



A REPORT OF THE SURVEY FINDINGS OF THE URBAN LABOUR FORCE SURVEY, 2009

Draft 1

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FOREWORD

Traditionally, Labour market indicators in Uganda have been mostly generated from socio-economic surveys, population and housing censuses and establishment surveys. This has been achieved by including questions on two occasions (2002/2003 and 2005/2006) a full fledged labour force module in these Uganda National Household Surveys. However in most cases the studies are not able to provide detailed information about the labour market at the frequency which they are asked.

In order to enable address the ever increasing data needs both nationally and internationally, UBOS planned and implemented an annual Uganda Labour Force Survey to collect detailed data on the structure of the labour force in Uganda. Due to resources constraints, the 2009 Urban Employment Survey was restricted to the whole of Kampala City and the adjacent parts of parts of Wakiso and Mukono districts where changes in the labour structure are expected. This same survey is intended to be conducted annually and possibly more frequently in the future if circumstances allow, so that comparisons of comparable data may be made over time and trends may be measured. In future with increased availability of the resources, the survey will be expanded to cover all the urban areas in the country and the rural areas.

The Urban Labour Survey was conducted from May 2009-August 2009 with the main aim of collecting high quality, consistent data on labour market situation in Uganda. The report presents detailed information got during the exercise. In terms of the Questionnaire content, the study was the most comprehensive LFS undertaken in Uganda.

The Uganda Bureau of Statistics would wish to express its appreciation to all institutions and individuals who worked tirelessly to enable the successful implementation of the survey. They include the World Bank GDDS project which was very instrumental in the design of the survey, and the respondents who provided the data included in the report. The 2009 survey was co-funded by the Government of Uganda and the Department for International Development (DFID) of the United Kingdom through the Plan for National Statistical development (PNSD).

The Bureau calls upon all stakeholders to use the available invaluable information in evidence based policy formulation, monitoring, planning and evaluation.

John B. Male-Mukasa
Executive Director

Selected Labour Force Indicators

Indicator category	Male	Female	Kampala city	Peri- urban	Total
Size of labour force (000's)	508	412			920
Size of the working force(000's)	474	323			797
Training/Education of work force					
(a) Primary and below	31.6	35.6			33.2
(b) Secondary	48.7	46			47.5
(c) Above secondary	20.1	18.4			19.4
(d) With an area of specialization	20.2	21.6			20.7
Employment to Population Ratio	72.1	48.1	59.8	60.4	60.0
Unemployment Rate	6.8	21.8	13.7	13.2	13.5
Underemployment					
(e) Time related	15.1	7.9	11.8	13.0	12.2
(f) Skills related	14.7	9.9	11.4	15.6	12.7
(g) Income related					
Average hours worked	61.8	55.7			59.3
Median Wages('000s)	180	100	150	180	150
Activity Status of the Work Force					
a) Employers	8.0	4.7			6.9
b) Own Account workers	29.9	42.8			35.1
c) Unpaid workers	4.2	6.3			5.0
d) Working on household farm	2.1	6.1			3.7
e) Paid employee	55.8	40.1			6.9
Sector of Employment					
a) Service	86.7	81.9			84.8
b) Manufacturing	7.4	9.8			8.3
c) Primary	5.9	8.4			6.9
Mean years of Tenure					
a) Public	9.5	12.7			10.5
b) Private	5.7	4.3			5.1

TABLE OF CONTENTS

Selected Labour Force Indicators	iii
TABLE OF CONTENTS	iv
EXECUTIVE SUMMARY	vii
LIST OF ACRONYMS	x
CHAPTER ONE: INTRODUCTION	1
1.0 Background	1
1.1 Survey objectives	1
1.2 Coverage.....	1
1.3 Survey Design	4
1.4 Survey organisation.....	4
1.5 Data management and processing.....	4
1.6 Response rate.....	4
CHAPTER TWO: CHARACTERISTICS OF THE STUDY POPULATION.....	6
2.0 Introduction	6
2.1 Population	6
2.2 Household population by age groups	7
2.3 Household Composition	7
2.4 Household Headship	7
2.5 Households	8
CHAPTER THREE: LABOUR FORCE	9
3.0 Introduction	9
3.1 The Size of the Labour Force	9
3.2 The Labour Force Participation Rate.....	10
3.3 The Working population.....	11
3.4 Previous activity	17
3.5 Job tenure.....	17

CHAPTER 4: UNEMPLOYMENT AND UNDEREMPLOYMENT	19
4.0 Introduction	19
4.1 Unemployment	19
4.2 Reasons for unemployment.....	20
4.3 Youth Unemployment.....	21
4.4 Underemployment	22
CHAPTER FIVE: INFORMAL SECTOR AND INFORMAL EMPLOYMENT	25
5.0 Introduction	25
5.1 Employment in the informal sector	25
5.2 Informal Employment	27
CHAPTER SIX: EARNINGS OF PAID EMPLOYEES	33
6.0 Introduction	33
6.1 Wages by sector of employment	33
6.2 Wages by selected characteristics	34
6.3 Formality of Employment, Hours worked	34
6.4 Occupation, Sector of Employment and Field of Specialization.....	35
CHAPTER SEVEN : WOMEN IN EMPLOYMENT	37
7.0 Introduction	Error! Bookmark not defined.
7.1 Women in employment	37
7.2 Share of women in wage employment in the non-agricultural sector	37
CHAPTER EIGHT: INVOLVEMENT OF CHILDREN IN WORK AND SCHOOLING	39
8.0 Introduction	39
8.1 Involvement in economic activity.....	39
8.2 Child labour.....	42
CHAPTER NINE: POPULATION NOT IN THE LABOUR FORCE	46
9.0 Introduction	46
9.1 Inactivity Rates by Background Characteristics	46
9.2 Inactivity rates by age groups	47
9.3 Reasons for Not Being in the Labour Force	47

CHAPTER TEN :POLICY IMPLICATIONS	49
10.1 Conclusion	Error! Bookmark not defined.
10.2 Policy Recommendations	49
Appendix: 1: Glossary of Labour Terms.....	51
Appendix 2: Labour Force Framework.....	54

EXECUTIVE SUMMARY

The Uganda Bureau of Statistics in collaboration with the Ministry of Gender Labour and Social development implemented a household based Urban Labour Force Survey (ULFS) in 2009. The need to have detailed and updated information on the Labour Market necessitated the undertaking of this survey. The survey was undertaken in “greater Kampala” area comprising of Kampala district and parts of Wakiso and Mukono districts. The ULFS was specifically designed to provide key indicators of the labour market such as unemployment rates, underemployment rates, informal employment, employment in the informal sector, hours of work, labour under utilization etc. During the design of the survey considerable technical assistance was received from the World Bank GDDS project.

The specific objectives of the Urban Labour Force Survey 2009 were:

- (i) To determine the size, composition and distribution of the Labour Force in “greater Kampala” area;
- (ii) To determine the level of unemployment, under employment, informal employment, employment in the informal sector and related labour market indicators in the survey area;
- (iii) To determine the participation of special groups of the population especially women and youths in the labour force in the study area.

Size of the Labour force

The survey results show that of the working age population aged 14-64 years, the size of the labour force in the surveyed area was about 919,900 people in 2009. Overall the labour force participation rate (LFPR) was 69 percent with the males having a higher LFPR of 77 percent as compared to the females of 61 percent. The employment to population ratio for the survey area was 60 percent indicating that a substantial proportion of the working age population was involved in economic activities.

About 51 percent of the total number of employed persons in the survey was self employed while 49 percent were paid employees. The results further indicate that a high proportion of 85 percent of the employed population was working in the service sector while the manufacturing sector engaged 8 percent and the primary sector 7 percent. In addition about four-fifths of the population that was working did not have any specialised training.

Unemployment and underemployment

Overall, 14 percent of the population in the surveyed metropolitan area was unemployed with notable differences among sexes as females were three times more likely to be unemployed as compared to males. The findings also reveal that the youth are more likely to be unemployed (18 percent) as compared to adults (12 percent). The unemployment rate for the female youth aged 18-30 years was 25 percent compared to 7 percent for male youths, while

for youth aged 15-24 years, the female unemployment rate is 27 compared to 9 percent for males. In terms of time spent working, 12 percent of workers were under-employed in the metropolitan area (15 percent for males and 7 percent for females).

Informal sector and informal employment

The results show that of the 797,000 persons who were working, more than one half were engaged in informal sector enterprises. The proportion was slightly higher for females (59 percent) compared to males (56 percent). Seventy one percent of the informal sector employment were employers and own account workers.

Overall nearly three-quarters of the working persons were in informal employment. Females were more likely to be in informal non-agricultural employment compared to the males. Among the population in informal employment about 52 percent were owners of informal sector enterprises while another 41 percent and 7 percent respectively were employees and contributing family workers. The distribution of informal employment in the non-agricultural employment by status did not differ significantly from the general outlook, where about 53 percent were owners of informal sector enterprises, 41 percent were employees and 6 percent were contributing family workers.

The employees engaged in the informal sector and were receiving a wage were more than two times more likely to be employed as informal employees as compared to those in the formal sector (86 percent against 37 percent). The findings also indicate that more than four-fifths of the workforce in self employment was in Informal self-employment with even a higher proportion being in the non-agriculture sector as compared to the agriculture sector. Informal employment outside the informal sector accounted for about 15 percent of total employment with the share of women of the total female employment outside the informal sector being slightly lower than their male counterparts. Nearly all the workforce with informal employment outside the informal sector (97 percent) was composed of employees.

The share of women in Agricultural self-employment of 59 percent was higher than that of their male counterparts. The MDG indicator of the share of women in non-agricultural wage employment which measures the extent to which women have access to paid employment outside agriculture was about one-third with minimal variations across those employed in public/parastatals and private enterprises. Women receiving a wage in the non-agricultural sector were however predominantly employed in private households where the proportion employed was about two times that of their male counterparts.

The findings also reveal that the share of women in non-agricultural self employment was higher than in non-agricultural wage employment. About 70 percent of the working population was in informal employment with females being more likely to be in informal employment as

compared to the males. Also persons in private sector are more likely to be in informal employment more than 5 times than their counterparts in the public sector.

The probability of someone being in informal employment decreases with the level of education with eighty nine percent of the working population who had no formal schooling and 85 percent with primary level education were in informal employment compared to 30 percent for those who had attended a degree or higher. The proportion of women in informal employment is higher than that of the males at all levels of education.

The incidence of secondary economic activity is low with only 6 percent of the working population having a secondary activity. The mean of years of working people in current employment was 3.2 years. Among the occupations, Legislators, Senior officials, Managers and administrators had the highest mean tenure of 8 years. The mean years of work in the public sector (10.5 years) was double the that of the private sector workers (5 years).

Earnings of paid employees

More than one quarter of wage earners in private enterprises received less than Ug shs 100,000 monthly while the corresponding proportion for employees of private households was 90 percent. The median monthly wages of employees of public organizations and Government controlled organisations was about two times higher than those of employees of the private enterprises and 10 times of those employees engaged in the private households. The median wages of females were about 56 percent lower than those of their male counterparts.

The median wages of employees holding a post secondary specialization were about three times those with primary education or below, increasing further to 5 times for those with a degree or above. In addition median wages of persons engaged in formal employment were higher than those engaged in informal employment across all sectors. While the formal employees working in private enterprises earned about 5 times their counterparts who were informally employed, the corresponding proportion for those in public organizations and parastatals was about 1.5 times. Among all occupations apart from elementary occupations median wages in the public work areas and parastatals were higher than in private enterprises. Correspondingly the most highly paid workers among those working as employees were those specializing in social science, business and law.

Education of the girl child is likely to increase the chances of women's employment in wage non-agricultural sector as this proportion increases with the woman's education. In both public/parastatals and private enterprises the share of women in wage employment with secondary education and above was about 1.5 times those with lower education levels.

LIST OF ACRONYMS

CSPro	Census and Survey Processing System
EA	Enumeration Area
EPR	Employment to Population Ratio
ILO	International Labour Organisation
ISCO	International Standard Classification of Occupation
ISIC	International Standard Classification of Industries
KCC	Kampala City Council
LC	Local Council
LFPR	Labour Force Participation Rate
LMIS	Labour Market Information System
MDG	Millennium Development Goals
MGLSD	Ministry of Gender, Labour and Social Development
NDP	National Development Plan
NGO	Non-Government Organisation
NOTU	National Organisation of Trade Unions
PEAP	Poverty eradication Action Plan
PPS	Probability Proportional to Size
UBOS	Uganda Bureau of Statistics
UN	United Nations
ULFS	Urban Labour Force Survey
UNHS	Uganda National Household Survey
UPE	Universal Primary Education

CHAPTER ONE

INTRODUCTION

1.0 Background

The need to develop good National Labour Market indicators is the desire of every state. The National Development Plan (NDP) whose theme is “growth, employment and prosperity for socio-economic transformation” emphasises the need for government to take action to enhance the productivity of workers, including the reform of vocational education, and continue to monitor working conditions. To realise the objectives of the NDP, there is therefore need to have updated indicators on the labour market.

The demand for data to monitor employment trends in the country to inform the National development plan (NDP) is high. In order to meet this demand, a set of indicators of the labour market has been established, and will be monitored annually in urban areas, and a relatively less frequent basis (5 years) in rural areas. This will be achieved through conducting annual Urban Labour Force Surveys and National Labour Force Surveys every 5 years.

This report presents findings from the Urban Labour Force Survey 2009 which collected information on various indicators like Age, sex, employment status of household members of the urban population, earnings of the working class, usual activity and hours of work including household chores.

1.1 Survey objectives

The main objective of the survey was to collect high quality, consistent data on the, labour force, and earnings characteristics on individuals which comply with international standards. Specifically, the survey aimed at;

- (a) Providing information on the labour force status of the population as a whole and disaggregated by demographic characteristics,
- (b) Measuring underemployment, formal and informal employment
- (c) Generating and build social and economic indicators which will be measured consistently over time, allowing for historical comparisons and monitoring the progress made towards social and economic development goals of the country.

1.2 Coverage

The urban Labour force Survey was conducted in three districts in Uganda. These were selected from the list of districts considered urban in the country and these were Kampala, Wakiso and Mukono. The survey aimed to provide an update data on “greater Kampala” comprising of the districts of Kampala and part of Wakiso and Mukono districts. The criterior

used was based on mostly the type of economic activity that the subcounty was engaged in during the 2002 population and housing census. The subcounties meeting the following criteria in the two districts of Wakiso and Mukon were selected to constitute “ Other urban”.

1. The selected sub-county was to be geographically continuous i.e. there was no area between Kampala city and any component of the ‘Greater Kampala’
2. Basing on 2012 Population and Housing Census more than 50% of the working population in the sub-counties were employees.

The areas that were covered in the exercise are as shown in the map below:

1.3 Survey Design

For the Urban labour force Survey, a two-stage stratified random sampling design was used. A total of 100 Enumeration Areas (EAs) was deemed sufficient to enable generate reliable estimates for both Kampala district (70 EAs) and other urban (30 EAs). A list of EAs and the corresponding number of households in each EA according to the 2002 population and housing Census was used and Enumeration Areas were selected using Probability Proportional to Size (PPS). The number of households in each EA taken as a measure of size.

The interviewers compiled an updated list of the households in the selected enumeration areas. From the household list of each EAs, 10 households were randomly selected and interviewed.

1.4 Survey organisation

Two field teams were constituted with each team having a supervisor and three other data collectors. The Supervisor played a dual role of being the overall leader and field editor for the exercise. To help in tracing the enumeration areas, maps were provided to the supervisors and they were tasked to locate the Enumeration Area with the help of a member of an LC1 executive of that Local Council area where the EA was located. In total 2 supervisors, 6 Enumerators and 5 listers were used in the field activities.

1.5 Data management and processing

Data capture was centrally done using computer program for verification and validation.

Quality was assumed through three measures;

1. The necessary checks including filters and skips were included in the questionnaire to ensure consistency during data collection.
2. A manual system was used where office editors were recruited to check on the consistency of the information collected. Furthermore consistency formalities were included in the data capture program which was developed under the Census and Survey Processing system (CSPro). A computer program.
3. A computer program for verification and validation was also developed and operated during data processing using both CsPro and STATA softwares.

1.6 Response rate

The overall response rate was 76 percent which was good enough considering the problems of collecting data in urban areas especially Kampala. The responses in the other urban areas

were higher than that of Kampala. The table below summaries the response rate for the various districts.

Table 1: Response Rate by District

District	Households interviewed	Households not interviewed	Total	Response rate (%)
Kampala	498	202	700	73
Mukono	17	3	20	85
Wakiso	182	98	280	70

The estimates presented in this report were generated using scientifically accepted methods of analysing survey data.

CHAPTER TWO

CHARACTERISTICS OF THE STUDY POPULATION

2.0 Introduction

Since 1948, population censuses in Uganda have remained the main source of data on socio-demographic characteristics of the population. Other sources available for Socio-economic data at national level in the country include Demographic and Health Surveys (UDHS), National Household surveys (UNHS) and National Service Delivery Survey (NSDS).

The Urban Labour Force Survey 2009 collected information on personal characteristics of household members including information on age, sex, and relationship to the household head among others. In presenting demographic characteristics of the population, trends have been included where possible for comparison with previous surveys.

2.1 Population

The Urban Labour Force Survey 2009 estimated the population of Greater Kampala population at 2.2 million. The estimates further showed that Kampala city had a sex ratio of 99 compared to 107 of the other urban.

Table 2.1: Household Population for greater Kampala by geographical area and population projections ('000s), 2009

	ULFS 2009		Total	2009 mid year projection	Sex ratio
	Male	Female			
Kampala	741.8	751.3	1,492.9	1,533.6	98.8
Other urban	368.1	342.8	710.9		107.4
Total	1,109.9	1,093.8	2,203.7		101.5

2.2 Household population by age groups

Table 2.2 shows that 37 percent of the population of Greater Kampala was below 15 years of age while the population aged 15-64 years was 62 percent.

Table 2.2: Distribution of Population by Age Groups

	Age group			Total
	0-14	15-64	65+	
Kampala	36.8	61.9	1.4	100
Peri-urban	38.2	60.9	0.9	100
Total	37.2	61.6	1.2	100

2.3 Household Composition

Information on relationship of household members to their head was collected during the survey. The results in Table 2.3 show that overall, the household head, spouse and the biological children of the household head constituted more than 80 percent of the household population.

Table 2.3: Distribution of Household Composition by Residence (%)

Relationship to head	Kampala	Peri-urban	Total
Head	25.4	24.4	25.1
Spouse	14.6	14.9	14.7
Son/daughter	41.6	40.9	41.4
Other relative	16.3	17.7	16.7
Non-relative	2.1	2.2	2.1
Total	100	100	100

2.4 Household Headship

The household head was defined as the member under whose guidance the major decisions of the household were undertaken. Table 2.4 shows that overall, 78 percent of the households were headed by males. The proportion is almost similar for Kampala city and peri-urban.

Table 2.4: Sex of Household Head

Sex of head	Kampala	Peri-urban	Total
Male headed	77.9	78.5	78.1
Female headed	22.1	21.5	21.9
Total	100	100	100

2.5 Households

A household is defined as a group of people who normally live and eat together. Table 2.5 below shows that the number of households in the Greater Kampala area was about 556,000. The results further indicate that there is an estimated increase of households in Kampala city by about 25 percent since 2002 UPHC.

Table 2.5: Number of Households

	Households			Average household size	
	Number	Percent	UPHC 2002	ULFS	UPHC 2002
Kampala	383,687	69.0	306,178	4.0	3.8
Peri-urban	172,109	31.0		4.3	
Total	555,796	100		4.1	

The average household size during the Urban Labour Force Survey 2009 is estimated at 4.1 in the Greater Kampala area. The Kampala city average household size was slightly lower (4.0) than that of the peri-urban (4.3). This is almost consistent with the 2002 UPHC.

CHAPTER THREE

LABOUR FORCE

3.0 Introduction

The primary objective of Uganda's economic policy is to improve the material welfare and the quality of life of the population of a country. A sure way of achieving this objective is through a broad-based economic growth which will ensure that an increasing number of workers are gainfully employed.

In a bid to respond to the need for reducing poverty and improving the welfare of the people, Government has made the issue of investment and employment creation an urgent priority of the National Development Plan (NDP).

One of the strategies for labour market development is to accelerate and expand the scope of "pro-poor economic growth". In particular, the approach takes the expansion of 'decent employment opportunities through both wage and self-employment' to absorb the growing labour force as a key challenge. In this context, the policies focus on adopting a consolidated and gender-sensitive strategy towards developing the labour market that will ensure both the rapid growth of productivity-enhancing employment and fulfil the poverty-reducing labour rights such as the rights to work, employment, social protection and social dialogue in an integrated manner. In short, this calls for implementing the 'decent work agenda' as proposed by the ILO.

The ILO describes decent work as 'opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity'. In a country such as Uganda, the concept of decent work is important not only as an objective in its own right and a means of ensuring human rights, but also is fundamental to promoting sustainable and poverty-reducing development.

The Urban Labour Force Survey, 2009 provides data for monitoring the performance of the Uganda Labour Market. Detailed Information is available on employment, under-employment, unemployment and related indicators on the labour market.

3.1 The Size of the Labour Force

The Labour force (economically active population) refers to those persons who supply labour for the production of goods and services, as well as the unemployed. In other words, it is the sum of the number of persons engaged in economic activities in the last 7 days and the

number actively looking for work. In Uganda, the age range of 14-64 years is considered as the working age.

Table 3.1 shows that the size of the labour force in the surveyed area was about 920,000 persons, with males being 55 percent as compared to the females who were 45 percent.

Table 3.1: The Distribution of the Labour Force (Aged 14-64 years) by Sex

Background Characteristic	Male	Female	Total
Total	55.2	44.8	100
Labour Force ('000s)	507.9	412.0	919.9
Enlarged Labour Force ¹ ('000s)	514.4	439.0	953.4

Source: *Urban Employment Survey 2009*

¹ labour force + discouraged workers + other not economically active, currently available for work

3.2 The Labour Force Participation Rate

The Labour Force Participation Rate (LFPR) is the number of persons in the labour force expressed as a percentage of the working-age population. It measures the extent to which a country's working age population (14 to 64 years) is economically active. It gives an indication of how many people of working age are actively participating in the labour market. It includes both the employed and unemployed. The labour force does not include persons engaged in non-economic activities including domestic chores such as cooking at home or caring for own children, as those activities do not contribute to measured national income according to the System of National Accounts (SNA).

Table 3.2 indicates that the overall Labour Force Participation Rate (LFPR) was 69 percent, with minor variations by residence. The proportion was higher for males (77 percent) compared to the female counterparts (61 percent). This is mainly because several women are engaged in household chores which are not considered as economic activities.

There is a wide variation in the labour force participation rates by the education levels attained. The labour force participation rate for those with post primary specialization and above training was above 90 percent.

Table 3.2: Labour Force Participation Rates for Persons Aged 14-64 years by Sex, Residence and Age Group (%)

Background Characteristic	Male	Female	Total
Residence			
Kampala	78.2	60.0	69.0
Other urban	75.3	63.9	69.5
Selected Age Groups			
15-24 (Youth - International definition)	51.0	45.1	47.8
18-30 (Youth - National definition)	77.6	66.6	71.8
Education Level			
No formal schooling	77.9	74.9	76.0
Primary	77.5	60.5	68.5
Some secondary	70.3	52.9	61.0
Completed s6	68.7	49.5	61.6
Post primary specialization	100	96.1	97.4
Post secondary specialization	95.9	85.8	91.5
Degree and above	100	93.0	97.1
Total	77.4	61.2	69.2

Source: Urban Labour Force Survey, 2009

3.3 The Working population

Persons are considered to be employed if they are of specified age (14 to 64 years) and they performed any work at all, for pay or profit (or pay in kind), or were temporarily absent from a job, for such reasons as illness, holidays or industrial dispute), and persons working without pay in family business or farm for at least one hour during a specified brief period (one week).

3.3.1 Employment to Population Ratio

The Employment to Population Ratio (EPR) is defined as total employment of the population aged 14–64 years as a percentage of the total population in the same age group. This ratio indicates the extent to which the working age population is involved in productive labour market activities. Employment-to-population ratios reflect the capacity of an economy to provide employment for the working-age population (generally 14 to 64 years). They can also be interpreted as an indication of how efficiently economies make use of the productive potential of their working-age population.

Table 3.3 shows that the overall EPR was 60 percent, implying that 40 percent of the working age population was not involved directly in productive market activities, because they were either unemployed (looking for work) or out of the labour force altogether (students or not interested in working). Males had a higher EPR of 72 percent than their female counterparts (48 percent). Some women are engaged in household chores which are not classified as economic activities. The EPR for the youth (national definition) was 61 percent which was close to that of the entire study population.

Table 3.3: Employment to Population Ratio for Persons 14-64 years by Selected Characteristics

Background Characteristic	Male	Female	Total
Residence			
Kampala	72.8	47.7	59.8
Other urban	70.7	50.3	60.4
Selected age groups			
15 – 24 (Young adults)	46.6	32.9	39.2
18 – 30 (Youth – National definition)	72.0	50.2	60.6
Total	72.1	48.1	60.0

Source: Urban Labour Force Survey, 2009

3.3.2 Education level of the working population

Noting that human capital is a prerequisite for development, raising its quality and therefore productivity is recognized as a critical factor for increasing economic growth and reducing poverty levels. Low levels of education continue to be the main obstacle to higher productivity.

The results in Table 3.4 show that about 797,000 persons worked or had a job during the last seven days preceding the survey. About 8 percent of all workers were illiterate while about 34 percent had senior or specialized training and above. Only one third of the working population had a minimum qualification of senior 6 and above or certificate level. This clearly in itself indicates the quality of the jobs the balance of the working population were performing let alone their earnings. There is a high possibility that a high proportion of these were the working poor; implying that much as they were working their earnings could not sustain themselves and their families.

There are notable sex variations in the distribution of the working population by education. Four percent of the working females had no education at all compared to 2 percent of their male counterparts. On the other hand only, 29 percent of the female working population had education level above senior six or certificate level compared to 34 percent for their male counterparts.

Table 3.4: Education/Training Level of the Working Population 14-64 years (%)

Education level	Male	Female	Total
No formal schooling	1.5	3.5	2.3
Primary	28.3	30.5	29.2
Some secondary	34.8	35.3	35.0
Completed s6	11.7	6.0	9.4
Post primary specialization	2.2	4.7	3.1
Post secondary specialization	8.8	8.5	8.7
Degree and above	11.3	9.9	10.7
Not stated	1.8	1.6	1.7
Literacy rates			
Literate	93.6	88.9	91.7
Illiterate	6.4	11.1	8.3
Total	100	100	100
Number ('000)	474	323	797

Source: Urban Labour Force Survey 2009

3.3.3 Status in employment of the main job

Employment status is broadly categorized into three groups, namely self-employed, paid employees and apprentices. The self employed are subdivided into employers (who could create jobs for others), own account workers, unpaid family workers (who assist in the household enterprises), and those working on own household farms.

In developing countries, particularly low-income developing countries, unemployment is a luxury that few can afford. Most low-income countries do not have unemployment insurance and although family and kinship ties remain strong, workers cannot rely on these ties to compensate for their lost earnings. Thus, self-employment and casual labour become a resort for job losers.

The data in Table 3.5 shows that about one half of the working population were self-employed, the proportion being higher for females (60 percent) compared to that of males (44 percent). Also, another 5 percent were unpaid helpers in household enterprises. The existence of a sizeable proportion of self employed persons and unpaid helpers is an indication of low growth in the formal economy and high rate of job creation in the informal economy. According to the ILO, these categories of workers are in vulnerable employment i.e. workers most likely to be characterized by low and insecure employment, low earnings and low productivity.

Table 3.5: Employment Status of Working Population 14-64 years (%)

Employment Status	Male	Female	Total
Self Employed	44.2	59.9	50.7
Employers	8.0	4.7	6.9
Own-account workers	29.9	42.8	35.1
Unpaid workers	4.2	6.3	5.0
Working on household farm	2.1	6.1	3.7
Working for someone else for pay	55.8	40.1	49.3
Total	100	100	100
Number	473,806	323,420	797,226

Source: Urban Labour Force Survey 2009

3.3.4 Industry and Sector of employment of the main job

Industry refers to the main activity carried out at a place of work. The results in Table 3.6 show that 30 percent of the working population was in trade industry, which also includes maintenance and repair of personal and household goods. Females are more likely to work in hotels and restaurants (12 percent), as compared to the males (4 percent).

The distribution of the actively employed persons by sector provides an insight into a number of issues related to the labour market in Uganda. The indicator for employment by sector divides employment into three broad groupings of economic activity: primary, manufacturing and services.

On the international scene, higher rates of world urbanization and a levelling of world manufacturing employment have meant that the service sector has come to dominate global employment. In some developing countries, the service sector has become a leading driver of economic growth.

The results from the survey in Table 3.6 indicate that the service sector was very popular in the urban areas whereby 85 percent of the working population was engaged in this sector. Only 8 percent and 7 percent of the working population were engaged manufacturing and in the primary sector respectively. However, the service sector also includes many less skilled occupations such as petty commerce and personal services. Such jobs are important for absorbing surplus labour, but do not drive economic growth.

Table 3.6: Working Population 14-64 Years by Sector of Employment and sex

Industry/Sector	Male	Female	Total
Industry			
Trade, maintenance and repair	27.5	33.1	29.8
Other community, social and personal service activities	10.8	9.9	10.4
Manufacturing	7.3	9.0	8.0
Transport and communication	12.7	0.8	7.8
Hotels and restaurants	3.6	12.0	7.0
Business activities	7.2	6.3	6.8
Agriculture	4.7	8.2	6.1
Construction	8.5	0.7	5.3
Others	17.8	20.2	18.8
Sector of Employment			
Service	86.7	81.9	84.8
Manufacturing	7.4	9.8	8.3
Primary	5.9	8.4	6.9
Total	100	100	100
Number	473,806	323,420	797,226

Note: Primary sector includes agriculture, mining and quarrying

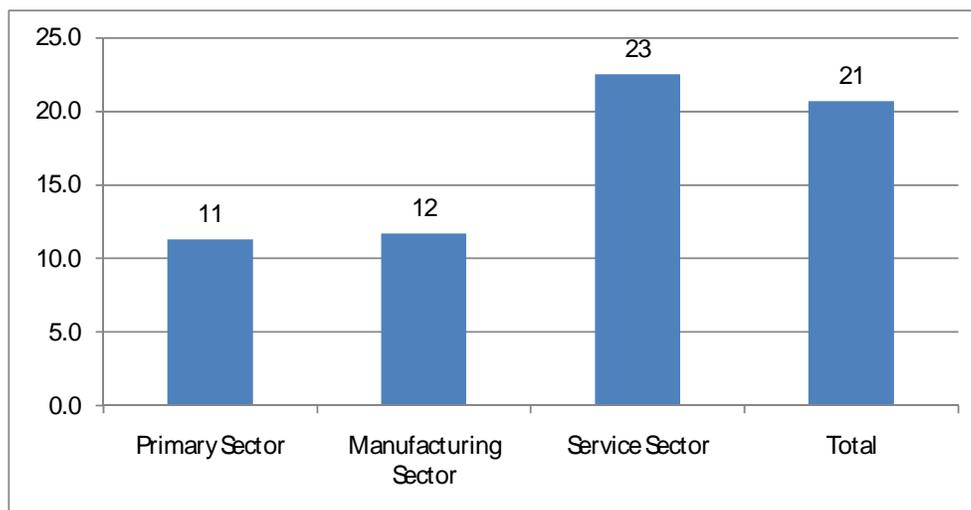
Source: Urban Labour Force Survey 2009

3.3.5 Importance of Skills on the Job

Respondents who had completed education level of at least above secondary or had post primary specialised training were asked the areas of their specialisation.

Overall about four-fifths of the population who was working did not have any specialised training as indicated in Figure 3.1. The proportion is much higher in the primary and manufacturing sectors. There is an impact of lack of skill on productivity.

Figure 3.1 Population working with any area of training specialization by sector (%)



3.3.6 Occupational structure of the working population

The distribution of the workforce in the different occupations or jobs on the main job is presented in Table 2.7. The Table reveals that persons employed as service workers, shop and market sales accounted for 38 percent. The elementary occupations which include shoe cleaners, car washers, house girls, messengers, and other labourers accounted for 16 percent of the working population. The more skilled occupations such as professionals and associate professionals, together accounted for 16 percent of the total workforce.

Table 3.7: Distribution of Work Force by Occupation and sex (%)

Occupation	Male	Female	Total
Service workers, shop and market sales workers	30.4	49.1	38.0
Elementary occupations	16.7	14.4	15.8
Crafts and related workers	18.6	6.5	13.7
Associate professionals (diploma and certificate holders)	10.8	10.4	10.6
Senior officials and professionals (graduates)	7.2	9.1	8.0
Plant and machine operators	10.6	0.8	6.6
Agricultural and fishery workers	4.5	8.4	6.1
Not stated	13.	1.4	1.3
Total	100	100	100
Number ('000)	474	323	797

Source: Urban Employment Survey 2009

3.4 Previous activity

A question was asked to respondents on what they were doing before the current jobs they were holding. The results in Table 3.8 show that 42 percent of the working population were already working before acquiring the current job. They shifted from some other job to the current one, indicating people changing jobs. The proportion is higher for males (49 percent) compared to that of females (32 percent). Almost one-third of the working population joined the current working force from school, while 16 percent came from home making (domestic work or household chores). The proportion of who previously were home makers is one-third for the females compared to only 5 percent for males.

Table 3.8: Distribution of Work Force by what was done before the current job

Previous activity	Male	Female	Total
Working elsewhere	49.2	31.5	42.0
Student	36.5	27.7	32.9
Home maker	4.6	32.9	16.1
Looking for work	4.1	3.5	3.9
Others	5.6	4.4	5.1
Total	100	100	100

Source: Urban Employment Survey 2009

3.5 Job tenure

A question was asked on when the respondent started working for the current employer (for employees and unpaid helpers in household business) or when (s)he started running the current business (for own account workers). This was to determine the employment job tenure of work force or how long workers have been in their current employment. If monitored for a period, it can determine whether the employment security is improving or deteriorating.

Table 3.9 indicates that overall, the mean number of years of working people in the current employment was 3.2 years. The gender differentials show that overall, males have a job tenure which is twice that of the females. Among the occupations, Legislators, senior officials, Managers and administrators had the highest mean tenure of 8 years. On the other hand, service workers, shop and market sales workers as well as clerks (generally younger than those in management positions) had the lowest mean tenure of 3 years. The mean tenure of workers in the public sector (10.5 years) was double the mean tenure of the private sector workers (5 years).

Table 3.9: Mean Years of Tenure with the Current Employment by Occupation and Sex

Occupation	Male	Female	Total
Legislators, Senior officials, Managers and administrators	10.9	3.6	8.2
Associate professionals (diploma and certificate holders)	7.2	9.0	7.9
Plant and machine operators	7.5	0.7	7.2
Crafts and related workers	6.8	7.2	6.9
Agricultural and fishery workers	4.9	8.3	6.8
Professionals (graduates)	6.8	6.2	6.5
Service workers, shop and market sales workers	5.5	3.8	4.6
Elementary occupations	4.4	1.8	3.4
Clerks	0.8	4.4	3.0
Place of work			
Public	9.5	12.7	10.5
Private	5.7	4.3	5.1
Total	4.2	2.2	3.2

Source: Urban Labour Force Survey 2009

Summary

Only 48 percent of the working age population for females is engaged in economic activities compared to 72 percent for males.

Majority of the work force had low education with only one-third of the working population having training of up to senior six, post primary specialised training, post secondary training, or degree or higher qualifications.

About one half of the working population was either self employed or unpaid family workers. According to the ILO, these categories of workers are in vulnerable employment i.e. workers most likely to be characterized by low and insecure employment, low earnings and low productivity in developing economies.

Eighty four percent of the working population was engaged in the service sector. However, the service sector also contains many less skilled occupations that are important for absorbing surplus labour, but that do not typically drive economic growth; these include petty commerce and personal services.

CHAPTER 4

UNEMPLOYMENT AND UNDEREMPLOYMENT

4.0 Introduction

Originally, the definition of unemployment was for use in macroeconomic analysis. Concept of unemployment intended to reflect a situation of complete lack of work and to ensure that employment is defined as work for at least one hour.

- Necessary to link all labour input (employment) with production
- Main indicator of labour market performance
- Unemployment considered to be a sign of deficiency in the use of labour resources

From economic perspective, unemployment rate is criticised for failing to capture labour market downturns in all contexts as people's responses during downturns depend on specific circumstances:

- Availability of unemployment or social insurance schemes
- Channels and opportunities for seeking employment

The standard method of collecting employment and unemployment data uses a reference period of one week. According to the 1982 ILO Resolution, a person who worked for at least one hour in the reference week is regarded as employed, while a person who was "without work", "available for work", and "actively seeking work" is counted as unemployed. Actively seeking work is defined as "registering at public or private employment exchanges, direct application to employers, checking at worksites, farms, factory gates, market or assembly places, placing or answering newspaper advertisements, seeking assistance of friends or relatives, looking for financial resources, land, building, machinery, or equipment, or permits or licenses to establish own enterprise".

4.1 Unemployment

Overall, 14 percent of the population (124,000 persons) in "Greater Kampala" area are unemployed. Of these 89,000 are females and 40,000 are males. The findings indicate notable differences among sexes as females are three times more likely to be unemployed as compared to males. The findings further revealed that the youth are more likely to be unemployed (18 percent) compared to adults (12 percent).

Table 4.1: Unemployment rate by Background Characteristics

Background characteristics	Sex		
	Male	Female	Total
Residence			
Kampala	7.1	22	13.7
Other urban	6.2	21.3	13.2
Age groups			
15-24	8.6	27.2	18.1
25-64	6.3	19.3	11.8
Education			
No formal schooling	11.7	16	14.4
Primary	4.9	21.2	12.5
Some secondary	6.8	25.5	15.5
Completed s6	10.8	26.2	15.4
Post primary specialization	6.8	19.7	15.2
Post secondary specialization	7.7	12.7	9.7
Degree and above	7.3	17.1	11.2
Total	6.8	21.8	13.5
Number	35,000	90,000	124,000

Table 4.2: Levels of unemployment rate

	Male	Female	Total
U1- unemployed for 15 weeks or more	1.2	2.4	1.8
U2- job losers and persons who completed temporary jobs	1.8	1.8	1.8
U3- official unemployment rate	6.8	21.8	13.5
U4- Unemployed and discouraged workers	6.8	21.8	13.5
U5- unemployed and marginally attached Labour force	6.8	21.8	13.5
U6- unemployed , marginally attached and part-time worker for economic reasons	7.2	21.9	13.6

4.2 Reasons for unemployment

The reasons for unemployment are divided into four major groups:

- (1) Job losers, defined as; (a) persons on temporary layoff, who have been given a date to return to work or who expect to return within 6 months (persons on layoff need not be looking for work to be classified as unemployed); (b) permanent job losers, whose

employment ended involuntarily and who began looking for work; and (c) persons who completed a temporary job, and who began looking for work after the job ended.;

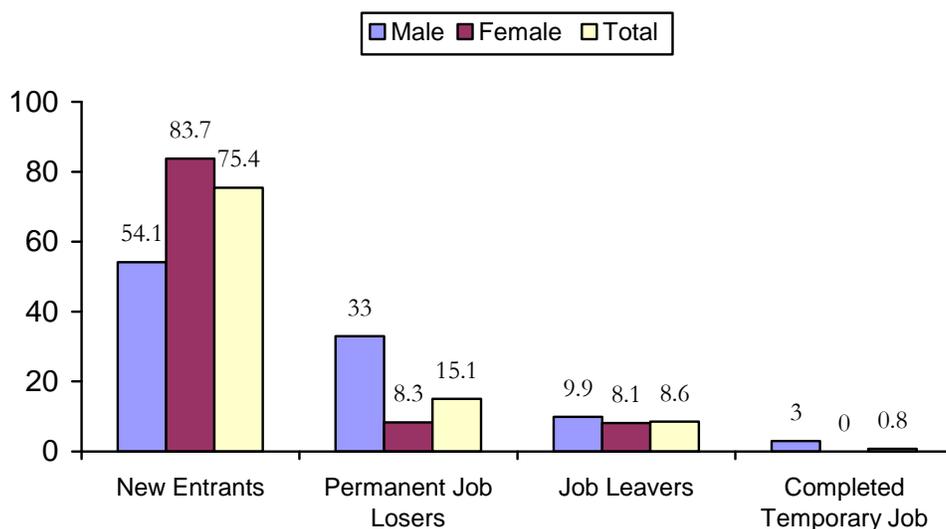
(2) Job leavers, defined as persons who quit or otherwise terminated their employment voluntarily and immediately began looking for work;

(3) Re-entrants, defined as persons who previously worked but were out of the labor force prior to beginning their job search;

(4) New entrants, defined as persons who never had worked but were searching for work.

Overall, 75 percent of the unemployed persons are entering the labour force for the first time, followed by job losers with 15 percent. The findings show sex differentials among sexes, more females are entering the labour market for the first time, while more males are job losers (figure 4.1).

Figure 4.1: Reasons for being unemployed by sex



4.3 Youth Unemployment

Nationally, youths are defined as persons aged 18 to 30 years. However, the international definition of 15 to 24 years is somehow used.

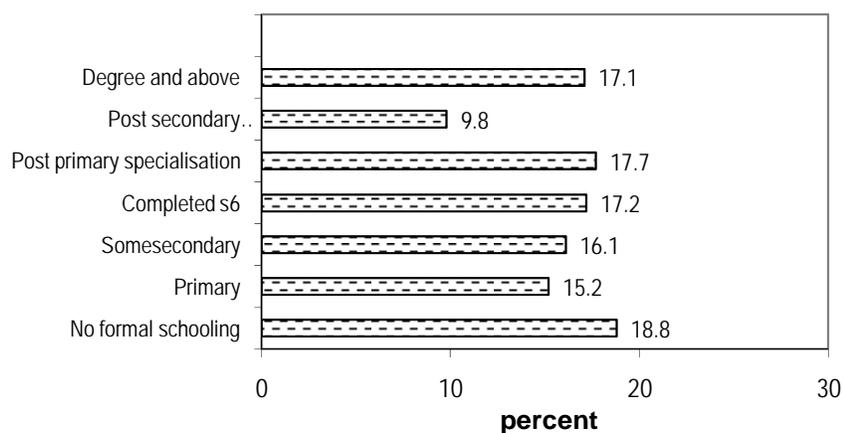
Unemployment is high among the youth in the Greater Kampala areas. The youth unemployment rate was recorded at 18 per cent for the for youth aged 15-24 years and 16 percent for youth aged 18-30 years as shown in Table 4.3 below. The finding shows notable difference of unemployment rates among sexes of youths. The unemployment rate for female youth aged 18-30 years is 25 percent compared to males 7 percent. The findings show that females are three times more likely to be unemployed compared to males.

Table 4.3: Unemployed Youth by Selected Background Characteristics

	Sex		Both sexes
	Male	Female	
Residence			
Kampala district	8.2	22.9	15.1
Others	4.6	28.3	17.0
Age group			
Youth (15-24)	8.6	27.2	18.1
Youth(18-30)	7.3	24.7	15.7

Unemployment in youth was highest among those with secondary and higher education and those with no education (Figure 4.2)

Figure 4.2: Educational Status of Unemployed Youths



4.4 Underemployment

- All persons in employment who are:
 - Willing to work additional hours in present job, in additional job, or in new job in replacement of current job
 - Available to work additional hours (within a specified period of time, given opportunities for additional work)
 - Worked less than a specified number of hours (hours actually worked in all jobs during the reference period were below a threshold)

Refers only to insufficient volume of work; does not capture other problems related to underemployment or quality of work

4.4.1 Time Related Underemployment

Table shows that, overall, in terms of time spent working, 12 percent of workers had the time related under-employed in the greater Kampala area. The rates were 15 and 8 percent for males and females, respectively. The under-employment rate is lower for females than males partly because more females are engaged in domestic duties in addition to economic activities than males. The finding did not show differences in the time-related underemployment among ages and among metropolitan areas.

Table 4.4: Time-related underemployment by back ground variables

	Sex		Both sexes
	Male	Female	
Residence			
Kampala	15.0	7.1	11.8
Other urban	15.3	9.7	13.0
Age group			
15-24	16.7	6.5	12.0
25-64	14.3	8.4	12.0
Education levels			
Sector of employment			
Occupation			
Total	15.1	7.9	12.2

4.4.2 Skill-related inadequate employment

Skills related inadequate employment includes employed persons during the reference week who were not already categorized as time-related underemployed; and whose educational attainment were higher than the educational level required by their current main jobs.

These include:

- persons with lower secondary or second stage of basic education, with upper secondary education, and with post-secondary non-tertiary education (2nd, 3rd, and 4th level of education according to ISCED 1997) engaged in elementary occupations (ISCO-88 major group 9);
- persons with first stage of tertiary education (5th level of education according to ISCED 1997) engaged in occupations falling in ISCO-88 major groups 4-9; clerks, service workers, shop and market sales workers, agricultural and fishery workers, crafts and related workers, plant and machine operators, and elementary occupations.

- Persons with second stage tertiary and higher education (6th or higher level of education according to ISCED 1997) engaged in occupations falling in ISCO-88 major groups 3-9; associate professionals, clerks, service workers, shop and market sales workers, agricultural and fishery workers, crafts and related workers, plant and machine operators, and elementary occupations.

Wanting/seeking and available to change current work situation in order to use occupational skills more fully. In total,

Table 4.5: Skill underutilisation by area, sex and age group

Metropolitan Area	sex		
	Male	Female	Both sexes
Kampala city	13.2	8.8	11.4
Peri-urban	18.0	12.3	15.6
Age group			
15-24	12.6	9.6	11.2
25-64	15.5	10.1	13.4
Total	14.7	9.9	12.7

CHAPTER FIVE

INFORMAL SECTOR AND INFORMAL EMPLOYMENT

5.0 Introduction

The informal sector represents a significant part of the economy, and certainly of the labour market, in many economies, especially developing economies. It plays a major role in employment creation, production and income generation. In economies with high rates of population growth or urbanization, the informal economy tends to absorb most of the expanding labour force especially in the urban areas. Informal economy employment is a necessary survival strategy in economies that lack social safety nets. The informal sector enterprises are normally characterized by a high degree of vulnerability. Workers have little or no legal or social protection and are excluded from or have limited access to public infrastructure and benefits. The available evidence indicates that informal sector employment tends to be far more important in developing countries than in the developed countries.

The Urban Labour Force Survey, 2009 included questions that were aimed at classifying establishments into formal and informal enterprises. For employers, own account workers and contributing family workers, the sector of the enterprise employment was considered formal if the business at the place of work was registered for Value Added Tax (VAT) and income tax, or the place of work was government (national, local government or government controlled) or commercial bank. In the case of employees, the sector of the enterprise was considered formal if at the place of work the employer deducts income tax (PAYE) from the gross pay or had five or more other persons working for the employer/business.

5.1 Employment in the informal sector

The results in Table 5.1 below show that of the 797,000 persons who worked, 440,000 persons (55 percent) were in informal sector enterprises. The proportion is slightly higher for females (59 percent) compared to males (53 percent). More working persons in Peri-urban are working in informal sector (57 percent) compared to those in Kampala city.

The results further reveal that the probability of one having employment in the informal sector decreases with the increase in the level education. About 71 percent of the working persons with no formal education were informal sector compared to one quarter with the qualifications of a degree and above.

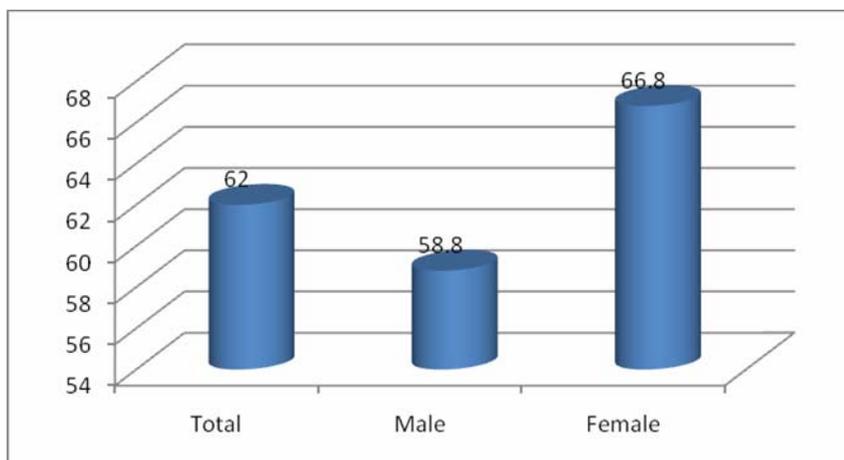
Table 5.1: Informal Sector Employment by Background Characteristics

Background characteristics	Employment in the informal sector	Total employment	Percent
Male	250,113	473,806	52.8
Female	190,326	323,420	58.8
Kampala city	313,294	546,609	57.3
Peri-urban	127,145	250,616	50.7
Education			
No formal schooling	12,999	18,257	71.2
Primary	157,553	232,830	67.7
Some secondary	171,061	278,954	61.3
Completed s6	38,290	74,681	51.3
Post primary specialization	10,236	24,634	41.6
Post secondary specialization	21,968	68,973	31.9
Degree and above	20,767	85,203	24.4
Total	440,439	797,226	55.2

5.1.1 Employment in the informal sector in non-agricultural employment

The results in Figure 5.1 below show that informal sector enterprises in the non-agricultural sector constituted 62 percent of the total employment. The proportion is higher for females than the male counterparts.

Figure 4.1: Employment in the informal sector as percentage of non-agricultural employment



5.1.2 Status in employment in the informal sector

Table 5.2 shows the distribution of employment in informal sector enterprises. Seventy one percent of the informal sector employment were employers/own account workers. A higher proportion of the females who are employers or own account workers are more likely to be engaged in informal sector enterprises compared to the males. The proportion of males who were paid employees in the informal sector was one quarter compared 16 percent for females.

Table 5.2: Distribution of status in employment in the informal sector

Status in employment	Men	Women	Total
Employers, and own-account workers	63.9	75.2	71.2
Contributing family workers	5.2	8.7	6.7
Employees	26.7	16.1	22.1
Total	100	100	100

5.2 Informal Employment

One of the challenges for the labour markets of developing countries is informal employment. Contrary to the predictions of standard economic models that informal employment would disappear or diminish with economic development, it remains important, persistent and, in some regions of the world, is even rising (Charmes, 2000). Informal employment, as defined by the 17th International Conference of Labour Statisticians in 2003, refers to the total number of informal jobs, whether carried out in formal sector enterprises, informal sector enterprises, or households”.

Informal employment includes: (1) own-account workers and employers employed in their own informal sector enterprises; (2) family workers; (3) employees in informal jobs, whether employed in formal sector enterprises, informal sector enterprises, or households; (4) members of informal producers cooperatives; and (5) own-account workers engaged in production of goods exclusively for own final use.

The ULFS, 2009 included a set of questions were asked to determine the formality of employment of the working population. The questions administered to paid employees included;

- a) whether the employer was contributing to pension/retirement fund
- b) employee entitlement to paid leave
- c) employee entitlement to medical benefits
- d) and deduction of income tax (PAYE) from employees wages.

For employers, own-account workers and unpaid family helpers, questions included whether the business had registered for VAT and income tax. The employment was considered to be formal if it satisfied all the above conditions independently for the self-employed and employees.

5.2.1 Share of Informal employment to total employment

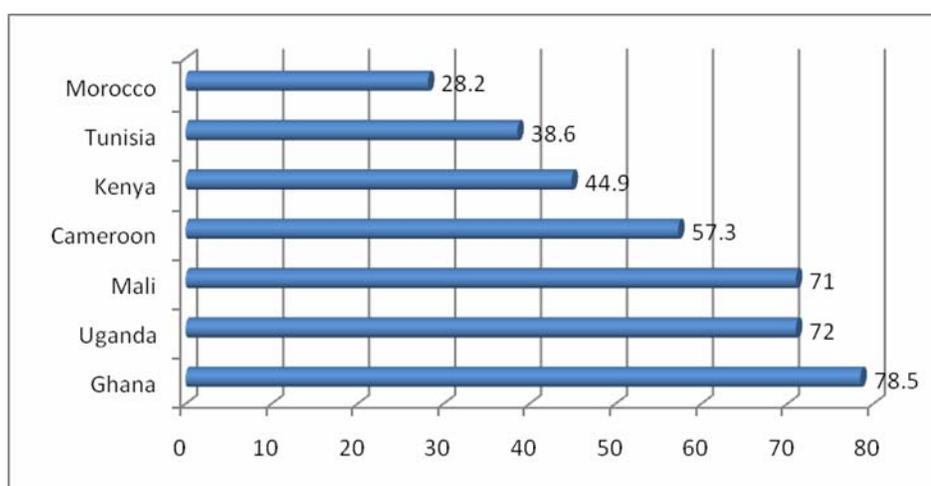
The results in Table 5.3 indicate that 72 percent of the working persons were in informal employment. Though informal workers very often benefit from social assistance programmes, they do not receive assistance from the labour market and social protection policies (e.g. pension or retirement fund) that formal workers can access.

Table 5.3: Informal employment as a percentage of total employment

	Male	Female	Total
Informal employment	329,176	236,247	575,792
Total employment	473,806	323,420	797,225
Percentage	69.5	73.0	72.2

Figure 5.2 illustrates the share of urban informal employment to total employment. Sub-Saharan countries, the share of urban informal employment is especially high, exceeding 70 per cent in Ghana, Uganda¹ and Mali.

Figure 5.2: Share of urban informal employment to total employment for some selected African countries



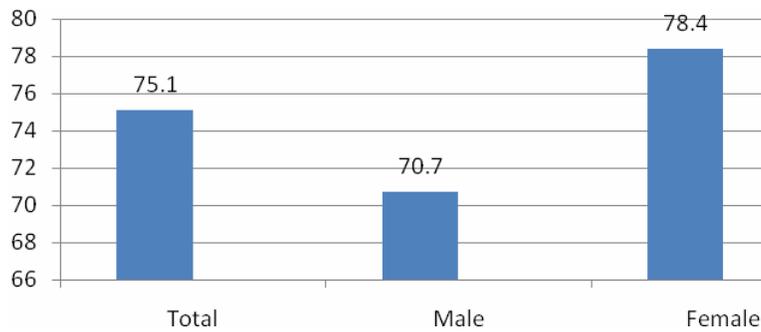
Source: ILO, 1999b.

¹ The results for Uganda relate to 2009 whereas data for other countries relate to 1999.

5.2.2 Informal employment in non-agricultural employment

The results in Figure 4.3 depicts that three quarters of the working persons in the non-agricultural sector were in informal employment. Females were more likely to be in informal non-agricultural employment compared to the males.

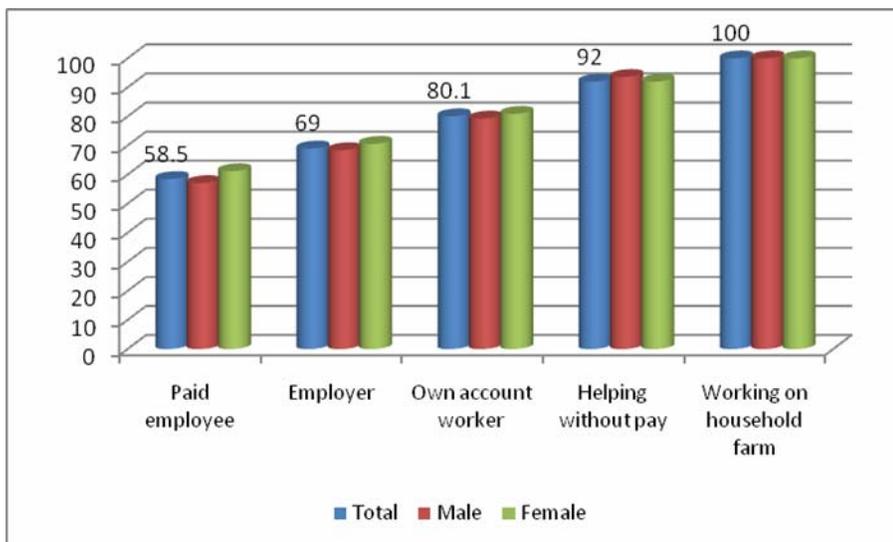
Figure 5.3: Informal employment as % of no-agricultural employment



5.2.3 Informal employment by status in employment

Figure 5.4 shows the distribution of informal employment by status in employment. All persons working on own household farms were in informal employment. The overwhelming majority of employers, own account workers and those helping without pay in household businesses were in informal employment. About 59 percent of the paid employees were in informal employment.

Figure 5.4: Informal employment by status in employment



The vulnerable employment rate is a concept based on status in employment and is the sum of own account workers and contributing family workers to total employment. The available information indicates that 5 out of every 10 people in the world are in vulnerable employment. This group has a high risk of being unprotected and work informally and hence has jobs that

leave them vulnerable to poverty and risks such as low earnings, dangerous working conditions and lack of health insurance. In the survey area, about 41 percent of the informally employed were in vulnerable employment with a high proportion observed for the females as compared to the males.

Table 5.4: Informal employment for general employment and non Agricultural employment by status in employment (percent)

Status in employment	General			Informal Non Agricultural Employment		
	Males	Females	Total	Males	Females	Total
Employers, own-account workers and members of producers' cooperatives	48.4	56.9	51.9	50.1	57.8	53.3
<i>Owners of informal sector enterprises</i>	48.4	56.9	51.9	50.1	57.8	53.3
<i>Producers of goods exclusively for own final use</i>	0.0	0.0	0.0	0.0	0.0	0.0
Contributing family workers	6.0	8.5	7.0	4.2	7.2	5.5
Vulnerable employment	34.3	49.6	40.5	-	-	-
Employees	45.7	34.6	41.0	45.7	35.1	41.2
<i>Formal sector employees</i>	20.6	6.4	14.7	21.3	6.5	15.1
<i>Informal sector employees</i>	23.2	18.5	21.2	24.0	18.8	21.8
<i>Domestic workers employed by households</i>	0.4	9.6	4.2	0.4	9.8	4.4
<i>Agricultural employees</i>	1.5	0.0	0.9	-	-	-
Total	100	100	100	100	100	100

Among the population in informal employment about 52 percent were owners of informal sector enterprises while another 41 percent and 7 percent respectively were employees and contributing family workers. While the proportion of females working in informal employment as owners of informal sector enterprises is higher than for males, the reverses holds for those working as employees and were holding informal employment. The distribution of informal employment in the non-agricultural employment by status did not differ significantly from the general outlook, where about 53 percent were owners of informal sector enterprises, 41 percent were employees and 6 percent were contributing family workers.

Table 5.5: Informal wage employment as % of total wage employment by type of employees

Type of employees	Males	Females	Total
Agricultural employees	100.0	100.0	100.0
Non-agricultural employees	56.3	61.3	58.0
Formal sector employees	41.0	24.4	36.5
Informal sector employees	83.3	91.4	86.0
Domestic workers employed by households	100.0	97.0	97.1
Total employees	57.1	61.3	58.5

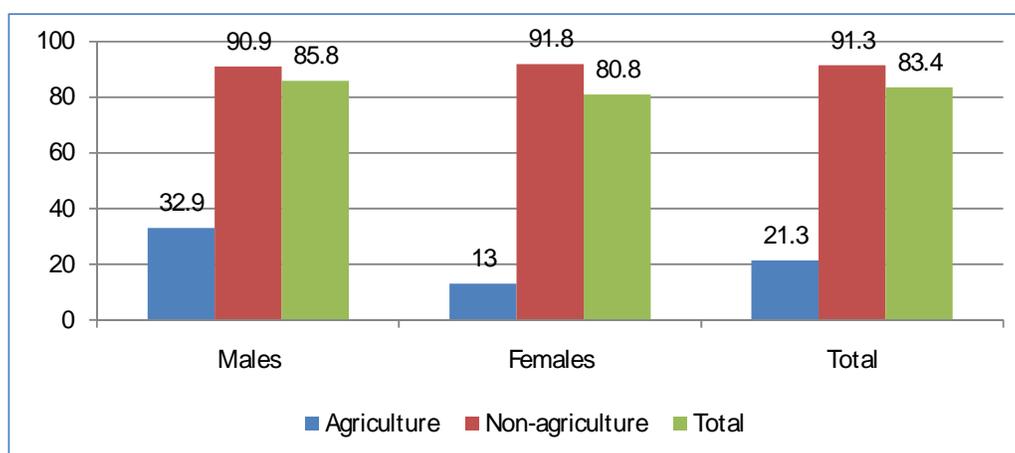
The results in Table 5.5 above shows that employees engaged in the informal sector and were receiving a wage were more than two times more likely to be employed as informal employees as compared to those in the formal sector (86 percent against 37 percent). This variation is expected given the fact that informal establishments are not legally registered and therefore the security of their employees jobs and other characteristics related to formality of employment are more likely to be compromised compared to the employees in the formal sector. High variations by sex were observed among formal sector employees where 41 percent of the males were in informal employment compared to 24 percent of the females.

5.2.4 Informal self-employment in relation to total self-employment

Persons in self-employment includes the workforce which, during the reference period (the last 7 days), performed some work for profit or family gain in their establishments in cash or in kind or had an enterprise but were temporarily out of work for a specified reason. They include employers, own account workers and contributing family members.

Overall more than four-fifths of the workforce in self employment was in informal employment with a higher proportion being in the non-agriculture sector as compared to the agriculture sector.

Figure 5.4: Informal self-employment as percentage of total self-employment by branch of activity



5.2.5 Informal employment outside the informal sector

Informal employment outside the informal sector includes persons working in the formal sector but their employments do not meet all the formal employment requirements. These include registration for VAT, Income tax, entitlement to paid leave, medical benefits, etc. This accounted for about 15 percent of total employment with the share of women of the total female employment outside the informal sector being slightly lower than their male counterparts. About 14 percent of the employment in the non-agricultural sector was employment not in the informal sector. Nearly all the workforce with informal employment outside the informal sector (92 percent) was composed of employees.

Table 5.6: Informal employment outside the informal sector by selected characteristics

Characteristic	Males	Females	Total
Proportion of Total employment	17.1	12.7	15.3
Percentage of non-agricultural employment	15.6	12.7	14.4
Type of Employment			
Producers of goods exclusively for own final use	0.0	0.0	0.0
Contributing family workers	8.3	8.3	2.9
<i>CFW: agriculture</i>	7.6	8.3	2.7
<i>CFW: formal sector</i>	0.8	0.0	0.2
Employees	91.7	91.7	91.7
<i>Employees: agriculture</i>	6.1	0.0	4.1
<i>Employees: formal sector</i>	83.8	36.6	68.0
<i>Employees: domestic work</i>	1.7	55.0	19.6
Total	100	100	100

Summary

Seventy one percent of the working population were in informal employment, with women more likely to find employment in the informal economy than men.

CHAPTER SIX

EARNINGS OF PAID EMPLOYEES

6.0 Introduction

The urban labour force survey gathered data on earnings of categories of employed persons who were either paid in cash or got some form of earning from the type of work they were engaged. This chapter specifically analyses data from wages of employees. Income of paid employees is of two types i.e. payments in cash or in kind, and data was gathered separately on each of them. All other forms of income including income from those employed as employers and own account workers, rental income and other forms of income are excluded because of the informal nature and poor record keeping. The income from paid employees were collected basing on the mode of payment as appropriate and were recorded gross income, that is before the deduction of PAYE, NSSF, or pension payments. During analysis for ease of comparison, they were converted into monthly payments.

6.1 Wages by sector of employment

Table 6.1 below shows that overall, less than 10 percent of the wage earners received Ug shs 1,000,000 or more. The mean monthly wages for employees of public organizations/ Government controlled businesses was higher than for private enterprises and private households. More than one quarter (28 percent) of wage earners in private enterprises received less than Ug shs 100,000 monthly while the corresponding proportion for employees of private households was 90 percent.

Table 6.1 further shows that the median monthly wages of employees in public organizations/ Government controlled businesses was about two times of those of employees of the private enterprises and 10 times of those employees engaged in the private households.

Table 6.1 Monthly wages and mean wages ('000s) by sector of employment

Monthly wage	Public/Government controlled business	Private Enterprise	Private Households	Total
Less than shs 100,00	8.7	28.3	90.2	30.5
>=100,000- <300,000	39.4	46.0	9.8	41.6
>=300,000-<1,000,000	37.6	17.7	0.0	19.6
1 million and above	14.2	8.0	0.0	8.4
Total	100.0	100.0	100.0	100.0
Mean wage ('000s)	519.1	324.2	52.5	333.8

6.2 Wages by selected characteristics

The amount of wage received increases as the level of education increases. Table 6.2 indicates that the median wages of employees holding a post secondary specialization were about three times those with primary education or below, increasing further to 5 times for those with a degree or above. There were also variations in wages by sex with the median wages of males being about 80 percent of their female counterparts.

Table 6.2 Median monthly wages ('000 Ug Shs) by sector, residence, sex and education

Background Characteristic	Public /Government controlled business	Private Enterprise	Private Household	Total
Residence				
Kampala	234	150	30	150
Other urban	400	181	30	180
Education				
Primary education and below	70	120	30	90.5
Secondary education	164	150		150
Post primary specialisation	200	127		170
Post Secondary specialisation	270	200		270
Degree and above	508	500		508
Sex				
Male	300	158	50	180
Female	340	127	30	100
Total	300	150	30	150

6.3 Formality of Employment, Hours worked

The median wages of persons engaged in formal employment were higher than those engaged in informal employment across all sectors. It is also worth noting that the difference in wages of employees in private enterprises by the nature of formality was higher as compared to public organizations/Government controlled businesses. While the formal employees working in private enterprises earned about 5 times their counterparts who were informally employed, the corresponding proportion for those in public organizations /Government controlled businesses was about 1.5 times. The findings in Table 6.3 below also

indicates that median wages of employees who were not under employed was more than two times their under employed counterparts.

Table 6.3: Median monthly wages ('000 Ug Shs) by formality of Employment and status of employment

Background Characteristic	Public/ Government controlled business	Private Enterprise	Private Household	Total
Formality of Employment				
Informal	234	140	30	140
Formal	350	650		420
Status of Underemployment				
Not Underemployed	300	150	30	150
Underemployed	340	72	40	72.4
Total	300	150	30	150

6.4. Occupation, Sector of Employment and Field of Specialization

Employees in the service sector were being paid more than 2 times on average in a month as compared to their counterparts in the manufacturing sector. The difference in wages between the manufacturing sector and the service sector is more pronounced in private enterprises as compared to Public/ Government controlled businesses.

Median monthly wages vary by occupation and area of specialization. Among all occupations apart from elementary occupations median wages in the public work areas were higher than in private enterprises. Employees with a field of specialization in education had a median monthly wage of about two times those with no field of specialization. Table 6.4 also indicates that the median monthly wages of employees specializing in education were about 71 percent the national median monthly wages among those with a field of specialization. Correspondingly the most highly paid workers among those working as employees were those specializing in social science, business and law.

Table 6.4: Median monthly wages ('000 Ug Shs) by Occupation, sector of employment and Field of specialisation in education

Background Characteristic	Public/ Government controlled business	Private enterprise	Private household	Total
Occupation				
Legislators, Managers, professionals etc	850	800		800
Technicians, and Associate professionals	270	181		200
Service workers	160	130	45.25	130
Crafts and related workers	500	181	271.5	200
Plant and machine operators	320	181		181
Elementary occupations	108.6	110	30	90.5
Others	150	150	140	150
Sector				
Manufacturing	400	120		140
Service sector	300	150	30	150
Others	117.7	150		150
Area of specialization				
Specialized	420	350	90.5	350
Education	200	250		250
Humanities and Arts	420	300		420
Social Science, Business and law	950	800		800
Architecture, Engineering and physical	400	600	90.5	500
Others	850	127		150
Not specialised	160	130	30	126.7
Total	300	150	30	150

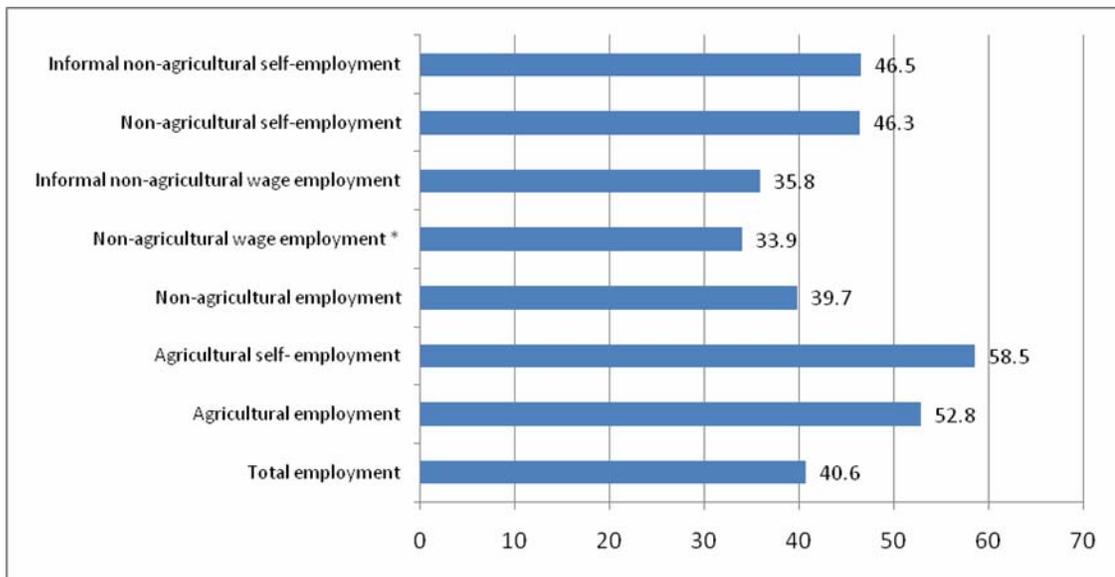
CHAPTER SEVEN

WOMEN IN EMPLOYMENT

7.1 Women in employment

Overall women constituted about 41 percent of the total workforce. The share of women in Agricultural self-employment of 59 percent was higher than that of their male counterparts. The MDG indicator of the share of women in non-agricultural wage employment which measures the extent to which women have access to paid employment outside agriculture was about one-third. The findings also reveal that the share of women in non-agricultural self employment was higher than in non-agricultural wage employment.

Figure 7.1: Share of women in Employment by type (%)



7.2 Share of women in wage employment in the non-agricultural sector

This is one of the MDG indicators and measures the extent to which women have equal access to paid employment in the industry and service sectors. Table 7.1 shows that nationally the women share in wage employment in the non-agricultural sector was about a third with minimal variations across those employed in public/Government controlled businesses and private enterprises. Women receiving a wage in the non-agricultural sector were however predominately employed in private households where the proportion employed was about two times that of their male counterparts.

Education of the girl child is likely to increase the chances of women's employment in wage non-agricultural sector as this proportion increases with the woman's education. In both public/Government controlled businesses and private enterprises the share of women in wage employment with secondary education and above was about 1.5 times those with lower

education levels. The share of women in wage employment who had a professional area of specialization was about 1.5 times as compared to those with no area of specialization.

Among the youths, women who were employed in the non-agricultural wage employment were more likely to be employed in the public sector as compared to the private sector. Girls aged 14-17 years were predominately employed in either private enterprises or private households. This can be partly explained by the habit of using young girls as helpers/maids in private households. The results also indicate that the proportion of women earning a wage in the service sector was about 2 times those in the manufacturing sector.

Table 7.1 Share of women in wage employment in the non-agricultural sector

Background Characteristic	Public/ Government controlled business	Private Enterprise	Private Households	Total
Education				
Did not complete secondary	20.1	25.6	57.7	30.3
Completed secondary and above	33.3	37.0	100.0	37.0
Residence				
Kampala	30.3	32.1	64.4	34.7
Other Urban	26.6	21.4	62.0	29.1
Age				
14-17		41.0	82.9	71.3
15-24	40.4	29.4	79.0	39.4
18-30	41.1	32.1	62.7	35.8
14-64	28.9	29.4	63.3	33.1
Sector of Employment				
Service	30.2	33.8	72.1	37.7
Manufacturing	0.0	21.2		19.9
Specialization Status				
With a field of specialisation	35.3	40.8	100.0	40.5
With no specialisation	19.3	25.1	57.7	29.2
Total	28.9	29.4	63.3	33.1

CHAPTER EIGHT

INVOLVEMENT OF CHILDREN IN WORK AND SCHOOLING

8.0 Introduction

This section looks at the time use patterns of children in the metropolitan Kampala, focusing in particular on the extent of children's involvement in work and schooling. The survey collected information on children's work and time uses of children aged 5-17 years, including children's involvement in economic activity and household chores and working hours.

8.1 Involvement in economic activity

Overall about 8 percent of the children are working. A slightly higher proportion of boys are engaged in economic activity than girls. The table further shows that more girls were neither schooling nor working (15%) compared to boys (12%). These child workers constitute a particular policy concern, as they are most vulnerable to workplace abuses, and most at risk of work-related ill-health or injury. They are also most affected by compromised education.

Orphans represent one of the most vulnerable groups in Uganda and are recognized in both the Policy on Orphans and other Vulnerable Children, the National Strategic Plan on OVC² and the National Child Labour Policy (NCLP). The findings point to the fact that orphans are almost three times (16%) more likely to be involved in economic activity as compared to their counterparts who are not orphans (6%). Orphaned children are also more likely to be idle³ (18%) as compared to the non-orphans (13%).

Some working children in the metropolitan area are also students. The results indicate that 4.6 percent of working children aged 5-17 years, about 29,000 in absolute numbers are also in school, with a slightly lower proportion for Kampala city (4%) as compared to the rest of "greater Kampala" (7%).

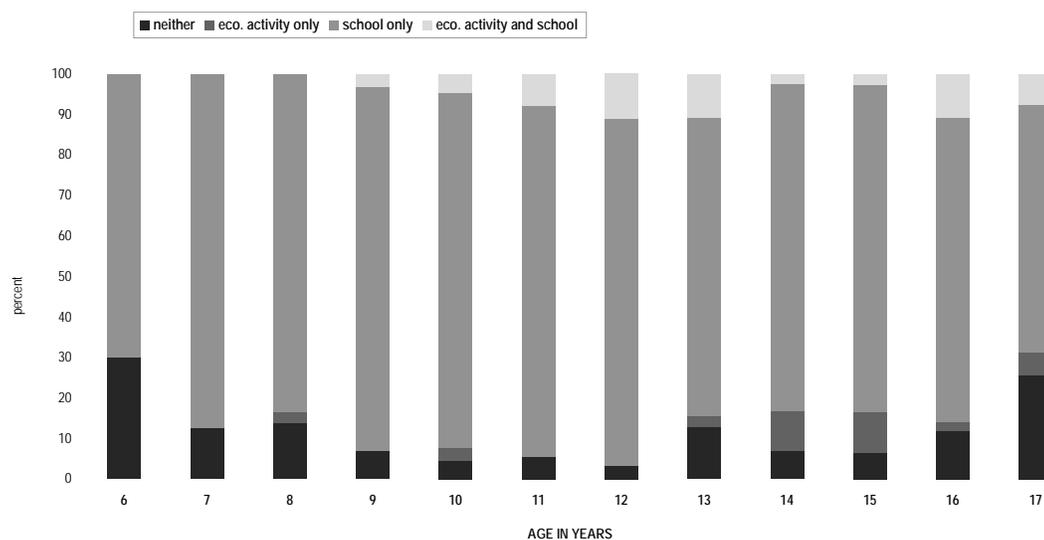
³ Neither at school nor in economic activity

Table 8.1: Child activity status, by sex and metropolitan areas

	Involved in eco. activity only	Attending school only	Involved in eco. activity and attending school	Not involved in eco. activity and not in school	Total eco. Active(i)	Total attending school(ii)
Boys	2.6	80.0	5.6	11.8	8.3	85.6
Girls	3.4	77.7	3.6	15.3	7.0	81.3
Kampala	2.4	80.8	3.7	13.1	6.1	84.5
Other urban	4.2	74.6	6.6	14.6	10.8	81.2
Non orphan	1.8	81.4	4.2	12.7	6.0	85.5
Orphan	9.2	65.4	7.1	18.4	16.3	72.5
Both sexes	3	78.82	4.62	13.56	7.6	83.4
Number	19,036	500,812	29,350	86,155	48,386	530,162

Notes: (i) Regardless of school attendance status; (ii) Regardless of economic activity status. A child is considered to be economically active if he or she spent at least one hour per week in work for "payment/non-payment, profit, family gain or own final use of consumption" or "did not work but had a job with assurance for returning."

Figure 6.1 :Child Activity Status by Child Age



Notes: (1) "Economically active" refers to all children in economic activity, regardless of school status; (2) "Attending school" refers to all children attending school, regardless of work status.

Figure 8.1 above shows that by age 6 only about 70 percent of children have enrolled in school, the other 30 percent being economically inactive implying late enrolment by children. Children highest enrolment is recorded at age 12 years (about 98%) the age when formally the primary school cycle is supposed to end, with about 10 percent of this proportion combining schooling with work. By the time the child reaches age 17 years only about two-thirds are still in school. Also involvement in economic by children is high, by age 10 about 7 percent of children are involved in economic activity rising to 15 percent at age 15.

Table 8.2: Activity status and Occupations of working children age 5-17 years

	Boys	Girls	Both sexes
Modality of economic activity			
Employee	15.5	45.5	29.5
Self employed	2.8	5.1	3.9
Contributing family	80.0	49.4	65.8
Apprentice	1.7	0.0	0.9
Occupation			
Service workers	45.2	30.1	38.3
Agricultural and fishery workers	39.2	16.8	28.9
Craft and related workers	4.5	0.0	2.4
Elementary occupations	11.1	53.1	30.4
Total	100	100	100

Overall about two-thirds of children were employed as contributing family workers with a higher proportion of boys (80%) recorded here as compared to girls (49%). Children are more likely to be employed as service workers (38%) as compared to other occupations.

8.2 Child labour

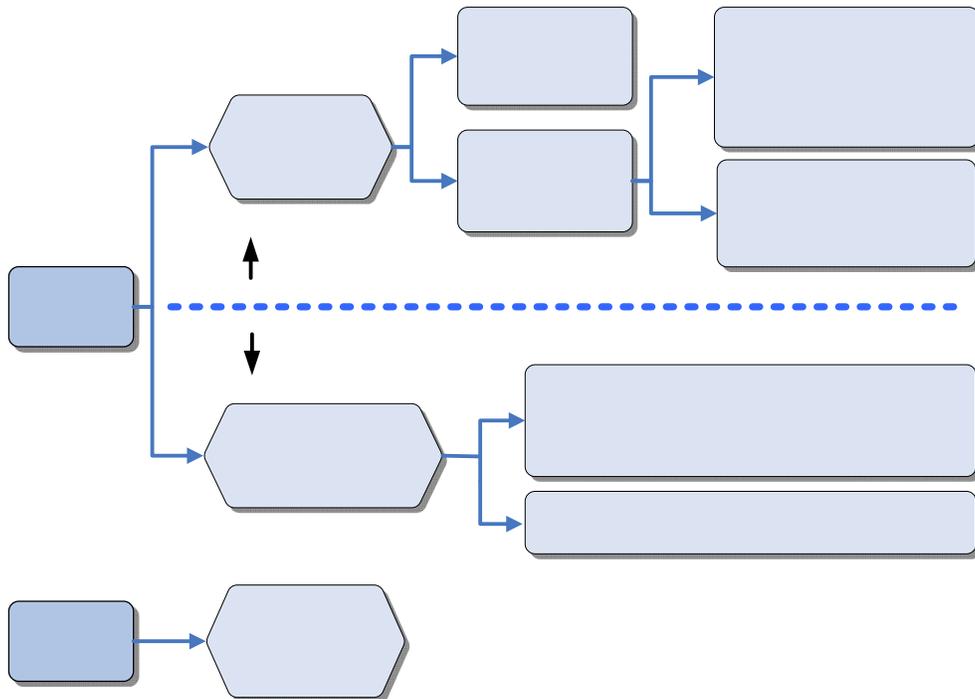
This section looks at the extent to which children's work constitutes "child labour", i.e., the extent to which work is injurious, negative or undesirable to children,⁴ information critical for policy design and targeting purposes. Estimates of child labour are presented based to the extent possible on national child labour legislation.

⁴ Implicit in this distinction is the recognition that work by children *per se* is not necessarily injurious to children or a violation of their rights. Indeed, in some circumstances, children's work can be beneficial, not harmful, contributing to family survival and enabling children to acquire learning and life skills.

Box 1. Children's work and child labour: a note on terminology

Terminology and concepts used for categorising children's work and child labour (and in distinguishing between the two) are inconsistent in published statistics and research reports, frequently creating confusion and complicating cross-country and longitudinal comparisons. In this study, "children's work", is used broadly to refer to all productive activities performed by children. Productive activities, in turn, are defined as all activities falling within the general production boundary, i.e., all activities whose performance can be delegated to another person with the same desired results. This includes production of all goods and the provision of services to others within or outside the individual's household.

The study distinguishes between two broad categories of children's work – economic activity and non-economic activity. The definition of "economic activity" used in the study derives from the System of National Accounts (SNA) (rev. 1993), the conceptual framework that sets the international statistical standards for the measurement of the market economy. It covers all market production and certain types of non-market production, including production of goods for own use. "Non-economic activity" is defined as any productive activity falling outside the SNA production boundary. It consists mainly of work activities performed by household members in service to the household and its members.



The term "child labour" is used to refer to the subset of children's work that is injurious, negative or undesirable to children and that should be targeted for elimination. It can be either economic or non-economic in nature, though most published estimates refer only to the former. Three main international legal standards – the UN Convention on the Rights of the Child (CRC), ILO Convention No. 182 (Worst Forms) and ILO Convention No. 138 (Minimum Age) – provide the legal definition of child labour and a framework for efforts against it. There is not an agreed international statistical definition of child labour, as child labour is defined by national legislation within the framework of the international legal standards.

1. Child labour legislation falls directly under the administration of the Ministry of Gender, Labour, and Social Development. The major labour laws are the Employment Act 2006, No. 6 and the Occupational Safety and Health Act No. 9, 2006. Section 32

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(4) of the Employment Act (2006) prohibits the employment of children in any work that is injurious to the child’s health, dangerous or hazardous or otherwise unsuitable. Section 32 (1) of the Act states that “... a child under the age of 12 years shall not be employed in any business, undertaking or workplace.” Clause (2) of Section 32 states that “... a child under the age of 14 years shall not be employed in any business, undertaking or workplace, except for light work carried out under the supervision of an adult aged over 18 years, and which does not affect the child’s education.” The Occupational Safety and Health Act No. 9, 2006, provides for the inspection of work places, identification of hazards at the work place and other connected matters.

Figure 1. Distinction between child labour and other forms of child work

AGE GROUPS	FORMS OF WORK		
	Non-hazardous work (in non-hazardous industries and occupations and not for excessive hours)		Hazardous work (in specified hazardous industries and occupations) or excessive hours
	Light work	Regular ("non-light") work	
5-11 years	PERMITTED FORMS OF WORK		CHILD LABOUR TO BE ELIMINATED
12-13 years			
14-17 years			

Source: ILO/IPEC

Therefore, for an estimate of child labour in accordance with national legislation, it is necessary to look at all at-work 5-11 year-olds, all at-work 12-13 year-olds except those in light work, and all 14-17 year olds in hazardous work or working excessive hours

Table 1. Lower-bound estimate of child labour involvement

Sex	(a)		(b)		(a)&(b)		(c)		(a)&(b)&(c)	
	children aged 5-11 years in economic activity		children aged 12-13 years in economic activity <i>excluding</i> those in light economic activity ⁽ⁱ⁾		Total in child labour, 5-13 years		Children aged 14-17 years in hazardous work or working excessive hours ⁽ⁱⁱ⁾		Total in child labour, 5-17 years ⁽ⁱⁱⁱ⁾	
	% of total children	No.	% of total children	No.	% of total children	No.	% of total children	No.	% of total children	No.
Boys	2.2	6,920	0.5	1,622	2.7	8,541	3.4	10,726	6.2	19,267
Girls	1.0	3,237	1.2	3,845	2.2	7,082	3.6	11,649	5.8	18,732
Both sexes	1.6	10,157	0.9	5,467	2.5	15,624	3.5	22,375	6.0	37,998

Notes: (i) National child labour legislation allows light work for 12-13 year-olds. The definition of "non-light" work used in ILO/IPEC global estimates (i.e., work equal to or exceeding 14 hours per week) in addition to work less than this time threshold in hazardous sectors, is therefore used in the calculation included in column B. (ii) Includes 14-17 year-olds in hazardous industries and occupations, and those working 43 or more hours per week. Hazardous work is identified following the procedure used in the ILO/IPEC Global Estimates. Hazardous industries in ILO/IPEC draft list are: mining, quarrying and construction. Exclusive of children also in hazardous industries. Hazardous occupations in ILO/IPEC draft list are: optical and elect equip operators; health associated professional; nursing midwife; protective services; forestry and related workers; fishery, hunters and trappers; miners, shot fires, stone cutters and carvers; building frame and related workers; building finishers; metal moulders, welders, and related workers; blacksmith, tool makers and related workers; machinery mechanics and fitters; electrical and electronic equip mechanics and fitters; precision workers in metal; potters, glass makers and related workers; mining and mineral processing plant operators; metal processing plant op.; glass, ceramics and related plant op.; wood processing & papermaking plant op.; chemical processing plant op.; power production and related plan operators; metal and mineral machine operators; chemical machine operators; rubber mach. op; wood products mach. op.; textile, fur, leather mach. op.; food mach. op.; assemblers; other mach. op.; motor vehicle driver; agric and other mobile plant op.; ships' deck crew and related workers; street vendors and related workers; shoe cleaning other street services; messengers, porters, doorkeepers, and related workers; garbage collectors and related workers; agric. fishery and related workers; mining and construction labourers; and transport and freight handlers. Exclusive of children in hazardous industries and/or hazardous occupations, excessive hours defined as ≥ 43 hours per week (iii) Does not include children in unconditional worst forms.

Source: Calculations based on Urban Labour Force Survey, 2009

The results show that 2 percent of boys and 1 percent of girls aged 5-11 years were involved in economic activity in the study area yielding a total of about 10,000 children of this age group being engaged in economic activity. The findings also indicate that about 5,000 children aged 12-13 years were involved in non-light work economic activity, while another 22,000 aged 14-17 years were in hazardous work or working excessive hours. Overall 6 percent of children in the "Greater Kampala" area (about 38,000 in absolute terms) were engaged in child labour.

CHAPTER NINE

POPULATION NOT IN THE LABOUR FORCE

9.0 Introduction

The population not in the labour force (also referred to as the economically inactive population) are those persons aged 14 to 64 years who during the reference period (last 7 days) were neither employed nor unemployed (neither working nor looking for work) because of various reasons which includes school attendance, attending to household domestic duties, retirement or old age, or other reasons like not interested in working, disability etc. Their activities are outside the economic activity as defined by United Nations Systems of National Accounts (SNA).

9.1 Inactivity Rates by Background Characteristics

The inactivity rate is the proportion of the population that is inactive (not in the labour force) to the total working age population. Of the working age population of 1,396,000 persons, 458,000 persons were economically inactive (see Table 9.1 below). The proportion was higher for females (43 percent) compared to that of males (23 percent). The proportion was almost similar by residence.

There were variations in economic inactivity rates by level of education. Those with some secondary education and those who completed S6 had the highest inactivity rates. May be, they could be among the discouraged workers. The inactivity rate among the females who had completed post secondary specialization and those with a degree and above was 20 percent and 11 percent respectively. In comparison to the males with the same level of education, the rates were 5 percent and 0 percent respectively.

Table 9.1: Inactivity Rate by Background Characteristics

	Inactivity rates		
	Male	Female	Total
Residence			
Kampala	22.7	45.3	34.2
Other urban	26.6	43.4	35.1
Education			
No formal schooling	22.1	28.7	26.3
Primary	23.0	46.8	35.6
Some secondary	31.8	53.4	43.3
Completed s6	32.3	53.6	40.2
Completed post primary specialisation	7.2	11.5	10.1
Completed post secondary specialisation	4.7	20.0	11.4

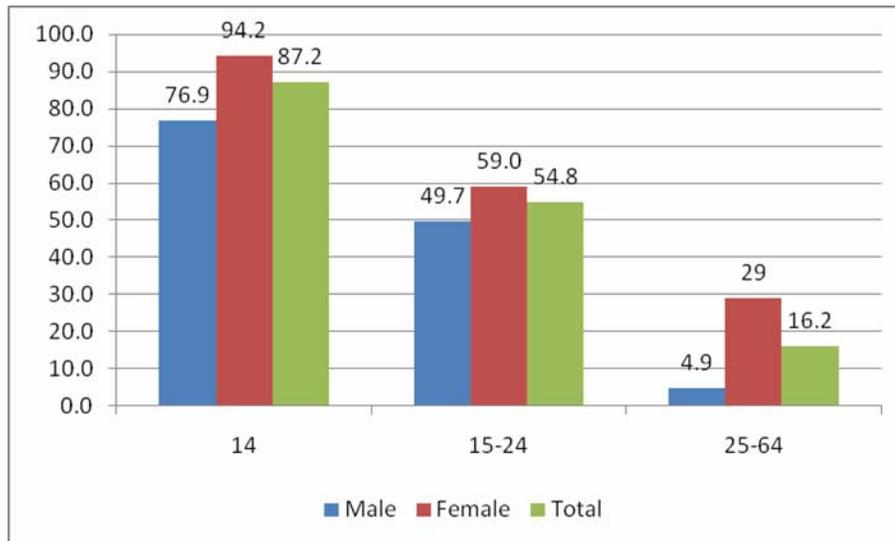
Completed degree and above	0.0	10.5	4.4
Total	22.8	42.7	32.8
Number	157,092	300,980	458,071

Source: Urban Employment Survey 2009

9.2 Inactivity rates by age groups

The inactivity rates show variations by age. The inactivity rate was highest among those aged of 14 (87 percent overall) and declines with age reaching the lowest level of 16 percent in the age group of adults (25-64) as indicated in Figure 9.1. but it implies that more males enter the labour force at the tender age of 14 to 24 compared to the females. The pattern is the same for both males and females. The high inactivity rates exhibited between the ages of 14 to 24 can be explained partly by the fact that this is a school going age and many persons are still in the school system.

Figure 9.1: Inactivity Rates by Age Groups



Source: Urban Employment Survey 2009

9.3 Reasons for Not Being in the Labour Force

As indicated in Table 9.2, full time students accounted for 74 percent of the total economically inactive population. The proportion attending school (full time students) is much higher for males (87 percent) than that of females (66 percent). The taking care of house or family which includes household chores like cooking, fetching water, washing utensils and clothes,

cleaning the house and compound, accounted for 19 percent of the economically inactive population. The proportion of women engaged in Household chores (27 percent) was higher than that for men (only 4 percent). This could be attributed to the cultural tendencies in society, that regard housework is a domain of females.

Table 9.2: Reasons for Economic Inactivity

	Male	Female	Total
In school (full time student)	87.9	65.9	74.1
Taking care of house and/or family	3.9	27.4	18.6
Ill/sick	3.3	0.9	1.8
Others	4.9	5.9	5.5
Total	100	100	100

Source: Urban Employment Survey 2009

Summary of Findings

Almost one third of the working age population was economically inactive; the young are more inactive than older persons are. Full-time Studies and Domestic Chores are the major reasons for being economically inactive.

CHAPTER TEN

POLICY IMPLICATIONS

10.1 Policy Recommendations

Skills training

Ugandans especially the youth are more likely to finish school without the appropriate set of skills demanded by employers. In response, governments can provide public-funded training or financial support for private provision of such measures, which can focus on either general training or more specific vocational skills.

Labour Intensive –Job creation Programmes

Introduction of such programmes could include afforestation and other infrastructure development especially roads maintenance and construction in the country.

Family Planning

Households should have manageable family sizes. Government should promote programmes that encourage the small family size norm.

Under employment

Recommendations for the reduction of under utilization of labour include

- Encourage diversification and mixed agricultural production
- Irrigation schemes need to be promoted
- Farmers education on what to produce and when
- Facilitate the acquisition of markets for products
- Provide loan schemes to the workers in the primary sector to enable them increase their production on the farms

Social Protection

In many sectors especially commercial agriculture sector workers are exploited i.e. pay very little for their produce. For those in wage employment many of them are paid very low salaries/Wages that cannot enable them afford basic requirements. Government should put in place a minimum wage to protect the vulnerable workers who cannot negotiate better wages with the employers. This will facilitate them more out of poverty.

Improve the match between skills and labour demand

While the focus of policy has been on basic education and primary schooling, it is also apparent that a lot needs to be done to develop the skills of young people. Skill mismatch is a major concern where educated youths acquire skills that are not required by the labour market. One approach to tackle the problem of a skill mismatch is to combine formal education with work-based training

Effective Labour Market Information System (LMIS).

Put in place an effective LMIS that will inform and advise the labour market participants on what choices to make in the market

Appendix: 1: Glossary of Labour Terms

Contributing family workers – Members of the household who work in an enterprise operated by the household without pay or profit.

Economic Activity - Work which involves the production of goods and/or services for sale or exchange and production of certain products for own consumption. This excludes household duties like caring for the sick, cooking food, collecting children from school, fetching water, etc.

Economically Active Population – All persons aged 14-64 years were either working or actively looking for work. They therefore include both the employed and unemployed persons.

Economically Inactive Population - Refers to all persons aged 14-64 years who were not engaged in economic activities during the reference period (seven days prior to the survey date) and did not look for work.

Employment-to-population ratio: The employment-to-population ratio is the proportion of the working-age population that is employed. It is derived by dividing the total number of employed person aged 14-64 years by the population of the same age group

Industry – The type of economic activity carried out by an enterprise where a person is working, Irrespective of what work the person actually does there.

Job losers: The job losers are categorised into; (a) persons on temporary layoff, who have been given a date to return to work or who expect to return within 6 months (b) permanent job losers, whose employment ended involuntarily and who began looking for work; and (c) persons who completed a temporary job, and who began looking for work after the job ended.;

Job leavers: The job losers are persons who quit or otherwise terminated their employment voluntarily and immediately began looking for work;

Looking for Work – Persons aged 14-64 years and who were without work during the reference period and had taken specific steps in a specified recent period to seek paid employment or self-employment.

New entrants: These are defined as persons who did not work during the reference period but were searching for work.

Occupation – The actual work that an individual does at the place of work. This is irrespective of the main activity that the organization he/she is involved in.

Re-entrants: defined as persons who previously worked but were out of the labour force prior to beginning their job search;

Share of women in wage employment in the non-agricultural sector:

The indicator is the proportion of female workers in wage employment in the non-agricultural sector expressed as a percentage of total wage employment in the non-agricultural sector.

Usual activities: Usual economic activities refer to the main activity status during a reference period of one year, i.e. the 12 months preceding the interview date.

Vulnerable employment rate: Proportion of own-account and contributing family workers in total employment. This indicator captures the proportion of workers whom are less likely to have formal work arrangements, and are therefore more likely to lack elements associated with decent employment. .

Working Population – All persons aged 5 years and above whose Activity Status was paid employee, self employed or unpaid family worked.

Informal Sector Enterprises

The 15th ICLS (ILO 2000) defined informal sector enterprises on the basis of the following criteria:

1. They are private unincorporated enterprises (excluding quasi-corporations)¹, i.e. enterprises owned by individuals or households that are not constituted as separate legal entities independently of their owners, and for which no complete accounts are available that would permit a financial separation of the production activities of the enterprise from the other activities of its owner(s). Private unincorporated enterprises include unincorporated enterprises owned and operated by individual household members or by several members of the same household, as well as unincorporated partnerships and co-operatives formed by members of different households, if they lack complete sets of accounts.

2. All or at least some of the goods or services produced are meant for sale or barter, with the possible inclusion in the informal sector of households which produce domestic or personal services in employing paid domestic employees.

3. Their size in terms of employment is below a certain threshold to be determined according to national circumstances, and/or they are not registered under specific forms of national legislation (such as factories' or commercial acts, tax or social security laws, professional groups' regulatory acts, or similar acts, laws or regulations established by

national legislative bodies as distinct from local regulations for issuing trade licenses or business permits), and/or their employees (if any) are not registered.

4. They are engaged in non-agricultural activities, including secondary nonagricultural activities of enterprises in the agricultural sector.

Appendix 2: Labour Force Framework

