation. In Tanzania, most of the economically active populations are living in rural areas. Analytically, most of the rural populations who are economically active engage in agriculture while in urban areas there is no specific activity to absorb the labour force. For this case unemployment phenomenon is mostly referred to the urban population. Thus in many countries unemployment rate is mostly calculated from urban area figures. Mathematically, the unemployment rate is calculated by dividing the total unemployed by the relevant economically active population (The labour force).

From the three-quarters estimate urban unemployment rate is **16** as compared to **4** in rural areas.

The Table below gives the summary of the urban unemployment by gender from The Integrated Labour Force Survey 2000/01 the three-quarters results.

Unemployment Rate by Geographical Areas and Gender

	Urban	Rural	TOTAL
Male	11	4	5
Female	20	4	7
TOTAL	16	4	6

The above table indicates that **one** out of **five** females in urban areas is unemployed while **one** out of **ten** urban males is unemployed. In rural areas the pattern of unemployment rates is the same for both sexes.

2.3.2 Youth Unemployment

Youth unemployment is an important policy issue for Tanzania since most of the young persons are school leavers. Internationally, youths can be defined as those young persons in the age group 15-24 years and thus the term adult refers to those aged 25 years and above.

For Tanzania situation, youths are defined as those young persons in the age group 15-35 years. However, for this analysis, age group 15-34 is used to facilitate computation of unemployment rates of the youths from the standard age grouping.

The table below reveals the highest unemployment rate among the youth as compared to unemployment rate of the total unemployed persons. **One** out of **twelve** young persons in the country is unemployed.

Current Youth Unemployment Rate by Gender

Age	DSM	Other Urban	Rural	Total
Male	29	14	4	7
Female	44	20	4	9
Total	37	18	4	8

When analysing the above table according to the geographical areas (i.e. urban and rural), the unemployment rate of the Youth is the highest in urban areas as compared to rural areas. Further, it reveals that about **a half** of the females youth in Dar es Salaam City are unemployed while about **one third** of males youths are unemployed. Generally, about **one** out of **five** of the young persons in urban areas (24) is unemployed, while in rural areas (4) **one** out of **twenty five** young persons is unemployed.

Further analysis by age groups in the table below, shows that young persons between the age group 15-24 have the highest unemployment rate as compared to other groups. As it can be noted, children in the primary school age i.e. up to 14 years, have the second highest unemployment rate among unemployed persons.

Unemployment Rates Among the Youth as Compared to Other Groups.

Age	DSM	Other Urban	Urban Total	Rural	Total
5-14	39	8	13	7	7
15-24	49	21	30	5	10
25-34	25	13	17	3	6
35+	8	4	5	2	2
Total	27	11	16	4	6

3.0 Underemployment

The indicator of time-related underemployment is commonly used in almost all countries. However, the study of another form of underemployment is still investigated due to complexity of its measurements. Generally time related underemployment previously known as visible underemployment, exists when the hours of work of an employee are insufficient in relation to an alternative situation in which the person is willing and available to engage in an economic activity.

Internationally, two time related underemployment percentage (rates) measures are calculated- one as a percentage of the labour force (economically active persons) and the other using total employment as a base.

Underemployed persons are defined as “Persons who are working less than 40 hours in all economic activities and are available for more work”. Time related underemployment by using total employment as a base is used to calculate underemployment rates. Underemployment rates are still calculated by using total employment as a base for the current survey.

The Table below gives a summary of the time related underemployment rates by gender.

Underemployment Rates by Geographical Areas and Gender (def. 1991).

	DSM	Other Urban	Total Urban	Rural	Total
Male	17	7	10	1	2
Female	16	8	9	1	2
Total	16	7	9	1	2

The above table indicates that, time related underemployment rates is more noted in urban area than in rural areas. Underemployment is highest among males in urban areas. However, underemployment in rural areas is the same across both sexes.